



# REVIEW OF RESEARCH

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## “CONSUMER BEHAVIOUR TOWARDS SELECTED HERBAL COSMETIC PRODUCTS WITH SPECIAL REFERENCE TO KALABURAGI CITY”

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### ABSTRACT:

The herbal cosmetic industry is an integral part of the nation's economy with its huge potential. The herbal cosmetic industry is one of the largest consumer sectors in the country. The purchasing power and disposable incomes of the Indian consumer have considerably increased and it has created a niche for leading organizations in this segment in the last decade, resulting in phenomenal growth in this sector. Most of the consumers feel that there were chemicals in cosmetics, which cause many side effects and started switching over to ayurvedic based cosmetics. This study highlights the Consumer Behaviour towards Selected Herbal Cosmetic Products with Special Reference to Kalaburagi City.



**KEYWORDS:** Patanjali Ayurveda products, Herbal products, Consumer behaviour, Cosmetic products

### I. INTRODUCTION

Concept of beauty and cosmetics is ancient as mankind and civilization women are obsessed with looking beautiful. So they use various beauty products that have herbals to look charmed and young. Indian herbs and their importance are popular worldwide. Herbal cosmetics have a growing demand in nature. There is a wide range of women around the world. The Indian cosmetics industry has a huge of herbal cosmetics brands like Patanjali Herbal, Himalaya Herbal, Lotus Herbal, Khadi

Herbal, Jeeva Herbal and many more adding to the list. The Indian cosmetics market is defined as body care, skincare, haircare, color cosmetics, fragrances, and oral care segments. India's cosmetics market was growing with a CAGR of 17.06% over a period of five years. The size of the Indian cosmetics Industry globally is \$274 billion, while that of the Indian cosmetics industry is \$4.6 billion. The current size of the cosmetic Industry is the approx US \$600 million. Industry sources estimate a rapid growth rate of 20% per annum across different segments of the cosmetics industry with an increasing

demand for all types of beauty and personal care products.

### II. STATEMENT OF THE PROBLEM:

The consumer is the king because consumers are the masters of their money and they have an enormous influence on the economic market change because they possess the ability to implement and coordinate their choice of spending or saving in the purchase decision. Consumers are influenced by their attitude towards the product and therefore marketers need to implement their strategies frequently in order to achieve

more consumers. Satisfaction and accurate target in finding out, what customers are aware off and their attitude and thereby offering products according to these needs. It will help the industry stakeholders to enrich their customer experience and accelerate the growth of the market. The process that turns marketing plans into marketing actions in order to fulfill strategic marketing objectives it is called marketing plan but most of the markets are still challenged by their marketing in India. Hence this research aims to explore the consumer's awareness and attitude preference towards herbal cosmetic products with special reference to Kalaburagi city.

### III. OBJECTIVES:

1. To study the consumer awareness of herbal cosmetic products in Kalaburagi city.
2. To study the factor influencing the consumer to use the herbal cosmetic products.
3. To study the level of consumer satisfaction towards herbal cosmetic products.

### IV. SCOPE OF THE STUDY:

The present study will be helpful in understanding the consumer behavior of the different strata people in the Indian society especially in Kalaburagi city, Karnataka towards Herbal Cosmetic Products. The classification of the different strata of the people in area wise, gender-wise, age-wise, income-wise, etc.. The study will also be helpful in analyzing the customer attitude towards the different factors identified after the focus group discussions for the future studies by the researchers. It will also help in studying the effect of cosmetics and herbal purchase of the study specifically among the segment under consideration.

### V. METHODOLOGY:

The study is carried out with the help of both primary and secondary data. The primary data was collected through the herbal cosmetics Retail Outlets in Kalaburagi. The study is based on primary data collected through a questionnaire administered on 60 male and female respondents using Herbal products in Kalaburagi city only. This study describes the customer retention and satisfaction level towards Herbal products. To achieve the objective of the study, collected data has been analyzed by percentage method with Rank.

### VI. LIMITATION OF THE STUDY:

1. The area was wide since it is confined only to Kalaburagi city so results cannot be universally accepted.
2. The study is limited to the sample size of 60 respondents only. So this cannot be a "full proof"
3. The researcher has collected data by convenient sampling using a questionnaire and there is a possibility of certain deviations.

### VII. REVIEW OF LITERATURE:

**Vikrant Arya, Raneev Thakur, Suresh Kumar, Sanjeev Kumar (2012)** The scientific knowledge of the Ayurvedic/herbal drugs has to be transmitted out systematically to compete for the international market and provide consumer satisfaction. **Md. Irshad Ali and Manmohan Yadav (2015)** There is high favourability of Vindhya Herbal products among its users. According to the expert brand having low familiarity and high favourability need to invest in marketing effort and must gain the attention of more people. People use more than one brand of herbal brand products at a time. They switched over to another brand in case of non-availability. **Aindrila Biswas and Mousumi Roy (2016)** Consumers' environmental apprehension governs their WTP with a positive instinct thus suggesting the spread of enhanced environmental awareness concerning the current scenario of the environmental downturn and measures taken to substantiate sustainable development, one most significant being sustainable consumption practices or consumption of environment-friendly products. **Mathuthra and Dr. K Latha (2016)** the essence of the organization is the customer and not the product shall be the heart of the entire business system. The success key in modern marketing is a high consideration of

customers. But selling the product in the market is not an easy task. In a modern time without market research and without understanding the market needs and desire, it becomes difficult to sell the product. It is necessary to find the out needs of the customers and satisfy them. **Dr. Rambabu Gopiseti & G.Linganna (2017)** education and below the 40 years age respondents are more using personal care products. Further, they consider reaching the branded products to the final consumers use the print media and incentive schemes. There, it may be recommended that the marketers must constantly monitor the final consumers and to use the electronic media i.e. T.V. print media i.e. newspaper to create awareness of their brands among the final consumers with quality products. **Neetu Singh & Dr. Manish Bansal(2017)** Majority of the population is not aware and familiar with the terms and conditions of different life insurance plans. It is also explored that education plays a vital role in purchasing life insurance policies. It is scientifically proved that there is a relationship between buying decisions and education. There is a very large part of the market is still untapped in the insurance industry in Punjab. Scope for the insurance industry in Punjab is very wide.

## PROFILE OF HERBAL COSMETICS BRANDS:

### 1. Himalaya Herbal-

Himalaya Herbals is a range of 100% natural and safe products with rare herbs collected from the foothills of the Himalayas. Each product combines the best of Ayurveda with years of dedicated research. Batch to batch performance and complete purity and safety are assured through the application of advanced pharmaceutical technology at every stage of manufacture.

### 2. Lotus Herbal-

Lotus Herbals Ltd. was set up in 1993 and it is engaged in the business of manufacturing and selling various kinds of face cleansers, winter care, sunscreens, hair oils, and shampoos. Lotus Herbals Ltd. is one of the major FMCG companies in India. The products that are manufactured by the company are ayurvedic and herbal. The company has developed its entire range of products by bringing together ancient Vedic wisdom and the technology of the 21st century.

### 3. Khadi Herbal-

Khadi Natural Healthcare is a leading manufacturer, exporter and supplier for Khadi Natural products with the coverage of total 18 states and 35 authorized distributors in all over India. Khadi Natural Health Care is exporting all around the world's 25 Countries with above 50 authorized seller and distributors. We are engaged in manufacturing of Khadi Naturalherbal shampoo, Khadi Natural handmade soap, Paraben free shampoo, and Glycerin transparent soap.

Khadi Natural products are manufactured under the guidance of qualified Ayurveda Doctors and made up of Herbal active ingredients which are formulated from organically grown pure plant extracts. Khadi Natural products are made to WHO, GMP, and ISO standards and incorporate the principles of the preservative recipe for everyday use.

### 4. Patanjali Herbal-

The Patanjali Ayurveda Company started in 2006 by Yoga Guru Baba Ramdev and Sri Acharya Balkrishna in Haridwar, Uttarakhand. March 2012, Patanjali brand marked its entry into the herbal retail market and FMCG with "Swadeshi" flavor of products ranging from body care, health care, home care, digestive, cosmetics, toiletries, etc. The company manufactures more than 900 products including 45 types of cosmetic products and 30 types of food products.

### 5. Vaadi Herbal-

Vaadi Herbals is proud of its knowledge of herbs and their uses, passed on by its parent company; involved in the business of manufacturing and supply of Ayurvedic pharmaceuticals since the last 150 years. Vaadi Herbals embarked upon its journey in the direction of herbal cosmetics and personal care products using an ideal blend of Ayurveda together with modern sciences and formulations. With over 300 stock keeping units, there is a huge variety in the categories of Hair, Skin, Body, Facial, Foot and Gifting kits. Our products are suitable for all hair and skin types, making them widely acceptable in International markets.

**6. VLCC Herbal-**

Luthra started VLCC in 1989, as a beauty and slimming services center in Safdarjung Development Area, New Delhi. VLCC has a strong national and international presence. It offers weight management and beauty programs (skin, body and hair care treatments and advanced dermatology and cosmetology solutions). VLCC's weight-management solutions include a unique DNA-based weight management system to customize weight loss programs for an individual.

VLCC has the largest scale and breadth of operations within the beauty and wellness services industry in India. Currently, the store operates in 326 locations in 153 cities and 13 countries in South Asia, South East Asia, the GCC Region, and East Africa. With over 4,000 employees, including nutrition counselors, medical professionals, physiotherapists, cosmetologists and beauty professionals, VLCC is a leader in the Indian beauty and wellness industry by market share.

**7. Jovees Herbal-**

Jovees Herbal Care India Limited is a Non-govt company, incorporated on 26 Nov 1998. It's a public unlisted company and is classified as 'company limited by shares'. Company's authorized capital stands at Rs 25.0 lakhs and has 62.4% paid-up capital which is Rs 15.6 lakhs. Jovees Herbal Care India Limited last annual general meet (AGM) happened on 29 Sep 2017. The company last updated its financials on 31 Mar 2017 as per Ministry of Corporate Affairs (MCA). Jovees Herbal Care India Limited is majorly in trading business from the last 21 years and currently, company operations are active.

**8. Biotique Herbal-**

Bio Veda Action Research Company is one of India's leading manufacturers and marketers of prestige skincare, haircare, body care, and makeup products. Biotique is a blend of proven Ayurvedic therapies and 21st-century biotechnology. Biotique products are based on botanical extracts of plants, herbs and trees and the protein content in their roots, leaves, flowers, and fruits. They are 100 % vegetarian, environmentally friendly and biodegradable. All Biotique products are Dermatologist Tested, Organically Pure and Preservative Free.

**Analysis and Interpretation:**

The followings are the tables and results brought out from the primary survey conducted in Kalaburagi city.

**TABLE 1. Age of respondents using the herbal Products**

Years	Respondents	Percent	CP	Rank
Below 20	10	16.66	16.66	04
21-30	13	21.66	38.32	03
31-40	22	36.66	75.00	01
Above 40	15	25.00	100.00	02
<b>Total</b>	<b>60</b>	<b>100.00</b>	<b>100.00</b>	

*Source: Data collected through field survey.*

Table 1 refers to the age where Herbal products are being preferred by the age group of below 20 followed by the age group above 40. In this survey 31-40 age, respondents are more aware of herbal products, and the last rank is for below 20 years.

**Table 2. Respondents on Sex**

Gender	Respondents	Percent	CP	Rank
Male	26	43.33	43.33	02
Female	34	56.66	100	01
<b>Total</b>	<b>60</b>	<b>100.0</b>	<b>100.0</b>	

*Source: Data collected through field survey.*

The above table indicates that the total respondents 43.33 percent are male and 56.66 percent female. It indicates that females are more attract herbal products.

**Table 3. Educational Qualification of herbal cosmetic products users**

Qualification	Respondents	Percent	CP	Rank
Below degree	14	23.33	23.33	03
Degree	28	46.66	69.99	01
Above degree	18	30.00	100.00	02
<b>Total</b>	<b>60</b>	<b>100.00</b>	<b>100.00</b>	

Source: Data collected through field survey.

The Table-3 indicates the qualification of respondents. Out of the total respondents, 23.33 percent are below degree holders, 46.66 percent of respondents come under degree holders and it is the majority of the educated respondents, and 30 percent are above degree. It shows that education also influences on buying herbal products.

**Table 4. The income of respondents (Per month)**

Income (Rs)	respondents	Percent	CP	Rank
Below 10,000	12	20.00	20.00	03
10,000 to 20,000	29	48.33	68.33	01
Above 30,000	19	31.66	100.0	02
<b>Total</b>	<b>60</b>	<b>100.0</b>	<b>100.0</b>	

Source: Data collected through field survey.

From the above table found that the income of the respondents influences buying behavior. Income is the main criteria for the purchase of herbal products. Out of the total respondents, 48.33 percent comes under medium income categories, 20 percent are below 10,000 incomes and 31.66 percent indicates a high-income group.

**Table 5. respondents purchase planning of herbal products.**

	Frequency	Percent	CP	Rank
Pre-planned	25	41.66	41.66	02
Spot	35	58.33	100.0	01
<b>Total</b>	<b>60</b>	<b>100.0</b>	<b>100.0</b>	

Source: Data collected through field survey.

Table 5 display that 58.33 percent of the respondents buy their herbal products under spot decision and 41.66 percent of the respondents buy their herbal products through their pre-planning. It is also observed that the majority of the buyers of the herbal products buy their products only through their spot decision.

**Table 6. Reasons for purchasing herbal products by consumers.**

Factors	Respondents	Percent	CP	Rank
Price	09	21.66	21.66	02
Quality	14	23.33	45.00	01
Quantity	13	15.00	60.00	04
Packing	08	13.33	73.33	05
Flavor	10	16.66	90.00	03
Offer	06	10.00	100.00	06
<b>Total</b>	<b>60</b>	<b>100.00</b>	<b>100.00</b>	

Source: Data collected through field survey.

The table indicates that 23.33 percent trust in the quality of herbal products. 21.66 percent of the respondents purchase these products because of price, and the less means 10 percent of the respondents thinking about the offers.

**Table 7. The consumer purchasing power of different herbal companies' products**

Types of Herbal Companies	respondents	Percent	CP	Rank
Himalaya	14	23.33	23.33	1
Lotus	8	13.33	36.66	3
Khadi	5	8.33	45.00	6.5
Patanjali	11	18.33	63.33	2
Vaadi	4	6.66	70.00	8
VLCC	7	11.66	81.66	4
Jovees	5	8.33	90.00	6.5
Biotique	6	10.00	100.00	5
<b>Total</b>	<b>60</b>	<b>100.00</b>	<b>100.00</b>	

Source: Data collected through field survey.

Table 7 infers to product preferences by the consumer, out of 60 respondents 23.33 percent of them prefer Himalaya Products in 1<sup>st</sup> rank, 18.33 percent prefer Patanjali products are the second rank, last is 6.66 percent Respondents are showing interest towards other related products from herbal products.

**Table 8. Factor influencing to purchase of Herbal brands**

Factors	Respondents	Percent	CP	Rank
Family	16	26.66	26.66	2
Friends	15	25.00	51.66	3
Newspaper	10	16.66	68.32	4
TV/Radio	19	31.66	100.0	1
<b>Total</b>	<b>60</b>	<b>100.0</b>	<b>100.0</b>	

Source: Data collected through field survey.

The above table reveals that the respondents have assigned "TV/Radio" is the primary factor (Rank I) and "Family" as the next factor (Rank II), third rank to Friends, fourth rank to Newspaper.

**VIII. FINDINGS:**

1. The study found that in this survey 31-40 age respondents are more aware of herbal products, and less awareness is for below 20 years.
2. It indicates that the total respondents 43.33 percent are male and 56.66 percent female. It indicates that females are more attract herbal products.
3. The qualification also influencing the use of herbal products. Out of the total respondents, 23.33 percent are below degree holders, 46.66 percent of respondents come under degree holders and it is the majority of the educated respondents, and 30 percent are above degree.
4. Income is the main criteria for the purchase of herbal products. Out of the total respondents, 48.33 percent comes under medium income categories, 20 percent are below 10,000 incomes and 31.66 percent indicates a high-income group.
5. Table 5 displaced that 58.33 percent of the respondents buy their herbal products under spot decision and 41.66 percent of the respondents buy their herbal products through their pre-planning.

6. The table 6 indicates that 23.33 percent trust in the quality of herbal products. 21.66 percent of the respondents purchase these products because of price, and the less means 10 percent of the respondents thinking about the offers.
7. Table 7 refers to product preferences by the consumer, out of 60 respondents 23.33 percent of them prefer Himalaya Products in 1<sup>st</sup> rank, 18.33 percent prefer Patanjali products are the second rank, last is 6.66 percent Respondents are showing interest about other related products from herbal products.
8. The respondents have assigned "TV/Radio" is the primary factor (Rank I) and "Family" as the next factor (Rank II), third rank to Friends, fourth rank to Newspaper.

#### IX. SUGGESTIONS:

1. The manufacturers could reduce the chemical combination in herbal cosmetics products without getting any side effects.
2. The price of the herbal cosmetics product can be reduced which would attract more to customers.
3. The manufacturers should conduct a survey for knowing the consumer need.
4. The window display is also an attractive method for attracting customer minds, especially the housewives.

#### X. CONCLUSION:

The study concluded that most of the respondents are aware of herbal cosmetics in India. The people now are not considering the cosmetics as a luxury but most of the consumers feel that there are more chemicals in cosmetics, which cause many side effects and started switching over to herbal-based cosmetics. The cosmetic manufacturing companies after realizing the need of the customer started providing herbal-based cosmetics. Many respondents feel that there are more chemical combinations in the herbal products, which can be reduced by the manufactures, so that customer would increase its usage. This study enables the manufactures to know the need and preference of the customers which can be implemented by them to improve their products in the customer mind.

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