

A Study on Factors Influencing Purchase Behaviour of Skin Care Products

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Abstract

The present study is an attempt to figuring out what influences people to buy the skincare products. The global skincare market was forecast to continuously rising. Today people are well informed about skincare, and there is high influence of social media. The objective of the study is to examine the socio-economic conditions of consumers of skin care products and to identify the factors determining the purchase behavior of skincare products. This study examine different factors influencing the demand for skincare products which are dermatologist consultation, previous experience, weather or climate , social media, brand ambassadors and celebrities , attractive packaging and presentation, product quality, brand or company reputation and price .All these factors have less or more influence on purchasing decision of skincare products. The study provides an insight into consumer's preferences and behavior. Most of the respondents are like to use home remedies for their skincare, it indicates that natural or organic ingredients will increase the demand for skincare products. So the companies should consider adding home remedies benefits into their product and advertising them. The study shows the dynamic nature of consumer preferences in the skincare market.

Keywords: Skin care Products – Home made Remedies

1.0.Introduction

The global skincare market was forecast to continuously increase between 2023 and 2028. Nowadays people are more aware of skin health. There are so many factors which influence the growing demand for skincare products. Most of people would like to be beautiful, healthy and good looking. The people may use skincare products due to skin diseases or skin problems. Different climate conditions also influence the skincare products demand. Today the weather is unpredictable, everyone needs a cosmetic capable of protecting their skin to avoid the impact of the environment. Weather and climate changes can alter skin moisture levels and oil production, impacting the efficacy and necessity of skincare products. Today people are well informed about skin care, they can access information from social media, different online selling platforms, beauty salon also from the dermatologist. But social media is most influencing one, it influences the demand for skincare products by providing platforms for influencers and consumers to share review, testimonials, and skincare routine which can create trends and drive product awareness.

1.1 Skincare Products

Skincare products are cosmetic products designed to maintain and improve the health and appearance of the skin. These products can include cleansers, moisturizers, serums, sunscreens, toners, exfoliates and more. They are formulated with various ingredients to address specific skin concerns such as hydration,

acne, aging, and sun protection. A number of skincare brands are available in the market. And the skincare routine includes AM and PM representing morning and night skincare respectively.

1.2 Market Trends of Skin Care Products

The present generation prioritizes their health, including maintaining a consistent skincare regimen. Elevated concerns regarding skin health prompted a surge in the need for skincare products, driven by issues like acne, black spots, scars, dullness and tanning. Youthful demographics exhibit heightened demand for skin brightening essentials, toners and scrubs, while the elderly demographic increasingly seeks solutions for wrinkles and cracked heels. Evolving lifestyles and shift in consumer expenditure towards premium beauty care items are anticipated to bolster the skincare market. Furthermore, the rising awareness of sun exposures adverse effects has led to an increased demand for sunscreen lotions and creams.

1.2.1 Global Skin Care Market Trend

The global revenue in the skincare segment of the beauty and personal care market was forecast to continuously increase between 2023 and 2028. With an increasing number of brands trying to address the specific needs of consumers, skincare has address the specific needs of consumers, skincare has emerged as one of the fastest-growing segments in the personal care category. A survey by Unilever in February 2021, involving 10,000 respondents across nine countries, including US, India, and China revealed that 74% of participants prioritize the beauty and personal care industry, focusing more on making people feel better,

The global skincare market has experienced significant growth in recent years and is expected to continue expanding in the future. This growth can be attributed to various factors, including increasing consumer awareness of skin health, rise of e-commerce and digital influence, growing demand from the aging population coupled with changing lifestyles and the expansion of the skincare market in emerging economies.

1.2.2 Skincare Market Trend in India

Data by Research and Markets show that the skincare products market in India was worth \$6.53 billion in 2022 and is expected to reach \$8.84 billion by 2027 at a Compounded Annual Growth Rate (CAGR) of 6.25%. Statista reports that India ranks fourth in revenue generation from the beauty and personal care market in 2021, just behind the US, China and Japan. The skincare market in India has grown significantly as people have started to believe that good skin not only helps in maintaining beauty but natures physical wellbeing.

1.3 Significance of The Study

Changing lifestyle and consumers spending patterns on premium beauty care products are projected to support the skincare market growth. And there are so many factors which influence the demand for skincare products. Studying what makes people choose skincare products is really important. By figuring out what influences people to buy these products, companies can make better decisions about what to sell and how to sell it. Studying the influencing factors of increasing demand for skincare products is vital for both the industry and consumers, as it promotes better products, economic growth and healthier akin products.

1.4 Statement of The Problem

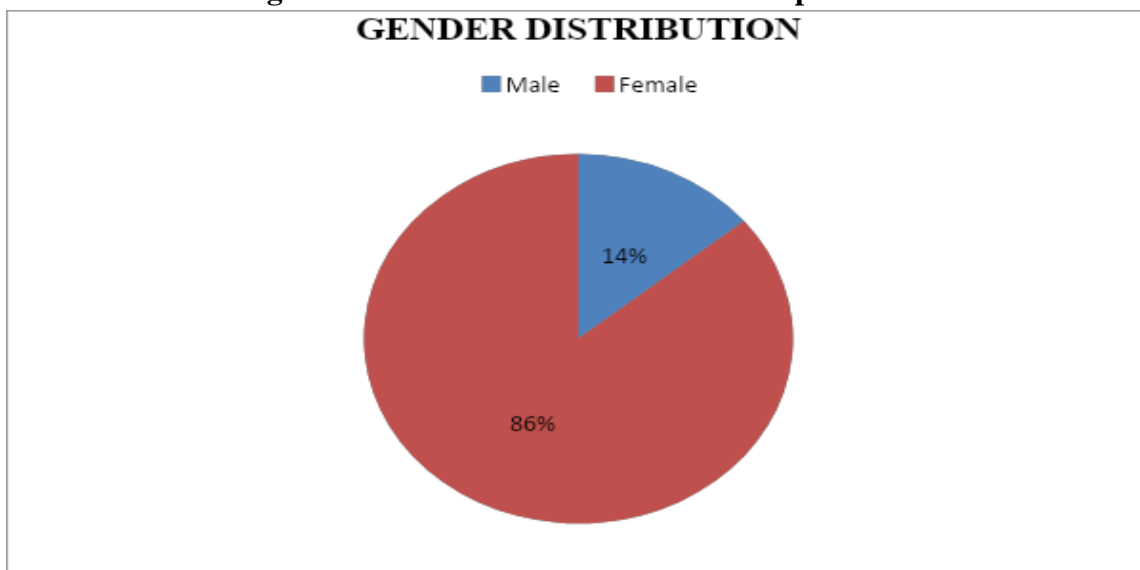
In the skincare industry understanding the factors that influence consumer demand is crucial. The use of skincare products is increasing and it is important to know where the customers getting information about skincare. Despite the growing significance of the skincare market, there exists a gap in comprehensive research that identifies and analyzes the specific elements shaping consumer choices for skincare products in this region. This study aims to fill the gap in knowledge and make the skincare market better for everyone. (Huda & Sultan, 2013) A growing number of consumers are shifting their purchasing habit from conventional skincare products to herbal skincare products. Responding to this, many conventional skincare manufacturers are now opening a new branch in their skincare product lines, and labeling it as “herbal” to grab this promising market.

An increase in the consumer awareness, advancements in product formulations, and the influence of social media contributed to the growth of the skin care market. Understanding the factors that influence the demand for skin care products is crucial for businesses, marketers, and policy makers to effectively meet consumer needs and preferences. This study tries to explore and analyze the various elements that shape consumer demand for skin care products. For this purpose samples are collected and the analysis is done.

1.5.1 Gender wise distribution of Respondents

The consumer behaviour of women while purchasing cosmetics is substantially different from that of other genders, primarily men. The historical systems of patriarchy and ‘feminine’ beauty standards have most definitely had a role to play in the propagation of the narrative that to be perceived as ‘attractive’, women must spend exorbitant amounts on the purchase of cosmetics products. Approaching the term ‘woman’ from an intersection perspective, it is of crucial importance to understand the influence of beauty standards on trans women, specially-abled women, women from a different class, caste, religion, and other social characteristics, and the consequent variability in their cosmetic purchase patterns. That is 14 percent of the respondents are male and rest 86 percent of the respondents are female.

Figure: 1 Gender wise distribution of respondents



Source: Survey Data

1.5.2 Occupation of the respondents

Occupation of the respondents will help to understand the socio economic conditions of the respondents.

The study explains that 8.4 percent of the respondents are self-employed, 11.2 percent are office workers, 2.8 percent are service workers, 3.7 percent are house wife, 62.6 percent are students, 8.4 percent are unemployed and 2.9 percent of the respondents are in other occupations.

1.5.3 Monthly income of respondents

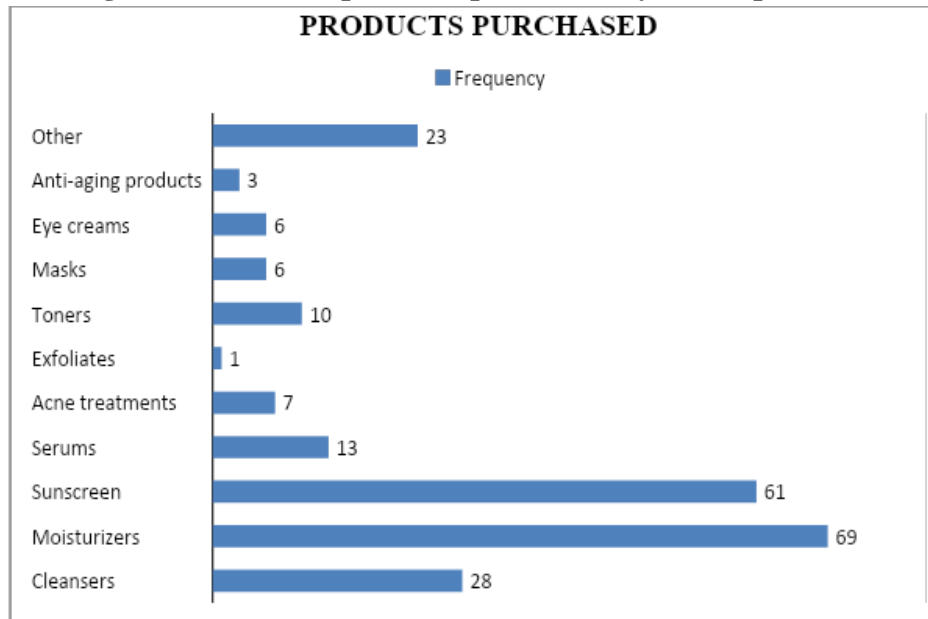
How much money people spend a month on skin care products depends on the monthly income. Average monthly expenditure for purchasing skin care products and beauty budget is determined by many factors including monthly income.

study reveals that 64.5 percentage of the respondent’s monthly income is less than 10000, 14 percent is in between 10000-20000, 13.1 percentages is in between 20000-30000, 2.8 percentages is between 30000-40000, 1.9 percentages is between 50000-60000 and 3.7 percentages is above 60000.

1.5.4 Types of Skincare Products Purchased

Types of skin care products suitable to different skin types include Cleansers, Moisturizers, Sunscreen, Serums, Acne treatments, Exfoliates, Toners, Eye creams, Anti-aging products and others. This information allows identifying the products which are in demand. Most of the respondents are using more than one product.

Figure 2. Skin care products purchased by the respondents



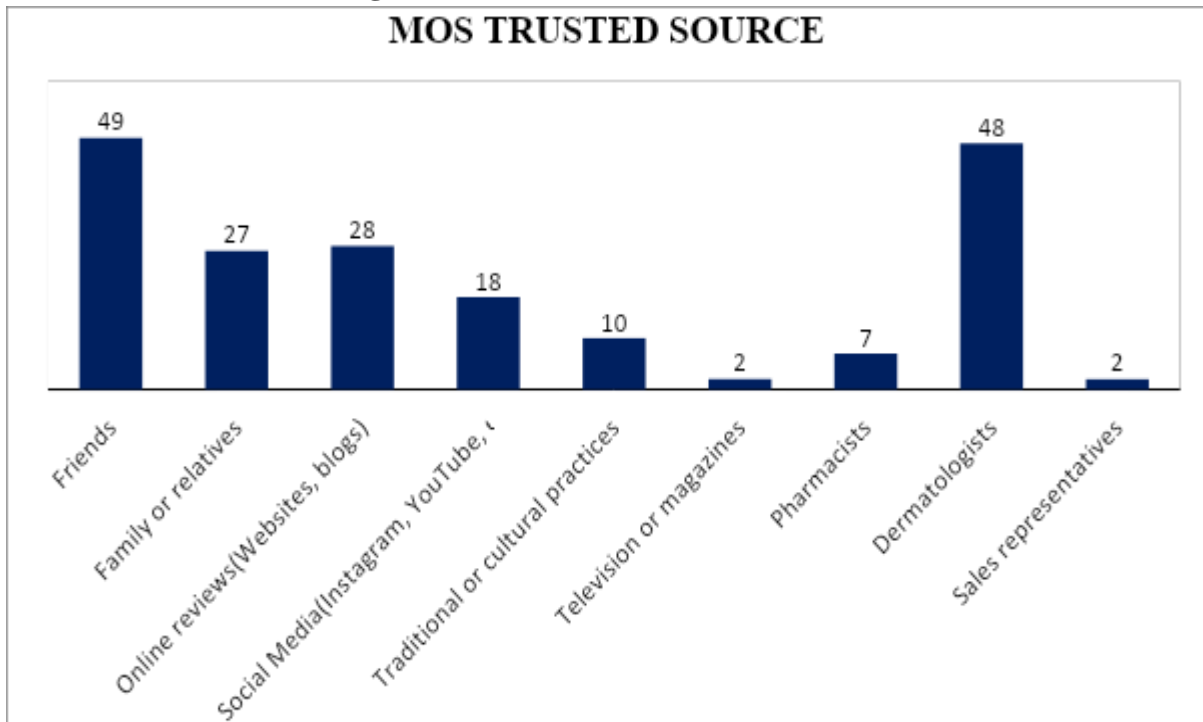
Source: Survey Data

1.5.5. Source of Information about Skincare Products

Skin care research sources of information are two types: reliable and unreliable. Major sources of information are; friends, family and relatives, online reviews, social media, television. Magazines, pharmacists, sales representatives and dermatologists

This will reveal where the consumers are getting their knowledge and recommendations from. This information helps in assessing the influence of various channels on consumer behaviour. 43.9 percentage of the respondents gets information about skincare products from friends, 24.3 percentage is from family or relatives, 38.3 percentage is from online reviews, 43.9 percentage is from social media, 14 percentages is from traditional or cultural practices, 7.5 percentage is from television or magazines, 3.7 percentage is from pharmacists, 26.2 percentage is from dermatologists and 1.9 percentage is from sales representatives.

Figure 3 Trusted source of information



Source: Survey Data

1.5.6 Channels of Purchase

The leading distribution channels in the Indian skincare market are convenience stores, department stores, direct sellers, health and beauty stores, and hypermarkets, supermarkets. Specialized cosmetic and skin care shops, single cosmetic brand shops, online shopping sites, hospitals and clinics other than dermatologists clinics, dermatologists clinics. Convenience stores dominated the market in 2021. Study delineates that 20.6 percentage of the respondents are purchasing skincare products from specialized cosmetic and skincare shops, 13.1 percentage are from department stores, 4.7 percentage are from single cosmetic brand shops, 56.1 percentage are from online shopping sites, 29.9 percentage are from retail shops, 5.6 percentage are from hospitals and clinics other than dermatologist clinics, 1.9 percentage are from large grocery store chains and 13.1 percentage are from dermatologists clinics. Most of the respondents rely on online shopping sites for purchasing skincare products.

Figure 4. Channels of purchase



Source: Survey Data

1.5.7 Interest in purchasing natural or organic skincare products

The study explains the respondents demand for skincare products that contain natural or organic ingredients. Knowing whether consumers prioritize natural or organic ingredients can guide marketing strategies and product development. Among the respondents 5.7 percentage is never demand natural or organic skincare products, 2.8 percentage is rarely, 6.5 percentage is occasionally, 19.6 percentage is sometimes, 11.2 percentage is frequently, 27.1 percentage is usually and 27.1 percentage is every time demanding natural or organic skincare products.

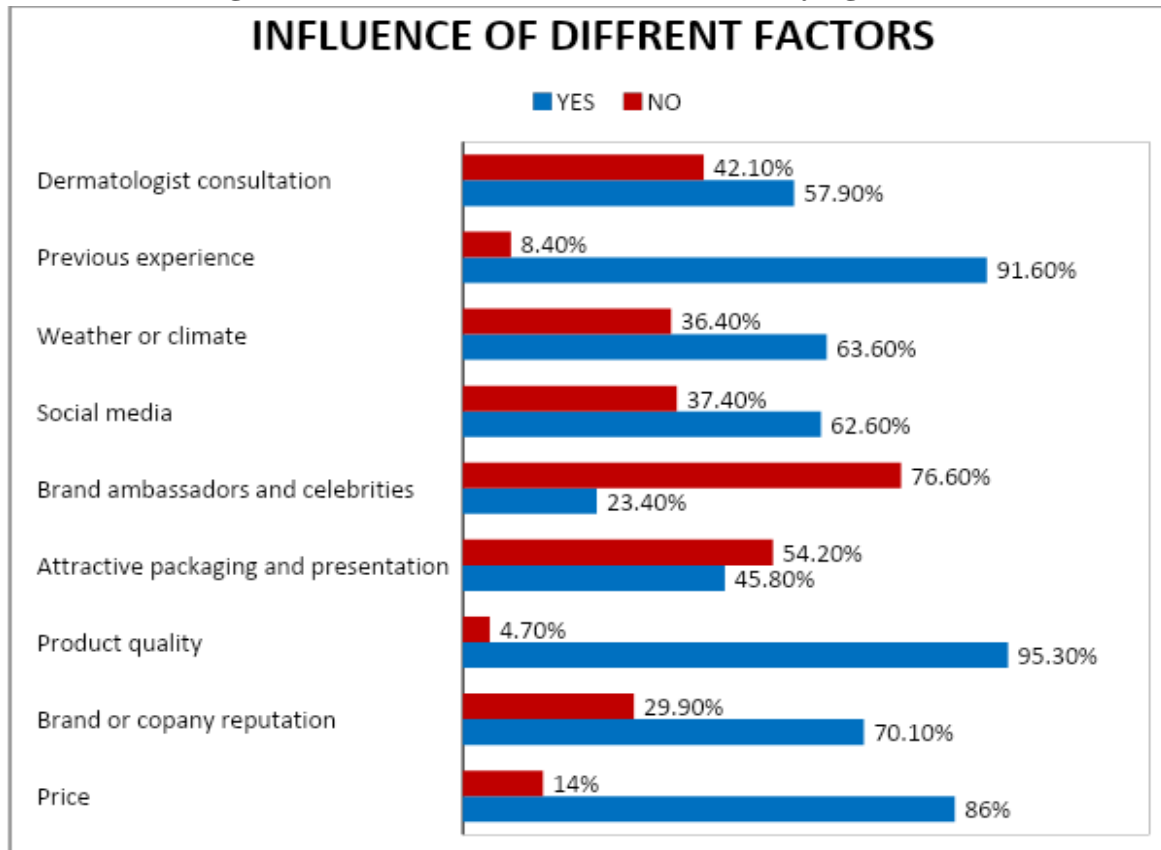
1.5.8 Impact of social media on skincare product purchasing decisions

The survey describes the influence of social media on consumer behaviour in the skincare product market. By knowing if consumers rely on social media for recommendations or reviews, this will reveal the impact of online platforms on purchasing decisions. This can also explain the effectiveness of digital marketing strategies and importance of online platforms on purchasing decisions. 62.6 percent of the respondents purchasing decisions are influenced by social media and 37.4 percent are not influenced.

1.5.9 Influencing factors in consumer’s buying decision of skincare products

This analysis reveals the influence of different factors in demand for skincare products. 86 % of the respondents is considering price in their purchasing decision, 70.10 % of the respondents skincare product demand is influenced by brand or company reputation, 95.30 % of the respondents purchasing decision is influenced by product quality, only 45.8 % is by attractive packaging and presentation, and only 23.40 % influenced by brand ambassadors and celebrities, 62.60 % is by social media, 63.60 % is by weather or climate, 91.60 % is by previous experience and 57.90 % of the respondents purchasing decision of skincare product is influenced by dermatologist consultation.

Figure 5. Influence of different factors in buying decision



CHAPTER IV

Source: Survey Data

1.6 Suggestions

Based on the findings from this study, several suggestions can be made for various stakeholders in the Skin Care industry.

- Given the concerns around and regulated skin care products companies should prioritize transparency about their product ingredients and safety.
- Educate consumers about the importance of using and regulated products and the potential risks associated with unregulated ones through social media and dermatologists.
- Establish effective feedback mechanisms can help companies understand the consumer needs and preferences.
- Offer a range of prices to attract both high- end and budget conscious customers.
- Maintain strict quality control to ensure consistent and safe products.
- Create clearly labeled products for different skin types (oil, dry, sensitive).
- Clearly list and highlight natural and organic ingredients.
- Develop products for different Seasons like hydrating creams for winter sunscreen for summer.
- Educate consumers on how pollution affects skin and how your products can help and develop products that protect against pollution.
- Provide access to Dermatologist consultation to help customers choose the right products.
- Develop products that incorporate popular home remedy ingredients.
- Develop home Spa kits that include everything needed for a salon-like experience. Tease kits can include face masks, exfoliators, serums, and tools like facial rollers or steamers.

1.7 Conclusion

This study has provided a comprehensive analysis of the various factors influencing the demand for skin care products, revealing insights into consumer preferences and behaviour. The findings highlight the significance of several critical elements including price, brand reputation, product quality, prior experience, skin type, natural or organic ingredients, social media influence, weather and climate conditions, pollution protection and dermatologist consultation.

Many people like using home remedies for their skin care. This means that natural and organic ingredients are very important in skin care products. Companies should consider adding days home remedy benefits into their products and advertising them. Overall, the study underscores the dynamic nature of consumer preferences in the skin care market and the need for industry stakeholders to adapt and innovate continuously. By addressing the identified factors and implementing the suggested strategies, Skin Care companies can better meet consumer demand, improve consumer loyalty, and drive growth in an increasingly competitive market.

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