

Brand Journey from Awareness To Loyalty –A Study Of Skin Care Cosmetic Products

BRAND JOURNEY FROM AWARENESS TO LOYALTY – A STUDY OF SKIN CARE COSMETIC PRODUCTS

M.JYOTHI

Research scholar and Asst Prof in Vasavi college of Engineering

Prof. H.VENKATESWARLU (Retd),

Research supervisor

Dept. of Commerce, Osmania University, Hyderabad.

Abstract: The present research paper attempts to analyze the journey of a product from brand awareness to brand loyalty in the cosmetic industry. Cosmetic industry is one of the fastest growing industries in the Indian market and is valued at around 6.5 billion USD in 2018-19. The cosmetic industry is racing with enormous growth potential. The projected growth of the industry by the year 2025 is expected as 22 percent. It is of relevance to note that almost 22 percent of the consumer packaged goods is from the beauty industry and the growth of the industry is almost double than the growth in US and Europe. Awareness about the existence of a brand in the market is a prerequisite for the brand to move into the purchase decision making process. The brand selected as per the considerations of each individual will be purchased and if the brand meets the expectations of the individuals, they continue to buy the brand contributing to the loyal base. Brand awareness and brand loyalty in skin care are considered for the study as skin care segment is the leader in the cosmetic industry. It is a known fact that the consumer studies are mainly based on survey results, the present analysis is based on the information gathered through the administration of the questionnaire to the females of 18 and above 18 years of age living in the twin cities of Hyderabad and Secunderabad. The sample is a convenience sample with 407 responses covering college going girls, home makers, working population. Descriptive statistics and chi square test are used for the purpose of analysis. Age and occupation are taken as the independent variables to study the impact of age and occupation on brand loyalty in the skin care segment. The age and income of the respondents have not shown any significant impact on brand loyalty for cosmetic products. Similarly, age and occupation are not influential in the factors affecting loyalty.

Key words: Brand awareness, brand recall, brand loyalty and consumer.

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I. Introduction:

The post liberalization era opened up the economy providing great many opportunities to the business establishments. Consequently, the competition has become intense in the industrial market and personal product industry is no exception to it. The growth of the personal product industry has been witnessed mainly in the post liberalization period. The reason for the hampered growth in the personal product industry was high excise duties. The excise duties on cosmetics were as high as 120 percent keeping the products far away from the general consumers. Campaigns were conducted for the reduction of excise duties which reaped fruits in the post liberalization era. The excise duties were gradually brought down from 120 percent to 40 percent. The benefit of excise duty reductions were passed on to the consumers in the form of reduced prices making cosmetic products affordable to the masses.

The reduction in excise duties coupled with liberalization policies paved the way for international companies such as Revlon, Oriflame, L'Oreal and others to operate on the floors of the Indian market. Subsequently, the Indian cosmetic market has become highly competitive. Over years, there was a paradigm shift in the consumers' attitudes. Consumers have become more health conscious and started demanding products with natural ingredients like herbal and ayurvedic. Shahnaz Hussain pioneered the Indian ayurvedic cosmetic market with her range of ayurvedic products. Himalaya, Biotique, Lotus Herbals, Forest Essentials and Kama Ayurveda and some more followed the suit. Consequently, the Indian cosmetic market segregates itself into organic and inorganic categories.

In addition to the above, the growing consciousness among males and females to feel good and look good resulted in the increase in demand for gender specific cosmetic products. In order to meet the increasing demand for skin care products by the males and the females specifically, companies started offering a great variety of gender specific products making cosmetic market intensely competitive. In an intensely competitive market where several firms offer similar products, product identification and differentiation becomes difficult for the consumers making branding highly desirable.

Branding is a process of assigning a brand name, sign, symbol or a combination thereof to the products. Firms can adopt different branding strategies suitable to them. Usually, companies facing competition in the market adopt family branding, corporate branding or multiple branding strategies. Under family branding, a group of products are assigned a single brand name whereas in corporate branding, all the products of a particular company are given a single brand name. In multiple branding strategies, a firm assigns different brand names for similar products.

Firms may adopt different branding strategies but the ultimate purpose of a branding strategy is to facilitate consumers in identification of a product of one company with that of others and makes it simple to ask for. Branding also provides an assurance of certain quality for units under a brand name, offering protection to the consumers. In the case of new products, people prefer a known brand for its assurance on quality and performance. At times, the brand becomes so popular that the purchases are made by the consumer only on the basis of the trust imposed on a brand rather than considering the company behind the offering. In all, a powerful brand name is presumed to have consumer franchise.

Besides, brand name facilitates companies in promoting their products. In the absence of a brand name, effective promotion of the company specific products will remain a distant dream. Promotion is often carried out by great many firms through advertising. The media vehicles chosen for communication through advertisements are dependent upon the reach of the media to the masses. The most common media vehicles used for promotion are television, radio, the print media and the social media which is growing faster in the communication world. The aim of promoting through popular media is to create brand awareness in the market.

Brand awareness is the beginning of a product's journey from the company to the household. Brand awareness is the ability of the potential consumer to recognize the brand and associate it with the company that is offering the brand. Brand awareness, precisely, is related to the strength of the brand mode or trace in memory as reflected by consumer's ability to identify the brand under different conditions (Kevin Lane Keller, 1993).

Brand awareness play a significant role in the process of purchase of a brand because no purchase can actually take place without the consumer being aware of the brand. The knowledge about the availability of a brand in the market results in considering the brand in question in the purchase decision. Knowledge about the brand existence alone is not sufficient to consider it in the purchase decision. The consumer must also be in a position to recall the brand whenever the purchase is planned.

Brand recall is the ability of the potential customer to store the message received through advertisement. The recall capacity of an individual increases with the increased number of exposures to the advertisement. Repeated exposure to the advertising message increases the probability of strengthening the association with the brand and slows down the process of forgetting. High retention capacity and greater brand recall performance are positively associated with repeated exposure to advertisements. However, exposure to advertisements beyond a limit results in satiation and contributes to decline of attention and retention. This effect is known as advertising wear out which can be reduced by changing the advertising message and format retaining the theme. It is observed in a study that three different advertisements for a given brand results in greater brand recall than same advertisement repeated thrice.

Brand awareness and brand recall are not the sure paths for the purchase of a brand. They only enhance the possibility of inclusion of a brand in the purchase decision process. The consumer, who is aware of a brand and is in a position to recall the brand consider the alternative brands available before choosing a particular brand. Consumer also considers the new brands entering the market place; compare with the existing brand and then make a choice of the brand. As consumers make a choice from the list of brands that they can recall, they may not use every brand that they are aware of for numerous reasons. The chosen brand will be tried and if the brand satisfies the pre-purchase criterion, the customer make repeated purchases of the brand. The probability that the consumers will continue to purchase the same brand in future is known as brand loyalty.

Brand loyalty is an advantage which early entrants enjoy in the market as compared to new entrants. At the same time, brand loyalty will be weak for products that have more acceptable brands in the market place. One study conducted on consumer purchasing habits states that the brands which claim a larger market share generally will have large group of loyal consumers. A strong base of loyal customers proves to be an intangible asset to the company and hence companies try to find new ways to measure consumer satisfaction and develop systems for continuous up gradation of products to retain the customers. In an attempt to perform the most difficult activity of customer retention, companies started offering high quality products that are reasonably

priced. Companies focusing on customer retention realize that the true measure of quality is not zero defects but zero defection

Brand loyalty information also helps companies in understanding the need to redevelop or repackage the product and aids in estimating the promotional expenditure to reinforce the positive attitudes about the brands in the minds of the current customers. Emanating from the importance of brand loyalty, the goal of marketing strategies is to develop a highly consistent market share through brand loyal consumers.

II. Literature Review

Brand loyalty is a gateway to tailor the products according to the requirements of the consumers. An analysis of the major factors contributing to consumer satisfaction helps the firms in customer retention. A survey result states that 50 percent of consumers stay loyal to the brand used in the skin care category whereas same is not the case with the colour cosmetics.

Brand loyalty is a function of customer satisfaction which in turn results from various factors.

$$B_L = f(CS)$$

B_L = Brand loyalty

f = function

CS = customer satisfaction

The primary factor that leads to customer satisfaction is the quality of the product. Quality is a qualitative aspect which is difficult to measure as it differs from person to person depending on the expectations about the performance of the products. It is henceforth referred as perceived quality. In cosmetic industry; perceived quality implies mainly performance and skin suitability. The other major factors that contribute to brand loyalty are, performance of the product, price of the product, pack size, brand popularity etc. A review of literature shows the association of different factors and brand loyalty.

Sushil Kumar M Parwar (2014) The study has been conducted with a small convenience sample of 113 respondents in the age group of 18 to 40 years belonging to Kheda and Vadodara Districts of Gujarat. The analysis done with the help of Chi-square test, Garrett ranking method and descriptive statistics indicate that a majority of respondents are aware of the brands available in the market for cosmetic products. The information about new brands is gathered mainly from websites with newspapers contribution towards awareness being very low. It is interesting to note that celebrity advertising has not shown much impact on the brand purchase. The brand loyalty is also high for cosmetic products with quality playing a predominant role. The respondents who crosses over to other brands from the brand that is in use was mainly due to quality, products not suitable to the respondent's skin and at times on account of others' recommendation.

Usman Yousaf, Rida Zulfiqar, Madiha Aslam, Mohsin Altaf (2012) The survey was done by administering a questionnaire to 133 female students of University of Sargodha, Sargodha, Pakistan. The intention of the survey was to study the relation between brand loyalty and brand credibility, brand association, brand awareness, perceived quality and product knowledge with the help of statistical tools such as descriptive statistics and comparison of mean along with regression analysis. The study covers four major brands in cosmetics namely, L'Oreal, Pond's, Johnson & Johnson and Etude. The results of the study shows that brand awareness is highly influential on brand credibility although a positive relation is established with brand association, brand awareness, perceived quality and product knowledge. Respondents using L'Oreal brand came out as more loyal customers compared to the users of Pond's, Johnson & Johnson and Etude.

Hossein Nezakati, Chua Pool Yen and Maryam Akhoundi (2013) The study focuses on younger generation of Malaysians, Indians and Chinese (both males and females) to understand mainly the relation between perceived value and customer satisfaction and brand loyalty. The study also considers perceived value, corporate image, service quality and customer satisfaction relationships as independent variables to investigate their impact on brand loyalty. The sample size chosen for the data collection is 200 respondents. The findings of the study indicates that the correlation (Pearson's) between corporate image and satisfaction of the consumer, corporate image and service quality, service quality and perceived value, perceived value and customer satisfaction, perceived value and brand loyalty and brand loyalty and consumer satisfaction as significant.

Dr. Hamza Salim Khraim (2011) A survey is done with a sample of 382 respondents in UAE on female consumers and the results were analyzed through the use of descriptive analysis, one way Anova and Pearson's correlation. The independent variables considered for the study are brand name, price, product quality, service quality, product design, promotion and store environment. The results of the study reveals that the brand name, product quality, promotion and service quality are considered to be influential in having brand loyal consumers taking income levels as the independent variable. While considering age as a factor, brand name and price are the only two variables that are more significant in creating brand loyal customers. Eventually, perceived quality emerged as the single most factor influencing brand loyalty.

Corra research on beauty product loyalty provides some interesting revelations. The study considered 1000 women from US who are 18 years old or plus. The consumers were considered to be loyal towards a brand when they continue the same brand for 5 years and above. Cover girl claimed highest brand loyalty as per the survey results. It is also observed that powders and facial serums have got high loyalty. The reason stated for the loyalty is the quality of the brand followed by long usage of the brand. However, respondents who earn more are not loyal to the brand and switch over to another brand when they find a better quality product at relatively lower prices.

Lydia k. Mwai, Dr. Anne W. Muchemi, Consolata W. Ndungu (2015) The study is about the relation between brand trust and brand loyalty, perceived value and brand loyalty, brand price and brand loyalty. The data is primary in nature and has been collected through the administration of questionnaires to 60 salon operators in Nyeri town. Descriptive statistics, Karl Pearson's correlation, logistic regression analysis are used for analysis purpose. Perceived quality has been strongly agreed as the most important factor influencing brand loyalty. Brand trust and perceived value are agreed upon as the second rated factors in influencing loyalty.

As per the results published by Indian Statista about women's loyalty to brands in UK, Millennials are observed to be less loyal but not price conscious and female respondents showed a mixed response for brand switching. Cosmetics design done a survey in 2015 on the brand loyalty among US consumers and identified that the loyalty is low in heavy cosmetic users category with millennials spending at the top of the table.

III. Objectives:

The objectives of the study are:

To identify brand awareness and brand recall among the respondents

To measure the brand loyalty in the skin care category

To test the association between factors that contributes to brand loyalty and brand loyalty across age groups and occupation levels.

IV. Methodology:

The data collection source is primary in nature. A structured questionnaire has been administered to the females who are 18 and above 18 years of age residing in the twin cities of Hyderabad and Secunderabad. The questionnaire contains closed end questions to acquire more accurate results. To study the factors influencing brand loyalty and the factors responsible for brand switching, five point Likert scale has been used. The data collection began with a sample of 100 respondents to test the reliability of the data collected. The Cronbach alpha was 0.96 which facilitated the data collection from a total sample of 407 respondents. The data analysis has been done using SPSS tool. Descriptive statistics and Chi square test are applied to check the impact of age and occupation on brand awareness and recall and brand loyalty. The level of significance taken for testing the association is 5%.

Scope of research:

The primary concern of the firms in a highly competitive market is to retain the customers. In order to retain the customers, firms must understand the factors influencing consumers to remain loyal to the brand in use. The impact of age and occupation levels on various factors responsible to create brand loyal customer base is considered for analysis. The study covers females living in the twin cities of Hyderabad and Secunderabad. The respondents belong to different age groups ranging from college going girls to older generation to understand the difference in their behavior.

Analysis and findings:

Table 1
Age (in Yrs)

Age (in years)	Frequency	Percent
18-22	271	66.6
23-38	79	19.4
39-54	49	12.0
Above 55	8	2.0
Total	407	100.0

Table. 2
Own Occupation

Occupation	Frequency	Percent
Home Maker / House Wife	27	6.6
Employed	128	31.4
Pursuing Education	170	41.8
Any Other	82	20.1
Total	407	100.0

The respondents based on age and occupation is categorized into four groups each. The sample comprises mainly the younger generation in the age group of 18-22 and hence the respondents who are in the category of pursuing education are more. Home makers constitute a negligible proportion of the sample as they were reluctant to respond to the questionnaire.

Table 3
Brand awareness and Recall

Brand	Number	Percentage
Ponds	215	52.8
Lakme	48	11.8
Oriflame	12	2.9
Patanjali	11	2.7
Biotique	7	1.7
L'Oreal	5	1.2
Forest Essentials	2	0.5
Neutrogena	2	0.5
Shahnaz Husain	1	0.2
Total	407	100

The study, in its first place attempts to understand the brand awareness and brand recall for the leading nine brands (2018) of cosmetic products. The brand recall is scattered across brands due to the existence of large number of brands in the skin care category. However, brand recall is highly associated with long standing of the brand in the market. Pond's claim a lion's share of the brand recall followed by Lakme, Oriflame, Patanjali, Biotique, L'Oreal, Forest Essentials, Neutrogena and Shahnaz Hussain. 52.8 percent respondents recalled Pond's alone while Lakme has been recalled by 11.8 percent. It is noteworthy that Patanjali claims a low brand recall in the cosmetic category despite its immense popularity in the market in the recent past.

Despite the popularity of Pond's and Lakme, Nivea claims to be the most commonly purchased brand for moisturizers, sunscreen and anti aging product categories. Lakme claims an equal share with Nivea in the moisturizer category and Pond's lead the table in talcum powders category.

Table 4
Brand usage

Product	Nivea	%	Pond's	%	Lakme	%
Fairness Creams	74	18.2	55	13.5	74	18.2
Moisturizing Lotions / Creams	156	38.3	56	13.8	21	5.2
Sunscreen Lotions / Creams	69	17	25	6.1	44	10.8
Talcum Powders	48	11.8	150	36.9	-	-
Anti Aging Creams / Lotions	47	11.5	35	8.6	16	3.9

Brand loyalty is the primary concern of firms in a highly competitive market like cosmetics. The respondents who use the brand for more than 5 years are considered as brand loyal and the respondents who use

a brand for less than 1 year are considered to be the brand switchers. The loyal base of respondents was observed only for talcum powders whereas for other product categories there was a mixed response. Age and occupation did not show any significant relationship with the brand loyalty leaving apart the fairness creams. In the fairness category, significant relationship between age and loyalty is quite evident.

Table 5
Brand loyalty

Product	Age	Accept/Reject	Occupation	Accept/Reject
Fairness Creams	0.031	Reject	0.327	Accept
Moisturizing Lotions / Creams	0.053	Accept	0.964	Accept
Sunscreen Lotions / Creams	0.817	Accept	0.598	Accept
Talcum Powders	0.114	Accept	0.315	Accept
Anti Aging Creams / Lotions	0.204	Accept	0.603	Accept

The post consumption satisfaction of the consumer is significant in maintaining a loyal base of customers. An understanding of the reasons for the satisfaction and dissatisfaction of consumers facilitate companies in customer retention. Quality of the brand and suitability to the skin are considered as the major factors to result in brand loyalty. Availability in all places and different sizes, the fragrance, long standing of the brand in the market and brand reputation also contributes reasonably in continuing the brand in use. 55.2 percent of the respondents use the brand which family decides. Around 50 percent of the respondents also consider brand name, natural products and the availability of many variants contributing to loyalty. International brands contribution is very low in maintaining a loyal base of customers. The mean for all the factors influencing brand loyalty is above 3 and below 4 indicating that respondents agree with the reasons. Similarly, the mean of factors contributing to brand switching also lie between 3 and 4 communicating that the respondent agree with the reasons mentioned.

Occupation of the respondents has no association with any of the factors influencing the usage of a specific brand. Age and long standing of the brand in the market, age and the brand's suitability to the individual's skin tone and age and the company behind the brand offered shows a significant relationship.

Table 6
Reasons for purchasing a brand

Statement	Age	Accept/Reject	Occupation	Accept/Reject
Available all the time and in all places	0.255	Accept	0.812	Accept
They are in the market for a long period of time	0.01	Reject	0.572	Accept
They contains Vitamin Oils etc.	0.472	Accept	0.765	Accept
Family members use the brand	0.166	Accept	0.228	Accept
The brand is from a company of repute	0	Reject	0.161	Accept
The brand is suitable to my skin tone	0.004	Reject	0.661	Accept
Quality of the brand is maintained	0.223	Accept	0.67	Accept
They are International brands	0.297	Accept	0.114	Accept
The brand is available in different sizes	0.419	Accept	0.837	Accept
Name of the brand influence purchase	0.78	Accept	0.924	Accept
Brand is specifically addressed to my age group	0.598	Accept	0.52	Accept
The fragrance is good	0.234	Accept	0.072	Accept
Many variants are available	0.456	Accept	0.079	Accept
No other brand is available	0.971	Accept	0.491	Accept
Available in the Lotion or Gel form which is easy to apply	0.671	Accept	0.262	Accept
Companies do hide the information about the harmful components of the product on the pack	0.766	Accept	0.334	Accept

Respondents are not specific in sticking to one brand which is evident from the neutral attitude they show. The decrease in the performance of the product and brand unsuitability to the skin tone mainly leads to change over of brand in use to another brand. Variations in prices, entry of natural products and the introduction of better performance products influence some in crossing over to another brand. The significant relationship between the independent variables and the factors responsible for brand switching is absent.

Table 7
Reasons for change of brand

Statement	Age	Accept/Reject	Occupation	Accept/Reject
When the performance of the product decreases	0.959	Accept	0.896	Accept
Introduction of Herbal brands in the market	0.198	Accept	0.595	Accept
The price of the brand in use increases slightly	0.681	Accept	0.859	Accept
When the brand is not suitable to the skin tone	0.549	Accept	0.223	Accept
New brands entering the market with better performance	0.099	Accept	0.343	Accept
Never change the brand	0.769	Accept	0.352	Accept

V. Findings:

75 percent of the respondents are able to recall only a single brand that is most probably the brand that is in use. Quality remains the core factor for brand loyalty and firms need to maintain and improve the perceived quality for increased brand loyalty. The suitability of the brand to different skin tones is another major factor for brand loyalty. In this regard companies must use safe ingredients in the manufacturing of the products. National brands have better opportunities to penetrate as very few are specific about International brands. Overall, the brand loyalty showed a mixed response.

VI. Conclusions and suggestions:

Brand awareness is still low with respect to cosmetics. Some brands like Shahnaz Hussain, Blossom Kocchar and so on do not advertise which results in low brand awareness. Another factor is that a satisfied consumer do not search for information and continue to use the same brand. Companies need to focus on creating better brand awareness through various media vehicles available. Quality and suitability of the brand to the skin tone being major factors contributing to brand loyalty in skin care segment, companies need to upgrade the products continuously to meet the changing requirements of the existing customers and to draw new customers to sustain in this highly competitive world.

Scope of further research:

The study is confined to the females who are of 18 and above 18 years of age. However, the usage of cosmetics among males shows rising trends. The use of cosmetic products is also on the rise among the children which provides scope for research on those lines. Further, the study is confined to 5 selected products which are commonly used in the skin care category. The other product variants and colour cosmetics can be considered for the study.

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