



# A STUDY ON CUSTOMER SATISFACTION AND PREFERENCE TOWARDS LAKME BRAND PRODUCTS

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## ABSTRACT

*This study is to identify the customer satisfaction and customer preference level and the problems faced by the respondents using lakme brand products. The data has been collected from 135 customer by applying convenient sampling technique. Statistical tools such as percentage analysis, chi-square analysis and weighted score analysis have been used to analyse the data. The study has attempted to cast light on the preference of the customers also this study has necessitated the Lakme company to increase the awareness about its different varieties of products which are high in quality when compared to others brands.*

**KEY WORDS:** Lakme, Customer satisfaction, Awareness, Preference.

## INTRODUCTION

Customer satisfaction has been subjects of the great interest to the organizations and researcher like. The prime objective of organizations is to maximize profits and to minimize cost. Profit maximization can be obtained through increase in sales with lesser costs. Profit maximization can be obtained through increase in sales with lesser costs. One of the important factors that can help to increase sales is customer satisfaction, because satisfaction leads to customer loyalty, recommendations and repeat purchasing. A customer is an individual or business that purchases the goods or services produced by a business. Attracting customer is the primary goal of the businesses, because it is the customer who creates for goods and services.

Lakme is an Indian cosmetics brand which is owned by Hindustan Unilever. Having Kareena Kapoor and chamma as the ambassador, it ranked at number 1 among the cosmetics brands in India. Lakme started as a 100% subsidiary of Tata Oil Mills (Tomco).

It was named after the French opera Lakme which itself is the French form of Devi Lakshmi (the Hindu goddess of wealth) who is renowned for her beauty. It

was started in 1952 famously, because then Prime Minister Jawaharlal Nehru was concerned that Indian women were spending precious foreign exchange on beauty products and personally requested JRD Tata to manufacture them in India. Simone Tata joined the company as director and went on to become the chairperson. In 1996, Tata sold off their stakes in Lakme Lever to HUL, for Rs 200 Core.

## STATEMENT OF THE PROBLEM

This research is aiming to find out the consumer satisfaction towards the Lakme brand products. The research on consumer satisfaction helps to identify the consumers and to know the consumers preferences, choice, taste and other quality parameters by conducting a through analysis and survey with vibrant Statistical methods.

By the introduction of other new brand cosmetics some customers are changing their preference to other brand cosmetics, so to find out the reason why the consumers are switching over to other brands and to know why customers are choosing the particular brand in the market.



## SCOPE OF THE STUDY

This study uncovers the impact, utility and effectiveness and efficiency of marketing strategies of lakme on the success of cosmetic industry and to know the satisfaction and preference towards lakme brand . A special emphasis is laid down on lakme cosmetics. The project begins with detailed information about marketing strategies and the impact of measuring customer satisfaction in cosmetics industry. Further, it covers topics as data collection tools and research methodology used for the project. Then it gives a complete analysis of the data collected and it is then used to reach a conclusion.

The study is useful for the better understanding of marketing strategies towards the lakme cosmetic industry. For the purpose of the study, a questionnaire was designed based on different parameters to judge and understand the customer satisfaction towards lakme cosmetics. Target group of the project was mainly lakme customers. As this study is confined to lakme, it covers an analysis of the customer satisfaction, attitude, perception, marketing strategies with respect to lakme as a brand in cosmetics industry.

## OBJECTIVES OF THE STUDY

- To know the social economic characteristics of the consumer.
- To know the brand preference of the consumer towards lakme products.
- To find out the satisfaction level of consumers towards lakme products.
- To analyze the usage of lakme brand products.
- To examine the problem faced by the customer using lakme products.

## RESEARCH DESIGN

The research design is the blueprint for the fulfilment of objectives and answering questions. It is a master plan specifying the method and procedures for collecting and analysing needed information.

## DATA COLLECTION

The source of data includes primary and secondary data sources.

## PRIMARY DATA

A primary data is a data which is collected for first time for the particular interest to collect more information. In this study, the primary data was collected using questionnaire.

## SECONDARY DATA

Secondary data consist of information that already exists somewhere, having been collected for some other purpose. In this study, the secondary data was collected from studies, magazines, journals and websites.

## SAMPLE DESIGN

Sample design is definite plan determine before any data is actually obtaining for a sample from a given population. The researcher must decide the way of selecting a sample. Samples can be either probability samples or non-probability samples.

## SAMPLE SIZE

The sample size selected for this study is 135 respondents.

## PERIOD OF THE STUDY

The study was conducted for the period of four months. The primary data was collected and it took one month time period. The review of literature and discussions with the field experts in the species board took another one month. Data analysis and interpretation was carried for a period of one month and final period of the report took the remaining period.

## LIMITATION OF THE STUDY

- Time is a major limitation, extensive study was not possible mainly due to time constrain.
- Customer opinions may vary at different time, because of their psychological instincts.
- The accuracy may have suffered because of the respondent consumers recording of what they think was right as against what they do.
- The sample size taken for the study is limited only to 135 respondents.

## TOOLS USED FOR THE STUDY

The collected data were analyzed and interpreted properly to find the results of the research work. Conventional tools like descriptive tables and percentage were used for the purpose of analysis. The graph and charts have also been made use of where ever necessary. Further, the following specific tools were used,

- Simple percentage analysis
- Ranking analysis
- Weighted average analysis
- Chi-square analysis

**REVIEW OF LITERATURE**

**Shukla Monika (2013)** made an attempt to study the factors affecting impact of advertisement of selected Cosmetics items of consumer choice. The respondents opinion towards advertisement of fairness cream, Personal characteristics, demographic factors were taken into account and it was found that consumers practice Related to advertisement of fairness cream affected the impact of advertisement of product on their choice in a Significant manner.

**Sangeeta Gupta, Simple Arora (2013)** in their study on the factors influencing the consumption pattern of Cosmetics by male, revealed that the media is playing vital role in attitudinal change in the societal context. It Was also stated clearly that there is certainly a strong bond between self image, media and societal expectation With respect to the consumption of cosmetics among the urban males in Delhi.

**KEY FACTS**

- Takes pride in being the Indian beauty expert for over 65 years.
- It is a Lakme is the country's first cosmetic brand to introduce makeup to Indian women and complete beauty brand spanning colour cosmetics & skin care and extends to beauty services through the network of Lakme Salons.
- Its bond with beauty and fashion is manifested through the Lakme Fashion Week, which is now the largest fashion event of its kind in the country.

**PRODUCTION STRATEGY**

In the organized makeup industry, Lakme continues the dominant player. With cosmetics being used in India and more women move to work in urban areas, specialists are saying there is increasing pressure to come up with the chic product. With a range of products and fresh additions, the firm has reacted to numerous difficulties and seeks to reinforce its strategy within the manufacturing department.

The one size fits all strategy will not work in which Lakme has to formulate separate sections and place their products for the masses of people and classes accordingly. Under which output is classified as segmentation of demographic, demographics and psychographic. **LAKME AT PRESENT**

The Tatas sold Lakme to Hindustan Unilever, the rapidly growing company in the FMCG sector in 1996. Today, the company has over 300 diverse products that are sold in more than 70 countries worldwide. Their wide price range, starting from Rs 100 to the most expensive ones at Rs 1,000, caters to every kind of audience.

Despite the cut-throat competitions from homegrown as well as international cosmetic brands, Lakme has managed to thrive in the industry over the years. It is probably one of those brands that have transformed society in more ways than one.

As for my aunt, Meeta, Lakme is her go-to brand even today. Over the years she has seen it grown and accepted in society. And while many mistakenly associated the 70-year-old homegrown brand as 'foreign', for her, it will always be a patriotic gift.

**SIMPLE PERCENTAGE ANALYSIS****TABLE 1****RATE THE QUALITY OF LAKME PRODUCT**

S.NO	RATE THE QUALITY	NO.OF RESPONDENTS	PERCENTAGE
1	Very highly quality	11	8.1%
2	High quality	45	33.3%
3	Neutral	59	43.7%
4	Low quality	20	14.8%
5	Very low quality	0	0%
	<b>TOTAL</b>	<b>135</b>	<b>100%</b>

Source: Questionnaire

**INTERPRETATION**

The above table reveals that the quality of lakme product by the respondents. It is clear that 8.1% of the respondents are given as very high quality ,33.3% of

the respondents are given as high quality,43.7% of the respondents are given as neutral,14.8% of the respondents are given as low quality, there is no respondents in very low quality.

**TABLE 2****REASON FOR CHOOSING LAKME PRODUCT**

S.NO	REASON	NO.OF RESPONDENTS	PERCENTAGE
1	Cheap price	7	5.2%
2	Brand name	45	33.3%
3	Quality	48	35.6%
4	Varity	24	17.8%
5	Advertisement	11	8.1%
6	Others	0	0%
	<b>TOTAL</b>	<b>135</b>	<b>100%</b>

Source: Questionnaire

**INTERPRETATION**

The above table reveals that the reason for choosing lakme brand by the respondents. It is clear that 5.2% of the respondents are choosing for the reason of cheap price, 33.3% of the respondents are choosing for the reason of brand name, 35.6% of the respondents are choosing for the reason of quality, 17.8% of the respondents are choosing for the reason of variety of the product, 8.1% of the respondents are choosing for the reason of

advertisement, there is no respondents in choosing others.

**WEIGHTED AVERAGE ANALYSIS**

Under this method, the respondents are asked to rank their choices. This method involves ranking of the items given. To secure a ranking of all the items involved, the researchers total the weights which are given to each item. The heighted weighted score is ranked first and correspondingly the other ranks are assigned

**WEIGHTED AVRERAGE ANALYSIS****SATISFACTION LEVEL TOWARDS SERVICE PROVIDED BY LAKME**

FACTORS	1(5)	2(4)	3(3)	4(2)	5(1)	TOTAL	MEAN SCORE
Price	85	23	21	1	5	135	4.13
	425	92	63	2	5	558	
Quality	14	97	17	6	1	135	3.87
	70	388	51	12	1	522	
Variety of product	30	24	73	6	2	135	3.55
	150	96	219	12	2	479	
Packing	23	42	26	41	3	135	3.30
	115	168	78	82	3	446	
Availability in all shop	22	45	25	10	33	135	3.10
	110	180	75	20	33	418	

**INTERPRETATION**

The above table shows the various satisfaction level towards service provided by lakme products. The highest mean score rise 4.13 for the price.

**FINDINGS OF THE STUDY****SIMPLE PERCENTAGE**

- Majority (56.3%) of the respondents are between the age of 21-30 years.
- Majority (88.1%) of the respondents are female.
- Majority (56.3%) of the respondents are unmarried.

- Majority (62.2%) of the respondents are under graduate.
- Majority (40.75) of the respondents earning from Rs.20,000 to Rs.30,000.
- Majority (37.8) of the respondents are professionals.
- Majority (65.2%) of the respondents are nuclear family type.
- Majority (58.5%) of the respondents family members is between 3-4.
- Majority (38.5%) of the respondents use cosmetics when they wish.



- Majority (39.3%) of the respondents spend amount on lakme products is between Rs.200-400.
- Majority (34.8%) of the respondents are using kajal.
- Majority (43.7%) of the respondents are given as neutral.
- Majority (35.6%) of the respondents are choosing for the reason of quality.
- Majority (54.1%) of the respondents are given yes.
- Majority (44.4%) of the respondents are given as neither easily nor difficulties available.
- Majority (70.4%) of the respondents are given yes.
- Majority (43%) of the respondents are aware of direct sales.
- Majority (84.4%) of the respondents are given no.
- Majority (53.3%) of the respondents are using in the time period 2-3 years.
- Majority (51.9%) of the respondents are neutral .
- Majority (57.8%) of the respondents are given easily available .

### WEIGHTED AVERAGE

The above table shows the various satisfaction level towards service provided by lakme products. The highest mean score rise 4.13 for the price.

### SUGGESTIONS

- Majority of respondents feel that, the price of Lakme products is high. So the company is suggested to reduce the price of the product.
- Most of the consumers are facing the main problem of quantity from their Lakme products. The company should bear in mind to take measures to increase the Quantity.
- The consumers expect the company to offer free offers. So the company should take necessary steps to provide various offers which would help to capture a better market.
- Attractive and effective advertisements through various media should be repeatedly given in order to capture the attention of potential consumers
- As a majority of respondents are influenced by advertisement, especially by Television media, it is better for the company, to improve the impact of advertisement in other media also.

### CONCLUSION

In this study, we discovered the impact of advertising on the brand image and brand identity of cosmetics. A study shows the use of Lakme products by most people who use it in India. The product fulfils the wishes of the company in addition to the wishes of the consumers. In one investigation, I found that people appreciated the easy availability of various products. Cosmetics industry in India - this section made it clear those cosmetics in India is not a new concept. People take care of themselves physically. The only difference is the addition of chemicals and technology to our personal care. Advertising and promotion are essential for cosmetics and personal care products to educate consumers about new products and strengthen brand loyalty. Advertising on television and in print media, such as newspapers and magazines, especially women's magazines, is widespread. Samples of toiletries are distributed to households and bag products are attached to magazines. During the promotional periods, free gifts are offered and promoted in the main local newspapers and on the Internet. and the image and identity of the Lakme product are primarily domestic products and much emphasis is placed on celebrity recognition. Lakme's marketing strategy is to offer new products year after year. Lakme will continue to enable cosmetics companies, like a great customer understanding, to develop suitable products, to correctly price them and increase their profitability.

### REFERENCES

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