Brand Image Analysis: A Study on Cosmetics in Hyderabad

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ABSTRACT

The manufacturing of cosmetics is currently dominated by a small number of multinational corporations that originated in the early 20th century, but the distribution and sale of cosmetics is spread among a wide range of different businesses. Rising consumer awareness and changing lifestyles amongst India's booming population have led to significant opportunities in cosmetics. The reason behind this growth is down to people becoming more beauty conscious in India, due to changing lifestyles and increasing consumer awareness giving market players lucrative opportunities. The main purpose of the study is to find out global brand familiarity, favorability and to study consumer perception in terms of consumer expectations and brand loyalty in color cosmetics in Hyderabad. The data is collected from 100 customers of various brand users by administering a structured questionnaire using non-probability sampling technique. Chi-square test is applied for testing hypotheses on brand loyalty, consumer expectations and brand familiarity. It is found that Lakme and Revlon brands are very familiar and consumers are very favorable to these brands. Good appearance, attractive look, younger look and fashionable are major expectations of the customer on color cosmetics.

Key words: Customer Expectations, Brand Familiarity, Favorability, Brand Loyalty

1. Introduction

Brand Image, which is usually include product' name, its main physical features, and appearance (including packing and logo), and its main function is, the key to answer the question of how consumer chooses among alternative brands after information gathering processes of buyer behavior. Alternative evaluation is how the consumer uses this information to evaluate the options and arrive at a brand choice. The perspective focusing on psychological attributes of a product of consumer states that consumers often choose products, services and activities over others because these associate these attributes with a certain life style, a self-image or ascribed status. They attempt to preserve or enhance their self-image by buying products that they believe that are congruent with the self-image (Sirgy, 1982). For that reason, marketing professionals see the symbolic image of products and/or services as more important in their success than their physical characteristics and attributes (Aaker, 1991). Therefore, within such a framework it seems possible to mention brand familiarity and favorability to understand target customer's knowledge of the products or services for positioning. The paper focuses on these aspects of color cosmetics in Hyderabad.

2. Literature Review

Cosmetics are the substances used to enhance the appearance or odor of the human body. Cosmetics include skin-care creams, lotions, powders, perfumes, lipsticks, fingernail and toe nail polish, eye and facial makeup, novelettes, permanent waves, colored contact lenses, hair colors, hair sprays and gels, deodorants, hand sanitizer, baby products, bath oils, bubble baths, bath salts, butters and many other types of products. A subset of cosmetics is called "make-up," which refers primarily to colored products intended to alter the user's appearance.

The manufacture of cosmetics is currently dominated by a small number of multinational corporations that originated in the early 20th century, but the distribution and sale of cosmetics is spread among a wide range of different businesses. The U.S. Food and Drug

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Administration (FDA), which regulates cosmetics in the United States defines cosmetics as: "intended to be applied to the human body for cleansing, beautifying, promoting attractiveness, or altering the appearance without affecting the body's structure or functions."

Rising consumer awareness and changing lifestyles amongst India's booming population have led to significant opportunities in cosmetics, which has traditionally been dominated by existing market players, many of which are home-grown businesses. However, according to the research team, growth in this market is now leading to further opportunities for existing players as well as opportunities for larger multinationals. This growth is being driven by increased access to branded goods, helped by the significant development of the retail segment, together with increasing number of women workers who are now enjoying increased economic power and financial independence.

The study, entitled "Indian Cosmetic Sector Analysis (2009-2012)" also takes into account all the other key categories, shows that, in general, it is affordability and a rising consumer base that are the main drivers behind cosmetic sales of around INR 356.6bn ($9bn) last year. Researchers indicated that Indian cosmetic industry is expected to remain on its growth track in coming years. According to the study, the industry will grow at a CAGR of around 17 per cent between 2010 and 2013, underlining the fact that categories such as skin care and hair care are expected to return even higher rates of growth. The reason behind this growth is down to people becoming more beauty conscious in India, due to changing lifestyles and increasing consumer awareness giving market players lucrative opportunities.

3. Research Problem

Knowledge of brand awareness and its role is important for the design of an organization's marketing strategies. This study aims to determine the brand familiarity, favorability and loyalty in case of Color Cosmetics. Image analysis is the base for developing communication strategies to strengthen company's products or services.

4. Objectives

The study has been carried out with the following objectives :

(i) To find out brand familiarity and favorability of major brands in Color Cosmetics.

(ii) To study consumer perception in terms of expectations and brand loyalty in case of color cosmetics in Hyderabad.

5. Hypotheses

i). Brand loyalty and age group are independent in case of cosmetics

ii) Consumer expectations on younger look, good appearance, fashionable and to look attractive are equally distributed

iii) There is significant difference in the preference for a particular brand between users and non-users

6. Methodology

The data has been collected through a structured questionnaire by adopting non-probability sampling technique from 100 customers of cosmetics targeted at ladies in Hyderabad. Brand familiarity and favorability scale is applied to measure brand familiarity and favorability. Chi-square test is applied to test hypotheses. The respondents are classified as under graduates, post graduates, working women and housewives. Based on age groups, respondents are further classified into below 25 years and above 25 years to test hypotheses. Again, they are classified into users and non-users, and favored and not favored for analyzing brand preference and brand loyalty respectively. Major cosmetics brands considered for the study are Lakme, Revlon, Elle 18 and Maybelline.

7. Brand Familiarity

Lakme and Revlon brands are very familiar to all consumers and brand awareness level is 100%. In case of Elle 18 and Maybelline, familiarity varies from 63% to 94% as shown in Table 1. The brand awareness of color cosmetics is very high in Hyderabad.

Table 1: Brand Familiarity (%)

Classification	Lakme	Revlon	Elle 18	Maybelline
Graduates	100	100	94	76
Post Graduates	100	100	93	81
Working Women	100	100	90	88
Housewives	100	100	75	63

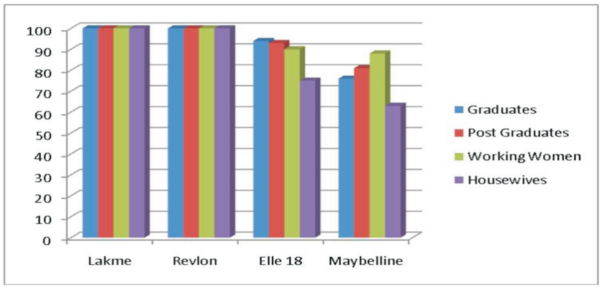

Figure 1: Brand Familiarity

For Lakme and Revlon, brand familiarity for Graduates, Post graduates, working women and housewives is almost similar, while for Elle 18 brand familiarity becomes highest for Graduates. Lastly for Maybelline, brand familiarity becomes highest for working women.

8. Customer Expectations

Major expectations of consumers on cosmetics are good appearance, attractive look, fashionable and younger look as shown in the following Table 2.

Table 2: Customer Expectations (%)

	Good Appearance	Attractive Look	Fashionable	Younger Look
Under Graduates	62.5	25	5	7.5
Post Graduates	55.56	22.22	5.55	16.67
Working Women	66.67	20.83	4.17	8.33
Housewives	77.78	11.11	5.56	5.55

From the above table it is obvious that customer expectations in terms of percentage becomes highest for housewives with good appearance (i.e. 77.78%), for undergraduates with attractive look (i.e. 25%), for housewives with fashionable (i.e. 5.56%) and for Post Graduates with younger look (16.67%) respectively.

H0: Consumer expectations in terms of younger look, good appearance, fashionable and attractive look are equally distributed.

Table 3: Customer Expectations

	Good Appearance	Attractive Look	Fashionable	Younger Look	Total
Below 25 years	34	15	7	2	58
Above 25 years	31	6	2	3	42
Total	65	21	9	5	100

By applying Chi-Square test on the data presented in Table 3, the calculated value 4.28 is less than the table value for 12.8 for 3 degrees of freedom, at 5% significance level. So, null hypothesis is accepted.

Hence, consumer expectations in terms of younger look, good appearance, fashionable and attractive look are equally distributed.

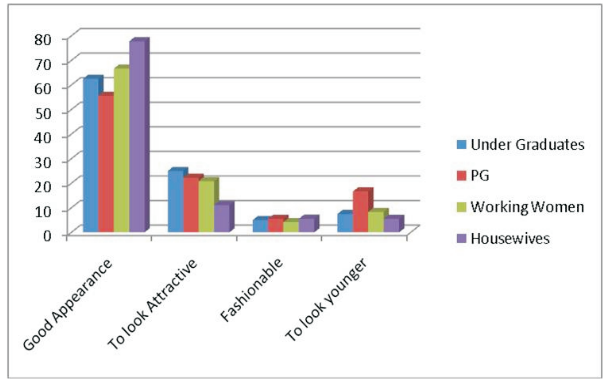

Figure 2: Customer Expectations

From the above graph, it is clear that customer expectations for good appearance becomes highest for housewives. Customer expectations for attractive look becomes highest for undergraduates; customer expectations for fashionable look becomes highest for housewives. Finally for younger look, customer expectations becomes higher for Post Graduates.

9. Brand Favorability

Major brands considered for studying brand favorability are Lakme, Revlon, Elle 18 and Maybelline. The data is classified into users and non-users based on consumers' brand preference and usage as shown in Table 4 and hypothesis is tested.

H0: There is no significant difference in preference for a particular brand among users and non-users

Table 4: Brand Favorability

	Lakme	Revlon	Elle 18	Maybelline
Favorable	73	34	22	11
Unfavorable	27	66	78	89

By applying Chi-Square test on the data presented in Table 4, the calculated value 96.28 is greater than the Table value (12.8) for 3 degrees of freedom, at 5% significant level. So, null hypothesis is rejected. Hence, there is significant difference in preference for a particular brand among users and non-users.

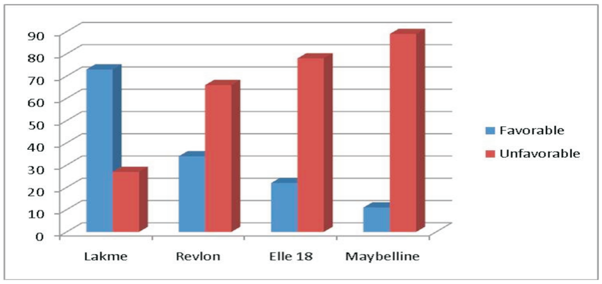

Figure 3: Brand Favorability

From the above graph, it is obvious that brand favorability becomes more for Lakme and least for Maybelline. Similarly, brand unfavorability becomes more for Maybelline and least for Lakme. Further, the degree of brand unfavorability is more as compared to brand favorability.

10 Brand Loyalty

The respondents are classified into two groups as shown in the following table based on age criteria and hypothesis has been tested.

H0: Brand loyalty and age group are independent in case of cosmetics

Table 4: Brand Loyalty

	Not Favored	Favored	Total
Below 25 years	15	43	58
Above 25 years	10	32	42
Total	25	75	100

By applying Chi-Square test on the data presented in Table 4, the calculated value 0.05 is less than the table value (7.88) for 1 degree of freedom, at 5% significant level. So, null hypothesis is accepted. Hence, brand loyalty and age group are independent in case of cosmetics.

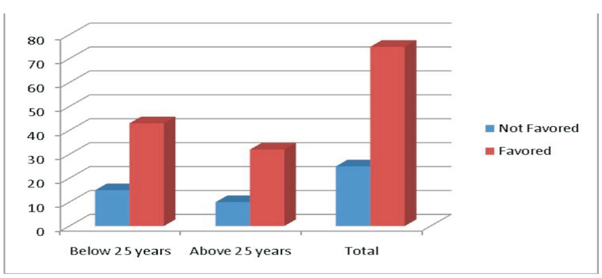

Figure 4: Brand Loyalty

From the above graph, it is clear that brand loyalty becomes more favourable for all age groups. Further, the degree of favourable brand loyalty is higher than that of unfavourable brand loyalty.

11. Findings

(i) Brand awareness level is 100% in case of Lakme and Revlon.

(ii) Consumer expectations in terms of younger look, good appearance, attractive look and fashionable are equally distributed in case of cosmetics in Hyderabad.

(iii) Brand Loyalty is independent of age group in the industry.

(iv) There is significant preference for a particular brand among users and non-users in Hyderabad.

12. Conclusion

Brand familiarity is very high for global brands such as Lakme, Revlon, Elle 18 and Maybelline in Hyderabad and it is marked 100% familiarity in case of Lakme and Revlon. The brands meet consumer expectations such as fairness, younger and attractive look, fashionable, and good appearance. So, customers do not want to change their brand. Hence, Brand Loyalty is high in case of color cosmetics. Majority of the consumers are very favorable to Lakme and Revlon brands. It can be concluded that the image of the cosmetics brands such as Lakme and Revlon is positive and very high.

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