Original Article

The Effect of External Factors on Consumer Buying Behavior in the Cosmetics Market: Evidence from a Developing Country

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Abstract

Consumer decision-making plays a central role in some industries' success and failure, and scholars and practitioners have paid particular attention to the role of consumer behavior styles. This study aims to investigate the effects of product quality, product price, and brand marketing on consumer behavior in the cosmetics industry of a developing country. Data were collected from cosmetics consumers in selected pharmacies in Iran using structured questionnaires. Structural equation modeling was used to test the proposed research hypotheses. The results of this study show that product quality, price, and brand marketing directly influence consumers' behavior toward cosmetic products. Brand marketing was found to have the most significant influence on consumer buying behavior. These findings suggest that it is beneficial for companies to invest in their marketing strategies to gain a competitive advantage.

Keywords: Buying behavior; Consumers; Cosmetics market; External factors; Developing country.

1. Introduction

Consumer decision-making is a critical aspect of the success or failure of certain industries. Scholars and practitioners have paid significant attention to the role of Consutyles in this styles'

role. Consumer decision-making is a multidimensional concept encompassing the acquisition, use, and disposal of goods and services sometimes [1, 2].

Many studies have attempted to identify factors influencing consumer behavior in different industries and contexts. For example, Hervé and Mullet (2009) found that a consumer's age is related to price, durability, and suitability. They concluded that suitability is more important for older participants, while young participants are more likely to consider low price an important factor [3]. In 2013, Fall

Diallo et al. conducted a study that found that image perception, price image, and value consciousness significantly and positively influence store brand purchase behavior [4]. Similarly, Fan et al. (2012) found that price consciousness, quality consciousness, and perceived quality are the most important factors influencing consumers' behavior toward store brands [5]. From this perspective, customers can be seen to interact with markets through their use of different decision-making styles. Therefore, Rettie recommends considering social, situational, and marketing factors to understand customers' purchasing decisions [6].

Among many industries, the cosmetics industry provides an interesting example of a market in which consumers are exposed to various products, and the market is highly dependent on consumers' decisions in the consumption process [7, 8]. This is because cosmetics are necessary for many people to feel confident in their appearance. In addition, the cosmetics market is constantly changing and innovating to keep up with the latest trends. This means that companies must constantly advertise their products to stay relevant. As a result, the cosmetics industry is a great example of how consumer behavior can impact the market. The market for cosmetics has been growing not only in size but also in the variety of products being consumed. This can be attributed to several factors, such as globalization, which has led to a more diverse range of available products, and economic development, which has increased disposable income for many consumers. In addition, the free exchange of information has made it easier for consumers to learn about new products and

trends. However, the most important factor in the growth of the cosmetics market is the increased participation of women in the workforce. As the main consumers of cosmetic products, women have been increasingly spending their disposable income on cosmetics in recent years [9]. Previous studies have attempted to comprehend the cosmetics purchasing behavior of consumers from various angles, such as the theory of planned behavior [10]. They have also attempted to examine the effects of internal and external factors on cosmetic consumers' behavior patterns. Internal factors are the internal motivations or drives that focus directly on the individual. The personal and social values of the individual that influence their purchasing behavior are also considered when discussing internal motivations. For example, an individual's self-esteem or body image may play a role in the types of cosmetics they purchase. If individuals feel good about themselves, they may be more likely to purchase cosmetics that enhance their features, whereas those with low self-esteem may be more likely to purchase products that cover up their flaws.

A person's need for social approval or acceptance may also drive their behavior regarding cosmetics. External factors are the outside influences that can impact an individual's behavior. These can include things like family, friends, media, and culture. Therefore, external factors are those extrinsic factors that the marketer generates and controls to influence consumer buying behavior. [11]. These include but are not limited to price, promotions, packaging, and product placement. Against this background, the purpose of this

study is to explore the extrinsic factors that impact the cosmetics-buying behavior of consumers in Iran, an Islamic developing country. While extensive research exists on the effects of external factors, this study specifically examines the effects of product price, quality, and brand marketing on cosmetic consumers' willingness and preference. Given that purchasing behavior can differ greatly across cultures, it is essential to understand consumers' attitudes and behavior patterns in different contexts. The Iranian cosmetics market provides a useful example of such differences, as many products are consumed yearly. The Iranian market, valued at more than $2 billion, comprises a third of the total market in the Middle East and is ranked 7th globally [12]. The decision-making style of Iranian consumers may be complex and specific due to the wide range of cosmetic products available. In addition, Muslim consumers' purchasing behavior is influenced by their values and cultures. Therefore, manufacturers targeting the Islamic market should consider the specific religious requirements reflected in the different stages of product development [13].

This study has sought to construct a model to comprehend how external factors shape consumer usage behavior for cosmetic products. The following section delineates the conceptual framework and hypotheses, followed by the research methods, analysis, discussion, and conclusion. Additionally, suggestions for future research are provided.

Many factors, such as culture and values, generally influence consumer behavior. With this in mind, the current study explores how external factors impact consumer buying behavior regarding cosmetics in Iran. The

external motives were conceptualized based on three key constructs: price, quality, and brand marketing of the product. The following hypotheses were formulated regarding the relationship between external motives and consumer behavior: first, there is a positive direct relationship between price and consumer behavior (H1). Second, consumer behavior is influenced by quality (H2). Third, a positive relationship exists between brand marketing and consumer behavior (H3).

2. Materials and Methods

The first section of this paper describes the sample and the research model used to collect and analyze the data. The second section explains the statistical approach used in this study. Finally, the research instrument and its validation are explained.

2.1. Sampling and Data Collection

The units of analysis were cosmetic customers in selected pharmacies over a specified period from 2020 to 2021. The relevant data for this study were collected from the responses that cosmetic customers in the selected pharmacies had given to the questions at the time of the study. Considering Tehran's districts, each characterized by distinct socioeconomic conditions, the cluster sampling method was employed to select pharmacies. Tehran was divided into five geographical areas: North, South, West, East, and Center. Considering the city's 2051 pharmacies and utilizing cluster sampling, 16 pharmacies were chosen in each district. Based on the Cochran formula, the most common method for calculating sample size, 325 cosmetic consumers could be

considered a representative sample. We distributed three questionnaires in each pharmacy and received 243 completed questionnaires. The data collection process was systematic, with trained research assistants visiting selected pharmacies across Tehran. Printed questionnaires were handed to the first three cosmetic customers in each pharmacy. The research assistants were readily available to address queries and ensure response accuracy, fostering an efficient data collection process directly from consumers in their natural shopping environment—this methodology aimed to enhance the authenticity and relevance of the gathered information.

2.2. Research Model

The relationships between price, quality, marketing, and consumer behavior in the cosmetics market are shown schematically in **Figure 1.** The conceptual model in Figure 1 demonstrates how these factors are interrelated.
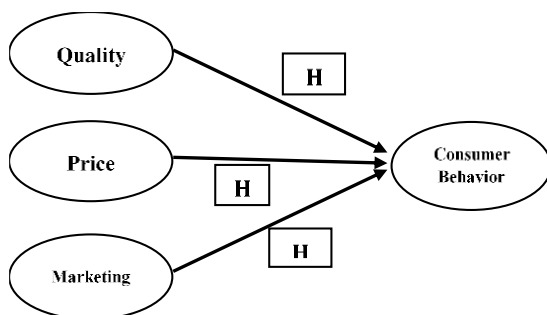

Figure 1. Conceptual Model.

2.3. The Instrument and Measures

This study used a cross-sectional field survey to collect data to ensure external validity and generalizability of the research findings. A valid questionnaire with 21 items, measured on a five-point Likert scale where one represented "strongly disagree" and five represented "strongly agree," was used to measure factors such as price, quality, and brand marketing.

2.4. Questionnaire Validation

The questionnaire employed in this study was created from existing literature [4,14,17,22,24] and modified by expert suggestions, as seen in Appendix I. The questionnaire was reviewed by marketing professionals (face and content validity) to ensure validity, and reliability was assessed through analytical methods. This study used The questionnaire for data collection after determining that it had an acceptable CVI, CVR, and Cronbach Alpha score.

2.5. Statistical Approach

After confirming that the distribution of the sample data was normal, we used the statistical package LISREL version 8.80 to validate and analyze the research model and its underlying framework.

3. Results and Discussion

The following section will provide results on the model's reliability and the testing of hypotheses.

3.1. Assessment of Instrument Validity and Reliability

Cronbach's alpha was applied to test the reliability of the instrument, all questionnaire items, and all questionnaire constructs separately, as shown in **Table 1.** A content validity index (CVI) and content validity ratio (CVR) greater than 0.7 demonstrated the high

content validity of the individual items and the overall content. Kaiser-Meyer-Olkin (KMO) was used to determine the appropriateness of the data set, with a value greater than 0.5 representing an acceptable threshold [14]. The results of this study indicate that individual variables are reliable and have convergent validity. In addition, the average variant extract for each construct was higher than the squared correlation between the construct and any of the other constructs, demonstrating discriminant validity.

Table 1: Reliability and validity of questionnaire items.

Measure	Average Variance extracted	Cronbach's alpha
Consumer Behavior	0.56	0.76
Product's quality	0.57	0.80
Product's price	0.53	0.77
Brand marketing	0.56	0.88

3.2. Structural Model

For the validation of the overall fit, the goodness-of-fit index (GFI), the incremental fit indicators, and the absolute fit indicators are reported, which you can see in **Table 2**.

The structural equation model exhibits strong fit based on comprehensive fit indicators. In summary, the model consistently meets or exceeds established criteria across a range of fit indicators, affirming its robustness and alignment with accepted standards in the literature [15, 16].

3.3. Hypothesis Testing Results

The relationships between the three key constructs were analyzed, and the results are shown in **Table 3**.

Table 2: Goodness of fit measures. Resuts for all data was compliant.

Fitness indicator	Suggested criteria	Validation value
Absolute fit indicators		
X^2/df	<4	4
RMSEA	<0.05–0.08	0.07
GFI	0.9<	0.90
RMR	<0.05	0.13
The P-value for the Test of Close Fit	Significant	0.001
Incremental fit indicators		
AGFI		0.87
NFI	0.9<	0.96
CFI		0.97
IFI		0.97
The goodness of the fit index		
PNFI	0.5>	0.81
PGFI		0.68

Table 3: Structural equation modeling (SEM) results for hypothesis testing. Results for all data was supported.

Hypothesis	Relation	SRW*	T value
H1	PP to CB	0.49	9.43
H2	PQ to CB	0.45	12.73
H3	BM to CB	0.85	8.89

*SRW: Standardized regression weight.

The findings of this study suggest that there is a positive relationship between price and consumer behavior (H1), that consumer behavior is influenced by quality (H2), and that there is a positive relationship between brand marketing and consumer behavior (H3). The data support all of these hypotheses.

Understanding consumer buying behavior has become essential for developing effective marketing strategies and gaining a competitive advantage in the current business climate. This study sought to understand how external factors influence consumer buying behavior in the cosmetics industry. Three hypotheses were developed and tested regarding the relationships between a product's price, quality,

brand marketing, and consumer behavior. The results of the study support all three hypotheses. The findings suggest that price, quality, and brand marketing are important factors that influence consumer buying behavior in the cosmetics industry. These findings can help marketers develop more effective marketing strategies and gain a competitive advantage in the marketplace.

A significant body of research exists on determining the impact of various factors on consumer purchasing behavior. Studies have been conducted in a variety of countries and industries. It has been shown that consumer behavior can be linked to internal and external factors [5, 17]. Internal factors are those that originate from within the individual. These can include motivation, which may be based on other internal or external factors, and emotional state. Affective states refer to a person's emotions, mood, or sense of self, which can influence behavior [18]. The consumer processes Internal stimuli on an affective and/or cognitive level, resulting in impulsive or non-impulsive behavior.

Furthermore, consumers' psychological characteristics affect their preferences and decision-making styles. Park has classified women's cosmetic purchasing behavior into three distinct groups in this context. He has demonstrated that emotional, functional, and social values significantly impact consumer buying behavior [19].

Factors that influence buying behavior external to the consumer refer to marketing cues or stimuli placed and controlled by the marketer to entice consumers into buying behavior [18]. Previous studies have examined the effects of various external factors on buying

behavior, such as price, quality, and marketing. A 2005 study by Cheung et al. found a significant increase in online sales after introducing aggressive marketing programs such as direct email promotions. The study showed that consumers are more likely to buy impulsively when exposed to promotional incentives such as discounts or coupons [20]. In addition, Promotional activities have been found to play an important role in influencing consumer decisions and creating an emotional bond with the customer. Shallu and colleagues observed that marketing activities and advertising could increase brand awareness and are directly related to consumer behavior [21]. In this context, managers should consider the important marketing strategies for companies and how those strategies impact consumer attitude, mindset, and behavior. They should consider how the company's marketing efforts can influence a consumer's opinion of the company and its products and how it might affect their purchase decisions. In addition, managers should be aware of how different marketing strategies can target different segments of the population and how to use those strategies best to reach the consumers they want to influence.

Several researchers have concluded that customer satisfaction is significantly impacted by product quality. Some studies have even shown that quality positively influences consumers' brand choices. For example, Chovanova and his colleagues demonstrated that Chinese consumers are more inclined to purchase foreign cosmetic brands in favor of domestic ones because they better perceive their quality. [22]. Wadera and his colleagues studied the impact of some external factors on

Indian consumers' purchasing behavior. The study found that quality is the most important factor for buying cosmetics for Indian consumers rather than price [23]. However, Rajput et al. found that although quality is an important factor in consumer purchasing behavior for cosmetics, the influence of price is greater in Pakistan [24]. Keller's research found that customers consider the prices of alternatives when making a purchase decision. If the perceived value of a product is greater than the product cost, customers are likely to buy the product [25].

The findings of the study at hand suggest that brand marketing has the most significant impact on consumer buying behavior in our country compared to the other two variables. This aligns with Shallu and colleagues' previous research, which found that advertising can raise consumer awareness and contribute to brand promotion [21]. Accordingly, companies could outperform their competitors by developing effective marketing strategies.

The results of this study suggest that quality is a significant factor in consumer behavior, an assertion supported by previous research [23, 22]. However, the results of this study show that the influence of price on consumer buying behavior in the Iranian cosmetics market is greater than that of quality. Previous studies have shown that consumers are willing to trade-off between the price and value of cosmetic products. This argument is especially valid for loyal customers who prefer to buy their preferred brand even if the price is higher [24, 25].

4. Conclusion

The result of this study can help managers develop effective marketing strategies and gain a competitive advantage in the marketplace. This research suggests that companies may improve their chances of success by investing in marketing strategies designed to create a competitive advantage. In addition, managers should be cognizant of the significant impact of price and quality advantages on consumers' cosmetics-buying decisions.

Despite the present study's findings, several limitations should be noted when interpreting the results. The first limitation is the focus on a specific pharmaceutical industry, which could narrow the scope of potential applications. The relationship observed in the study could be present in other knowledge-based industries, but this has yet to be confirmed. Secondly, the study is limited by its dependence on cross-sectional data, which does not account for the dynamic nature of the constructs. Future research should use longitudinal data to evaluate the hypothesized model relationships more accurately. This would provide a more in-depth understanding of how relationships evolve and how they are affected by different external factors.

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Conflict of interest

The authors declare to have no conflict of interest.

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