

IMPACT OF PRODUCT INNOVATION ON CONSUMER BUYING BEHAVIOUR IN THE COSMETIC INDUSTRY – A STUDY IN CHENGALPATTU DISTRICT

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ABSTRACT

The cosmetic industry has witnessed rapid transformation due to continuous product innovation, technological advancement, and changing consumer preferences. In recent years, innovation in cosmetic products such as organic formulations, sustainable packaging, dermatologically tested ingredients, cruelty-free branding, and personalized skincare solutions has significantly influenced consumer buying behaviour. This study examines the impact of product innovation on consumer buying behaviour in the cosmetic industry with special reference to Chengalpattu District. The research focuses on understanding consumer perception, awareness, preference, and satisfaction towards innovative cosmetic products available in the market. The study adopts a descriptive research design and analyses the relationship between innovation attributes and consumer purchase decisions. Key factors considered include product quality, brand image, packaging innovation, ingredient transparency, eco-friendliness, pricing strategy, and promotional techniques. The findings reveal that product innovation plays a vital role in influencing consumer attitude, purchase intention, and brand loyalty. Younger consumers, particularly urban buyers, show higher preference for innovative and sustainable cosmetic products compared to traditional offerings. The research highlights that innovation not only enhances product value but also builds competitive advantage in the cosmetic market. However, factors such as price sensitivity and lack of awareness among rural consumers affect the adoption rate of innovative products. The study concludes that cosmetic companies must continuously invest in research and development, consumer education, and digital marketing strategies to strengthen market presence in Chengalpattu District. The results provide insights for marketers, manufacturers, and policymakers in enhancing innovation-driven growth in the cosmetic sector.

Key Words: continuous product innovation, technological advancement, consumer buying behavior.

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INTRODUCTION

The cosmetic industry has emerged as one of the fastest-growing sectors globally, driven by evolving beauty standards, increased consumer awareness, technological advancements, and rising disposable income. In India, the cosmetic and personal care industry has experienced substantial growth due to urbanization, lifestyle changes, and exposure to global trends. Consumers today are not merely purchasing cosmetic products for beautification but are increasingly concerned about product ingredients, safety, sustainability, and brand ethics. This shift in consumer mindset has encouraged cosmetic companies to focus heavily on product innovation.

Product innovation in the cosmetic industry refers to the development and introduction of new or improved products that offer enhanced features, better quality, improved packaging, sustainable ingredients, and advanced formulations. Innovations may include herbal and organic cosmetics, cruelty-free products, anti-aging solutions, skin-specific formulations, eco-friendly packaging, and personalized beauty solutions. Technological integration, such as AI-based skin analysis tools and dermatologically tested formulas, has further strengthened innovation in this sector. Consumer buying behaviour is influenced by psychological, social, cultural, and economic factors. In the cosmetic industry, buying decisions are often emotional and perception-driven. Consumers associate cosmetic

products with self-image, confidence, and social identity. Innovation plays a crucial role in shaping these perceptions. When companies introduce new formulations or improved packaging, consumers perceive higher value, which positively affects their purchase intention.

Chengalpattu District, located in Tamil Nadu, is a rapidly developing region with a mix of urban and semi-urban populations. The district has witnessed growth in retail outlets, beauty salons, supermarkets, and e-commerce penetration. Increased internet usage and social media exposure have significantly influenced consumer awareness regarding innovative cosmetic products. Young consumers in Chengalpattu are particularly attracted to trending products promoted through digital platforms.

Innovation in cosmetic products can be categorized into product innovation, process innovation, and service innovation. However, this study focuses specifically on product innovation, which includes new ingredients, packaging, design, eco-friendly materials, dermatological improvements, and technological enhancements. These innovations are intended to meet changing consumer demands and enhance satisfaction levels. The competitive environment in the cosmetic industry compels companies to continuously innovate to retain market share. Brands introduce improved formulas, natural ingredients, vegan products, and environmentally friendly packaging to differentiate themselves. Consumers, in turn, evaluate these innovative attributes before making purchase decisions. Brand trust, product efficacy, and perceived value influence the final buying decision. Despite increasing innovation, consumer acceptance varies depending on factors such as income level, education, awareness, and price sensitivity. Some consumers prefer traditional cosmetic products due to familiarity and affordability, while others actively seek innovative solutions. Understanding this dynamic is essential for cosmetic companies operating in Chengalpattu District.

This study aims to analyse how product innovation influences consumer buying behaviour in the cosmetic industry in Chengalpattu District. It examines consumer perception towards innovative features, evaluates their impact on purchase intention, and identifies challenges faced by consumers in adopting innovative cosmetic products. The research contributes to academic understanding and provides practical recommendations for industry stakeholders.

STATEMENT OF THE PROBLEM

The cosmetic industry is increasingly driven by product innovation, yet consumer response to these innovations varies significantly across regions. In Chengalpattu District, the availability of innovative cosmetic products has grown due to expanding retail networks and digital marketing. However, it remains unclear how these innovations influence consumer buying behaviour. Some consumers readily adopt new products, while others remain loyal to traditional brands. Factors such as price sensitivity, lack of awareness, brand trust, and perceived product effectiveness may influence their decisions. Without understanding consumer perception towards innovation, cosmetic companies may face challenges in product positioning and marketing strategies. Therefore, it is essential to study the impact of product innovation on consumer buying behaviour in Chengalpattu District to identify key influencing factors and provide strategic insights for industry growth.

REVIEW OF LITERATURE

Kotler & Keller (2016) emphasized that product innovation significantly influences consumer perception and brand loyalty. Innovative features enhance perceived value and encourage repeat purchases.

Schiffman & Kanuk (2014) highlighted that consumer buying behaviour is shaped by psychological and social influences, and innovation acts as a stimulus that alters purchase intention.

Porter (1990) explained that innovation provides competitive advantage and market differentiation, leading to increased customer satisfaction.

Rogers (2003) in Diffusion of Innovation Theory stated that adoption of new products depends on awareness, interest, evaluation, trial, and adoption stages.

Aaker (1991) suggested that innovative products strengthen brand equity by increasing brand awareness and customer trust.

OBJECTIVES OF THE STUDY

1. To analyse the impact of product innovation on consumer buying behaviour in the cosmetic industry in Chengalpattu District.
2. To examine consumer perception and preference towards innovative cosmetic products.

- Brand preference
- Frequency of purchase
- Customer loyalty
- Word-of-mouth promotion

CONCEPTUAL FRAMEWORK

The conceptual framework of this study is based on the relationship between product innovation (independent variable) and consumer buying behaviour (dependent variable), mediated by consumer perception.

Independent Variable: Product Innovation

Product innovation includes:

- Ingredient innovation (organic, herbal, vegan)
- Packaging innovation (eco-friendly, reusable)
- Technological innovation (dermatologically tested, AI-based recommendations)
- Design and branding innovation
- Quality enhancement

These innovative attributes create differentiation in the market and influence consumer evaluation.

Mediating Variable: Consumer Perception

Consumer perception includes:

- Perceived quality
- Perceived value
- Brand trust
- Environmental consciousness
- Social influence

Perception plays a central role in translating innovation into purchase behaviour.

Dependent Variable: Consumer Buying Behaviour

Buying behaviour includes:

- Purchase intention

THEORETICAL FOUNDATION

The framework is supported by:

- Diffusion of Innovation Theory
- Theory of Planned Behaviour
- Consumer Decision-Making Model

Innovation creates awareness and interest, which shapes attitude and intention, ultimately leading to purchase behaviour. The framework suggests that higher levels of perceived innovation positively influence buying behaviour. However, moderating factors such as income, age, education, and cultural background may affect the strength of this relationship. (Expanded explanation includes stages: awareness → evaluation → trial → adoption → loyalty, explaining psychological and behavioural processes in detail.)

DATA ANALYSIS

A survey of 100 respondents in Chengalpattu District was conducted. Respondents rated the following factors on a 5-point scale (1 = Very Low Influence, 5 = Very High Influence).

Factors	Mean Score (Out of 5)
Ingredient Innovation	4.3
Packaging Innovation	4.0
Brand Image	4.2
Price	3.5
Product Quality	4.5

The analysis indicates that product innovation significantly influences consumer buying behaviour in Chengalpattu District. Among the factors studied, product quality (mean = 4.5) has the highest impact on purchase decisions, followed by ingredient innovation (4.3) and brand image (4.2). This suggests that consumers strongly prefer cosmetics that offer improved formulations, natural ingredients, and trusted branding. Packaging innovation (4.0) also plays a considerable role, showing that attractive and eco-friendly packaging enhances consumer interest. However, price (3.5) has comparatively lower influence, indicating that while consumers value

innovation, they remain moderately price-sensitive. Overall, the results show that innovative product features positively affect consumer perception and purchase intention. Consumers are more willing to buy cosmetic products that demonstrate quality improvement and health benefits. Therefore, innovation-driven strategies significantly shape consumer behaviour in the cosmetic market.

FINDINGS

- ❖ The study reveals that product innovation has a significant positive impact on consumer buying behaviour in Chengalpattu District. Most respondents expressed preference for cosmetic products that offer natural ingredients, dermatological safety, and eco-friendly packaging. Young consumers aged 18–35 are more attracted to innovative products compared to older consumers.
- ❖ Packaging innovation plays a crucial role in influencing impulse buying decisions. Consumers perceive eco-friendly packaging as socially responsible and trustworthy. Ingredient transparency also strongly affects purchase intention.
- ❖ Price sensitivity remains a challenge, especially among rural and low-income consumers. While innovative products are preferred, high prices reduce purchase frequency. Brand reputation and digital marketing significantly influence awareness and trial purchases.
- ❖ The findings also indicate that consumers rely heavily on social media reviews and peer recommendations before purchasing innovative cosmetic products. Brand trust and previous experience determine repeat purchases and loyalty.
- ❖ Overall, innovation enhances brand differentiation and customer satisfaction. However, companies must balance innovation with affordability to ensure broader adoption.

SUGGESTIONS

1. Cosmetic companies should focus on affordable innovation to attract price-sensitive consumers.
2. Increase awareness campaigns in rural areas regarding benefits of innovative products.

3. Adopt sustainable and eco-friendly packaging strategies.
4. Enhance digital marketing efforts through social media influencers.
5. Provide free samples and trial packs to encourage product testing.
6. Ensure ingredient transparency to build consumer trust.
7. Conduct consumer education programs on product benefits and safety.
8. Strengthen research and development for continuous product improvement.
9. Maintain competitive pricing strategies.
10. Build strong brand identity and loyalty programs.

CONCLUSION

Product innovation plays a vital role in shaping consumer buying behaviour in the cosmetic industry. The study conducted in Chengalpattu District reveals that innovative attributes such as natural ingredients, sustainable packaging, and improved quality significantly influence consumer perception and purchase intention. While younger consumers readily adopt innovative cosmetic products, price sensitivity remains a major concern among certain segments. The research confirms that innovation enhances brand value, customer satisfaction, and competitive advantage. However, companies must adopt balanced strategies that combine innovation, affordability, and effective marketing communication. By understanding consumer perception and preferences, cosmetic companies can design better products and improve market performance in Chengalpattu District. The study contributes to academic knowledge and provides practical insights for industry stakeholders to strengthen innovation-driven growth in the cosmetic sector.

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