



## COMPARATIVE ANALYSIS OF MADE IN INDIA VS FOREIGN BRANDS: A PARALLEL STUDY ON CONSUMER PERCEPTION FOR COSMETIC INDUSTRY

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### Abstract:

*This proposed research aims to investigate consumer perceptions of "Made in India" versus foreign cosmetic brands, focusing on product quality, pricing, and the influence of ethical and sustainable manufacturing practices. Statistical analyses, including ANOVA and Chi-Square contingency tests, will be utilized to assess consumer attitudes and preferences. Anticipated findings may reveal significant differences in consumer perceptions between the two brand categories, emphasizing the impact of brand origin on decision-making. Furthermore, it is hypothesized that ethical and sustainable manufacturing practices will significantly influence consumer perceptions, reflecting a growing awareness of environmental and social concerns. This study seeks to highlight the importance of transparency, ethical sourcing, and eco-friendly practices for building consumer trust in the cosmetic industry. The research aims to provide valuable insights to guide industry stakeholders and foster innovation towards a more sustainable and consumer-centric cosmetic industry landscape.*

**Keywords:** *Made in India, Consumer Perception, Cosmetic Industry.*

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### Introduction:

The cosmetic industry is a dynamic sector that continually evolves with changing consumer preferences, technological advancements, and global trends. In recent years, there has been a significant shift in consumer behavior, with growing interest in understanding the origins of products and their impact on sustainability, quality, and price. This shift has sparked a comparative analysis between locally manufactured brands ("Made in India") and foreign brands, shedding light on consumer perceptions within the cosmetic industry.

In this study, we aim to conduct a parallel analysis to explore the intricate nuances of consumer perceptions concerning "Made in India" versus foreign brands in the cosmetic industry. Our research delves into several key aspects, including sustainability practices, price

and quality preferences, and the role of media in influencing consumer behavior.

In essence, our research endeavors to provide valuable insights into the complex dynamics of consumer preferences within the cosmetic industry. By juxtaposing "Made in India" and foreign brands across sustainability practices, price and quality preferences, and media influence, we aim to offer a comprehensive understanding of the factors driving consumer choices in this ever-evolving market landscape.

### Research Methodology:

#### Objectives:

- 1: To analyze and compare consumer attitudes and preferences regarding attributes such as product quality and pricing, between Make in India and foreign cosmetic brands.
- 2: To assess the impact of ethical and sustainable

manufacturing practices on consumer perception of Make in India versus foreign cosmetic brands.

### Hypothesis:

Null Hypothesis (H<sub>0</sub>): There is no significant difference in consumer attitudes and preferences regarding, product quality, pricing between Make in India and foreign cosmetic brands.

Alternate Hypothesis (H<sub>1</sub>): There is a significant difference in consumer attitudes and preferences regarding, product quality, pricing, between Make in India and foreign cosmetic brands.

Null Hypothesis (H<sub>0</sub>): Importance of ethical and sustainable manufacturing practices does not influence consumer perceptions.

Alternate Hypothesis (H<sub>1</sub>): Importance of ethical and sustainable manufacturing practices does influence consumer perceptions.

### Significance:

The research topic of a comparative analysis between Indian and foreign cosmetic brands holds significant relevance in understanding consumer perceptions in the cosmetics industry. By scrutinizing factors like pricing, quality, and sustainability, the study aims to unveil preferences and discernment patterns among consumers. Such insights can empower businesses to refine their strategies, cater to diverse consumer needs, and foster competitiveness in both local and global markets. Ultimately, the research not only sheds light on consumer behavior but also informs industry stakeholders about potential areas for improvement and innovation, thereby contributing to the advancement and sustainability of the cosmetic industry.

### Methodology:

Primary research in this project involved interacting with 78 individuals to understand consumer perceptions towards Made in India cosmetic versus Foreign cosmetic brands.

Primary data was collected based on questionnaires sent to 78 individuals.

Type of research-Descriptive research

Sampling type- Purposive sampling

### Sample Size:

- The sample size of this research project is 78.
- The samples were collected from KDMC area.

### Limitations

1. Time and resource constraints posed significant limitations on the depth and breadth of the research.
2. The survey was conducted for a short period which might not have been sufficient to capture a comprehensive range of perspectives.
3. The sample was taken from the population residing in KDMC area only. The results are not applicable to the whole world.
4. Some questions were left unanswered in the survey, leading to potential gaps in understanding and representation of respondents' opinions.

### Review of Literature:

**Denduluri, Dr & Jeyalakshmi, R.. (2023).** The Article Explores The Purchase Behaviour And Decisions Of Customers In The Indian Cosmetic Industry, Emphasizing The Global Worth Of The Industry And Its Rapid Growth In India. Factors Influencing Consumer Behaviour Include Brand, Quality, Price, And Availability, With Promotional Activities Having a Positive Impact. The Growing Awareness of Cosmeceutical Products Among Young Women Is Highlighted, And the Changing Beauty Standards and Cultural Influences on Consumer Preferences Are Acknowledged.

**Keskinbora, Kadircan & Kumbasar Atay, Eda. (2023).** The article discusses ethical concerns in dermatology and cosmetic applications, emphasizing the importance of dermatologists in handling cosmetic procedures due to their expertise. It addresses issues such as body dysmorphic disorders, unrealistic expectations, and complications arising from non-physician cosmetic procedures. The impact of social media on body image is acknowledged, and the need

for awareness about medical device categories and ethical considerations in cosmetic dermatology is emphasized.

Pokhrel's (2023) study delves into Nepal's burgeoning cosmetics industry, reflecting a rising demand driven by personal grooming trends and a burgeoning middle class. Consumers prioritize quality, brand recognition, and value. Yet, there's a growing interest in herbal and natural cosmetics. The study underscores the importance of understanding consumer demographics and preferences for effective marketing strategies in Nepal's evolving cosmetic landscape, particularly in Kolhapur.

**Dr. T. R. Gurumoorthy, R. Vijayalakshmi and V. Palanisingh (2023).**

The article examines Nepal's thriving cosmetics industry, driven by a fashion-conscious and discerning clientele. With a focus on personal hygiene and a growing middle class, the sector has expanded,

**Data Analysis & Discussion:**

**Objective Number 1**

**ANOVA:SingleFactor**

### SUMMARY

Groups	Count	Sum	Average	Variance
Column 1	78	307	3.93589743	0.91791541
Column 2	78	315	4.03846153	0.68681318
Column 3	78	312	4	1.09090909
Column 4	78	275	3.52564102	1.34348984

### ANOVA

Source	SS	df	MS	F	P-value	F crit
Between Groups	13.1121794	3	4.37072649	4.32838671	0.00523533	2.63392176
Within Groups	311.012820	308	1.00978188			
Total	324.125	311				

featuring a variety of national and international brands. Consumer preferences, influenced by factors like age, income, and education, highlight a preference for quality, brand awareness, and value for money. The study emphasizes the potential for marketers to tailor approaches in Kolhapur, Nepal, to accommodate evolving consumer interests in herbal and natural cosmetics. Understanding consumer behavior is crucial for effective product positioning and business development in Nepal's cosmetics industry.

**Nicole Vassallo and Paul Refal (FEB 2024)**

The study evaluates sustainable practices in plastic cosmetic packaging through a life cycle assessment. Dematerialization and recycled content prove most impactful, with up to 60% reduction in environmental impact. PP emerges as the most environmentally friendly material. Renewable energy and energy-saving measures also significantly contribute to sustainability efforts.

After doing the Annova test the p-value the we got is 0.005235337 which is  $< p-0.05$  therefore we choose the alternate hypothesis to be correct. F-value is greater than F-crit hence we accept H1

### Objective Number 2

Select the number of rows:	2	3	4	5	2
Select the number of columns:	2	3	4	5	5

#### Data Entry

	B <sub>1</sub>	B <sub>2</sub>	B <sub>3</sub>	B <sub>4</sub>	B <sub>5</sub>	Totals
A <sub>1</sub>	41	19	9	7	2	78
A <sub>2</sub>	59	8	7	4	0	78
A <sub>3</sub>	-----	-----	-----	-----	-----	-----
A <sub>4</sub>	-----	-----	-----	-----	-----	-----
A <sub>5</sub>	-----	-----	-----	-----	-----	-----
Totals	100	27	16	11	2	156

Chi-Square	df	P
10.79	4	0.029
Cramer's V = 0.263		

Note that 2 of your expected cell frequencies are smaller than 5. For a rows by columns chi-square test, at least 80% of the cells must have an expected frequency of 5 or greater, and no cell may have an expected frequency smaller than 1.0. For a 2x2 table, the chi-square test is valid only if all expected cell frequencies are equal to or greater than 5. If this requirement is not met for a 2x2 table, use instead the Fisher Exact Probability Test. The Fisher Exact Test is

After doing the CHI-SQUARE contingency test the p-value that we got after the calculation =0.029 which is less than p-value 0.05 therefore we choose the alternate hypothesis to be correct.

### Summary and Findings:

According to the analyses and interpreted data, the findings are as follows:-

The findings from the data on comparative analysis of made in India cosmetic brands versus foreign cosmetic brands reveal about the consumer preferences and decision making factors.

**Objective 1:** Analysing Consumer Attitudes and Preferences.

The study aimed to compare consumer attitudes and preferences regarding product quality and pricing between "Made in India" and foreign cosmetic brands. The ANOVA test conducted revealed a significant difference in consumer perceptions between the two categories. The p-value obtained (0.0052) was less than the significance level (0.05), indicating statistical significance. Therefore, the alternate hypothesis (H1) was accepted, suggesting that there is indeed a

significant difference in consumer attitudes towards product quality and pricing between the two types of brands.

### Findings:

Consumers exhibit varying perceptions regarding the quality and pricing of "Made in India" versus foreign cosmetic brands. This implies that factors such as brand origin significantly influence consumer decision-making in the cosmetic industry.

### Objective 2:

Assessing the importance of ethical and sustainable manufacturing practices, the research delved into the impact of marketing strategies on consumer perception. The Chi-Square contingency test revealed a significant relationship ( $p = 0.029$ ), supporting the alternate hypothesis (H1). This suggests that ethical and sustainable manufacturing practices influence consumer perceptions, indicating a growing awareness

and concern among consumers regarding the environmental and social impact of cosmetic products. Businesses that prioritize ethical and sustainable practices may garner more favourable perceptions from consumers, thereby enhancing brand reputation and loyalty.

#### Findings:

The findings suggest that marketing strategies play a crucial role in shaping consumer perceptions of cosmetic brands, with ethical and sustainable manufacturing practices being significant factors. Consumers are increasingly considering environmental and social impacts when making purchasing decisions. Therefore, businesses that prioritize sustainability initiatives and transparent communication about ethical practices are likely to gain a competitive edge and foster consumer trust and loyalty.

Overall, the study underscores the significance of brand origin and marketing strategies in shaping consumer behaviour within the cosmetic industry. The findings suggest that businesses operating in this sector need to consider factors such as product quality, pricing, and marketing tactics to effectively cater to consumer preferences and remain competitive in both local and global markets.

#### Suggestion:

Gaining consumer trust is very important for each and every brand present in the cosmetic industry therefore the cosmetic industry of both made in India as well as foreign brands should emphasize transparency, ethical sourcing, and eco-friendly practices to enhance consumer trust.

Quality of products and charging right price for the product are other factors that the industry should inculcate to gain consumers trust and loyalty.

#### Conclusion:

There are several factors that affect and influence consumer perception when making a purchase either from make in India cosmetics brands or foreign cosmetics brands.

Factors such as price, quality, ethical practices used by the brand and sustainable manufacturing practices does influence consumers while make a purchase.

Cosmetic industry need to adapt more and more of ethical and sustainable practices and also to make sure that quality and cruelty free products are available for the customers.

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