

## A STUDY ON CUSTOMER SATISFACTION TOWARDS LAKME PRODUCTS

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### Abstract -

The first and most important objective of my study is to know the awareness, perception, customer satisfaction of women of Cosmetic products in Andhra Pradesh and the focus here is on the brand LAKME and the Loyalty enjoyed by it. The study of customer satisfaction is the most important factor for marketing any goods and services. The customer satisfaction suggests how individuals, groups and organizations select, buy, use, and dispose of Goods, Services and Ideas or Experience to satisfy their needs and wants. It also gives clues for improving or introducing products or services, setting price, devising channels etc. The cosmetics sector is one of the best and important sectors at present time. There are a lot of future opportunity in this sector. The increasing trend of different cosmetic products etc add fuels to the market growing opportunity. The demand of cosmetics is not only increase in women but also increasing in men. So, there are many opportunities has been arising and change is made in consumer perception

Introduction – . It is the global leader in cosmetics, with 25 brands. They have 4 key areas of expertise – hair care, skincare, make-up and fragrances. There is a huge motive behind the study of Lakme. The study will help us to understand the operations which are carried out by L'Oreal. The operations such as, business marketing strategies, business plans of company at a glance, business structure, management and operating structures, competitors position as per this company, business development, discussion of business strategies, SWOT analysis to understand the different pros and cons of the company, so as to report properly to operate effectively and deal smartly .This study offers a comprehensive analysis of the organization, its business segments, and competitors. It analyzes the business and marketing strategies adopted by the company, to gain a competitive edge in the industry. The profile also evaluates the strengths of the company and the opportunities present in the market.

This study presents the key facts & figures, business description, products & services offered and corporate timeline of the company. It involves analysis of the company at three levels – segments,

organizational structure and ownership composition. Both business and geographic segments are analyzed along with their recent financial performance. It further discusses the major subsidiaries of the company and the recent merger & acquisitions. It also examines the significant developments and milestone that have taken place in the company. It is a form of news analysis where the most critical company news is discussed. Also the factor Financial Performance included in this study. It discusses the most recent financials of the company and also compares the historical sales & income figures with the current and projected figures.

The objective is to evaluate the financial health of the company The analyst opinion and stock performance help anyone in evaluating the performance of the company from an investor's viewpoint. The Lakme Group is the world's largest cosmetics and Beauty Company. Lakme is an Indian brand of cosmetics, owned by Unilever and run by CEO Anil Chopra. Lakme started as a 100% subsidiary of Tata Oil Mills, part of the Tata Group; it was named after the French opera Lakme, which itself is the French form of Lakshmi, the goddess of wealth, also renowned for her beauty. Indian cosmetic Lakme was started in 1952, famously because the then Prime Minister, Jawaharlal Nehru, was concerned that Indian women were spending precious foreign exchange on beauty products, and personally requested JRD Tata to manufacture them in India. Simone Tata joined the company as director, and went on to become its chairman.

In 1996 Tata sold off their stakes in Lakme Lever to HLL, for Rs 200 Crore (45 million US\$), and went on to create Trent and Westside. Even today, when most multinational beauty products are available in India, Lakme still occupies a special place in the hearts of Indian women. Lakme also started its new business in the beauty industry by setting up Lakme Beauty Salons all over 1 India. Now HUL (Hindustan Unilever Limited) has about 110 salons all over India providing beauty services. Lakme' has been ranked as 47<sup>th</sup> most trusted brand in India by The Brand Trust Report. The company is the title sponsor for Lakme Fashion Week (LFW) a biannual fashion event which takes place in Mumbai.

Lakmé is the country's first cosmetic brand to introduce makeup to Indian women and takes pride in being the Indian beauty expert for over 65 years. It is a complete beauty brand spanning colour cosmetics & skin care and extends to beauty services through the network of Lakmé Salons.

Lakmé Launched in 1952, Lakmé is the first home-grown successful cosmetics brand in India. The classic Indian woman is expressive, confident and redefines the definition and meaning of beauty. Moisturizes Skin. Lakme Skin Care crèmes are extremely hydrating, essential for anyone on the lookout for a healthy moisturizing barrier. Ghtens my skin tone

Lakme, a brand originally introduced by the Tata group of India, now bought over by Hindustan Unilever (HUL) of the Unilever group, Tips & Toes, another domestic player, and Revlon dominate the US\$ 60 million color cosmetics market. Multinationals, Revlon of the U.S. and L'Oreal's Maybelline has a dominant share of the small premium lipsticks and nail enamels market. Mass-market products account for a major share, while the premium segment accounts only for a mere 9 per cent in lipsticks and 5 per cent in nail enamels. Lipsticks account for nearly a third of the market at US\$ 21 million, while the market for nail enamels is estimated at around US\$ 23 million. The color is very competitive and has a high penetration level of 80 percent.

The skin care market in India is estimated at US\$ 180 million. Within the last decade, this segment has seen many consumers slowly shift from the mass to the premium end of the market. The penetration rate is high in the skin-care segment as compared to color cosmetics. In the skin-care segment, price and volume played an equal role in value growth. Moisturizing lotions, fairness creams and face cleansers are the popular categories in the skin-care segment and account for approximately 60 percent of the skin-care segment. The major players in this segment are Lakme, Ponds, Fair & Lovely of the HUL group with a 50 percent market share, followed by players such as J.L. Morison that markets the Nivea range of products in India, Godrej and Revlon. Penetration levels of international cosmetics brands in India are still low. Foreign brands currently constitute only 20 percent of the market.

A major reason for low penetration of international brands can be attributed to high pricing. These companies initially gained sales on their International brand image, however, repeat purchases were not forthcoming and to retain their sales growth, several foreign companies reformulated price strategies to tap the large Indian middle class. Urban women in the middle and upper income groups in the age range of 23-50 is the target group for international brands.

Objective of the study is –

- To understand the expectations and requirements of all the customers.
- To examine the trends over time in order to take action on a timely basis.
- Establishing priorities and standards to judge how well company has met the goals.
- To analyze the awareness of the products of Lakmé.
- To study that towards which brand the customer is attracted more on the basis of price Lakme.

- To know about the promotional activity performed to influence the customers.

A.

Literature Review –, the researcher has made an attempt to study and understand the complex concepts of Customer experience. This attempt includes, understanding the basic concepts of Customer experience, analyzing research studies made by earlier researchers in respect of Customer experience in automotive Industry, For this, the researcher has used various books, research Journals and websites. The detailed list is further elaborated in the Bibliography. Through this Literature Survey researcher wants to find out which are the important parameters of Customer experience in respect of Lakmé.

## 2.2 List of reviews:

**Indirapriyadharshini (2016)** has studied —consumer satisfaction on personal care products Of HUL. Now a day most business organizations are operating in a complex and competitive environment where demands are constantly changing.

**S. Bagiyalakshmi and S. Saranya (2017):** In his study entitled, “a study on cosmetics usage of girls”. The purpose of the study is to find cosmetic usage of girls and The most popular products are coloured cosmetics, of which nail polish, lipsticks and shine are the largest number of products in the entire Indian cosmetics and toiletries market. Popular local brands in the region include Lakme and Revlon. This study has made a serious attempt to study the behaviour of teenage girls in the use of cosmetics. A sample of 100 girls was examined and their data collected. The samples for the study are selected systematically..

**Syed Kazim and D. G. Kantharaj (2015):** In there study entitled Impact of Advertisements towards Customer Purchase decision: A Study with reference to Cosmetic Products. In the last two decades, advertising has increased dramatically change. Advertising has a major impact on customers’ purchasing decisions for specific brands. It is generally accepted that advertising can give a product or service special features that would otherwise be lacking. The study focuses on identifying the impact of advertising on the behaviour and attitudes of consumers, especially cosmetics, among young people aged 15 to 24 years.

**Kameswara (2015)** —studied on consumer attitudes and perception on personal care Products and cosmetics, generally it is not an easy task to process the factors influencing the Consumer to accept certain personal care and cosmetics while assessing is multi-dimensional

**Nischay, K. Upamannyu, S. S Bhakar (2014):** In their study Entitled Examine the impact of customer satisfaction on branding and loyalty intent, directly and indirectly, based on a hypothetical model (MP) in India, in the recent Fair for a Cosmetic Fair at Gwalior. The measurements were standardized to make them suitable for the study. The number of factors was identified by the exploratory factor analysis for all variables. The current structural equation modelling was used in this study on AMOS 16.

**G. Syamala (2013):** “Study of the products of Lakme company Ltd. With reference to Pune city, Lakme is an Indian Cosmetics brand from Unilever”. It began as a wholly owned subsidiary of Tata Oil Mills (TOMCO), part of the Tata Group, Named after the French opera, the goddess of wealth. Lakme Indian Cosmetics was founded

in 1952. Lakme still occupies a special Place in the heart of Indian women. In this research report, Customer satisfaction with Lakme is highlighted. In addition, an attempt is made to find out who the competitors are and which different Lakme products are used by the customers.

**AC Groot, JP Nater, R Lender (1987)** Analysed the reasons for use of cosmetics. For the purpose of study. The 1609 respondents were interviewed to know the adverse effects. 12.2 percent reported that they face problem like irritation while using cosmetics.

**Jane E Workman, Kim KP Johnson (1991)** Investigated the effect of cosmetics in the impression formulation. In the study 85 undergraduate females were viewed with heavy cosmetics, moderate cosmetic and no cosmetics and they were looked into their attractiveness, femininity, personal temperament, personality and morality.

**Malhotra (2003)** stated that the main reason for the boom in cosmetic industry is increasing fashion and beauty consciousness coupled with rising income and the focus on health and fitness.

**Michelle Guthrie, Hye-Shin Kim, Jaehee Jung (2008)** revealed the effect of facial image and cosmetic usage in perception of brand personality. It was stated that the consumers’ facial image influenced the total Quantity of cosmetic used by the respondents and not the variation in quantity in different situation. Also noted that there is a relationship between facial image and brand perception.

**Vanessa Apaolaza (2010)** stated that people who use cosmetics buy this product primarily for emotional reason. The most important factor that influences their behaviour was their desire to look beautiful. The study shows that both the emotional and utility aspects of cosmetic brand had a significant impact on consumer satisfaction but the emotional component

**Andrew Mc Dougall (2010)** in his study stated that the main reason for the growth in cosmetic sector is that the human being spent more for the cosmetics owing to the concern for beauty and at the same

resulted in the growth in cosmetic sector.

**Fyi (2011)** attempted a study on the emotion behind women choosing certain cosmetic brands. It was understood from the study that the women buy cosmetic mainly for emotional reasons. The utility and emotional factor had greater impact on women's preference on cosmetic brand.

**Siddharth Shriram Shimp and K Sinha (2012)** , evaluated the product variables which effects the purchase decision. The different variables include the texture of the product, promised effect, previous usage experience and the suitability of skin.

**Shukla Monika (2013)** made an attempt to study the factors affecting impact of advertisement of selected cosmetics items of consumer choice. The respondents opinion towards advertisement of fairness cream, personal characteristics, demographic factors were taken into account and it was found that consumers practice related to advertisement of fairness cream affected the impact of advertisement of product on their choice .

**Sangeeta Gupta, Simple Arora (2013)** in their study on the factors influencing the consumption pattern of Cosmetics by male, revealed that the media is playing vital role in attitudinal change in the societal context..

**Rajul Dutt (2013)** in his paper "A Cross cultural comparative study of female consumer behaviour with Regard to purchase of cosmetics in the United States and

India", tried to explain how consumer behaviour. Is influenced by the culture of the individuals in India.

**Umesh Maiya and Mavy Miranda (2013)** in their study on buyer behaviour towards cosmetics, found that modern women have a strong desire and urge for enhancing their beauty. The twin factors which everybody focused on were the Quality and Price. It also stated that consumers realise the value for the money they spend.

**Ligo Koshy (2017)** in a study on the factors influencing the buying behaviour of face care product among youth stated that improved technology, better education, advancement in science and economic growth has provided people with increased purchasing power. The influence of media had made people are more conscious towards beauty, hygiene and better life style.

## **RESEARCH METHODOLOGY**

Research methodology is the specific procedures or techniques used to identify, select, process, and analyze information about a topic. In a research paper, the methodology section allows the reader to critically evaluate a study's overall validity and reliability. Descriptive research is a study designed to depict the participants in an accurate way. More simply put, descriptive research is all about describing people who take part in the study. Data collection is the term used to describe a process of preparing and collecting data. **Primary Data** – Questionnaire given to 150 respondents. **Secondary** Websites and online journals, Published reports & Review of literature from published articles.

Questionnaire was divided into two sections. First part was designed to know the general information about customers and the second part contained the respondent's opinions about customer's satisfaction .

There are few limitations too

- Geographical scope of the study was limited to a small area, which may not represent the whole sector of India.
- Size of the sample is 150, which is, of course small in comparison to entire population.
- Due to limitation of time only few people were selected for the study

## **Conclusion**

The competition is fierce in the multi-channel retailing environment. A business that hopes to grow and prosper requires a comprehensive logistics and transportation strategy, executed flawlessly.

The dilemma for management lies in trying to meet consumers' growing expectations while keeping costs in check. In response to these issues of multi- channel growth, more and more carriers are branching out to offer logistics services. Those businesses that work to build successful relationships with logistics and transportation vendors will find that their efforts lead to improved customer service and profitability. It's not an easy task, but it is certainly one that's achievable with the tools and technology available today.

Lakme has been found to be the most preferred brand it meet the promise made to the customer. Consumer relies on the Lakme products because it provides good quality, good results, good services, etc.



So that customer may prefer Lakme products. While conducting survey I found that the customer may like the showrooms of the Lakme products. They still like the easy availability of various products. So the Lakme products customers are fully satisfied to use the products.

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