



 Research Article

INDIAN CONSUMER'S BUYING BEHAVIOUR AND PERCEPTION TO HERBAL DRUGS: A REPORT

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ABSTRACT: The demand for plant based medicines, health products, pharmaceuticals, food supplement, cosmetics etc. are increasing in both developing and developed countries, due to the growing recognition that the natural products are non-toxic, have less side effects and easily available at affordable prices. Consumer behavior is a dynamic field and understanding consumer behavior and customer is never simple. Several factors can influence our perception, causing it to change in certain ways. Self perception, Price perception, Brand perception, Benefit perception and buying strategy are keys of behavioral study of consumers. A survey based study was carried out among the adult in rural /urban population of India to assess the consumer's buying behaviour and perception to herbal product for health care, in Kanpur region (U.P.). Exactly Two hundred people were randomly selected from different age and occupation as well as different gender (male and female) and questioned about the issue. The population's frequency of purchasing the herbal products found as 17% occasionally, 28% rarely, 28% depends and 27% on offers. On the question that "Are Herbal products effective as other forms of medications/therapies?" 52% said yes, 18% no, 22% depends and 8% had no idea. 26% population was influenced by doctors, 25% by advertisements on TV/media, 18% by advice of family and friends, 8% by retailers and 23% were self interested in Herbal Products. The criteria before making a purchase decision was found as company image(20%), brand name(46%), conventional packaging(5%), free gifts/coupons(22%), price(3%) and easy availability(4%). It was concluded that most of the people are using herbal products and also had strong belief in herbal medication. The Doctors, print/electronic media and advertisements are more frequently influencing the people to purchase herbal products, though people have lots of self interest too.

Key words: Herbal Products, Buying Strategy, Consumer Behaviour, Perception

INTRODUCTION:

The World Health Organization (WHO) has recently defined traditional medicine (including herbal drugs) as comprising therapeutic practices that have been in existence, often for hundreds of years, before the development and spread of modern medicine and are still in use today. Or say, traditional medicine is the synthesis of therapeutic

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experience of generations of practicing physicians of indigenous systems of medicine.[Brower; 1998]

HERBAL MEDICINES

Herbal medicine is used as the primary source of healthcare for approximately 75-80% of the world population and its use is particularly widespread in the developing countries, where it is considered more culturally acceptable, less dangerous and a more natural form of medicine that is compatible with the human body.[WHO Geneva, 2001] However, there is no specific definition or classification for herbal medicines. This is not surprising given their diversity as herbal medicines are chemically rich preparations of, essentially, any plant material. 'Complementary medicine' can be utilized to identify a range of pharmaceutical-type preparations, inclusive HMs, homoeopathic remedies, essential oils and dietary supplements.[Capasso,2003] HMs are used in the modern day for health maintenance, the treatment or prevention of minor ailments and some chronic diseases, and they are often taken in addition to conventional medicine in the more serious and/or chronic conditions.[Samojlik, 2013] However, complementary medicine, including herbal remedies, is certainly not a modern day phenomenon and has historically been used in the pharmacological treatment of disease, when it may have more commonly been known as traditional folk healing.[Schulz, 2001] [Amal K Suleiman, 2014]

Indian traditional medicine largely parts to herbal therapies. Ayurveda is a medical system primarily practised in India that has been known for nearly

5000 years. It includes diet and herbal remedies, while emphasizing the body, mind and spirit in disease prevention and treatment.

Scope of the Herbal Therapy and Indian Herbal Market

HMPs have become popular because of perceived safety and economy and inability of allopathy to cure everything. However, recent reports of contamination and potential for adverse reactions, have tempered the enthusiasm of consumers for these "natural" cures, resulting in decline of sales of herbal products. The consumers now want more authentic information on quality, safety and efficacy of HMPs.[Arun, 2014]

India is one of the 12 mega biodiversity centres having over 45,000 plant species. Its diversity is unmatched due to the presence of 16 different agroclimatic zones, 10 vegetative zones and 15 biotic provinces. The country has 15,000–18,000 flowering plants, 23,000 fungi, 2500 algae, 1600 lichens, 1800 bryophytes and 30 million microorganisms.[Industry Highlights,1998] Herbal oriented pharmaceutical companies are investing crores of rupees on researching, developing and popularizing OTC remedies. India can be a major player in the global market for herbal product based medicines. Exports of herbal materials and medicines can jump from just Rs. 456 crore in 2000 to Rs.3000 crore in 2005 and with a "grand strategic plan" exports can shoot to Rs.10,000 crore by 2010.

The Indian herbal drug market is about \$ one billion and the export of herbal crude extracts is about \$ 80 million. The sales of these drugs account for almost 50% of the herbal medicine market. [Brower; 1998] The turnover of herbal medicines in India as over-the-counter products, ethical and classical formulations

and home remedies of Ayurveda, Unani and Siddha systems of medicine is about \$ 1 billion with a meagre export of about \$ 80 million.

There is great demand for herbal medicine in the developed as well as developing countries like India, because of their wide biological activities, higher safety of margin than the synthetic drugs and lesser costs. Medicinal plants play a great role in food supplements for care as well as in personal care of the mankind alongside the therapeutically active substances, thus medicinal plant based industry is a promising sector and enormous economic growth potential. (Alok, 2008)

The global herbal market and the industry both have been growing rapidly in recent years. This market, which includes OTC medicines, health supplements, herbal beauty and toiletry products, is estimated presently at around \$ 65 billion, growing at a rate of 15 to 18 percent per annum. (Vani Nikhil Laturkar, 2015)

CONSUMER PERCEPTION

Consumer perception applies the concept of sensory perception to marketing and advertising. Just as sensory perception relates to how humans perceive and process sensory stimuli through their five senses, consumer perception pertains to how individuals form opinions about companies and the merchandise they offer through the purchases they make. Merchants apply consumer perception theory to determine how their customers perceive them. They also use consumer perception theory to develop marketing and advertising strategies intended to retain current customers and attract new ones.

In general psychological terms, perception is our ability to make some kind of sense of reality from the external sensory stimuli to which we are exposed. Several factors can influence our perception, causing it to change in certain ways. For example, repeated exposure to one kind of stimuli can either make us oversensitive or desensitized to it. Additionally, the amount of attention we focus on something can cause a change in our perception of it.

The medical perceptions about complementary medicine (including HMPs) are diverse. Some surveys show that, overall, physicians believe it is moderately effective, while many doctors regard complementary herbal therapies as scientifically unapproved. In general, globally, the trend amongst doctors is to support the patients' preferences for complementary therapies. However, they want published information from reliable sources on quality, safety and efficacy of HMPs. Today, there is growing consumer demand for personal care products containing natural and/or organic ingredients. In response, there has been a dramatic growth in the sales of natural and organic personal care products in drugstores and pharmacies across the world (Antignac, 2011).

Consumer's perception towards herbal drugs can influence their drug-taking behavior and in turn can affect "treatment outcomes". [Babar, 2012] The use of herbal supplements is prevalent among patients who are taking prescription medications, particularly senior citizens. (Cherniack, 2001).

Self Perception

Self perception theory attempts to explain how individuals develop an understanding of the motivations behind their own behavior. Self perception by customers relates to values and

motivations that drive buying behavior, which is also an important aspect of consumer perception theory. Self perception shaped consumers' buying behavior, considering the question; whether consumers believe their buying decisions have a real effect on issues such as environmental impact. Consumers' self perception is a driving factor in whether or not they place a priority on socially conscious purchase and consumption practices. Consumers who view themselves as socially conscious tend to place more weight on issues such as environmental impact when making buying decisions than consumers who not hold similar views of themselves.

Brand Perception

The brand perception is associated with a higher level of consumer emotional response, higher levels of consumer trust and loyalty, higher consumer preference, usage, more self expression and improved product differentiation (Guthrie and Kim, 2009). The characteristics of the target market, the company's experience, expertise, and executive preference should influence the selection of a strategy for building consumer brand preference.

Price Perception

While mass merchandisers such as Wal-Mart emphasize low prices as an inherent virtue, upscale merchants attempt to emphasize quality and value for money to appeal to potential customers. There are several factors, including price perception whether consumers believe they were being charged fair prices in determining whether online shoppers would make repeat purchases through the same website. The price perception strongly influences whether customers were satisfied with their purchases and whether they would make future purchases. Two factors that shaped

price perception were the perceived quality of the merchandise or service in question and price comparisons with merchants offering similar merchandise or services.

Benefit Perception

“It’s good, and it’s good for you. “Many consumers are familiar with this phrase frequently associated with food advertising”. Nutrition claims associated with food affects consumers perception of the food’s nutritional value. Consumers tend to reject general, unsupported claims of enhanced nutrition, especially concerning high nutritional value for foods that are traditionally viewed as unhealthy. Educated and aware consumers applying more scrutiny to nutrition claims and would demand more specific information about the foods they purchase.

The marketing promotions are new product premium, promotion campaign eg. Cash discount, gift premium, fortune, tarot horoscope, makes up and massage workshop. Consumers satisfy with advertisement of herbal products; brochure, leaflet, beauty information from general magazine, fashion magazine, general book, television and radio. The economic situation, such as inflation situation, is the majority factor of purchasing decision. [Rojanadilok, 2012]

The Indian cosmetics and toiletries market has seen major changes both in terms of user perception. The increasing market size is the direct result of the changing socio-economic status of the Indian consumers, especially women. Higher paying jobs and increasing awareness of the western world and beauty trends there have served to change the tastes and customs of the middle class and higher strata of the society, with the result that a woman from such social strata now is more conscious of her appearance and is

willing to spend extra cash on enhancing the further. Numbers of women, especially from the middle-class population, have more disposable income leading to a change in cosmetic and skin care products consumption. [Bhattacharya, 2006]

CONSUMER BEHAVIOUR

Consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society. It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the decision-making processes of buyers, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

Customer behaviour study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Research has shown that consumer behaviour is difficult to predict, even for experts in the field. Relationship marketing is an influential asset for customer behaviour analysis as it has a keen interest in the re-discovery of the true meaning of marketing through the re-affirmation of the importance of the customer or buyer. A greater importance is also placed on consumer retention, customer relationship management, personalisation, customisation and one-to-one marketing.

Marketing provides services in order to satisfy customers. With that in mind, the productive system is

considered from its beginning at the production level, to the end of the cycle, the consumer.

Buying Strategy

There are several factors behind selection and buying decisions of consumers. Need, Social Status, Gifting Purpose and Messages, advertisements, promotional materials are few important factors amongst all. A consumer goes through also called selective exposure. Not all promotional materials and advertisements excite a consumer. A consumer does not pay attention to everything he sees. He is interested in only what he wants to see. Such behaviour is called selective attention. Consumer interpretation refers to how an individual perceives a particular message. A consumer would certainly buy something which appeals him the most. He would remember the most relevant and meaningful message also called as selective retention. He would obviously not remember something which has nothing to do with his need.

Types of User (Consumers of herbal product)[MHRA, 2008]

Broadly, the following types of user were evident:
Vulnerable – Had experienced serious conditions and tried herbal medicines as an alternative to conventional medicines, which they often perceived as being addictive or likely to have unpleasant side-effects.

Casual – Tended to use sporadically and out of curiosity or because recommended by a friend. Not serious, thoughtful or well informed about herbal medicines.

Cultural – Had strong cultural traditions of use, and relied on family, friends and retailers within that community to sell and prepare their herbal medicines.

Types of Non-User (Non consumers of herbal products)[MHRA, 2008]

Broadly, the following types of non-user were evident in the qualitative phase:

Lapsed – They used more than two years ago, but were able to contribute a number of examples stemming from their own use of herbal medicines.

Cynics – Unconvinced of the efficacy of herbal medicines, and more likely to have doubts about safety.

Well-informed/interested – A number of non-users had quite high levels of knowledge about herbal medicines, which stemmed from friends or members of their immediate families using them.

MATERIAL AND METHODS

The study is qualitative research using in-depth interview to collect the data and use content analysis to explain the data. In- depth interview of the open questions probing to gain personal factors of the respondent about gender, age, occupation, education, salary, opinion, attitude toward perception on purchasing decision factors: products, prices, places and promotions(4Ps). We carried out study amongst persons from rural and urban areas in India with the objective of understanding their perception attitude and practices in relation to use/choose the herbal product as for treatment of several kinds of diseases and also as food/health supplements. The study design was an initial listing followed by a qualitative survey using a structured questionnaire. Exactly, Two hundred people were randomly selected for listing and questioned about their perception to herbal product and their current use, influence etc. The survey was conducted by researchers in the language which

understand by peoples, in their own home, at a time convenient to them. The questionnaires consist of optional lists, as well as open ended question depending on information being elicited. The information collected was recorded on structured forms codified for computer analysis. The validity of collected data was reconfirmed by random data checks and repeat interview.[Anupam, 2014]

RESULTS

Among the total peoples, 72% are male and 28% are females [Fig.1]. The peoples are below 18 years(8%), 18-30 years(62%), 30-40 years (14%), and are above then 40 years old (16%)[Fig.2]. 32% of the self employed, 24% are businessmen, 28% are students, and 16% are Servicemen[Fig.3]. 52% people think that herbal products are effective as other forms of medications/therapies, 18% don't think so, 22% said it depends and 8 % had no idea[Fig.4]. The people are using herbal products 28% rarely, 28% on offers, 17% occasionally and 28% depends on condition[Fig.5]. The peoples are spending money on the buying on herbal products monthly less then 100 Rs. (26%), Rs. 100-200 (50%), Rs. 200-500 (19%), above Rs. 500 (5%) [Fig.6]. 26% using herbal products in the influence of doctors, 25% influenced by advertisements on TV or other media, 18% by advice of family and friends, 8% by retailers and 23% were self interested[Fig.7]. The people used to choose the criteria before making a purchase decision by company image(20%), brand name(46%), conventional packaging(5%), free gifts/coupons(22%), price(3%) and easy availability(4%)[Fig.8].

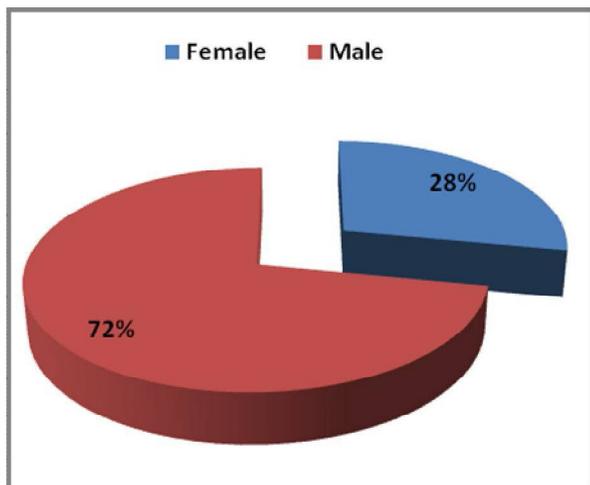


Fig 1. Gender

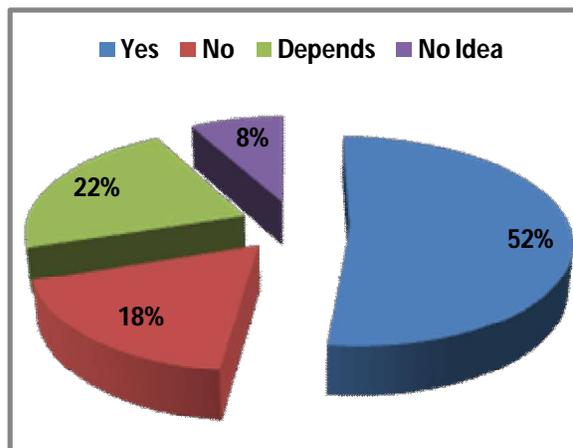


Fig 4. Are Herbal Drugs effective as other forms of medications?

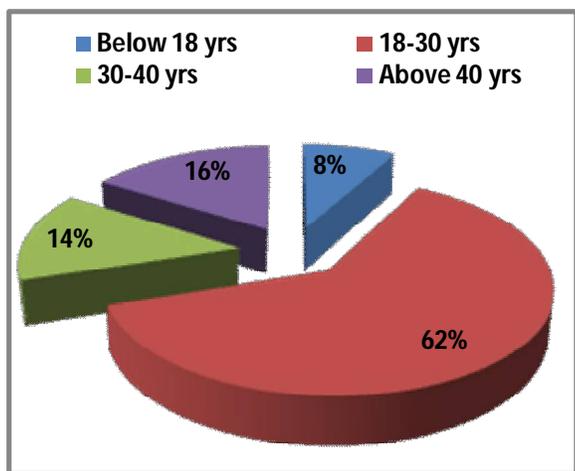


Fig 2. Age

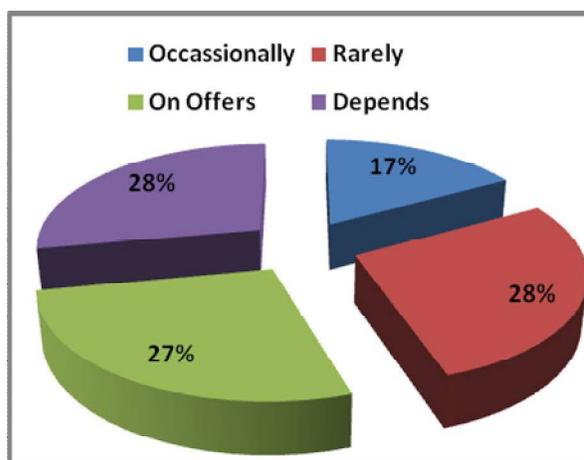


Fig 5. Frequency of Buying Herbal Products

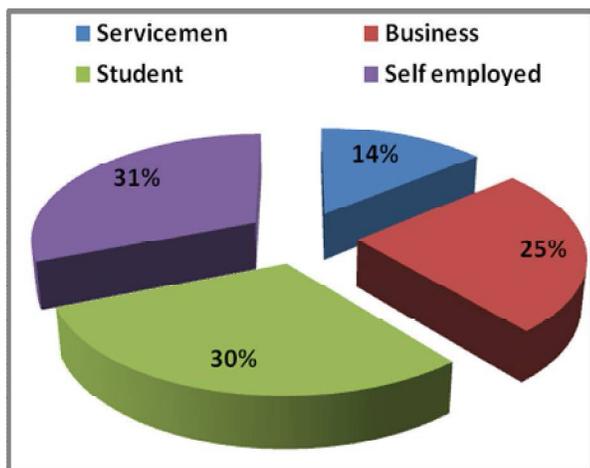


Fig 3. Occupation

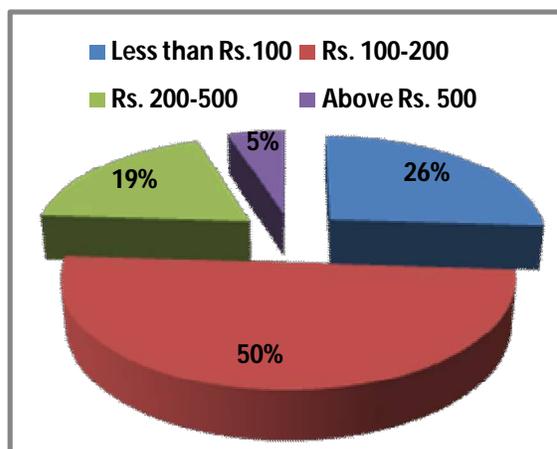


Fig 6. Total monthly expenditure is specially on buying Herbal Products

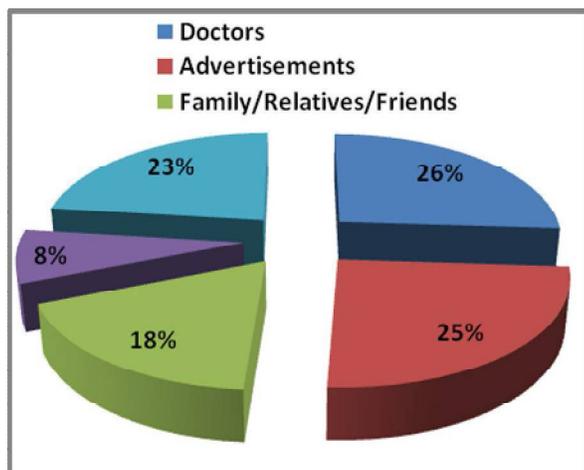


Fig 7. Who influenced to use Herbal Products?

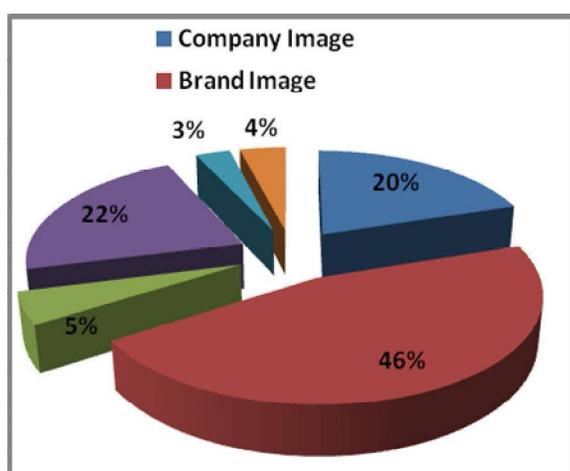


Fig 8. Criteria before making a Purchase Decision

Discussion

Herbal medicines are being used by about 80% of the world population primarily in the developing countries for primary health care. They have stood the test of time for their safety, efficacy, cultural acceptability and lesser side effects. The marketing mix (4Ps: product, price, place and promotion) were key factors influencing consumers' perception on herbal products. There is a positive impact of advertisements on consumers' mind and apart from this, availability of herbal products; the size of packaging and awareness

also plays a very important role in changing the consumer's perception towards traditional therapy. Consumer's satisfaction with the results of the herbal therapy is also important.

CONCLUSIONS

The aims of this survey were to identify the population's perception on herbal products. Multiple independent data sources were used and the capture-recapture method was applied to estimate the completeness of ascertainment of the survey. This study was undertaken to provide a basis for the planning of medication interventions to marketing of herbal products. Most of the people are using the herbal products of various pharmaceutical companies of India. People are more keen to get faster relief medications, as they are busy in rush running life. People preferably taking the Allopathic medications mostly recommended by the RMP's. Yet they are well familiar to the Herbal and Natural cure products. Herbal products in the market are more costly, although have less side effects. On other hand the home remedies, i.e. the Herbal products are easily available and more effective in long term curative treatment. Though people have lots of self interest and belief in herbal medications, the Doctors and advertisements of print/electronic media are more frequently influencing the people to purchase the herbal pharmaceutical products as well.

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