RISKS AND FACTORS OF THE CONSUMER RELATIONS GOVERNANCE IN A COSMETIC INDUSTRY

Maxwell A. Phiri *, Juanita de Ponte *

* University of KwaZulu-Natal, South Africa



Abstract

How to cite this paper: Phiri, M.A., & de Ponte, J. (2017). Risks and factors of the consumer relations governance in a cosmetic industry. *Risk Governance and Control: Financial Markets & Institutions*, 7(4-2), 260-269. http://doi.org/10.22495/rgc7i4c2art8

Copyright © 2017 The Authors

This work is licensed under the Creative Commons Attribution-NonCommercial 4.0 International License (CC BY-NC 4.0). http://creativecommons.org/licenses/b

<u>y-nc/4.0/</u>

ISSN Online: 2077-4303 ISSN Print: 2077-429X

Received: 08.05.2017 **Accepted:** 17.10.2017

JEL Classification: G32, D12, G34 DOI: 10.22495/rgc7i4c2art8

1. INTRODUCTION

According to Schneider et al. (2001), cosmetics products are mixtures of natural or synthetic chemical compounds used to improve the appearance or smell of the human body. Thompson (1989) defined cosmetics as an item intended to be rubbed into or otherwise applied to the human body or any cleaning, beautifying part for promoting attractiveness or altering the body appearance, Ahaiwe et al. (2015). They include a range of products such as creams, lotions, powders, perfumes, lipsticks, fingernail and toenail polish, eye and facial make-ups, permanent waves, hair colours, hair sprays and gels and deodorants. Cosmetics are believed to enhance the best features and cover the blemishes on the person wearing them. They have been in use since ages and constitute an important part of modem day's life, (Shalom et al. 2013; Ahaiwe et al. (2015).

In the modern world, there is a distinct change in lifestyle, demographics and the ever-increasing importance of social status. Many people are becoming more health and beauty conscious Suchitra (2009: 4). With the evident growth of the cosmetics, beauty and health industries, there is an obvious increase in general awareness of beauty as well as an increase in the use of cosmetic products Parvin and Chowdhury (2006: 89). As a result, the present

The main goal of this article is to identify and discuss the factors that influence consumers' in their choice of female cosmetic brands. The article goes on to assess the degree of importance that female consumers attach to certain factors which affect consumer choice. The study's population, consisting of female consumers, comprised of 340 respondents. In order to achieve the paper's objective, the researcher developed a structured questionnaire and collected and analyzed the data using Statistical Package for the Social Sciences (SPSS). The findings of the study indicate that the product quality ranked the most important factor even though other factors such as the feminine looking packaging and size of the container were also considered as influential factors in the purchase decision making process. The most influential external influence in the decisionmaking process was age, followed by sales discounts on the price of the product. The use of celebrities was not considered as an influential factor in the consumer decision-making process.

Keywords: Consumer Behaviour, Consumer Perception, Decision Making, Packaging Product Positioning

marketplace contains a great variety of cosmetic products and brands that are available to consumers, making consumer choice more complicated.

Pond's is a skin care product that is manufactured by the global FMCG Company, Unilever. Pond's offers a range of products including; Pond's Matte, Pond's Perfect Colour, Pond's Lasting Oil facial range, Pond/s Intense Moisture, Pond's Flawless Radiance and Pond's Clear Solutions.

The aim of the article is to determine and identify the factors that influence consumers' in their choice of female cosmetic brands. The article will discuss how the Pond's brand is positioned in the minds of female consumers and determine whether the Pond's brand is effectively positioned according to the needs of consumers.

This study seeks to determine how the understanding of these factors will help gain knowledge of how they can impact consumption of the brand, as well as how to position the brand positively in the minds of consumers. The objectives of the research are; to determine what factors female consumers in the Pietermaritzburg area look for in facial skin care brands, determine the factors most important to female consumers of skin care brands in the Pietermaritzburg area, investigate what factors influence the decision making process of female consumers in the Pietermaritzburg area, determine

VIRTUS

whether the Pond's brand meets the desired factors of the female consumers in the Pietermaritzburg area, and determine the perceptions that the female consumers in the Pietermaritzburg area hold with regards to the Pond's brand.

Objectives

The objectives of the research were to:

• Determine what factors female consumers in the Pietermaritzburg area look for in facial skin care brands.

• Determine the factors most important to female consumers of facial skin care brands in the Pietermaritzburg area.

• Investigate what factors influence the decisionmaking process of female consumers in the Pietermaritzburg area.

• Determine whether the Pond's brand meets the desired factors of the female consumers in the Pietermaritzburg area.

• Determine the perceptions that the female consumers in the Pietermaritzburg area hold with regards to the Pond's brand.

2. LITERATURE REVIEW

2.1. Consumer buying behaviour

Every purchase made by a consumer is characterised by a final decision which is influenced by a number of factors Brown (1979: 699). These influencing factors affect consumer choice and are both intrinsic and extrinsic. In order to comprehend these influencing factors, one should have an awareness and understanding of consumer behaviour.

According to Solomon (1996: 7), consumer behaviour is defined as "...the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires."

Consumer behaviour essentially refers to how and why people make certain purchase decisions. The consumer decision-making process has been the focal point of research in trying to understand the factors that influence both consumer choice and the consumer thought process SueLin (2010: 2910). Understanding consumer behaviour and the factors that influence consumer choice will assist marketers to better develop their marketing and brand strategy which may result in increased sales and brand loyalty Suchitra (2009: 4).

Consumer behavior is also referred to as the study of consumers as they exchange something of value for a product or service that satisfies their needs (Wells and Prensky 1996 ; Perera and Dissanayake 2013). The study of consumer behavior focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption related items (Schiffman and Kanuk 2000 ; Perera and Dissanayake 2013). Therefore, consumer behavior consists of not only buying but also thoughts and feelings people experience and the actions they perform, it involves environment influences such as comments taken from other customers, advertising, product appearances and packages and physical actions of the consumers, Perera and Dissanayake (2013).

In the present marketplace, it is important for a company to fulfil the needs and wants of consumers to ensure it attracts consumers to buy. It is fundamental that companies ensure a positive brand image as the success or failure of a brand is dependent on consumer perceptions of the brand Putri and Sugiarti (2009: 1). According to Mullin (2006: 38), a brand is the possession of a part of the consumer's mind. Thus, the position of the brand in the mind of the consumer is made by the associations that are constructed in their heads Mullin (2006: 38). Positioning is therefore important in building brand image. The position a brand holds in the mind of the consumers is relative to how the consumers rate the brand, particularly in relation to factors and attributes which assist them in making their purchasing decisions Armstrong and Kotler (2004: 260). It is imperative for marketers to design and implement apparent positioning and marketing strategies in order to attain the required position in the minds of the target market and not to leave the positioning of the brand to chance Armstrong and Kotler (2004: 259).

Based on previous research related to consumer choice conducted by Brown (1979) and Suchitra (2009), a number of central concerns have arisen repeatedly. Some of the obvious factors observed by the researchers include; the influence of friends and family, price, convenience, demographics, packaging, emotional appeals and advertising.

To better understand the consumers' choice of a brand; it is fundamental to have an idea of consumer buying behaviour on brands. Consumer choice is influenced by a variety of factors and knowledge and understanding of the process of how a purchase decision is reached is essential SueLin (2010: 2910). According to Pride and Ferrell, (2007), consumer buying behaviour is referred to as the "buying behaviour of individuals who purchase products for personal or household use and not for business purposes." Pride and Ferrell, (2007: 177)

Consumer behaviour is concerned with how customers select a product and make purchasing decisions. It is therefore important to understand the various steps that lead to the ultimate purchase of a particular product. Armstrong and Kotler, (2004: 199) use the consumer buying decision process model to illustrate all the deliberation that takes place when a consumer is confronted with a new purchase situation. This model describes the consumer decision process and how consumers make decisions when choosing amongst a list of alternatives available. When consumers purchase products, they go through the buyer decision making process, where they follow a logical sequence of five steps. According to Armstrong and Kotler (2004: 198), this process includes; problem/ need recognition, information search, evaluation of alternatives, purchase decision and post- purchase behaviour.

It is important to outline these stages in relation to purchasing and use of Pond's brand. The consumption of the first stage of decision- making for female consumers begins with *problem or need recognition*. At this stage, the consumer becomes aware of a problem or need that is unfulfilled. A need can be triggered by internal stimuli or by external stimuli, i.e. an advertisement or by actually seeing the product Etzel et al. (2001: 98). For example, need recognition can occur when the consumer realizes

VIRTUS

she has run out of the product and she feels the need to replenish the brand.

The second stage in the decision-making process is to search for information about the product. Here consumer seeks significant information the concerning the product either by referring to memory, which is gained from past experience, or from external sources Engel et al. (1994: 101). Armstrong and Kotler, (2004: 199) distinguish between four sources of information which the consumer may utilize in their information search. Firstly, personal sources such as family, friends or members of the consumer's reference group. Secondly, consumers may seek information from commercial sources which include advertising, packaging or displays. A third source of information is public sources, which includes mass media. The fourth is experiential sources, which may include using the cosmetic product and past experience. Walker and Mullins (2006: 102) state that consumers are generally more influenced by personal sources when choosing which products or brands to buy. Marketers must realise these sources have a significant influence on the final purchase decision. Therefore, marketers should plan their marketing mix carefully in order to ensure consumers are well informed and conscious of their brand Armstrong and Kotler (2004: 200).

The third stage is the *evaluation of alternatives*, which begins when enough alternatives are available to the consumer. From the information search that the consumer conducts in relation to the product, the consumer ends up with a set of brand choices; a choice must be made among the available alternatives by evaluating each brand before making a decision (Solomon 1996: 279 ; Lantos 2015: 68). Consumers simplify their evaluation by focusing on their evoked set senses, which is decided upon as they limit the number of brands to those that they are more familiar with Walker and Mullins (2008: 104). This is done as there are many choices of brands in the market place, and the consumer does not have enough time to evaluate each and every one in order to make a decision. During the evaluation process, consumers tend to look for certain attributes that the product holds which are beneficial in having the needs satisfied. These attributes are known as the consumers' choice criteria, which are used to measure the product appeal and evaluate each attribute with reference to the order of importance Walker and Mullins (2008: 104).

The fourth stage in the consumer decisionmaking process is the *purchase decision*. At this stage, the consumer chooses the product to be bought or decides not to make a purchase. The consumer bases his or her decision on the most favoured brand amongst the alternatives. Armstrong and Kotler (2004: 200).

The final stage is *post purchase behaviour*. After the consumer has purchased the product, the consumer assesses the chosen alternative after using it and experiences some level of satisfaction or dissatisfaction Engel et al. (1994: 101). At this stage, consumers experience cognitive dissonance. Pride and Ferrell (2007: 182), define cognitive dissonance as "a buyer's doubts shortly after a purchase about whether the decision was the right one." A marketer should aim to delight the consumer. They should exceed customer expectation and therefore a customer's cognitive dissonance will be reduced. A consumer that is consistently satisfied with the product and has a positive experience with the product will most likely make repeat purchases and ultimately become brand loyal Walker and Mullins (2008: 106). This process can be used by marketers as a guideline for gaining knowledge and conduct research on how consumers make decisions on product selection and finally consumption.

2.2. Product/Brand positioning

According to Lamb et al. (2015), the notion of positioning dates back to the late 1960s and early 1970's, referred to as the 'positioning era', when it was popularised by a series of articles published by Al Rise and Jack Trout in 1981. Positioning was approached from a psychological perspective, with the emphasis that 'positioning is about what you do to the mind.' Hence, the utmost marketing battlefield was understood to be the mind of the consumer. A clear understanding of the way the mind functions, will result in a clear understanding of how positioning works.

Fundamental to marketers when positioning their product is the understanding of how consumers perceive a product. Successful positioning requires communicating the benefits that brand or product offers rather than the product features. Positioning is about putting the brand in the mind of the consumer and making it more appealing than those of the competitors. Ultimately, the position of a product is the image that comes to a consumer's mind, and the attributes that consumers relate to the product Belch and Belch (2009: 56).

As the marketplace of cosmetics is highly competitive and many alternatives exist for consumers to choose from, the position of the product must have a clear and distinctive image in the mind of the consumer. Malik (2007: para 4) points out that because positioning has to do with consumer perceptions, marketers must make sure that their positioning message is communicated to the consumer in an effective way, which is done through the marketing mix. It is fundamental to first have an understanding of segmentation, targeting and positioning and then an effective marketing mix can be developed.

Segmentation, targeting and positioning are key elements to be considered when marketing consumer goods, such as cosmetics. The three key elements enable the marketer to avoid direct competition by differentiating their offer on the basis of features such as price, <u>packaging</u> and promotions, which then emphasise the benefits offered by the product Schiffman and Kanuk (2010: 72). The marketer must segment the market, identify target markets and develop marketing strategies that meet the needs of each segment. The marketer must position the product so that each market segment perceives the product as better satisfying their needs when compared to competitive products (Schiffman and Kanuk, 2010: 28).

Marketers use segmentation to divide the total market into groups. The bases for segmentation include behavioural, demographic, geographic, and psychographic and benefit segmentation Lamb et al. (2008: 155). In the context of this study, demographic and benefit segmentation have particular relevance.

Demographic segmentation refers to dividing the market into groups based on age, gender, income, family life-cycle, ethnic group, occupation and social class Armstrong and Kotler (2004: 240). In consumer markets, demographic segmentation is the most popular amongst marketers because it is easier to measure and tie in closely with consumer needs, wants and usage rate (Kotler, 1997: 258 ; Boone & Kurtz, 2015: 280). The demographic features were prominent in this study, as it involved looking at women's use of cosmetics to improve their skin. Different ethnic groups use the skin lightening cream offered by Pond's globally to cover facial blemishes, improve appearance and skin colour. Benefit segmentation refers to grouping customers into segments based on the benefits they look for in a product. This was relevant when identifying the sample group for the study. Female consumers want benefits from their skin care products, such as added vitamins, anti- aging effects and so forth.

Marketers should avoid leaving their products positioning to chance. The company should plan the position their products should occupy in the minds of consumers for competitive advantage and create marketing mixes to form the planned positions Armstrong and Kotler (2004: 259). Positioning involves establishing the brand's distinctive benefits and differentiation in consumers' minds. There are seven methods of positioning that a company can use to position its product effectively. Kotler (1997: 299) identifies these factors for positioning as a starting point for a company's positioning strategy. These factors are as follows: attribute positioning: the company positions or focuses on an attribute of the product. Benefit positioning: A product is positioned using a benefit to differentiate the product. Use/ application positioning: This involves positioning a product according to its use or application. User positioning: This involves positioning a product directly at a specific group of users. Competitor positioning: The product positions itself against a competitor by suggesting that it is a better product than that of the competitor. Product category positioning: The product is positioned as the leader in a certain group. Quality/ price positioning: The product is positioned as offering good value for money. Kotler (1997: 300).

Once a company has developed a clear positioning strategy, it must be communicated effectively to its target market in order to get the desired position across (Armstrong and Kotler, 2004: 267). This communication is achieved through the marketing mix and its- product, price, place, promotion. Therefore, the marketing mix efforts must support the positioning strategy. The marketing *mix* is defined as "the set of marketing tools that the firm uses to pursue its marketing objectives in the target market." Kotler (1997: 92). Most marketing tools are controllable elements that the marketer uses and adapts to its target market. Each of the marketing mix elements should be planned to add up to the positioning required and all elements should work in synergy with one another Hooley et al. (2004: 52). The product is the company's tangible offer to the target market, which includes packaging, features, designs, brands and product quality Schiffman and Kanuk (2010: 28). Cosmetics are used as a means to improve physical appearance in order to enhance selfconfidence and self-gratification. Cosmetic products

place more emphasis on the product benefit rather than the features. The *price* is the amount of money that the consumer pays for the product. The price includes discounts, allowances and credit terms Kotler (1997: 93). Regarding cosmetic products, consumers regularly associate price with high quality and safety, therefore price is important to the image of the product and perception of consumers toward the brand Huu Mai and Sirikhoon (2008: 16). When developing a pricing strategy, consideration must be taken as to whether the consumer is price oriented or quality oriented, in order to find the suitable price for a cosmetic product Huu Mai and Sirikhoon (2008: 16). In the case of price oriented consumers, the company should keep the price as low as possible in order to attract the customer. However, if the consumers of cosmetic products are quality oriented, the price should be middle high or high in order to reflect the high quality and prestige image of the product Huu Mai and Sirikhoon (2008: 16). The place refers to the way the marketer makes the product available to the target market through retail stores and non-store outlets. The distribution channels for cosmetic products include speciality stores or counters in stores, cosmetic retail chain stores, beauty shops, supermarkets and pharmacies. Huu Mai and Sirikhoon (2008: 16) state that the reputation and image of the stores that sell cosmetic products are vital to customers' perception toward the product quality and safety. A convenient location will help increase the sales of cosmetic products as it will allow for easy access to the product by the consumers, therefore making the purchase convenient and easy Huu Mai and Sirikhoon (2008: 16). The promotion aspect refers to all the activities the company undertakes to communicate and promote its product Kotler (1997: 93). This includes advertising on television, in newspapers and magazines, sales promotion, public relations, and personal selling, which are all designed to create awareness for the product as well as to persuade the market in hope of influencing the consumers' buying behaviour. It is important for the marketer of cosmetic products to determine which promotional tool affects the consumers the most Huu Mai and Sirikhoon (2008: 16).

3. METHODOLOGY

The research design used for this study was both exploratory and descriptive. The purpose of using exploratory research is to determine the factors that influence consumer choice of the Pond's brand and to know which factors are the most important to consumers. Descriptive research was used to determine the frequency with which something occurs Churchill et al. (2007: 38). This research also allowed for descriptive research, where specific questions were asked. This research study is descriptive because there is a description of the specific factors that affect consumer choice, which is listed in tables in the self-administered questionnaire. Through descriptive research, it was possible to how understanding determine the and implementation of these factors can impact consumption of cosmetic goods.

This study used a quantitative research approach. A structured questionnaire was used to ask specific questions in relation to the objectives of the study. The quantitative research allowed for a flexible approach and helps to achieve reliability of gathered data due to the mass self-administered questionnaire Churchill et al. (2007: 38). Other questions included in the questionnaire required elaboration of the subject matter.

The questionnaire contained three structured close ended items, where the respondents had to rate the factors on a five-point Likert scale for each question. A five-point Likert scale questionnaire consisting of questions regarding the importance of choice factors (ranging from 1= totally unimportant to 5= very important), rating the Pond's brand on these factors (ranging from 1= brand does not meet criteria/ possess the feature at all to 5= excellent), as well as rating the external factors which have an influence during consumers' decision-making process (ranging from 1= no influence at all to 5major influence). The questionnaire also included one unstructured open-ended item where the respondent had to describe the Pond's brand in three words. Data analysis included a combination of descriptive and inferential statistics to determine the relative importance of different choice factors, as well as finding out whether or not Pond's brand meets the desired factors as discussed in the literature above.

The target age group of this study was between 18 and 65 years. In the study, a sample of 384 citizens was selected. Due to time constraints, only 340 females were able to complete the questionnaire. The non-probability sampling method was used where convenience sampling was utilized. To determine the reliability of this study, Cronbach's Alpha was calculated using SPSS 18 and the reliability score of 0.883 was found indicating a higher level of reliability.

4. RESULTS AND DISCUSSION

Convenience sampling was utilised for this study, the distribution of age could not be controlled. The majority of the participants (62%) were between the ages of 18 and 25. 18 percent of the sample were between the ages of 26 and 30, 6 percent were between the ages of 31 and 40, 12 percent were between the ages of 41 and 60, and 2 percent were 61 or older.

Forty five percent of the respondents were African, 30 percent White, 19 percent Indian and 8 percent coloured. Twenty three percent of the respondents had a monthly income of less than R500. These were mostly those participants who were interviewed at the University of Kwa-Zulu Natal as well as at the Pietermaritzburg Mall. The main findings were as follows:

Objective 1: *To determine what factors female consumers are looking for in facial skin care brands.*

Objective 2: To determine the factors most important to female consumers of facial skin care brands

Table 1 reflects 29 choice criteria and the mean values for each; however, due to length limitations, the top 6 product criteria and the top 4 packaging criteria are discussed.

Table 1. Choice (Criteria: Samples	Mean Ranking
of Importance		

Criteria	Mean	Ranking
1) Good quality	4.6	1
2) Skin type	4.5	2
3) Long Lasting	4.5	2 2 3
4) Value for money	4.4	3
5) Moisturising Effect	4.3	4
6) Availability	4.2	5
7) Experience with the brand	4.0	6
8) Ease of use	3.9	7
9) Convenience of purchase	3.9	7
10) Added benefits	3.9	7
11) Attitude	3.8	8
12) Price	3.7	9
13) Anti- animal testing	3.7	9
14) Fragrance	3.7	9
15) Promotions/ special offers	3.7	9
16) Recognition of the brand	3.7	9
17) Image of the brand	3.6	10
18) Referral by family	3.5	11
19) Brand loyalty	3.5	11
20) Referral by friends	3.4	12
21) Advertising	3.4	12
22) In store displays	3.2	13
23) Use of celebrities	2.3	14
Packaging		
24) Stylish/ attractive	3.5	1
25) Feminine looking	3.5	1
26) Size of container	3.5	1
27) Attractive logo	3.3	2
28) Shape of container	3.0	3
29) Colour of container	2.8	4

The results pertaining to the first and second research objectives on the factors female consumers in the Pietermaritzburg area look for in facial skin care brands, and the factors most important to female consumers of skin care brands in the Pietermaritzburg area are shown in Table 1 above. The results indicate that:

• The respondents agree to some extent with the factors discussed in the literature with regards to influence purchase decisions. The respondents ranked referral by family as the 11th most important factor when choosing a skin care brand and referral by friends and advertising were ranked as the 12th most important factors.

• In terms of what factors that the respondents look for when choosing a skin care brand Table 1 shows good quality of a product was the most important factor when choosing a skin care brand as rated by 94 percent of respondents. Skin type was one of the 2nd most important factors, which was rated by 88 percent of the respondents. 93 percent of the respondents rated long lasting as one of the 2nd most important factor. 86 percent of the respondents felt that it is important for the skin care brand to be value for money, as this was rated as the 3rd most important factor when choosing a skin care brand. 86 percent of respondents rated the moisturising effect of the product to be the 4th most important factor that influences their choice when choosing a skin care brand. The availability of the product was rated as the 5th most important factor by 82 percent of the respondents.

• In terms of the packaging criteria, Table 1 shows that style and attractiveness were the most

important factors. 53 percent of the respondents when choosing a skin care brand. The packaging of the product should have a touch of femininity as this was also one of the most factors to 51 percent of the respondents. 57 percent of the respondents felt that the size of the container was yet again one of the most important factors when choosing a skin care brand. 42 percent of respondents rated that the brand must have an attractive logo as this was rated as the 2nd most important factor.

Objective 3: To investigate what factors influence the decision-making process of female consumers

Objective 4: *To determine if the Pond's brand meets the desired factors of the female consumers*

It is important for marketers to examine consumers what choice criteria or factors that are used to influence the buyer's decision Etzel et al. (2001: 98). It can be said that marketers need to ensure that they produce what the target market is looking for and considered as the most important aspect.

The external influences were measured on a fivepoint Likert scale ranging from no influence at all to major influence.

	Percentage of respondents in each cell				
External Influence	No Influence at all	Slight Influence	Neutral	Big Influence	Major Influence
	1	2	3	4	5
1) Age	6.3	6.6	18.3	36.2	32.6
2) Race	19.3	11.7	23.8	23.8	21.4
3) Income	5.6	7.7	26.0	37.3	23.4
4) Social Status	18.3	15.3	35.9	21.0	9.6
5) Influence from Family	15.4	17.2	31.5	25.5	10.4
6) Influence from Friends	16.0	15.4	32.0	26.6	10.1
7) Influence from Celebrities	32.8	19.1	27.2	12.2	8.7
8) Promotions	7.4	11.2	28.4	34.6	18.3
9) Discounts	6.3	9.0	23.4	36.6	24.6
10) Displays	9.2	11.5	38.5	26.0	14.8
11) Slogans/taglines	17.5	16.9	32.5	21.0	12.1

Table 2. External Influences

The company does not have control over certain influences, i.e. age, race, social status etc, however, the marketing activities are things that they can control in order to influence the consumer's purchase decision and product usage. Some of the main findings are as follows:

Sixty-nine percent of participants thought that age had an influence on their decision to purchase. In line with cosmetic products, age is a factor which influences cosmetic purchasing behaviours Huu Mai and Sirikhoon (2008: 17). Therefore, it is evident that the respondents agree with the authors in that age has an influence during the decision-making process.

Forty-five per cent of the respondents felt that race as an external influence influenced their purchase decision. However, 24 percent felt neutral about this external influence, which can be translated in that they were not sure about this influence.

In terms of income as an external influence, 60 percent of respondents felt that it influenced their decision to purchase. Therefore, it is evident that consumers consider their income level when purchasing cosmetic products. Marketers, therefore, need to price their products in accordance with their target market.

Marketers must be aware of the status symbols attached to brands and products as well as the consumers who purchase these brands. In terms of social status, 31 percent of the respondents felt that this external influence has an influence over their decision to purchase. However, 36 percent of the respondents were not sure about this external influence. This could be due to the fact that they have not really considered this during their decisionmaking process. In terms of influence from family, friends and celebrities as an external factor, the participants did not agree with the literature discussion in this article that celebrities have an influence in decision making process in purchasing cosmetics. Products with high self-image such as fashion and cosmetics have a high effect on reference groups.

• According to Walker and Mullins (2008: 117) the family act as one of the main driving forces of influencing consumer behaviour in the marketplace. The family members can influence each other in terms of ability, knowledge and attitude in the decision-making process. Thirty Six percent of participants felt that it has an influence on their purchase decision.

• The findings showed that celebrities do not have much influence on the use of cosmetics. 33 percent of the respondents felt that this external influence has no influence at all over their purchase decision. Only 21 percent of the respondents felt that celebrities had an influence.

The respondents agreed that advertisements, product packages, radio and television commercials, and billboards attract their attention Solomon (1996: 55). When consumers make a purchase decision, such as face cream, they are responding not only to these influences but also to their interpretations of the adverts.

Promotions were highlighted by the respondents as one of the key influence in decision making. 53 percent of the participants felt that promotions influenced their decision to purchase the product. 62 percent of the participants felt that discounts had a major influence on their purchase decision. Displays played a role in the decision-making process. 41 percent of respondents felt it influenced their decision to purchase.

It can be argued therefore that certain external factors have more influence than others in the consumers purchasing behaviour of cosmetic products. Overall, it is evident that age has the most influence over the participants' decision-making process and ultimately their purchase decision with regards to cosmetics products. Then followed by price discounts of the product as the 2nd most influential factor, followed by income as the 3rd factor that has the most influence over the consumers' decision-making process. The 4th most influential external factor is promotions of the product, followed by race (5th most influential). The 6th influential external factor is displays of the product. The 7th most influential external factor is influence from friends, followed by the 8th influential factor being influence from family. Slogans/ taglines were the 9th most influential factor in the decision-making process, and social status came in last at the 10th most influential factor. It is interesting to note however that influence from celebrities was not considered as an influential factor in the consumers' decision-making process. The fourth objective was to determine if the brand met the desired factors according to the consumers. Overall, it can be argued that Pond's Skin Care brand meets the desired factors in which the respondents rated most important. These factors can be seen as the strengths of the Pond's brand.

Objective 5: *To determine the consumer perceptions held with regards to the Pond's brand*

The fifth and final research objective was to determine the perceptions the female consumers in the Pietermaritzburg area. Perception is the process by which an individual chooses, arranges and assigns meaning to form a reasonable picture of the world Schiffman and Kanuk (2010: 175). In the marketing situation, this means connecting values to communications about products which consumers receive from sales people, friends, family, packaging, advertisements. These perceptions and heln marketers assess the existing positioning strategy and thus help to make changes to this positioning strategy in order to meet the needs of the target market. Ultimately, the position of a product is the image that comes to a consumer's mind and the attributes that consumers relate to the product Belch and Belch (2009: 56). The respondents described Pond's in many different ways, however, the responses were grouped into themes which included; feminine, product characteristics, affordable, target market, quality, brand recognition, application/ use, and availability. The results are as follows, with descriptions used by respondents which are presented in Table 3 below.

Table 3. Respondents Descriptions of Pond's Skin Care

Themes	Descriptions
1) Feminine	Pink, cute, fluffy, floral, stylish, beauty, elegant, natural, and delicate, lady-like and women.
2) Product Characteristics	Amazing, smooth texture, diverse in product offering, soothing, lasting, moisturising, fragrance, good for all skin types, light, absorbent, Pond's Perfect Cream, anti-animal testing, gentle, attractive, sensitive, white, unique, promising, small containers, clean, fresh, creamy, soft, bottled cream, even skin tone, vibrant, face cleaning product, makes a difference, tender, lasting oil control, keeps skin amazing, compatible, indulgent, improves appearance, creative packaging, innovative, flawless, anti-wrinkle and classy.
3) Affordable	Reasonably priced, cheap, cost effective, inexpensive and well-priced product.
4) Target Market	Used by the elderly, African market, African product, and for young black females.
5) Quality	Value for money, rewarding, matte finish, excellent, nice, the very best, good, suitable for all, best cream ever, perfect, value, quality, really good, okay I guess, efficient, good skin product, luxurious, best for skin, outshines, perfect, great, sufficient, it totally delivers, exquisite, lovely product, money well spent, worth it, reliable and safe.
6) Brand Recognition	Experience, Pond's Perfect Cream, Perfect cream, magical life saver, trusted, around for a long time, well known, popular, familiar, recognised, lovely, wonderful, youthful, brand loyal, best brand ever, Pond's good for women, dependable, cosmetic, hip, well-known brand, appealing, been around forever, eye catching, well-advertised, it's awesome, established brand, Flawless, beauty product.
7) Application/ Use	Easy to use, user friendly, satisfying, effective, clear, pure, quick, refreshing, comfortable, useful, practical, relief, it really works, perfect, works wonders, good to use, lifesaver in winter, simple.
8) Availability	Convenient, easy to find, readily available, everywhere, accessible, easy to purchase and common.

VIRTUS 266

In terms of the category 'feminine', 32 percent of the respondents used words that described the brand to be feminine and have feminine characteristics. Forty-eight percent of respondents described the Pond's brand in terms of its products characteristics. From the responses, it is evident that these responses are positive and consumers have a positive perception of the brand.

Thirty-eight per cent of respondents described the Pond's brand as affordable. The majority of the 38 percent respondents that described Pond's in this theme said "affordable". It is evident from the responses that consumers perceive Pond's products to be affordable and thus will continue to purchase the product as it is a well-priced product.

Five percent of participants described the Pond's brand in terms of who they perceive the brand is targeted at. When a cross tabulation was done on the factor 'targeted at my race' and 'nationality' in the demographic section, it is evident that a count of 93 African respondents believe the Pond's brand is targeted at their race group.

In terms of the category 'quality', 38 percent of participants perceive the Pond's brand to be of good quality. It is evident that a sufficient number of respondents perceive the brand to be good quality and thus describe the brand positively. Therefore, one can say this is a competitive advantage for the brand and can be seen as a strength.

Sixteen per cent of the sample described Pond's in a way that showed recognition of the brand. This shows that the Pond's brand is well recognised by the sample, and is known for only positive aspects.

Twenty-seven per cent of the respondents described Pond's brand by its application/ use. In this theme, the majority of the 27 percent used "effective" to describe Pond's. Thus, it can be noted that the Pond's brand is perceived positively by the respondents.

Sixteen per cent of respondents described Pond's brand as available. This links back to the responses whereby the sample rated Pond's brand as excellent in terms of its availability. Amongst these responses, the majority of the 16 percent of the sample described Pond's and convenient, easy to find and accessible.

Overall, the position of the Pond's brand held by the majority of the respondents is related to the product characteristics which are all positive and thus can be seen as strengths of the brand. The Pond's brand is also perceived to be affordable and a good quality product by a large number of the respondents. It can also be said that the Pond's brand is perceived to be feminine and the application of the product is perceived to be easy to use and effective.

5. RECOMMENDATIONS

Marketers need to have an understanding of what consumers look for and consider important when purchasing a skin care brand. From the study, the female consumers revealed what factors they look for and which ones are the most important when making a purchase decision.

It is recommended that companies should focus on promoting the factors that help to position the brand favourably in the minds of the consumers.

Since availability was rated as one of the most important factors, it is recommended that cosmetic companies emphasise the availability of the products in the advertising. This will show the consumer that the products are convenient to purchase as well as available at all times in the retail outlets.

With regards to the Pond's brand, like any other cosmetic products, consumers' perceptions of the brand are positive and therefore can be seen as strengths of the brand. It is recommended that Pond's use descriptions of the product in the positioning strategy.

It is recommended that the packaging must be stylish and attractive in order to appeal to the consumer and catch their attention when choosing between alternatives.

It is also recommended that marketers conduct research to determine the most desired size for the containers of cosmetic products. This will assist in the branding of the product on the container or packaging.

It is recommended that companies price cosmetics products in accordance with quality. However, it can be noted from the findings that the position of the Pond's brand in the minds of the consumer is that of affordability of the product.

It is recommended that cosmetic products be placed in distribution outlets which are convenient for consumers, and companies should make sure there are no stock outs. Thus, it can be said that retailer relationships are important in the distribution of the product, and hence companies should manage these relationships effectively.

It is recommended that companies of cosmetic products hold promotions for their product in order to create awareness about it, as well as to influence consumers' purchase decision. It is also recommended that cosmetic companies use displays as a promotional tool to attract consumers to the product.

It is recommended that cosmetic marketers should not spend too much money using celebrities in their advertisements. The advertisements should rather use every day contemporary women who portray the qualities that the product is trying to communicate with the target market. It can be said that the Pond's brand strategy is working well for the brand as it aligns with what the consumers look for when purchasing a skin care brand.

A recommendation for future research includes focusing only on the positioning of Pond's by using positioning maps and positioning questions asked in the questionnaire. This could be done by comparing different brands of skin care with the Pond's brand.

6. CONCLUSION

The main objectives of this research were to determine the factors that consumers look for and are important to them when selecting and purchasing cosmetic brands as well as to ascertain the factors influencing the decision-making process of these consumers. The literature review provided the theoretical framework relevant to and supporting the study. This included the buyer decision making process, demographic and benefit segmentation, positioning strategies and the implications of the positioning strategy to the marketing mix, vis-à-vis product, place, price, and promotion. This exploratory study used a quantitative research method for data gathering. Data was collected using



a structured questionnaire from a sample of 340 respondents and was analysed using a Statistical Sackage for the Social Sciences, (SPSS) software. This paper presented valuable and useful contributions which can be used by the marketing practitioners, especially in the cosmetics industry. Firstly, the research identified the main factors that female consumers consider when choosing a skin care brand to purchase include; good quality, skin type, the longevity of the product, value for money, moisturising effect and availability. The packaging factors considered included the stylish/attractive appearance of the product, feminine looking, the size of the container and appearance and positioning of

REFERENCES

- 1. Ahaiwe, E.O., Onwumere, J., & Agodi J.E. (2015). Analysis of determinants of brand preference for cosmetics in Abia State, Nigeria. *The International Journal of Business and Management*, 3(9), 244-250.
- Apreda, R. (2006). The semantics of governance: The common thread running through corporate, public, and global governance. *Corporate Ownership & Control, 3(2),* 45-53. http://doi.org/ 10.22495/cocv3i2p6
- 3. Armstrong, G., & Kotler, P. (2004). *Principles of Marketing.* 10th Edition. New Jersey: Pearson Prentice Hall.
- 4. Atrilla, P., Omranb, M., & Pointonc, J. (2005). Companymission statements and financial perfor mance. *Corporate Ownership & Control, 2(3), 28-*35. http://doi.org/10.22495/cocv2i3p3
- 5. Belch, G.E., & Belch, M.A. (2009). Advertising and Promotion: An integrated marketing communications perspective. 8th edition. McGraw-Hill/ Irwin.
- 6. Boone, L.E., & Kurtz, D.L. (2015). *Contemporary Marketing*. 17th edition. Boston: Cengage Learning.
- 7. Brown, W.F. (1979). The determination of factors influencing brand choice. *Journal of Marketing*, *14(5)*, 699-706.
- 8. Carels, C., Maroun, W., & Padia, N. (2013). Integratedreporting in the South African mining sector. *Corporate Ownership & Control*, 11(1-11), 947-961.
- http://dx.doi.org/10.22495/cocv11i1c11p6
- Churchill GA, Brown TJ, Suter TA 2007. Basic Marketing Research. 7th edition. Cengage Learning.
- Engel JF, Warshaw MR, and Kinnear TC 1994. Promotional strategy: Managing the market communications process. 8th edition. London, McGraw-Hill Irwin publishing.
- Etzel, M.J., Walker, B.J., & Stanton, W.J. (2001). Marketing. 12th edition. Boston: McGraw Hill Irwin.
- Hooley, G., Saunders, J., & Piercy, N. (2004). Marketing strategy and competitive positioning. 3rd edition. London.
- Hutchinson, M., & Zain, M.M. (2009). Internal auditquality, audit committee independence, growth opportunities and firm performance. *Corporate Ownership & Control, 7(2),* 50-65. http://doi.org/10.22495/cocv7i2p4
- 14. Huu Mai, N., & Sirikhoon, S. (2008). Cosmetic Market in Vietnam. Master Thesis in International Marketing. Retrieved from the World Wide Web: http://www.scribd.com/doc/53211625/Product.
- 15. Kotler, P. (1997). *Marketing management: Analysis, planning, implementation, and control.* 9th edition. New Jersey, Prentice Hall.

the logo. The second contribution of this study is that it identified the major external influences which are most significant during the consumer's decisionmaking process by the consumers to be age, discounts, race and income. It is evident that the Pond's brand positively meets the desired factors in which the respondents rated as most important which include good quality, long lasting, skin type match, long lasting as well as value for money, and is well positioned in the minds of the consumers. Therefore, it can be concluded that these attributes which are most important to the consumers are the strengths of the Pond's brand.

- 16. Krafft, J., & Ravix, J.L. (2007). The firm and its governance over the industry life-cycle. *Corporate Ownership* & *Control*, *5*(1-1), 233-242. http://doi.org/10.22495/cocv5i1c1p8
- Lamb, C.W., Hair, J.F., McDaniel, C., Boshoff, C., & Terblanche, N. (2008). *Marketing.* 3rd edition. Oxford University press southern Africa (Pty) Ltd.
- Lamb, C.W., Hair, J.F., McDaniel, C., Boshoff, C., Terblanche, N., Elliot, R., & Klopper, H.B. (2015). *Marketing*. Oxford University Press: South Africa.
- 19. Lantos, G.P. (2015). *Consumer Behaviour in Action: Real-Life Applications for Marketing Managers*. New York, Routledge.
- 20. Malik M 2007. The Importance of Positioning in Marketing. Retrieved from the World Wide Web: http://www.chillibreeze.com
- 21. Maune, A. (2014). Competitive intelligence and firm competitiveness: An overview. *Corporate Ownership* & *Control*, *12(1-6)*, 533-542. http://doi.org/10.22495/cocv12i1c6p1
- Melis, A. (2003). Financial reporting, corporate communication and governance. *Corporate Ownership & Control, 1(2),* 31-37. http://doi.org/ 10.22495/cocv1i2p2
- 23. Mullin, R. (2006). Branding: How to own a piece of your customer's mind. *Engineering management*. *16*(5), 38-39.
- Mullins, J.W., Walker, O.C., & Boyd, H.W. (2008). Marketing management: A strategic decisionmaking approach. 6th edition. McGraw Hill Irwin.
- Parvin, N., & Chowdhury, H.K. (2006). Consumer evaluations of beautification products: effects of extrinsic cues. *Asian Academy of management Journal*, *11(2)*, 89-104. Retrieved from the World Wide Web: http://web.usm.my/aamj/11.2.2006/ AAMJ%2011-2-6.pdf.
- 26. Perera, WLMV., & Dissanayake, DMR. (2013). The impact of brand awareness, brand association and brand perceived quality on female consumers' purchase decision of foreign makeup products (a Study on youth segment). ResearchGate: Sri Lanka.
- 27. Pride, W.M., & Ferrell, O.C. (2007). Foundations of marketing. Cengage Learning Inc. Retrieved from the World Wide Web: http://books.google.co.za/books?
- Puaschunder, J. (2017). We today's and tomorrow's - people of the united world: rethinking capitalism for intergenerational justice in the finde-millénaire. *Corporate Governance and Sustainability Review*, 1(2), 30-34. http://doi.org/ 10.22495/cgsrv1i2p4.
- 29. Ries, A., & Trout, J. (1981). *Positioning: The Battle for Your Mind*, McGraw-Hill, New York.

VIRTUS 268

- 30. Schiffman, L.G., & Kanuk, L.L. (2000). *Consumer Behaviour 7th edition*. New Jersey: Prentice Hall.
- Schiffman, L.G., & Kanuk, L.L. (2010). Consumer behaviour. 10th edition. Prentice Hall.
- 32. Schneider, G., Gohla, S., Schreiber, J., Kaden, W., & Schonrock, U. (2001). *Skin Cosmetics*. Ullmann's Encycl. Ind. Chem.
- 33. Shahid, S., Ahmad, B., & Badar, M. (2017). Association of demographic and behavioral characteristics on financial decision making. *Corporate Governance and Sustainability Review*, *1(2)*, 20-29.http://doi.org/10.22495/cgsrv1i2p3
- 34. Shalom, N., Dominic, E., Victor, C., Emeka, E., Israel, S., Chidi, C., Olubanke, O., & Solomon, U. (2013). Skincare product usage: Implications on health and wellbeing of Africans. *Journal of Applied Sciences*. 13(3), 430-436

- 35. Solomon, M.R. (1996). Consumer behaviour: A European perspective. 4th edition. Harlow, England: Pearson Education.
- 36. Suchitra, R.T. (2009). Cluster analysis for better segmentation: A study on branded female personal care products. *Journal of Marketing and Communication*, *5*(1), 4-19.
- 37. Sue Lin, C. (2010). Understanding consumer purchase behaviour in the Japanese personal grooming sector. *Journal of Yasar University*, *5*(*17*), 2910-2821.
- 38. Thompson, A.O. (1989). An introduction of cosmetic science. *Son News Bulletin, 20(4),* 22-24.
- Walker, O., Mullins, J., Boyd, H., & Larreche, J. (2006). Marketing strategy: A decision-focused approach. 5th edition. McGraw-Hill, Inc: Chicago.
- 40. Wells, W.D., & Prensky, D. (1996). *Consumer Behavior*. Canada, John Wiley & Sons, Inc.

VIRTUS 269