

# A Study On Consumer's Buying Behavior Towards Herbal Products With Special Reference To Chennai City

**Kamaruniza.A<sup>1</sup>, LathaD.S<sup>2</sup>, Kavith.C<sup>3</sup>, Kavin Mary.S<sup>4</sup>**

<sup>1</sup>Dr.Kamaruniza.A, Assistant Professor, PG & Research Department of Commerce, The Quaide Milleth College for Men, Chennai. Affiliated to University of Madras , Email id:km.chennai@gmail.com

<sup>2</sup> Dr.Latha D.S., Assistant Professor, Department of Management Studies, M.O.P Vaishnav College for Women, Chennai- 34. Affiliated to University of Madras, email id: [lathads73@gmail.com](mailto:lathads73@gmail.com)

<sup>3</sup>Dr.Kavitha.C, Assistant Professor, PG & Research Department of Commerce, Anna Adarsh College for Women, Chennai -40. Affiliated to University of Madras. Email Id:[lokaa05@gmail.com](mailto:lokaa05@gmail.com)

<sup>4</sup> Dr.Kavin Mary.S, Assistant Professor, Department of Management Studies, M.O.P Vaishnav College for Women, Chennai -34. Affiliated to University of Madras, Email Id: [kavinmary@gmail.com](mailto:kavinmary@gmail.com)

## Abstract

The size of the consumer market is very big with the introduction of new products at an ever expanding rate resulted in many products facing market disasters. Consumer preferences are ever changing and have several reasons. It is important for the marketer to understand the consumers buying behavior. Hence the researcher attempted to explore the present scenario of the herbal products and the consumer's perception towards herbal product. From the Analysis of variance (ANOVA) it was observed that there is no significant difference in the qualification, mode of purchase towards the perception of buying behavior. Further the regression analysis revealed that monthly Income of the consumers are closely associated with decision making of consumer, buying Situations, external influence, Marketing Influence, Personal preference and Purchasing power of consumer. The factor analysis has supported up to 68.376 percent for the present study.

**Key Words:** Consumer Preference, Buying Behavior, Consumer Market, Herbal Products.

## Introduction

Consumers in all over the world are attracted towards the brand and products which are emotionally attached with their behaviors. Consumer behavior encloses a vast area including consumption pattern, consumer preferences, consumer motivation, and consumer buying process & shopping behavior. The purchase decision is influenced by various factors such as social, cultural, demographic, personal, economic etc. The marketer must understand the consumer's choice and basis of decisions taken for effective marketing.

Satisfaction and accurate target in finding out what customers are aware off and their attitude and there by offering products according to this needs will help the industry stake holders to enrich their customer experience and accelerate growth of the market. Framing Marketing strategy are found to be the biggest challenge for the marketers Hence this research aims to explore the consumer's buying behavior towards herbal products with special reference to Chennai city.

## Scope of the study

## Statement of the Problem

- To study and explore the market of the herbal products in confined area.
- To analyze the customer preference in purchasing and measuring consumer preference of herbal products.

### **Objectives of the study**

- To examine the Consumer demographic profile of the respondents towards buying behavior of herbal products in Chennai city.
- To analyze the Consumption Habits towards Herbal products.
- To study the impact of Factors influencing Consumer Buying Behavior towards Herbal products.
- To suggest measures for creating awareness towards herbal products

### **Hypothesis of the study**

- $H_0$ : There is no relationship between demographic variable and buying behavior towards herbal products.
- $H_0$ : There is no impact of Occupation on buying behavior of consumption of herbal product.

### **Review of Literature**

Joseph Yaw Atombo & co (2021) conducted a study on “Advertising Indigenous Herbal Products: A Case of Four Herbal Companies in the Swedru Municipality, Ghana and established that advertisements of herbal products should be done frequently in order to draw consumers’ attention to the products, thereby giving market power to the firm. Further he states that it is very important for the herbal firm to fully focus on effective advertising tools like radio, television, outdoor and other traditional forms to advertise the herbal products because advertising is a powerful means for creating awareness and positive perception in the minds of consumers.

T. Nivetha, & co (2020) in their study on “consumer purchasing behavior towards herbal products using theory of Planned Behavior Theory” states that market Information about the products should be wide spread in public through proper advertisement and various ways of social media to reach the consumers in order to increase the consumer knowledge

### **Materials and Methods**

The Present research is a descriptive research. Chennai is purposively selected for this study. The sample size of the study is limited to 50 respondents. Convenient sampling is used to select the sampling.

### **Tools for Data Collection**

Section one of the questionnaire deals with the following details of faculty such as Age, Income, Educational qualification, Gender, Occupation and Location. Section two of the questionnaire deals with the Consumer buying behavior.

### **Statistical tools for Analysis**

The descriptive and inferential statistics are computed with SPSS Package Version 20. The different statistical tools used for the present study includes Percentage Analysis, Anova,

Factor analysis, Correlation and Regression test.

## Results and Discussions

### Descriptive analysis

**Table Showing Demographic Profile of the Respondents**

Characteristics	Category	Number	Percentage to total
Age	Below 25	32	64
	26-40	9	18
	41-55	7	14
	Above 56	2	4
Occupation	Student	25	50
	Government Sector	4	8
	Private sector	12	24
	Own business	6	12
	Others	3	6
Monthly Income	Below 25,000	18	36
	25,000-50,000	17	34
	50,000-1,00,000	11	22
	Above 1,00,000	4	8
Educational Qualification	UG	27	54
	PG	7	14
	Profession	8	16
	Others	8	16
Location of the respondent	North	14	28
	West	4	8
	East	5	10
	South	27	54
Gender	Male	13	26
	Female	37	74
Nature of Family	Nuclear	37	74
	Joint	13	26

The demographic details of the sample respondents were shown below. The results showed that 64% of respondents are below 25 years and found that awareness about the herbal products among the youth is high. From above table (3.2), it shows that 50% of respondents are students, and according to the sample taken in the present study it was found that students are the major respondents in usage of herbal products, following the private sector and own business consumers. It was also found that, 36% respondents are under income group of below 25,000 per month followed by the income below earning 25,000-50,000 per month. As per educational qualification it was found that 54% of the students were completed their under graduation. According to this study majority of the respondents are belongs to South Chennai and it shows usage of herbal product is high in South Chennai. It was

also observed that majority of the respondents, consuming herbal products are female. It was also found 74% are Nuclear family and they are migrating towards herbal products due to its superior Quality and benefits.

**Table showing Consumption Habits of the Respondents**

Statements	Characteristics	No of Respondents	Percentage
Usage of Herbal Products	Patanjali	15	30
	Dabur	9	18
	Himalaya	21	42
	Others	5	10
Mode of Purchase	Retail Outlet	14	28
	Tender	3	6
	Super Market	33	66
Duration in the consumption of Herbal Products	Last 6 Months	13	26
	Last 6 months to 1 year	17	34
	From 1 year to 3 years	15	30
	For more than 3 years	5	10
Reason for Shifting to Herbal Products	Price	11	22
	Style Appearance	12	24
	Sales Promotion	1	2
	Brand Name and Company	15	30
	Reputation	8	16
	Package and Warranty	3	6
Source About Herbal Product	TV	17	34
	Neighbour	3	6
	Friends	18	36
	Retail Shop	6	12
	Any others	6	12

From the above table it was observed that 42% of the respondents use Himalaya products,

followed by Patanjali products, Dabur products other products like Vaadi herbals, Just Herbs,

Biotique etc. Also it was found that 66% of the respondents purchase herbal products from super market, the majority of the respondents purchase herbal products from super market, where they purchase the product during the purchase of monthly grocery. It was also observed that 34% of the respondents using herbal products from last 6 months to 1 year,

and shows that the awareness about the herbal products, were comparatively high for past 1 year. 36% of the respondent's source on usage of herbal products is Friends, 34% of the respondent's source on usage of herbal product is TV, and the majority of the respondents Source by the recommendation friends and highly attractive advertisement.

**Table Showing Mean, Standard Deviation and Mean Rank of usage of Herbal products**

	Mean	Std. Deviation	N	Mean Rank
Brand image and reputation	3.76	1.318	50	1
Easy availability of products	3.72	1.107	50	3
Convenience	3.76	1.098	50	1
Quality	3.38	1.441	50	8
Reasonable price	3.26	1.259	50	11
Value for money	3.42	1.197	50	7
Long usage of products	3.52	1.129	50	5
Attractive offers	3.32	1.347	50	9
Health improvement	3.18	1.119	50	13
No chemical Product	3.3	1.374	50	10
Environment friendly	3.66	1.189	50	4
Less side effort	3.2	1.229	50	12
Recommended family	3.44	1.232	50	5
Recommended by others	3.18	1.273	50	13
Awareness from Advertisement	2.98	1.363	50	15

From the above table it was observed that brand image reputation and Convenience of product are the most influencing factors (3.76) followed by Easy availability of product (3.72), health

improvement (3.18), Recommended by others (3.18) and Awareness from advertisement (2.98)

### **Influence of Qualification towards Perception of buying behavior**

ANOVA					
Qualification	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	6.713	3	2.238	1.713	0.178
Within Groups	60.107	46	1.307		
Total	66.820	49			

In the above table the F value 1.713 for the mean difference in the qualification towards perception of buying behavior is not significant

( $P > 0.178$ ) It reveals that the Perception of buying behavior is not influenced by qualification of the consumers

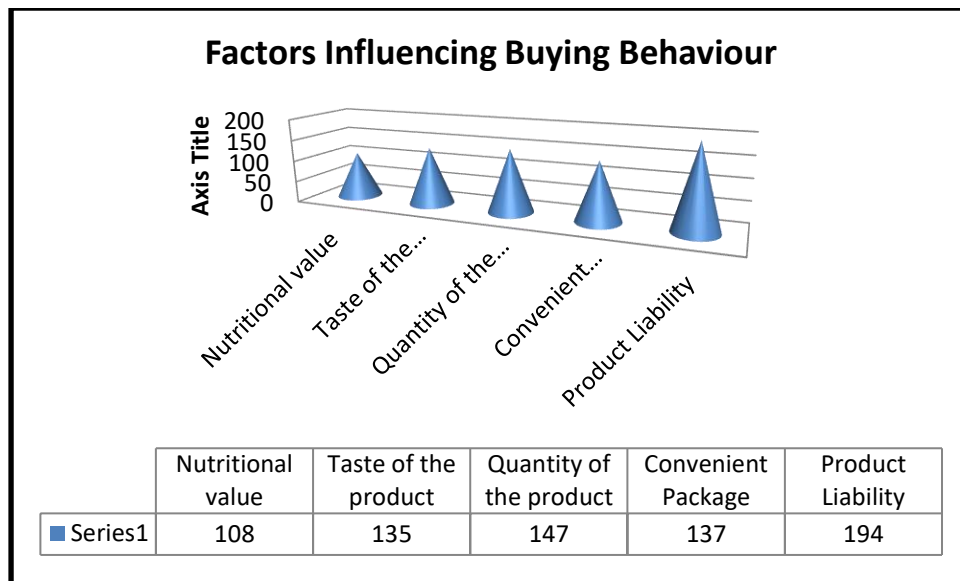
### **Influence of Perception of Buying behavior towards mode of Purchase**

ANOVA					
Mode of Purchase	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.579	3	1.860	2.501	0.071
Within Groups	34.201	46	0.744		
Total	39.780	49			

In the above table the F value 2.501 for the mean difference in the perception of buying behavior towards mode of purchase is not significant ( $P > 0.071$ ) It reveals that the Perception of

buying behavior does not influence the mode of Purchase

**Ranking between the factor influencing buying behavior towards Herbal Products**



From the above table it was founded that the Product liability, Quantity of the Product, Convenient Package are the most influencing factors making which motivates the consumers to buy the herbal products. It was also observed

that taste of the product and Nutritional value scored least rank.

#### Regression for the occupation and factor influencing Buying Behavior of Consumer

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.067 <sup>a</sup>	0.004	-0.016	7.31171

(a. Dependent Variable: Buying behavior. B. Predictors: (Constant), Occupation)

ANOVA <sup>a</sup>						
	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.544	1	11.544	0.216	0.644 <sup>b</sup>
	Residual	2566.136	48	53.461		
	Total	2577.680	49			

(a. Dependent Variable: Buying behavior. B. Predictors: (Constant), Occupation)

Coefficients						
	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	51.868	1.986		26.113	0.000
	Occupation	-0.365	0.785	-0.067	-0.465	0.644

a. Dependent Variable:

The regression analysis was performed to predict impact of occupation on the factors influencing buying behavior. In the above table the R is the value of the multiple correlation coefficients between the predictors and the

outcome. Here the correlation between the occupations that affects buying behavior is 0.067. The R – Square, which is a measure of how much of the variability in the outcome, is accounted by the predictors. In this model, the

square value is 0.004 and adjusted R square is - 0.016 which means that occupation accounts for 6.7% of the variation on Decision making of consumer, Buying Situations of consumer, External Influence of consumer, Marketing Influence of consumer, Personal preference of consumer and Purchasing power of consumer.

In ANOVA table, the F-ratio 0.216 reveals that the model is not significant ( $P > 0.644$ ). This

indicates that Occupation does not influence the Decision making of consumer, Buying Situations, External Influence, Marketing Influence, Personal preference and Purchasing power of consumer.

#### **Regression for the monthly income and factor influencing buying behavior of consumer**

<b>Model Summary<sup>b</sup></b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.250 <sup>a</sup>	0.062	0.043	7.09570

**(Predictors: (Constant), Monthly income; Dependent Variable : Buying behavior )**

<b>ANOVA<sup>a</sup></b>						
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	160.929	1	160.929	3.196	0.030
	Residual	2416.751	48	50.349		
	Total	2577.680	49			

<b>Coefficients</b>						
	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	54.901	2.361		23.253	0.000
	Monthly income	-1.892	1.058	-.250	-1.788	0.030

**(Predictors: (Constant), Monthly income; Dependent Variable : Buying behavior )**

The regression analysis was performed to predict impact of occupation on the factors influencing buying behavior. In the above table the R is the value of the multiple correlation coefficients between the predictors and the outcome. Here the correlation between the Monthly income that affects buying behavior is 0.250. The R – Square, which is a measure of how much of the variability in the outcome, is accounted by the predictors. In this model, the square value is 0.062 and adjusted R square is 0.043 which means that monthly income accounts for 6.2% of the variation on Decision

making of consumer, Buying Situations of consumer, External Influence of consumer, Marketing Influence of consumer, Personal preference of consumer and Purchasing power of consumer.

In ANOVA table, the F-ratio 3.196 reveals that the model is found to be significant ( $P > 0.030$ ). This indicates that monthly Income influence the Decision making of consumer, Buying Situations, External Influence, Marketing Influence, Personal preference and Purchasing power of consumer.

#### **Factor Analysis for the components in the factors influencing Buying Behavior**

##### **KMO and Bartlett's Test**



Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.510
Bartlett's Test of Sphericity	Approx. Chi-Square	165.530
	Df	105
	Sig.	0.001

In the above table, it is found that KMO measures of sampling adequacy is 0.510, Bartlett's test of Sphericity with approximate Chi-Square value (165.530) are statistically significant at 5% level therefore it can be

conducted that the variables are normally distributed and suitable for data reduction process. The significant value calculated is 0.001 which is lesser than table value of (0.050).

Total Variance Explained						
Component	Initial Eigen values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.644	17.626	17.626	2.644	17.626	17.626
2	2.018	13.452	31.078	2.018	13.452	31.078
3	1.896	12.640	43.718	1.896	12.640	43.718
4	1.471	9.808	53.526	1.471	9.808	53.526
5	1.179	7.860	61.386	1.179	7.860	61.386
6	1.103	7.351	68.736	1.103	7.351	68.736

**(Extraction Method: Principal Component Analysis.)**

From the above analysis it is found that 15 variables are reduced to 6 variables at 17.626%, 13.452%, 12.640%, 9.808%, and 7.860%. So, the Customer Buying Behavior comes under some category as Decision making of consumer, Buying Situations of consumer, External Influence of consumer, Marketing Influence of consumer, Personal preference of consumer and Purchasing power of consumer. From the above analysis it can be inferred that the factor analysis has supported up to 68.376 percent for the present study.

### Findings

Majority of the respondents are belongs to the age group of below 25 and has income below 25,000. Most of the respondents are found to be from south Chennai. It was also found that most of the respondents shift to Herbal products

brand image and reputation, convenience, easy availability of products. There is a significant relationship between Income, Nuclear family and factor influencing buying behavior of Consumers. The factor analysis has supported up to 68.376 percent for the present study.

### Implication for Marketers

The demand for herbal products can be improved in terms of care, environment, investigational facilities, quickness of service and access. The price of the herbal product can be reduced which would attract more customers. The manufacturers can conduct a survey for knowing the customer needs and also they could reduce the chemical combination in the herbal products. Literacy programmes can be instilled to explore herbal treatment.

## Conclusion

Today herbal products believe to help people build their good health with the help of natural sources. Herbs do not produce instant cures, but rather offer a way to put the body in proper tune with nature. The herbal products are trust by people due to safety, quality, cost and culture acceptability. The research concludes that customer buying behavior plays a vital role in determining the usage of herbal products.

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