

Consumer Perception towards Purchase of Perfumes in the Markets of Mumbai City

By

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Abstract

More than 300 years of perfumery expertise can be traced back to India. Because the average Indian is familiar with complex fragrances with strong cultural elements, Indian fragrances have a distinct character. India's fragrance market is small in comparison to developed countries, but it has the potential to become one of the largest in the coming years. The sector provides more opportunities and has a 100 million-strong middle class with rising disposable income. Concurrently, the FMCG sector is booming as a result of improved supply chain efficiency, product and process innovation, and high consumer aspirations. Titan Industries, for example, entered the perfume market with the SKINN line. Winnie Industries' diverse perfume line, FOGG, has already dominated the market. The purpose of this study was to learn about the prevalence of perfumes in the Indian market, as well as the factors that influence consumer purchasing behavior for perfumes. The goal of this article is to understand the implications of using fragrance, particularly if these products serve as brand extensions for luxury brands. It also assesses the role of celebrity endorsement towards marketing the perfumes in the markets of Mumbai city. It aims to identify the primary motivations for purchasing fragrances, as well as the primary characteristics associated with fragrance use. Design/Methodology/Research - To assess attitudes and behaviors, this study used a qualitative approach with 15 in-depth interviews with fragrance consumers.

Keywords: Consumer perception, brand, loyalty, Supply chain, Preference, Celebrity Endorsement.

Introduction

The arrival of various perfumes from the West had a significant impact on the Indian aroma industry. However, this shift is ongoing in the Indian aroma industry, and due to market size and growth, it is expected to spread to larger markets than in the West. The widespread use of essential oils in soaps, cosmetics, and personal perfumes is one result of Western influence. The global market for food, beverages, and related industries is estimated to be worth around USD 20 billion (Rs. 100,000 crore). India's global market share is approximately 10%, amounting to USD 2000 million (Rs. 10,000 crore). However, India has 17.8% of the world's population, indicating potential growth (Source: FFDC). The fragrance industry is worth Rs. 3000 crore, flavors are worth Rs. 2250 crore, aromatic chemicals are worth Rs. 2800 crore, and essential oils are worth Rs. 1950 crore. This research is being carried out to determine the factors that influence consumer purchasing habits and perfume selection. People in Indian cities now regard information gathering as an important part of the shopping experience. When shopping for an item, 85% of consumers look at at least two data points (aside from price and discount), and roughly half conduct some form of online research. People look for information

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such as product reviews, expiration dates, and how the product compares to alternatives in terms of features. Indian consumers are making more purchases in order to keep up with the latest trends. More than 60% of respondents said they purchased something in at least one category last year because it was fashionable and they wanted to upgrade, rather than because they needed to replace it. People were more likely to see and notice the products in the trendiest category. For example, in the year preceding the survey, 58% of those who purchased gadgets such as tablets and laptop computers, and 53% of those who purchased four-wheelers, did so solely to keep up with the latest in the market.

Literature Review

The perfume market, according to Daniel Yankelovich, is segmented at the micro level based on the purpose of purchase and user preferences. According to Jim Blythe, understanding consumer purchasing behavior is somewhat complicated; consumer attachment and involvement with a product or brand is determined by a variety of factors, making pinpointing a specific cause of consumer purchasing behavior nearly impossible. Consumers are drawn to a product or brand based on how attractive, eye-catching, and attractive models, spokespeople, or celebrities reflect the essence of the product or brand, according to Hoyer and Macinnis. According to Dhar et al., fragrance has the highest weightage among all of the factors considered by the research respondents, so consumers prefer foreign brands over local products. Borgave suggests that perfume preferences and usage should be based on consumer demographics, circumstances, moods, and purchasing intentions when researching Indians as fashionable people. Although the article focuses on the perfume preferences of adolescents aged 20 to 25, it is discovered that gender differences do not affect this age group's purchasing habits. The new MNC also devised strategies and capitalized on the Indian market's purchasing impulses. Perfumes are a type of cosmetic, and the cosmetic market is rapidly expanding. Herbs, flowers, bark, and essential oils of nagar motha, sandalwood, jasmine, and other fragrances are used to make traditional perfumes and attars. Unlike alcohol-based perfumes, Indian perfumes are made with a wood base. Synthetic chemicals are also used in advanced techniques, and mixtures play an important role in the production of perfumes and perfumes. Due to a scarcity of sandalwood and the collection, extraction, blending, and aging of fragrances, the perfume manufacturing process in India takes time. Kunes et al. (2011) investigate perfume users' purchasing behavior from a gender perspective to determine what influences them to purchase or not. Above all, the scent and quality of the perfume (for example, longevity and durability) are the most important factors influencing consumer purchases of perfume - perfume is a scent, and a scent should last longer. Fah and colleagues look into the effects of advertising appeal, spending proclivity, perceived social status, and materialism on perfume purchasing behavior.

In total, consumers spent more than 1.2 trillion euros on luxury items in 2018. (Bain and Company, 2018). The nine segments that make up the luxury market are: luxury cars, personal luxury items, luxury hospitality, fine wines and spirits, fine food, private jets, designer furniture, yachts, and luxury cruises. (Bain and Company, 2018). The second-largest industry is personal luxury goods, which generated 260 billion euros in revenue last year. Accessories make up the majority of the market for personal luxury goods, and include things like watches, cosmetics, leather goods, apparel for men, women, and children, as well as men's, women's, and children's scents. The primary subject is the study of fragrances. There are scents available from every premium brand, and each employs them as part of a strategy for brand extension. (Aaker, 1991; Al-Mutawa et al., 2015; Albrecht et al., 2013; Amatulli and Guido, 2011; Stankeviciute and Hoffmann, 2011). Brand extensions are a common tactic used by well-

established companies looking to diversify into new goods and services. When faced with escalating costs and dangers, businesses choose to expand their brands over a range of product categories rather than creating and launching new brands. (Aaker and Keller, 1990; Stankeviciute and Hoffmann, 2011). The introduction of new products through well-known brands results in the association with the parent brand and lower marketing campaign expenditures. (Albrecht et al., 2013). There are many reasons why buying a premium brand, whether for oneself or as a present, is acceptable. The consumption of luxury items is influenced by a variety of reasons, including status, hedonistic goals, and social comparison. 2019 (Ko et al.). Men and women do not share the same luxury ideals, despite the fact that they engage with premium companies in this environment. (2017) Roux et al. Consumers' intentions to buy premium brands are influenced by how differently they view luxury due to cultural differences. Ko and Megehee (2012); Hennigs et al. (2012). Luxury brand expansions have not been extensively studied (Lim et al., 2016). However emotional brand associations are typically connected to impulses to use and buy luxury goods (Bian and Forsythe, 2012; Heine, 2010; Kapferer, 2008; Ladhari et al., 2017; Makkar and Yap, 2018; Roux et al., 2017). Our research focuses on relationships of this kind, particularly those including fragrances. In addition to striving to bridge the gap with other cultural realities, it is critical to assess perceptions and associations related to scent use in the Portuguese market (Bian and Forsythe, 2012; Ko and Megehee, 2012)

Research Questions

According to studies, using celebrity endorsers can generate a more favorable reaction and a higher level of purchase intention than using non-celebrity endorsers. Industry insiders predict that sales will rise as a result of celebrity-endorsed fragrances becoming more widely available and luring a younger consumer demographic. Celebrity endorsements in advertising have shown to be effective for advertisers. Celebrities promote their products and appear in their advertising. Marketers believe that a well-known, well-liked celebrity will positively affect consumers' feelings and purchasing intentions. According to Shaughnessy (1995, p. 982), "the usage of celebrities tends to promote above average brand awareness but only approximately half of the celebrities have a favorable effect on consumer's buying intention towards the product."

Not all celebrity endorsement deals are successful. Some of them work quite well, while others don't at all (Dissanayaka & Ismail, 2015). No thorough research has been done on the efficacy of celebrity-endorsed advertising in Sri Lanka, despite the fact that it is a common practice, particularly with television ads. The research question for this study is therefore: "How might customers be more persuaded to buy various types of perfumes through celebrity endorsement?"

Research Objectives

- a. To study the consumers' attitude towards "celebrity endorsed fragrances" and "Premium branded fragrances".
- b. To examine lifestyle behavior change because of the perfume brands.
- c. To assess the perception of consumers towards the purchase of perfumes in the city of Mumbai.

Hypothesis of the Study

It is hypothesized that -

Hypothesis 1: The celebrity endorser's perceived likability will positively influence purchase intention for consumers.

Hypothesis 2: The celebrity endorser's perceived credibility will positively influence purchase intention for consumers.

Hypothesis 3: The celebrity endorser's perceived personality will positively influence purchase intention for consumers.

Hypothesis 4: The celebrity endorser's perceived attractiveness will positively influence purchase intention for consumers.

Hypothesis 5: The celebrity endorser's perceived expertise will positively influence purchase intention for consumers.

Methods of the Study

Quantitative research methods were employed in this study. The authors primarily used a survey study with a questionnaire to obtain data for the quantitative methodology. This survey was given to a convenient sample of one hundred (100) participants. One hundred (100) questionnaires were distributed to the people of Mumbai city. Age groups range from 25 to 35. The questionnaire contained 18 questions that covered demographic information as well as study objective data.

Data Analysis

Table 1: *Age group*

Age which perfume/perfumes brand do you recall when you buy in the given time period? Cross tabulation

Which perfume/perfumes brand do you recall when you buying of the given time period?	Count										Total
	Black Knight	Playboy	Polo	Calvin Klein	Armani Code	Adidas	Hugo Boss	Blue	Pro sport	other	
18-22	15	0	0	0	0	4	0	1	2	5	27
23-28	11	1	0	1	1	4	1	1	2	8	30
29-34	6	2	1	2	1	2	0	0	3	6	23
Above 35	8	1	0	0	1	4	1	2	1	2	20
Total	40	4	1	3	3	14	2	4	8	21	100

Table 2: *Occupation celebrity and influence*

Occupational group*New RM_8_31_32 cross tabulation

Occupational group		Count			Total
		Disagree	Indifferent	Agree	
Occupational group	Managers senior officials	1	0	3	4
	Professional	1	7	5	13
	Executive	2	8	18	28
	Student	4	14	30	48
	Self employed	0	2	0	2
	Unemployed	0	1	4	5
Total		8	32	60	100

Table 3: Educational Level, Celebrity and Influence

		New_RM_8_31-32			Total
		Disagree	Indifferent	Agree	
Educational Level	Passed A/L	2	3	6	11
	Vocational Qualification	0	0	2	2
	Degree/Professional Qualification	6	20	46	72
	Post Graduate	0	9	5	14
	Other	0	0	1	1
Total		8	32	60	100

Table 4: Characteristics of celebrity, Endorsement, Likability, Creditability, Personality and Expertise

		Correlations				
		L_RMean	C_RMean	P_RMean	A_RMean	E_RMean
L_RMean	Pearson correlation	1	0.550**	0.557**	0.542**	0.446**
	Sig. (2-Tailed)		0.000	0.000	0.000	0.000
	N	100	100	100	100	100
C_RMean	Pearson correlation	0.550**	1	0.594**	0.609**	0.533**
	Sig. (2-Tailed)	0.000		0.000	0.000	0.000
	N	100	100	100	100	100
P_RMean	Pearson correlation	0.557**	0.594**	1	0.629**	0.568**
	Sig. (2-Tailed)	0.000	0.000		0.000	0.000
	N	100	100	100	100	100
A_RMean	Pearson correlation	0.542**	0.609**	0.629**	1	0.537**
	Sig. (2-Tailed)	0.000	0.000	0.000		0.000
	N	100	100	100	100	100
E_RMean	Pearson correlation	0.446**	0.533**	0.568**	0.537**	1
	Sig. (2-Tailed)	0.000	0.000	0.000	0.000	
	N	100	100	100	100	100

Note. ** Correlation is significant at the 0.01 level (2-tailed). Source: survey data 2014.

Hypotheses

Hypothesis 1: The celebrity endorser's perceived likability will positively influence purchase intention for consumers.

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In the data analysis related to above hypotheses, it was revealed that the likability to the celebrity used in the perfume brand is highly significant in the perfume buying intention. However, the other factors of familiar face and life style of the celebrity used in the perfume brand has not been significant in this research study.

Limitations of the Study

This study was constrained by its area of investigation and the range of the sample selection. Even if questionnaires and interviews were employed to gather the data, it is still possible for respondents to answer out of bias and in terms of their own subjectivities, making it very difficult to get their authentic thoughts. This is another drawback of the study. This research's core use of the two categories of students and executives as the variables for consumer purchasing intentions was done for convenience's sake.

Recommendations

Five determinants were used in the study to assess celebrity endorsement. To get a stronger understanding of the celebrity endorsement, it could be interesting to go into more detail about one of these indirect drivers. Including the characteristics stated above could also offer further understanding in this area. For instance, it's possible that some aspects of celebrity endorsement influence consumer purchase intention more than others. Because the superstars are so appealing, the buyers can remember the advertising. The gorgeous celebrity is more effective if marketers want to keep the advertisement in the consumer's mind. Depending on the sort of celebrity as well as other factors, the impact on customer buying intention behavior can fluctuate..

For impulsive purchases, the attractive star is more persuasive. In order to get successful outcomes, the celebrity utilized in commercials needs to meet the following criteria. He or she should: (1) understand the promoted product; (2) use it; (3) project a positive image; (4) possess presentation abilities; and (5) be pertinent to the product.

Conclusion

In respect to celebrity endorsement advertising in Sri Lanka, this study found elements influencing customer buying intentions. The research was restricted to TV commercials. The conceptual framework for the study was developed based on theoretical background, literature, and the researcher's assumptions. Only five characteristics of celebrities were taken into account in this approach. Likeability, credibility, personality, attractiveness, and knowledge make up these five qualities. The researcher made an effort to establish a link between celebrity endorsement and consumer purchase intention using the conceptual model. Celebrity endorsers were taken into account as an independent variable, while consumer purchasing intentions were taken into account as a dependent variable. The researcher proposed a link between celebrity status and customer purchase intentions. Furthermore, the fundamental elements of the independent variable can change this relationship. Criteria were devised to identify the research variables under the indicators measurement. To investigate the impact of customer buying intention, the study put to the test five hypotheses based on the independent variable and its essential elements. Using the use of standardized questionnaires, the data were gathered. From Colombo and Gampaha, a sample of 100 respondents was chosen for the survey. The random sample method was used to choose the respondents. The likability of the celebrity utilized in the perfume brand was found to be highly significant in the intention to purchase perfume in

the data analysis related to the aforementioned hypotheses. However in this research study, the other celebrity lifestyle and recognisable face elements that were included in the perfume brand were not deemed significant.

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