

HEB**Study on Herbal Cosmetic Products****CASS****Dibyendu Bera & **Dr. Garima Malik***MBA Student, Amity Business School, Amity University, Uttar Pradesh****Associate Professor, Amity Business School, Amity University, Uttar Pradesh**Address for Correspondence: serviceheb@gmail.com***Abstract**

People are now more relying on natural products these days. The natural products includes that age old ingredients like heena, haldi, chandan, etc for beauty and skincare. They look for those products that do not cause any side effect and also provide them more benefits and they are ready to put their money in such products. This industry is booming in national as well as international markets. All the market players like Himalaya, Ayur, Biotque, Forest essentials etc. are trying their fate in this segment. They are creating a completely new positioning for themselves in the minds of their consumers. The aim of the study is to find out the factors that affect the consumer buying decision for natural products and also to determine the level of satisfaction among consumers after using these products.

A questionnaire was designed and response was recorded for 265 respondents. Factor analysis and z test was applied. The findings include: the 5 main factors that affect consumer buying decision are Quality, Brand name, Difficulty to avail, Promotion and Price. In which quality, brand name, price and promotion play a positive role but difficulty to avail plays a negative role.

Keywords: Consumer Behaviour, Herbal cosmetics Products, Customer Satisfaction.

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Received on 25/03/2019
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1. Introduction

In the present scenario, customers believe on products which are free from artificial chemicals i.e. they prefer products made by the chemicals which are the creativity of nature. Talking about the exact definition of Natural Product, it is a chemical compound or substance produced by any living creature present in nature. So, anything or any product whose substances are from any living creature or any life, those can be called Natural Products. This segment was untouched by the scientists in 90s, but now this segment is extended for many commercial purposes like in cosmetics, dietary supplements, and food production

1.1 Trend of “natural” in beauty and personal care industry.

The trend of being healthy and wellness in people’s mind is the major factor which is driving the sales of these types of products. Since this segment or industry was untouched, so this provides abundance of opportunities to the manufacturing companies which market products in the form of natural, organic, ayurvedic or herbal. In India, the major customers which are mainly targeted by the companies for sales are the young generation who are earning and they are now choosing to invest or spent in these products.

1.2 Ayurvedic/ Natural products in beauty and personal care

In the country of huge population, the increase of demand for natural, herbal and ayurvedic in beauty and personal care segment has created a tough competition among the companies. Talking about example, Patanjali Ayurved, Hindustan Unilever, Colgate-Palmolive India, Dabur India, Emami, Marico and Godrej Consumer Products introduced various new items for capturing the maximum market share. Forest Essentials and Kama Ayurveda are the highest in this segment of products and others are now following these companies’ model. And the main reason for the growth of the new emerged companies is the increase demand of this natural products.

The old brands are now focusing on educating customers about the important advantages of using natural products by advertisements platforms and also by displays in store.. These brands are focusing and will continue in increasing the distribution over the predicted period in order to increase penetration and reach.

1.3 Organic products in beauty and personal care

Organic personal care products are made from natural ingredients of plants extracting under eco-friendly conditions. The most used products are facial care, under body care, sun care, conditioners, shampoos, hair colors, mascaras, lipsticks, foundations, feminine hygiene products, mouthwashes, toothpastes and deodorants. Synthetic chemicals named such as parabens, phthalates, petrochemical and aluminum salts are added to such products are not included in these products manufacturing.

In the global personal care industry, organics is seen as one of the fastest growing segments. Customers now concerns towards health, and their concerns towards environment are also increasing and also consumer awareness level towards the dangers of synthetic chemicals are also raised, so the demand for

organic personal care products are very high. The products which customers chose should be Eco friendly and also nontoxic in nature.

But there is one main factor which is also limiting the demand of these products are the product life. Since Synthetic products preservatives in order to preserve the ingredients for a long time so, manufacturers of organic products have no option or find very difficult to find organic ingredients which could be alternative to the synthetic preservatives. And the main thing is that the organic products which contains natural preservatives either have short life span or need to be refrigerated. Companies are trying their level best to find a similar organic mixture which can act as preservatives and donot show side effects as artificial preservatives, so that the organic industry grow.

The graph of level of awareness and availability of organic products in the market is peaking upwards in India. Many market players which are based in Tier II or Tier III cities such as Omveda, SoulTree, Sattvik Organics and others have created a niche for themselves in the beauty and personal care segment. This segment is also present as online retailers like thebodyshop.in, kamaayurveda.com, naturalmantra.com, organicsshop.in, and others.

The competition is now transferring to international level as the foreign companies are now also trying to capture Indian market. Many global brands now position their products by using the term “Natural”.Famous brands like Avon, Fair & Lovely and Oriflame among others have developed products such as Avon Naturals Ayurvedic Whitening 3-in-1 cleanser, Fair & Lovely Ayurvedic Care Face Cream and Oriflame Pure Nature Tropical Fruits Facial Kit etc.

In the segment of personal care, natural ingredients are also present in these products, be it hair oils, conditioners, shampoos and hair gels. Ingredients such as shikakai, almond, amla, Heena (Mehandi), Reetha, Milk Protein, Bhringraj, Neem, Tulsi, Olive oil, Aloe vera are some of the ingredients that are used from many days and are also growing.

This is the reason, the competition in the natural, herbal and Ayurvedic market within beauty and personal care in India is projected to remain very intense in the coming years.

1.4 Growth of natural products in Indian market

Companies falling as cosmetics giants such as L’Oreal and HUL are launching out different ayurvedic shampoos, conditioners, oil and cream like Garnier Ultra Blends, Ayush and acquired hair oil brand Indulekha, which is confirming the growth of the natural products market. Local companies as well as market giants are trying their level best in this segment and trying to launch new products to fulfill the customerneeds and also what they are looking for. Every companies are now using the term “Natural” in their products.

As per Economic Times, a study was conducted by a research firm Euromonitorwhich mentioned that supermarkets as well as the online stores are reporting that ‘natural’ products have been flying off store

shelves clocking 20-25 per cent year-on year growth versus 10 per cent for regular ones. In addition to this, not only the cosmetics giants are sharing these share, all the private labels are sharing in this shares.



Figure 1.1

Source: <http://brandequity.economictimes.indiatimes.com/news/business-of-brands/indians-prefer-natural-and-organic-in-personal-care/54597594>

Top 10 natural product brands in India

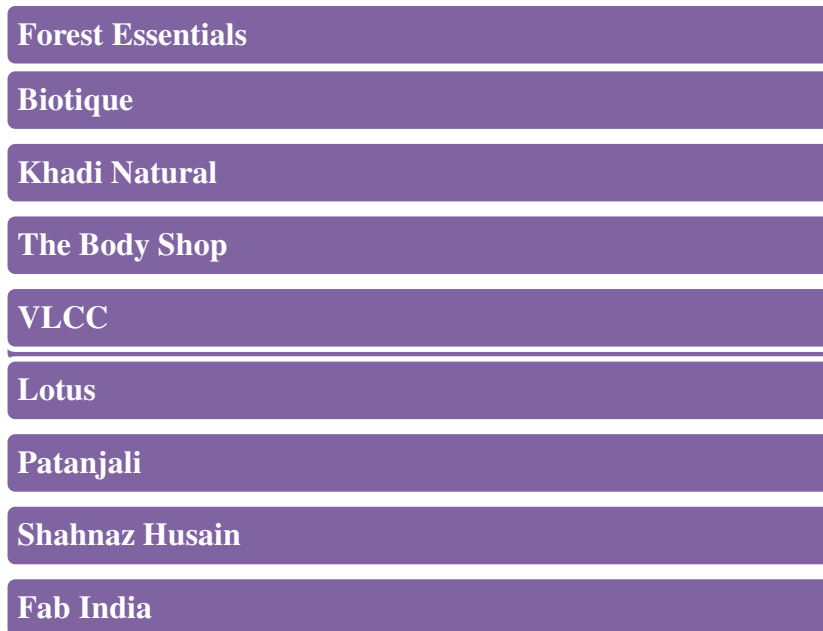


Figure 1.2

1.5 Drivers of growth: There are basically 3 reasons for the growth of this industry

- a. Increasing demand for chemical free products:** From many research's, it is found that customers are more now focusing on the purchase of cosmetic products, health supplements, and health care products and they are carefully looking the ingredients present in these products before buying it. They prefer products which contains natural ingredients more than the ones containing chemicals. There is a lot of population that has a high demand for natural and creams, moisturizers, sun screens, toners body lotions etc. and it is expected to increase in the coming years. Consumers use natural products instead of others to be safe and high in quality. Ingredients like aloe vera, orange, almond oil, honey etc. are preferred by the customers in natural products are mainly known to have less or no side effects. The changing in customers' lifestyle and increasing income has contributed to the growth of the industry. To get the maximum market share, many firms are now entering in this business because they know that this step can provide them first mover advantage because the increasing demand will attract the company's name in the mind of the customers..
- b. Demand for multifunctional products at low cost:** The common desire of customers' mind is to achieve better health and a youthful, radiant, fit appearance. And this interest is converted in the money spent in the gyms' membership and also in variety of health and beauty products. Natural products are available at a lower cost as compared to other products. Consumers demand are in multifunctional products because of the ease they offer when it comes to time and purpose. People prefer products that are a complete solution that is which offer multiple benefits as it will benefit them and also save time. The products which fulfill various purposes are more likely to be chosen by the customers. If they look for a natural BB cream they want something which act as serums, moisturizers, primers, foundations, and sunscreens to give consumers a youthful, bright, and even skin tone. Products which contains both hydrating ingredients and antioxidants are now more popular among consumers.
- c. Better use of technology:** Many well-known brands like body shop, forest essentials, Himalaya, Patanjali, Amway etc are using efficient technologies to provide their customers with varieties of natural products. Their aim is to develop cost effective products through technological innovations according to the customers' needs

In India natural products have regained their lost ground. The turning back in Indian market are very broadly seen in the current scenario and also with the increase in demand. This industry is expected to have a very successful future in India as well as globally. This demand is driven by numerous factors like innovative technologies, changing lifestyle, increasing ailments and less healthy environment.

2. Literature Review

Rozin P. et al (2004) the objective of the study was to determine the relationship between the preference for natural food and medicine assuming that preference for food will be greater and to determine the relative importance of moral and aesthetic or effectiveness as reasons for preferring natural foods and medicines. For getting the conclusion, the author conducted two studies. A questionnaire was made filled among the undergraduate students of University of Pennsylvania in the year 2000. The questionnaire contained a list of 19 medicinal or food items. For each of the 19 items, participants were asked to indicate whether they preferred it in its natural form (N), its processed form (P), or were indifferent (I). The results were compared with the result of representative adult Philadelphians. The second study assessed the role of morale and aesthetic reasons for natural preference by customers. The study specified that the preference for natural is substantial, and more for foods than for medicines. It also highlights motivation for preferring natural is moral or aesthetic.

BanuRekha M. and Gokila K. (2015).The objectives of this study is understanding consumer perception and satisfaction for herbal Cosmetics. The study mainly aims towards determining the level of consumer awareness about herbal cosmetic products, factors which are persuading the consumer to use such products and also to determine the level of customer satisfaction. A sample of 50 respondents using herbal products was studied. The factors that were taken into account were family income and expenditure on herbal cosmetic products, quality age and educational qualification. The study concludes that there is a positive correlation between the two factors that is family income and expenditure for herbal cosmetics. Quality of the product was ranked first. There is a considerable association between age and period of using the products. There exists no correlation between Educational Qualification and level of satisfaction for herbal cosmetics products. The level of awareness for such products is high. Increasing customer demand for herbal cosmetic products has motivated the manufacturers to deliver the same.

Thiyagaraj V. (2015). The study aims at identifying factors that affect consumer preference towards herbal oil brand in Tiruppur and to study the effect of advertisements, city, age and income on consumer brand preference. A questionnaire was used for conducting the study. Its findings suggest that celebrity appearing in the advertisements had great impact on consumers. Companies should create real looking advertisements in the front of the customers. The demand is increasing with the increasing awareness level, increased advertisements and income of the consumers. The Indian market for hair care is estimated more than Rs.1000 crores with aromatic hair oil as an important product.

Sivathanu B. (2015) the aims of the study include understanding the consumer preference towards organic food, determining factors influencing consumer preference towards organic food purchase. To conduct the study for this research, secondary and primary data was collected. A structured questionnaire with five point Likert scale was created for collecting primary data from 150 respondents. An exploratory study was also conducted with this. A clear preference for organic food products was seen among the

customers. Various factors affect this type preference like demographic characteristics of the consumers. It was founded that the female consumers prefer organic food more as compared to the male consumers. It was also founded that the educated consumers prefer organic products more than the others. In addition to this, it was also concluded that there is a high preference for organic food among consumers with age group of 29- 39. Income also plays an important role in such preference. Consumers believe that organic food products are healthy, nutritious, safe and ecofriendly.

Gupta N. & Garg V. (2016) The objective of the study is to find the reason for consumers preference towards herbal and natural products, determining the level of awareness of different brands available in market for natural products, studying the attitude towards such products and to analyze role of media in Patanjali's promotion. The study is qualitative study and mainly focuses on marketing strategies of Patanjali Ayurved Limited (PAL). The data was collected from various primary and secondary sources. Primary data has been collected from various sources such as face-to-face interviews with franchisees, doctors and shopkeepers who form a part of Patanjali's supply chain. Unstructured interview of six franchisees were conducted in Haryana state. Secondary data was collected through various websites, leaflets, brochures, magazines, articles etc.

The respondents of the interview told that these products do not cause any side effects as they are made from natural essence. The study also came to a result that many of the respondents are well aware of the brand. Advertisements have played a vital role in spreading the awareness among all the customers. It was observed that most of the respondents have a positive attitude towards natural and herbal products.

Shomnath Dutta (2015) The objective of study is to study the evolution of Patanjali, a flagship brand of Ayurvedic and FMCG products, and also to study the competitive position held by Patanjali in Siliguri. A questionnaire was distributed in Darjeeling district to assess what factors motivate or influence the customers to purchase the products of Patanjali. Total of 26 respondents and 12 brands including Patanjali were taken into account. Variables that were used for the comparative evaluation were ratings on the basis of preference of brands, quantity being purchased, price fluctuation ranking, quality of product, promotional campaigns, easy of availability of products.

The hypothesis formed are:

H₁: It is not just the Marketing variables but Ramdev's approach and techniques that have partial effect on sale of his company's products in and around Siliguri.

H₀: It is the Marketing factors not just the Ramdev's approach & techniques which have substantial influence on sale of his products in and around Siliguri.

The Indian FMCG sector witnesses severe competition in Ayurvedic/ Herbal product industry. Even within the Ayurvedic segment Ramdev's brand Patanjali has put a competitive edge over Dabur, Himalaya and others within a short period of time. The results of the survey were tabulated and statistical

tests were conducted to arrive at the conclusion. t- Test was applied on the data collected and it reveals that alternate Hypothesis (H1) is significant.

SatheeshRaju G & Rahul R (2016) The objective of the study is knowing the reason for why consumer prefer Patanjali products, also studying the purchasing behavior of the consumers, and determining what products customers expect from Patanjali . Primary and secondary data were collected for the study for collecting primary data a questionnaire was used. 60 Respondents were selected from the cities of Hanamkonda, Warangal and Kazipet (Telangana). Statistical techniques were used for analyzing the data. The study reveals that people between the age group of 15-45 form major chunk of Patanjali's customers. People between age group of 15-25 years prefer cosmetic products. Others prefer food products. It was observed that noodles did not yield repeat purchase. Respondents showed less interest in detergents whereas there was considerable interest for tooth paste. Price evolves as a significant factor for making the purchase decision.

Md. Irshad Ali & Yadav M. (2015) This research paper aims at finding out the reasons for which people use herbal products, to compare Vindhya Herbal products and the different products available in market on the level of familiarity and favorability, analyzing the information desired by the customers and studying their attitude towards herbal products. This study embraces both qualitative and quantitative research. Both primary and secondary data have been used to arrive at the conclusion. People and store personnel of Sanjeevani store in Bhopal and PanditKushilalAyurvedic Hospital (Bhopal), were interviewed and employees of MFP PARC were also interviewed. A qualitative research through unstructured and open-ended questionnaires was conducted on ten respondents.

Two frequency distribution analyses were used for nominal scale data. Mean and standard deviation were used for interval scale data. The reasons identified for preferential use of herbal products are natural ingredient, no side effect, healthy and chemical free. The target segments of Vindhya herbal products are middle class, educated people over the age of 36. The overall familiarity was found to be low for Vindhya Herbal Products 23.33 percent. Dabur (90 percent) and Himalaya (70 percent) were found to be leading the market in terms of familiarity. However for respondent who have used Vindhya Herbal products the favorability is high. Mass media, posters and banners and retail stores are some of the main sources of information about herbal products and brands. A direct relationship exists between awareness of the product and the use of mass media, posters and banners.

Chandiraleka E & Dr. Hamsalakshmi R (2016) Objectives of the study include determining the level of customer awareness of selected Ayurvedic and herbal products, determining the factors influencing the use of selected Ayurvedic and herbal products, analyzing the buying preferences towards selected Ayurvedic and herbal products.

To analyze the data percentage analysis and Garrett's Ranking Technique were applied. Total of 100 respondents were involved in this pilot survey out of which 51 were females and 49 males. 57% of them

had an income of 100000-200000, 33% of the respondents belonged to the age group of 31-40 years. By applying Garrett's Ranking method it was found that, the factors 'Pesticides / Chemical free' and 'No adulteration' are the major determinants influencing the consumers to prefer Patanjali food products. The analysis revealed that most of the customers are aware of the product through advertisement; Customers satisfaction is high for the quality & price of the product.

Khanna R. (2015) Objectives of the Study include studying the brand perception of 'PATANJALI' in minds of Consumers ,determining the attributes that a customer keeps in mind while purchasing 'PATANJALI' Products, to determine the level of satisfaction of consumers for 'PATANJALI' Products A questionnaire was distributed to 100 users of Patanjali Products in Punjab. Secondary sources have been taken into account to collect information about 'Patanjali' brands. To analyze the data obtained tools of descriptive statistics, correlation, regression and non-parametric (chi-square) test have been used. The data collected was analyzed through frequency distribution, correlation and regression tools. A significant number of Patanjali's customers are from low income group having an income below Rs 1 lakh. Findings reveal that many significant factors together make up the buying decision of the product. Customers' perception towards a brand depends largely on the satisfaction the user receives after using the product. A large portion of the user was satisfied from Patanjali products. The satisfaction brings in repeat customer

Table 2.1: Literature review summarized

Author	Year	Objective	Variables	Findings
Mark Sprancab , ZeevKriegera , Ruth Neuhaus , Darlene Surilloa , Amy Swerdlina , Katherine Wood	2004	1. To determine the relationship between the preference for natural food and medicine assuming that preference for food will be greater 2. To determine the relative importance of moral and aesthetic or effectiveness as reasons for preferring natural foods and medicines.	Morale reasons Aesthetics	The preference for natural is substantial, and more for foods than for medicines. Motivation for preferring natural is moral or aesthetic.
BanuRekha M. and Gokila K.	2015	1. To understand consumer perception and satisfaction for herbal Cosmetics. 2. To determine the level of consumer awareness of herbal cosmetic products 3. Factors persuading the consumer to use such products 4. To determine the level of	Income Expenditure Quality Age Educational qualification.	There is a positive correlation between family income and expenditure for herbal cosmetics. Quality was ranked first. There is an association between age and period of

		customer satisfaction.		using the products. There exists no correlation between Educational Qualification and level of satisfaction for herbal cosmetics products. Awareness level for such products is high.
Thiyagaraj V.	2015	1. To identify factors that affect consumer preference towards herbal oil brand in Tiruppur 2. To study the effect of advertisements, city, age and income on consumer brand preference.	Advertisements, City, Age Income	Celebrity appearing in the advertisements have great impact on consumers. Demand is increasing with increase in income
Sivathanu B.	2015	1. To understand the consumer preference towards organic food, 2. To determine factors influencing consumer preference towards organic food purchase.	Demographic characteristics Age Income Safety and eco friendliness	A clear preference for organic food products was seen among customers. Female consumers prefer organic food more as compared to male consumers. There is a high preference for organic food among consumers with age group of 29- 39. Income also plays an important role in such preference Consumers believe that organic food products are healthy, nutritious, safe and eco friendly.
Gupta N. &Garg V.	2016	1. To find the reason for consumers preference of herbal and natural products. 2. To determine the level of awareness of different brands available in market for natural	Safety Familiarity Advertisements Quality	The respondents found the products safe as they are made from natural essence. Respondents are well aware of the brand.

		products, 3. To study the attitude towards such products and to analyze role of media in Patanjali's promotion.		Advertisements play a vital role in spreading the awareness among customers. Most of the respondents have a positive attitude towards natural and herbal products.
Shomnath Dutta	2015	1. To study the evolution of the Ramdev's ventures Patanjali Ayurved Limited 2. To study the position held by Patanjali in comparison with its competitors in Siliguri (North Bengal).	Quantity Price Quality Promotional campaigns Availability	Within the Ayurvedic segment Guru Ramdev's flagship brand Patanjali has put an edge over Dabur, Himalaya and others within a short span. It is the Marketing factors and not entirely the Ramdev's philosophy & teachings which has substantial influence on sale of Patanjali's products in and around Siliguri.
SatheeshRaju G & Rahul R	2016	1. To know why consumer prefer Patanjali products, 2. To study the purchasing behavior of the consumers 3. To determine what products customers expect from Patanjali.	Age Product bought Price	People between the age group of 15-45 form major chunk of Patanjali's customers. People between age group of 15-25 years prefer cosmetic products. It was observed that noodles did not yield repeat purchase. Respondents showed less interest in detergents whereas there was considerable interest for tooth paste. Price evolves as a significant factor for

				making the purchase decision.
Md. Irshad Ali & Yadav M.	2015	<ol style="list-style-type: none"> To find out the reasons for which people use herbal products To compare Vindhya Herbal products and the different products available in market on the level of familiarity and favourability To analyze the information desired by the customers To study their attitude towards herbal products. 	Safety Income Age Educational qualification Awareness Media	The reasons identified for preferential use of herbal products are natural ingredient, no side effect, healthy and chemical free. The target segments of Vindhya herbal products are middle class, educated people over the age of 36. The overall familiarity was found to be low for Vindhya Herbal Products 23.33 percent. Dabur (90 percent) and Himalaya (70 percent) were found to be leading the market in terms of familiarity. However for respondent who have used Vindhya Herbal products the favorability is high. Mass media, posters and banners and retail stores are some of the main sources of information about herbal products and brands. A direct relationship exists between awareness of the product and the use of mass media, posters and banners
Chandiraleka E & Dr. Hamsalakshmi R	2016	<ol style="list-style-type: none"> To determine the level of customer awareness of selected Ayurvedic and herbal products, To find out the factors 	Income Age Safety Quality	57% of the respondents had an income of 100000-200000, 33% of the

		<p>influencing the use of selected Ayurvedic and herbal products</p> <p>3. To analyze the buying preferences towards selected Ayurvedic and herbal products.</p>	Price Media	<p>respondents belonged to the age group of 31-40 years. By applying Garrett's Ranking method it was found that, the factors 'Pesticides / Chemical free' and 'No adulteration' are the major determinants influencing the consumers to prefer Patanjali food products. The analysis revealed that most of the customers are aware of the product through advertisement;</p> <p>Customers satisfaction is high for the quality & price of the product.</p>
Khanna R.	2015	<p>1. To study the brand perception of 'PATANJALI' in minds of Consumers</p> <p>2. To determine the attributes that a customer keeps in mind while purchasing 'PATANJALI' Products,</p> <p>3. To determine the level of satisfaction of consumers for 'PATANJALI' Products</p>	Income Quality Price	<p>A significant number of Patanjali's customers are from low income group having an income below Rs 1 lakh. Customers' perception towards a brand depends largely on the satisfaction the user receives after using the product. A large portion of the user was satisfied from Patanjali products. The satisfaction brings in repeat customers</p>

3.Objectives of the study:

The objectives of the study are

1. To determine factors affecting the consumer buying decision for natural products. (A lot of factors like availability, quality, price, income level, promotion play a crucial role in consumers decision making process)
2. To determine the level of satisfaction among consumers after using natural products (Growth of any industry or product depends highly upon how satisfied its customers are after using it, whether they will go for a re-buy, whether they will recommend it to their friends, whether they will try other variants of the product)

Based on the above research questions, the study aims at finding out the factors affecting buying behavior for green or natural products, the drive for buying green products and the role price plays in formation of such decisions.

3.1 Research design and methodology

For conducting the study on consumer perception towards natural, organic products, it is needed to know what factors are influencing buying behavior of customers when they go for shopping, what drives or which factor drives them to buy natural products. The research design that has been followed on is descriptive where it has been tried to understand how the consumers arrive at a particular decision while buying natural products. Primary data has been used to arrive at a conclusion. For the purpose of the study data has been collected from sample of 265 respondents. The respondents are between the age group of 18-45 as earlier discussed that the large number of customers for this segment is the young generation 3.and also the one who decides the purchase) and are a resident of Delhi. A questionnaire mainly focusing on the variables of study was designed which contains 15 questions. All the Questions were framed on Likert scale ranging from strongly agree to strongly disagree, to get the responses which can be applied on Likert scale. Convenience sampling was used for conducting the research and a sample size of 265 was selected. It is a non-probability sampling technique. Respondents were selected through convenience sampling because of their proximity and ease of accessibility. For successful completion of the study, a total of 2 months was invested. This includes all the chapters and the steps to achieve the chapters' content starting from selecting the topic, reviewing the literature, determining the variables, forming the questionnaire, collecting the responses, analyzing the data and providing the conclusion.

4. Analysis & interpretation

Factor Analysis

Table 2: KMO and Bartlett's Test

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	.676
Bartlett's Test of Sphericity	Approx. Chi-Square Df Sig.
	2049.462 136 .000

Interpretation: The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is 0.676 which means that that data is suitable for applying factor analysis

Table 3: Total Variance Explained

Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	5.210	30.648	30.648	5.210	30.648	30.648	3.730
2	2.607	15.337	45.985	2.607	15.337	45.985	3.424
3	1.742	10.244	56.230	1.742	10.244	56.230	2.745
4	1.169	6.876	63.105	1.169	6.876	63.105	1.855
5	1.036	6.091	69.197	1.036	6.091	69.197	2.126
6	.935	5.500	74.696				
7	.738	4.340	79.037				
8	.618	3.632	82.669				
9	.530	3.118	85.787				
10	.464	2.727	88.514				
11	.427	2.512	91.026				
12	.407	2.393	93.419				
13	.372	2.190	95.609				
14	.321	1.885	97.495				
15	.210	1.236	98.730				
16	.124	.732	99.462				
17	.091	.538	100.000				

Interpretation: The above table shows that out of all the 17 variables 5 main factors have been extracted, the extracted variables have eigen value greater than 1

It can be noticed that the 5 extracted factors account for 69.19% of total variance which is pretty good bargain as we are able to cut down on the number of variables from 17 to 5 while losing only 31% of the information and almost 69% information is retained by the 5 extracted factors.

Table 4: Rotated Component Matrix

Rotated Component Matrix^a

	Component				
	1	2	3	4	5
promotion	.244	.054	.344	.546	.114
growthindicator	.527	-.281	.534	.022	-.082
sideeffect	.690	-.194	.310	.184	.119
brandimage	.285	-.247	.222	.652	-.007
reasonableprice	.630	-.161	.291	.506	.147
quality	.828	.046	-.112	.003	-.047
safety	.726	-.089	-.119	.163	.149
value	-.232	.429	.105	.321	.108
brandname	-.060	.852	.052	-.289	-.022
quality2	.161	.680	.042	-.436	.366
styleapperance	-.109	.300	.241	-.481	-.529
salespromotion	-.135	.705	-.160	.042	-.384
package	-.152	.755	-.004	-.156	-.289
ingredients	.702	-.112	.255	.103	.110
availability	.101	.060	.881	.113	.020
onlyavailable	-.021	.085	.813	.235	.303
Price	.136	-.095	.307	.039	.814

Interpretation: Through the Rotated Component Matrix it can be observed that

- Variable 6 (quality) has a loading of .828 and variable 7(safety) has a loading of .726 on factor 1. This factor is named is named “Quality”.

- Factor 2 has variable 9 (brand name) with loading .852 and variable 13 (package) with loading .755
This factor is named “Brand name”
- Factor 3 has variables variable 15(availability) and variable 16(only availability) with loading .881 and .813 respectively
This factor is named “difficulty to avail”
- Variable 1 (promotion) has a loading of .546 and variable 4 (brand image) has a loading of .652 on factor 4
This factor is named “promotion”
- Variable 17 (price) has a loading of .814 on factor 5
This factor is named “price”

So the 5 factors are

1. Quality
2. Brand name
3. Difficulty to avail
4. Promotion
5. Price

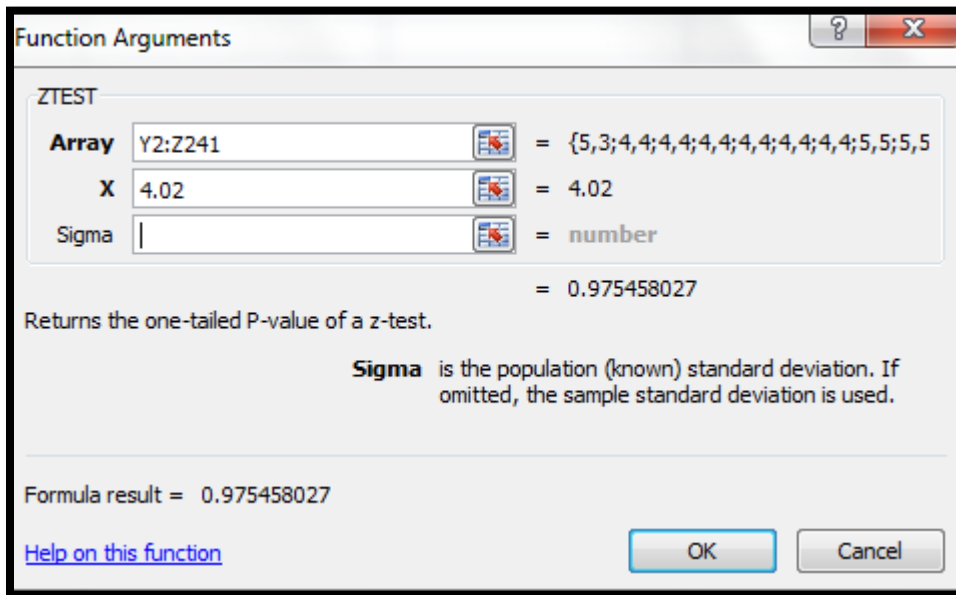
Z test

Determining the level of satisfaction among customers for natural products

Hypothesis formulated are

H₀: Customers are not satisfied

H₁: Customers are satisfied



The table clearly depicts the p value to be 1-0.97=0.03.

Since it is less than 0.05 hence H₀ will be rejected H₁ is accepted.

Interpretation: This means customers are satisfied with natural products**5. Findings**

Natural products have a huge demand in Indian market these days. In India, people are now more relying on the beauty secret which were used by their grand-parents, the products which are made by heena, haldi, chandanetc for beauty and skin care. They are looking for products that do not cause any side effects when we apply them and also provide them enough benefits naturally. All people's mind are now have a perception that everything available are made by artificial chemicals which are not good for the health, so they are now more enthusiastic to spend on natural, organic products. Due to this we can say that this industry is booming in national as well as international markets. All the market players be it the high end brands or mass brands are trying to enter in this segment with launching their new products or adding the term "natural" in their existing products. They are creating a completely new positioning for themselves.

After conducting the research and applying the test, following are the findings of the study:

- The 5 main factors that affect consumer buying decision are Quality, Brand name, Difficulty to avail, Promotion and Price. In which quality, brand name, price and promotion play a positive role but the difficulty to avail plays a negative role.
- While buying natural products the first thing that the customers consider is the quality of the product. For them, quality they are getting over the price that is if the quality is good they are ready to buy it even at a higher price They prefer natural products because there is a lesser chance of side effect with these products.
- The other important thing that is considered by the customers while buying natural products is the brand name, which includes elements like brand name, informative packaging etc. They look at the ingredients mentioned on the pack while buying the products and the product from a reputed brand is considered better. A well-known brand name attracts more customers than the ones which are less known.
- Most of the customers feel that the availability of natural products is still less. They are not easily available. Customers need to visit malls or salons to buy them as they available at every retail store. This acts as a negative stimulation in the buying decision.
- Promotion plays a very crucial role in deciding whether to buy a product or not. A good promotion mix attracts the customers. Companies that come up with promotional schemes catch customers' attention and stimulates the sales of the product.
- Price is also one of the crucial factors which are considered while making the decision. Customers prefer to buy products that are available at a reasonable price but if the product is from a very well-known brand and of good quality, they overlook price

- Appearance of the product is not given due importance by the customers of natural products. It goes unnoticed if the ingredients are good and brand is well know
- Customers who have used or who are using natural products are satisfied with their experience. They would continue to use it.
- Most of the customers agreed that if the company launches a new variant of its products, they will love to try it this shows the level of satisfaction among the customers and how willing they are to try new products.
- The brands that were more popular among customers were Patanjali, Forest Essentials, Biotique, Body Shop and Khadi.

6. Conclusions & recommendations

- Natural products are becoming very popular among the customers of cosmetic products. There is a huge demand of products that have natural or organic ingredients.
- While buying these products the first thing that customers consider is the quality of the product.
- Customers prefer to buy “swadeshi” products as it fosters the growth of the country.
- Brand image and its reputation play a very important role in the buying decision.
- Sales promotion is considered attractive among the customers.
- Companies should rely on informative packaging rather than attractive ones.
- Availability still stays a challenge for such products
- Price is one of the determining factors for buying a product
- Companies should move towards extensive distribution.
- Customers that have used natural products are highly satisfied with it
- Most of the customers agree that if the company launches new variants of its products they would love to buy it.
- Customers buy these products because they perceive that they have lesser side effects and are comparatively safe to use.

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ANNEXURE

Name

Age

Annul Income <100000, 100000-200000, 2-5 lk, more than 5 lk

Question:	Why do you prefer to purchase/use natural cosmetic products
1.	I feel natural products are safe to use SA Agree Neutral Disagree SD
2.	I prefer natural products that are “swadeshi” as it fosters the growth of my country SA Agree Neutral Disagree SD
3.	I use natural products because I feel that unlike chemical products they have less side effects SA Agree Neutral Disagree SD

Question:	Consideration for buying natural products
1.	While buying natural products I consider brand image as the most important element SA Agree Neutral Disagree SD
2.	Quality plays a very crucial role when deciding on which natural product to buy SA Agree Neutral Disagree SD
3.	I prefer to buy natural products that are available at a reasonable price SA Agree Neutral Disagree SD
4.	I prefer to buy the products that I have seen in advertisements SA Agree Neutral Disagree SD
5.	What were the reasons for your shifting to a natural product? (Please specify in your order of preference, 1 being highest priority) <ul style="list-style-type: none"> • Price/Value • Brand Name /company reputation • Quality • Style appearance • Sales Promotion

	<ul style="list-style-type: none"> Information and attractive package If any other, specify
6.	<p>While buying natural products I always look for the ingredients on the packaging of the product</p> <p>SA Agree Neutral Disagree SD</p>

Question:	Difficulty in buying natural products
1.	<p>Availability of natural products is still less</p> <p>SA Agree Neutral Disagree SD</p>
2.	<p>Only available at malls and salons and not at every retail store</p> <p>SA Agree Neutral Disagree SD</p>
3.	<p>Price of natural products is comparatively higher than chemical products</p> <p>SA Agree Neutral Disagree SD</p>

Question: Name a few Ayurvedic brands that you buy

Question:	How satisfied are you with the natural product you are using
1.	<p>I am satisfied with my experience of using ayurvedic products</p> <p>SA Agree Neutral Disagree SD</p>
2.	<p>If the company launches other variants of its products I will love to try it</p> <p>SA Agree Neutral Disagree SD</p>