

COSMETIC CONSUMER CONFIDENCE: AN INFORMED APPROACH TO SHOPPING

Honors Thesis

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Abstract:

The growth of the cosmetics industry in recent years has made the purchasing of cosmetics more widespread as online shopping and social media have attracted new markets to the industry. The cosmetics industry has undergone changes to better accommodate these growing markets, and the demands of the consumers within them. So far, little research has been done on how ecommerce changes the way consumers purchase cosmetic products. This research project explores what factors currently affect consumer's purchasing habits in the cosmetics industry. A survey was implemented to evaluate how cosmetic consumers across generations rate the significance of ingredients, production, environmental safety, labor rights, and trade practices within the cosmetics industry regarding their purchasing habits. The findings from the survey indicate that Gen X, followed closely by Gen Z, are the most active cosmetic consumers that engage in research regularly prior to their purchases. Compared to other generations, Gen X participates the most in the industry, and expresses the highest rates of interest and concern across all factors of the cosmetics industry. The data from this research also indicates that ingredient usage, environmental safety, and labor rights are the most important and most researched factors in a cosmetic consumer's purchasing process. The insight from cosmetic consumers through this research better illustrate consumer buying power, market demands, and what factors cosmetic firms should focus on to better market their products and appeal to the most important needs and concerns of their customers.

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Introduction:

Cosmetics have always been prevalent in daily life, tracing back to the days of Ancient Egypt. They continue to be influential in modern times, with uses ranging from self-care wellness routines to masterfully painting Hollywood starlets. Cosmetics have managed to continually evolve and expand over decades through new artists, products, and inventions to become the billion-dollar industry it is today. As a professional cosmetologist and a longtime consumer of beauty products, I have always been invested in the developments within the industry. Understanding the benefits and risks certain cosmetic products carry is especially important when working on clients or incorporating products into my daily routine. Through my college education in business, I have been able to gain further insight into the cosmetics industry and understand the perspective of professionals and consumers alike.

This research project, titled *Cosmetic Consumer Confidence: An Informed Approach to Shopping*, aims to explore the factors that influence a consumer in making informed decisions about their cosmetic purchases. As the industry continues to grow, it is important to know what factors consumers value the most when making decisions. Online markets have continued to increase as social media makes it easier for consumers to shop online, and so understanding the new preferences of digital cosmetic consumers is vital for the industry. Through demographic research the emerging cosmetic markets can be better understood by cosmetic producers to develop and market products which consumers desire. By engaging with their consumers, cosmetic companies can better understand their buyers and meet their needs more efficiently.

Purpose:

The purpose of this study is to measure the impact of new practices within the cosmetics industry on consumers' purchasing decisions. The cosmetics industry has undergone changes to better accommodate the new online markets, and the demands of the consumers within them. The goal of this research is to identify how significant cosmetic trade practices, such as ingredient usage, environmental safety, manufacturing processes, labor rights, and trade practices are to the consumer's purchasing process. This information can help businesses in the industry engage with new cosmetic consumers and online markets by understanding what they value most in cosmetics. Marketers can also utilize this information to understand how consumers interact with the industry differently when they are shopping online compared to traditional retail experiences. Lastly, this research can inform cosmetic producers of what changes to their ingredients or manufacturing processes are of concern to consumers when they consider purchasing cosmetics.

Research Objectives:

The research conducted through the survey will analyze the most relevant factors that are used by consumers when deciding what cosmetic products and brands they choose to purchase. The variables used in the survey to determine what is most relevant to a consumer's purchasing behavior include importance, familiarity, concern, interest, likelihood, and research. Importance refers to the industry factors that are most significant to a consumer when deciding what product to buy. Familiarity tests the level of understanding a cosmetic consumer already has about industry practices, such as general knowledge of cosmetics production. Concern measures what consumers believe to be the most vital aspects of the industry that should be improved upon for long-term success. This

can relate to the quality of products and whether they meet market demands. Additionally, concern also relates to the ethics of cosmetics firms and whether their core values negatively impact a consumer's purchasing decision. Interest is used to gauge what industry factors are the most relevant and impactful in a consumer's personal life. Likelihood is a variable used to evaluate how often consumers participate in research prior to making a cosmetics purchase. In order to determine the relationship and correlations that are considered, the following objectives are examined in the survey:

Descriptive Research Objectives:

- 1) How do various age groups value the cosmetics industry they participate in?
 - a. Which of the following industry practices will age groups value as most important when making purchasing decisions?
 - Ingredients used in cosmetics
 - Environmental safety regulations of the cosmetics industry
 - Production and manufacturing processes of cosmetics
 - Labor rights in the cosmetics industry
 - Trade practices within the cosmetics industry
 - b. How much familiarity do different age groups express with the industry practices?
- 2) To what extent do different generations express their interest or concern within the cosmetics industry? To what extent do different generations participate in learning about these interests or concerns within the cosmetics industry?
 - a. How much concern will generations express over the environment in which cosmetics are produced?

- b. How much interest does each generation have in the cosmetics industry aside from purchasing products?
- 3) By what methods do different generations engage in their purchasing decisions in the cosmetics industry?
 - a. Are generational groups different in terms of how much effort they spend researching prior to purchasing cosmetics?
 - b. Are generational groups satisfied with their purchasing process in addition to the cosmetic product itself?
- 4) How does age or generational group affect cosmetic consumers' perception of the industry?
 - a. How do different age groups value the following industry practices within the cosmetics industry?
 - Ingredients used in cosmetics
 - Environmental safety regulations of the cosmetics industry
 - Production and manufacturing processes of cosmetics
 - Labor rights in the cosmetics industry
 - Trade practices within the cosmetics industry
 - b. Does age affect purchasing habits of cosmetic consumers?

Thesis Statement:

As a long-time consumer and professional in the cosmetic industry, I have always been interested in the newest product development, from skincare-infused foundations to hair bond strengthening shampoos. In the next five years, the cosmetic industry is expected to grow to \$51.3 billion (Thomas, 2022). As demand for new products rise dramatically,

businesses experience mounting pressure to keep up with consumer expectations. In order to remain competitive, many businesses adapt their supply chain, raw material outsourcing, and product development in order to keep costs low and hold a financial advantage over others in the industry (Celadon, 2014). Thus, cosmetic companies are now globalized businesses that obtain raw ingredients like pigment and clays for their products from developing countries (Kanda, 2021). By drawing more attention to the issues surrounding the manufacturing of cosmetics, consumers can make better-informed decisions in order to support and advocate for fair trade, ethical practices, and the sustainable use of natural resources (Mansfield-Devine, 2019). In this paper, I make use of a primary survey to identify essential product features that customers care about and better understand consumer buying patterns. I evaluate how consumers make informed purchases and how that is dependent upon the current practices of the cosmetic industry, by testing the following hypotheses.

Hypotheses:

- 1) Younger generations, Gen X, Gen Y, and Gen Z will rate importance variables higher.
- 2) Generations spanning from 1946 – 2010 will be moderately familiar with the cosmetics industry than older generations.
- 3) Only the youngest generations, Gen Y and Gen Z, will express high rates about concerns in the cosmetics industry.
- 4) Gen Y will express the most interest in the cosmetics industry, followed by Gen Z.
- 5) Only younger generations, Gen Y and Gen Z, will engage in extensive research prior to the purchase of cosmetic products.

- 6) Respondents with higher education, including some college or any degree level, will research their purchases more than respondents with a high school degree or equivalent.

Definition of Constructs:

The research of cosmetic consumers through the survey will focus on the constructs of age and education levels. The construct of age is being used to differentiate generational groups and determine what trends each group present given questions regarding importance, familiarity, concerns, interest, and likeliness in relation to the cosmetic industry (Table 7.1 – 7.5). The construct of education level will be used to determine if educational status affects the way a consumer perceives the overall benefit of a cosmetic purchase. Age and education were chosen as constructs for sorting purposes, and function to answer the list of hypotheses presented in the thesis.

Literature Review:

A large sector of the cosmetics industry is luxury cosmetics, which can be a great indicator of how well cosmetic markets are doing. A research report by Bernstein Research (Bernstein Research, 2009) analyzes the opportunities and threats top luxury brand LVMH faces within its business sectors to evaluate its stock price in both the short term and long term. LVMH's cosmetics and fragrance sectors, which includes the large cosmetics industry business Sephora, provides key data, graphs, and insight on the cosmetic industry. This report's inclusion of quantifiable data and graphs provide valuable information on luxury cosmetic products' sales, projected growth, and market demographics. This report provides insight on the financial decisions behind key players in the cosmetic industry but

lacks insight on what consumers demands are and whether they are changing in light of expanding online markets.

In an article by the Journal of Technology Management & Innovation, Celadon analyzes open innovation and knowledge integration in comparison between less open and more open cosmetic firms (Celadon, 2014). This source deals with the Brazilian cosmetics sectors as it holds a 3rd place ranking in the global cosmetics industry. Specifically, this article examines the effects of knowledge integration within the Brazilian cosmetic firms, which relates to my hypotheses by considering how differences in education between consumers affects their purchasing behavior. This source specifically examines how cosmetic companies can combine knowledge integration, innovation, and management to create competitive advantages. This approach to understanding how consumers and firms interact by observing how the implementation of additional cosmetic knowledge affects market behavior can show how new developments in the growing markets can be implemented. This article concludes that cosmetic firms can make and implement knowledge or educational based information to retain their appeal to consumers.

A study by Cooley examines the influences consumers encounter during the decision-making process, including celebrity endorsements, sponsorships, word-of-mouth references, and social media influencers (Cooley, 2019). This study provides relevant insight on how consumers determine credibility during product research and how influential each type of external factor is on their decision-making process. Additionally, this source is objective in its content matter as it is not specifically related to the cosmetic industry and provides a general outlook of how external factors influence shopping behavior. This information from the survey is important to my research because it focuses

on how consumers research, validate, and decide on making a purchase. By approaching my survey in a similar manner, I can examine whether informed consumers have changed shopping habits as opposed to their uninformed or uneducated counterparts.

On the topic of social issues, an article published by the Global Cosmetic Industry Magazine explores how cosmetic brands and suppliers are changing to meet consumers' concerns over issues like human health and the environmental impact of cosmetics. This article looks at the driving forces behind the change in cosmetic consumers' demand, especially relating to the safety of cosmetic ingredients, sustainability, ethics, and business transparency. This magazine article is important to my preliminary research as it explains the factors driving change in the cosmetic industry that I plan on studying to determine its influence on consumer shopping habits and on cosmetic manufacturing (Global Cosmetic Industry Magazine, 2019).

An industry report on global cosmetics manufacturing provides key information, statistics, trends, data, and insight on the industry. This source provides a reliable, objective, and comprehensive report that delves into all aspects and factors affecting the cosmetic industry on a global scale. This is especially relevant to understanding how the market shifts and what new demands arise from cosmetic consumers. This source is important to my research as it provides vital information needed to understand the economic, financial, and competitive landscape of the cosmetic industry as well as how its operations and performance are changing with the rise in online shopping (Kanda, 2021).

Another report by Mansfield-Devine looks at more specific issues that consumers would likely express interest in. This report identifies the trends in the cosmetic industry relating to natural and cruelty free beauty. It includes findings on consumer habits and

demands in relation to the purchase of cosmetics. This source explores how consumers' changing demand towards more ethical and clean cosmetic products are affecting private-label cosmetic companies. Additionally, it explores what brands consumers consider to be reliable and ethical as well as what new factors consumers consider during the decision-making process. This research focuses on new and changing consumer demands and shopping habits which can show how much external information can affect or change a cosmetic consumer's purchasing process and habits (Mansfield-Devine, 2019).

Another aspect of consumer behavior is explored by McAulay that pertains to the digital influence and emerging styles of purchasing goods online. This survey provides data on how millennials purchase makeup in an era where online shopping, social media, and digital interactions affect the way they interact with and purchase cosmetic products (McAulay, 2017). This survey also gives detailed data on the millennial age segment of cosmetic consumers with focus on their shopping habits, digital influence, and engagement with cosmetic brands. This source contributes to my research because it focuses on the digital impact, influence, and changes the cosmetic industry utilizes to best engage with younger consumers. Additionally, the construct of millennial-aged participants is further useful in understanding how generations approach cosmetic shopping differently. Ultimately, the analysis of this survey's data can be used to show how digital platforms can be used to better inform and interact with cosmetic consumers so they can understand the full extent of their purchasing power.

An industry report gives details on the manufacturing of cosmetic and beauty products in the United States. This source's offering compares to others in my bibliography by discussing the industry performance, products, markets, competitive landscape, and key

statistics of cosmetic manufacturing specifically. This report's information and data analysis takes a closer look at the operations, trends, and future of cosmetic manufacturing in the U.S. (Thomas, 2022). Essentially, this source is useful towards my thesis project as it can show how the industry is adapting to new needs and concerns in the cosmetic market, especially when access to information online about cosmetics is much more readily available.

Examining the effect of advertising on cosmetic consumers is just as important as understanding their purchasing behaviors, which is what a study by DeBelen examined in her research paper. DeBelen aimed to discover consumer behaviors and purchasing decisions in relation to advertising. The goal of the study was to measure the influence advertising had over other avenues of influence like celebrities and reviews. The study found that traditional advertising methods were losing influence compared to emerging online influences like influencers, blogs, testimonials, and video reviews (DeBelen, 2016). This reinforces the idea that modern consumers are growing more informed and susceptible to other influences that affect their behavior in the cosmetic industry. This insight is relevant to my work as the survey conducted aims to understand the specific values that cosmetic consumers today prioritize. It is also important to note that the effect of social media on younger generations may be more significant, so consumer behavior in future generations is expected to be different from what advertisers understand it to be today.

A research paper titled "The Impact of Influencers in The Consumers' Purchase Intentions in The Cosmetics Industry" aims to understand if social media influencers affect a consumer's purchase intention of a cosmetic. This research paper sets out to understand both the degree to which influencers impact purchases and what characteristics these

influencers have that lead to have a higher influence on consumer shopping behavior (Botelho, 2019). The study found that an influencer's argument quality, popularity, expertise, and interactivity had the biggest impact on consumers. This study is useful in understanding how online markets are shaped differently, especially with influences from social media which affect the way they interact and perceive the cosmetics industry. This source can be useful in understanding how younger generations develop different values and behaviors with cosmetic shopping due to external online pressures.

In another paper studying the personalization of content and user interface in relation to skin care, Bäckerrås hypothesizes that consumers will have higher satisfaction and customer loyalty (Bäckerrås, 2019). This study focused on customer satisfaction by comparing content personalization methods to understand if one form of consumer interaction over another produced better satisfaction for the consumer. The results show that content and combination personalization statistically affect customer satisfaction significantly. This attempt to better understand how businesses and consumers engage is insightful as emerging markets online change the way consumers interact with products. This is especially relevant when applying this knowledge towards other aspects of the cosmetics industry, including cosmetics, hair products, nail products, and fragrance.

A study of female millennials focusing on the factors driving cruelty-free cosmetics aimed to understand what factors had a positive influence on their purchase intentions (Alaouir, et al., 2019). They tested to see whether social media, attitude, altruism, environmental knowledge, and financial factors were of influence towards the rise in cruelty-free purchases. Results shows that attitude and environmental knowledge has a direct positive effect on female millennials and their purchase intentions. This is especially

relevant as new trends in cosmetics are observed to be dependent on external factors like environmental knowledge and social media. This study is especially relevant as my thesis examines these factors as well, looking at how Gen X values environmental safety among other cosmetic industry factors that influence their purchasing process.

The Effect of Selected Marketing Activities and Promotions on the Consumers Buying Behavior is a study conducted in 2022 that aimed to determine the impact of various marketing methods in the cosmetics industry in Jordan. The study focused on a few factors, including word of mouth, perceived value, social networking, and customer buying behavior in order to understand the influence of electronics on marketing (Alhalalmeh, et al., 2022). The study concluded that perceived value on customer trust and customer buying behavior was significant in addition to social networking. Word of mouth marketing, even electronically, was insignificant which demonstrates how a customer's buying behavior and perception are influenced by social media. This study is significant to my research as it again examines the way consumers are influenced by digital factors like social media that ultimately affect their buying behaviors and perceived value of cosmetics.

Lastly, a case study of corporate social responsibility sheds light on how aware consumers are of various brands in the cosmetics industry. The study was conducted in Pakistan, and used The Body Shop to gauge how much consumers knew about the company's corporate social responsibilities. The findings reveal that most consumers of this brand's cosmetics were aware that the brands engaged in corporate social responsibility and considered it one of its main key business functions (Hasan, 2018). This study contributes to the literature of the topic of cosmetic consumers and their knowledge on purchasing as it demonstrates that consumers are aware and engaged in the functions of

a firm beyond the products they sell. Just as my research focuses on the industry factors that affect decision making and purchases of cosmetics, this study highlights that consumers are becoming more invested in the brand of a cosmetic company as a whole. Essentially, this case study demonstrates how the cosmetics market is changing, and businesses within the industry need to consider how their reputation, online presence, and core values affect the way their products are perceived by consumers.

When it comes to existing research on the cosmetic industry, the most relevant issues relate to the way cosmetics are marketed to consumers. Specifically, topics like diversity, inclusivity, race, and representation in cosmetic marketing have been significant as racial minorities are not treated equally by many top cosmetic businesses. Additionally, concerns over cosmetic ingredients have been examined to determine the health and safety of certain cosmetics and their uses (Global Cosmetic Industry Magazine, 2019). Furthermore, many studies revolve around the effects cosmetic marketing has on consumer's self-esteem, image, and mental health, but rarely look at their purchasing habits in relation to these social issues.

This paper takes a deeper dive into the ethical aspects of cosmetic industry practices by focusing on how different generational groups interact with the cosmetics industry, specifically during their purchasing process. This will provide new insight for age demographics, as well as how involved cosmetic consumers are in their decision-making process. Cosmetic firms can also better understand how consumers engage with growing ecommerce markets, and what they value the most when shopping for cosmetics.

Research Methodology:

In order to test the hypotheses with the constructs of age and education, I developed an online survey that was shared to the Salem State University Community. Participation was voluntary and any participant could opt-out at any time. Participants were chosen at random, with participants of all ages, income levels, and educational status. A series of Likert-Scale questions pertaining to the cosmetics industry were presented to determine which factors influence a cosmetic consumer's purchasing decision the most. Participants were asked to rate the importance of certain ethical and environmental issues, list the cosmetic firms they purchase from, and how likely they are to continue to purchase from cosmetic firms in my survey. This information allows me to determine if or by how much a consumer's cosmetic choice can be influenced by external information regarding cosmetic business practices. I analyze this information by conducting a correlation analysis to determine the relationships between generational age groups and what factors they value the most about the cosmetics industry.

Data and Analysis:

General:

The survey resulted in 175 valid participants, all of which were able to answer the survey with full completion. Respondents had a relatively even distribution of income levels, with the majority (24%) of the respondents having an income level between \$30,000 and \$49,999 and the minority 4% making over \$150,000. Respondents indicated that they purchase skincare and haircare products the most, followed by fragrance, cosmetics, and nail products. Results also indicate that there is not a significant difference between shopping online or in-person, with in-person shopping receiving a higher weighted average of 3.17 (out of 5) compared with online shopping's

average of 2.69. Lastly, respondents had an average age number of 43 and ranged from 18-81.

Hypotheses:

From the survey results, a correlation analysis was conducted to identify how generational groups responded to a rating scale measuring the importance, familiarity, concern, interest, and likelihood of aspects of the cosmetics industry. These aspects include ingredients used in cosmetics, production and manufacturing of cosmetics, environmental safety, labor rights, and trade practices in the cosmetics industry. From these results, I filtered responses by age groups, which are listed below:

- Gen Z: 18 – 28 (Born between 2005 – 1995)
- Gen Y: 29 – 43 (Born between 1994 – 1980)
- Gen X: 44 – 58 (Born between 1979 – 1965)
- Baby Boomers: 59 – 77 (Born between 1964 – 1946)
- The Silent Generation: 78 – 98 (Born between 1945 – 1925)

Hypothesis I focused on importance variables, and was expected to show that Gen X, Y, and Z would rate higher than the Boomer and Silent Generations. Survey results indicate that Gen X rated importance variables the highest with a weighted average of 3.738, followed by the Silent generation that rated a 3.6 average. Gen Z (3.332), Gen Y (3.284), and the Baby Boomer (3.260) generation had a lower average for importance variables. All generations rated ingredient use, environmental safety, and labor rights as the most important factors when making a cosmetics purchase. Gen X rated all importance variables higher than any other generation.

Hypothesis II predicted that generations following the Silent Generation would all be moderately familiar with many aspects of the cosmetics industry. Data reveals that Gen X, followed by Gen Y, were the most familiar with the cosmetics industry. Gen Z and Baby Boomers indicated a similar level of familiarity with a weighted average of 2 out of a scale of 5. The Silent generation was the least familiar. All generations expressed the most familiarity with ingredients used in cosmetics more than any other factor.

Hypothesis III explores what concerns are most relevant per generational group, with the youngest generations including Gen Z and Gen Y being expected to express higher rates of concern. On average, Gen Z (3.792) expressed the most concern followed by Gen X (3.652). Gen Y and Boomers rated similarly (3.300), with the Silent generation rating the lowest (3.000). Younger generations spanning from 1965 - 2005 all rated environmental safety as their biggest concern while Boomers gave ingredient use the highest concern rating.

Hypothesis IV expected Gen Y to express the most interest in the cosmetics industry, followed by Gen Z. On Average, Gen Z expressed the most interest, and shared high ratings with Gen X and the Silent generation. Both Boomers and Gen Y gave lower ratings below 3.400 compared to the other three generations which all rated above 3.600. A trend appears in this data, as interest in the industry practices, on average, fluctuates in higher ratings between generations (Chart 4.6: Hypothesis IV Trend). The data indicates that every generation that rates interest highly is followed by a generation which rates interest variables lower. For example, the Silent generation rated higher than the subsequent Boomer generation. This is also the case for Gen X and Gen Y, where Gen X rated higher than their following generational group. Since Gen Z rated highly as well, it can be

theorized that Gen Alpha, the newest generational group, will express less interest in the cosmetics industry when they enter the cosmetics market in the coming years.

Hypothesis V studied the amount of research age groups perform prior to the purchase of cosmetics, and anticipated Gen Y and Z to perform the most research. Gen X was the only generation to research more than any other age group with a rating over 3.300. All other generations responded similarly with an average rating of about 3.000, with the Silent generation doing the least research. All generations rate ingredient use and environmental safety as the biggest factors when researching cosmetics.

Hypothesis VI examined if consumers with higher education research their cosmetics more than those with just a standard high school education. Based on the results, respondents who do not have any college education show more interest in researching cosmetics prior to purchase. Respondents with a high school education expressed more concern regarding environmental safety and labor rights when researching cosmetics, while respondents with higher education indicated that ingredients used in cosmetics is the main factor they research over other aspects of the cosmetics industry. Overall, respondents with a standard education indicate more involvement with the research of cosmetics prior to their purchase than respondents with higher education.

Discussion:

The results of the survey varied slightly from the initial hypotheses, showing a higher participation by Gen X and Gen Z in their cosmetics purchasing process overall. In the first hypothesis rating importance of various industry practices, Gen X and the Silent generation rated higher than younger generations which was unexpected. It is possible that Gen X and the Silent generation rate importance higher than other age groups because of

their vigilance, which may be a result of the similar pressures they experienced from major events during their upbringing. Hypothesis II was accurate, as all generations were more familiar with the cosmetics industry than the Silent generation. The third hypothesis saw a slight variation from the expected results, with Gen X expressing more concern than Gen Y. Respondents from Gen Z responded highly as expected, while Gen Y gave more of a similar rating to Boomers. From this section of the survey, it seems that Gen Y is less involved with the cosmetics industry as compared to Gen Z and especially Gen X.

The fourth hypothesis testing interest in cosmetic industry practices was not supported. Instead of Gen Y expressing the most interest followed closely by Gen Z, data shows that Gen Z rated the highest and was rather followed by Gen X respondents. An interesting trend emerged with this data as well, as general interest in industry factors fluctuated between each generational group. The average of the Silent generation, Gen X, and Gen Z's ratings is 3.752, whereas the sum average of the Boomer and Gen Y responses was a 3.268. From this analysis, it can be hypothesized further than Gen Z, Gen X, and the Silent Generation are perhaps more inclined to consider the status of any given industry while making their purchases.

Hypothesis V examined the amount of research different generations undertake prior to the purchase of cosmetics and expected Gen Y and Gen Z to be the most studious and tech savvy. Data clearly shows that this is not the case, with Gen X doing much more research than any other generation. Generations Z, Y, and Boomers all rated similarly lower, with the Silent Generation being the lowest. The last hypothesis looked at education to determine if consumers in the cosmetics industry that have higher educational status perform more research than their counterparts that only have a standard high school

education. Results show the exact opposite, with respondents that have a standard education showing that they do more research on cosmetics than individuals with some college or any degree. This shows that consumers with less education will be more meticulous with their purchasing process and draw on many considerations before selecting and buying cosmetics.

Out of the five categories that the survey tested for, ingredient usage in cosmetics and environmental safety consistently ranked as the top two categories consumers cared about regarding their purchases. In hypothesis II, all respondents ranked ingredient usage as the factor they are most familiar with, and in hypothesis III, all respondents ranked environmental safety as their biggest concern. Hypothesis IV saw that in terms of interest, Gen Z, Y, and X were drawn to environmental safety regarding cosmetics while the Boomer generation chose ingredient use. Hypothesis V solidified this trend of cosmetic consumers prioritizing ingredients and environmental safety as both were ranked the highest for factors researched prior to a cosmetics purchase. Overall, ingredients used and environmental safety regulations of the cosmetics industry took precedence over the production and manufacturing process of cosmetics, labor rights in the cosmetics industry, and trade practices within the cosmetics industry.

Conclusion:

The goal of this research is to prove that cosmetic consumers are informed decision-makers who make purchases based on trade practices within the cosmetics industry. Consumers within this market can further be understood through their generational differences, and how each age group values various aspects of industry practices. Analysis from the survey demonstrates that consumers of all generations incorporate their demands

from the cosmetics industry into their purchasing process. Data that highlights the prioritization of ingredient usage and environmental safety exhibits how consumers make informed decisions that are dependent on the practices of the industry. Additionally, the ranking of industry factors in terms of importance, familiarity, concern, and interest show how age groups have different preferences and priorities regarding what they expect from the cosmetics industry.

The hypotheses proved to be extremely useful in understanding how age groups interact with the industry and how engaged they are when it comes to their purchasing process. Overall, Generation X was the most dominant and proactive group, ranking highest in Hypotheses I – V. The second highest ranking group was the youngest, Gen Z, which is not surprising as many individuals from this group lead beauty trends and movements through social media. Essentially, this means that consumers between the ages of 44 – 58 and 18 – 28 are the most engaged with the industry as they display shopping behaviors that look beyond the product itself and evaluate the business environment it was produced in. Ultimately, consumers today rely upon industry conditions to make informed decisions about their cosmetics.

Recommendations:

As online shopping and cosmetic markets expand rapidly using technology, cosmetic firms must be actively observing the habits and demands of consumers. As concluded from the analysis, Gen X and Gen Z play a major role in the cosmetics industry, both as informed consumers that are meticulous about the products they choose and as consumers with the ability to make online trends that can change the trajectory of the industry. Further studies and demographic research should be performed by cosmetic firms

to understand and utilize the buying power these two generational groups have over the rest. Additionally, it would be worthwhile to identify the characteristics or traits that Gen X and Gen Z share, as they together make the most informed cosmetic choices and can influence others. Understanding these age groups, especially through their online behavior, can be incredibly beneficial in maximizing profits in growing markets.

Aside from further research on generational groups, cosmetic businesses and marketing teams can identify and advertise cosmetics with an emphasis on ingredient use and environmental safety as those were the factors that consistently ranked high by survey respondents. This change in marketing can make it easier to appeal to new markets, and attract more customers from both online and in-store. Another recommendation for cosmetic firms is to adapt their existing products via a rebrand or campaign to better suit consumers' preferences and expectations from the industry. Producing products that focus on using clean, organic materials or protecting the environment by switching to eco-friendly packaging can be relatively easy ways to implement these consumer values in existing cosmetics products.

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Appendix:

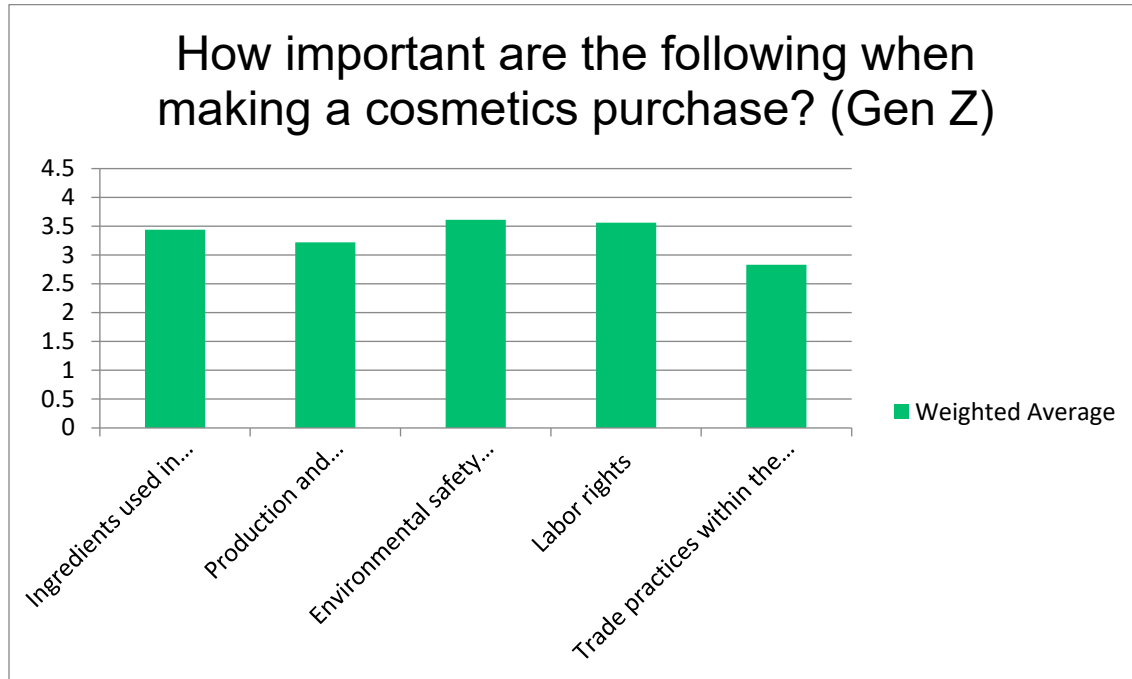


Chart 1.1: Hypothesis I Generation Z

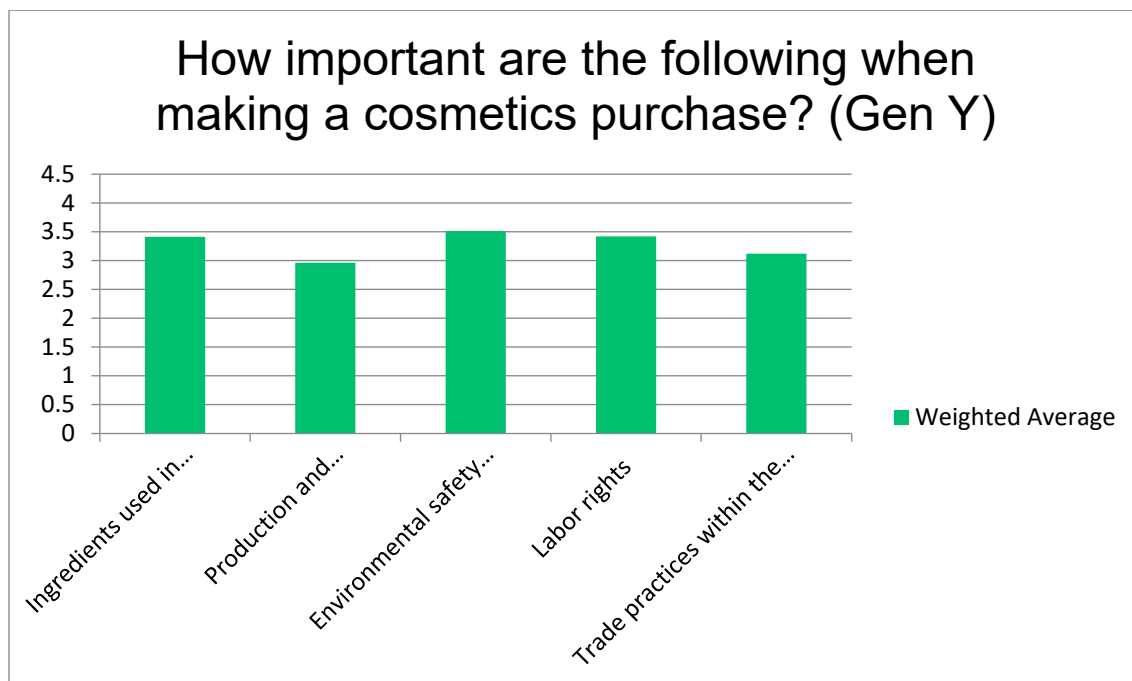


Chart 1.2: Hypothesis I Generation Y

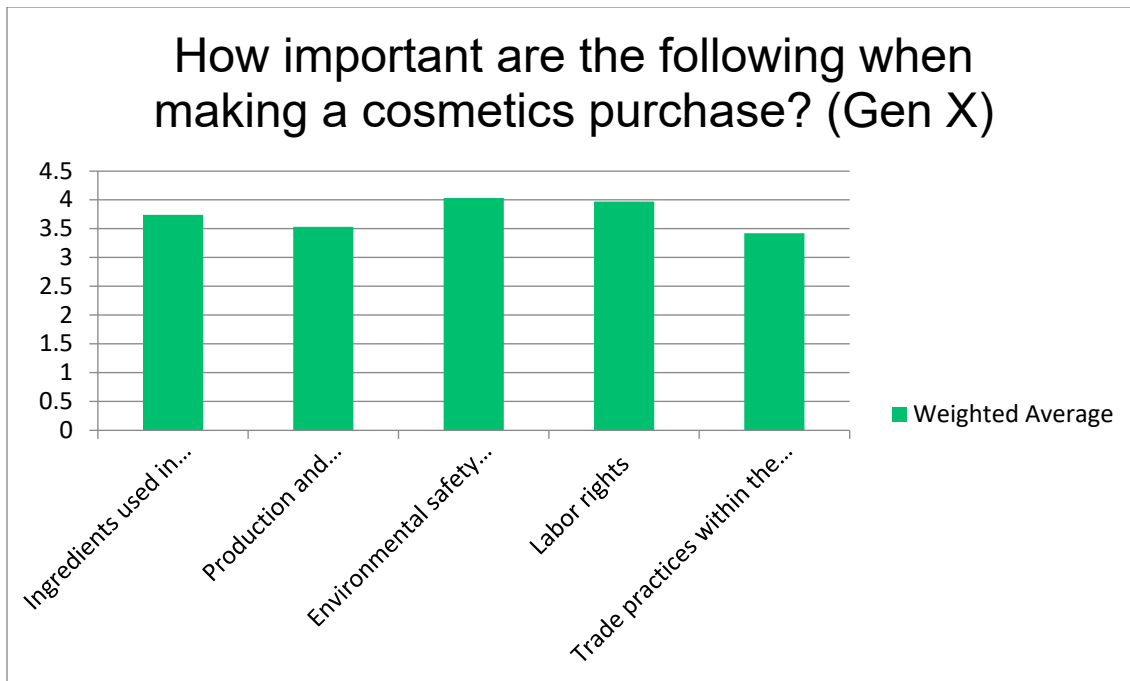


Chart 1.3: Hypothesis I Generation X

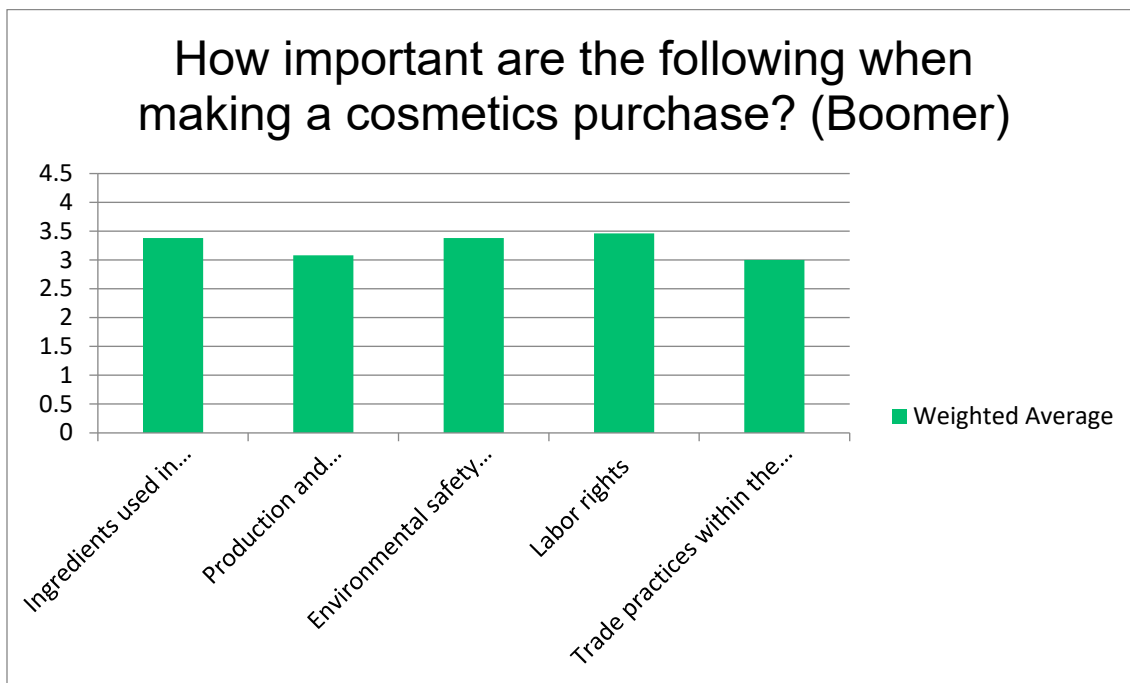


Chart 1.4: Hypothesis I Boomer Generation

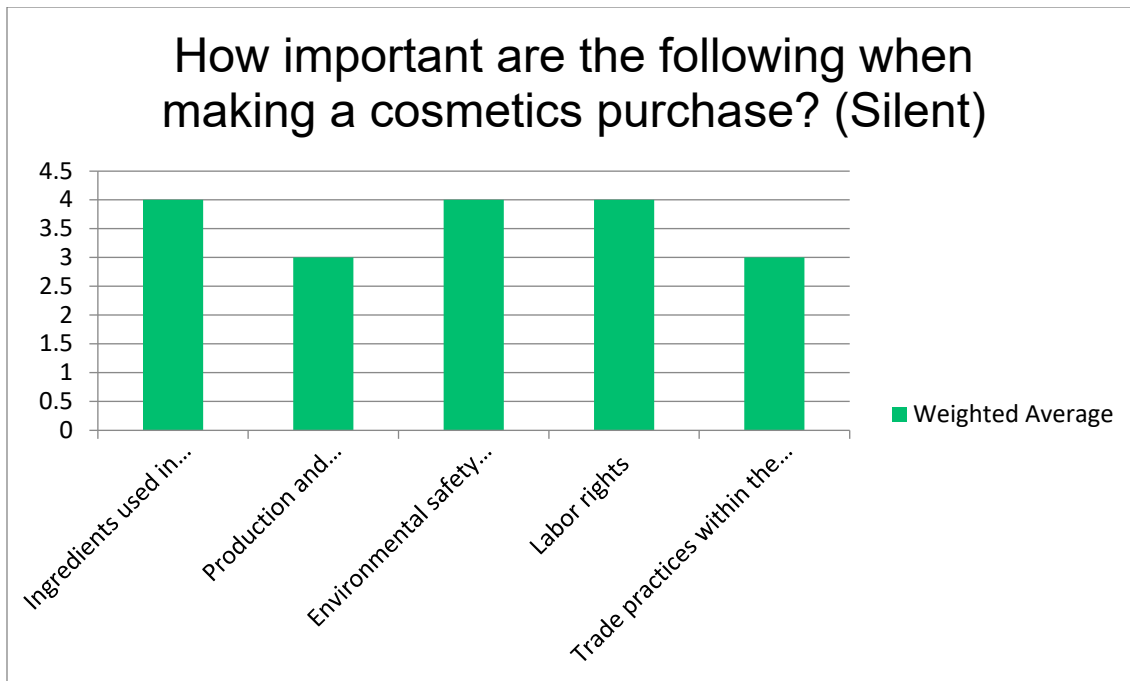


Chart 1.5: Hypothesis I Silent Generation

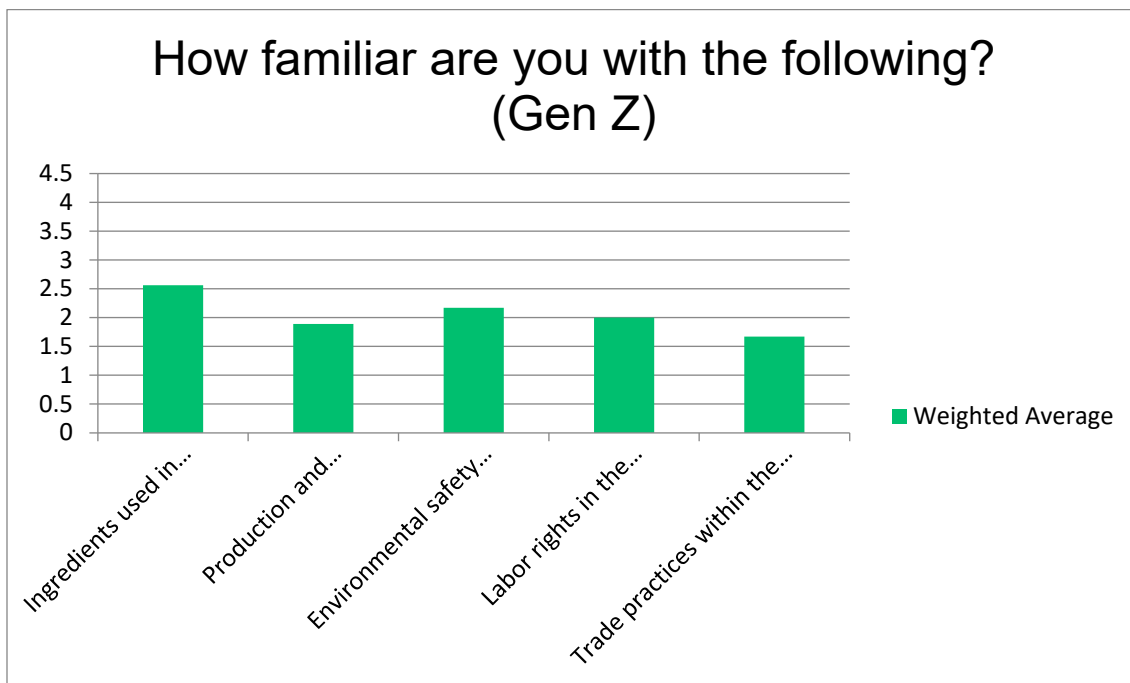


Chart 2.1: Hypothesis II Generation Z

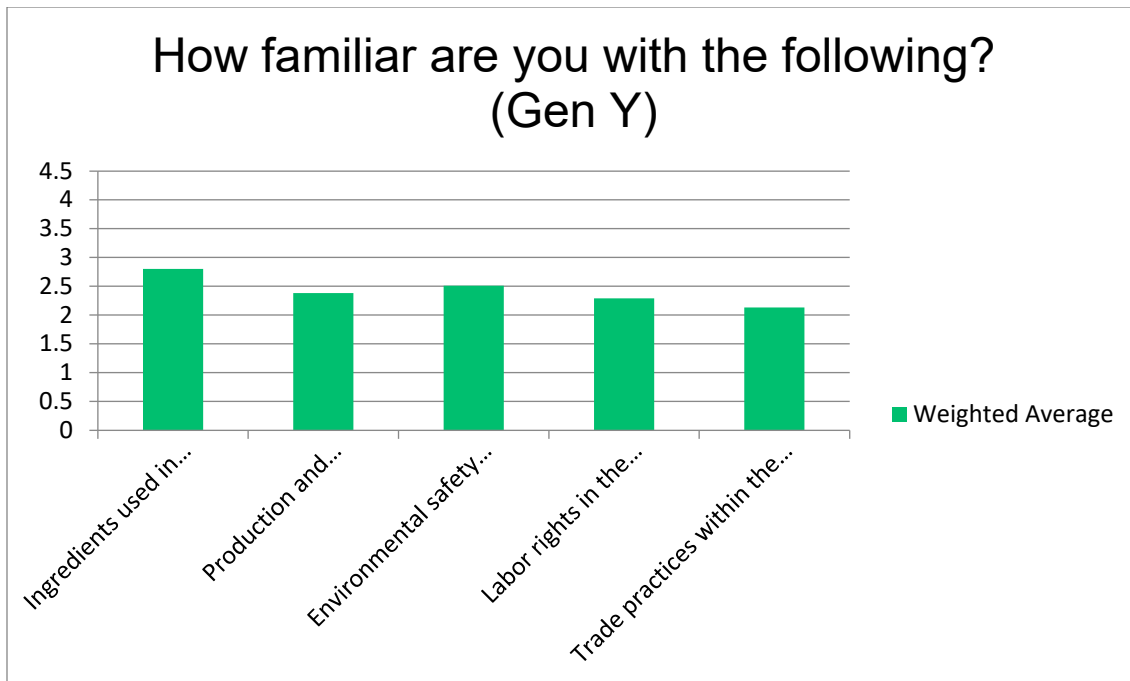


Chart 2.2: Hypothesis II Generation Y

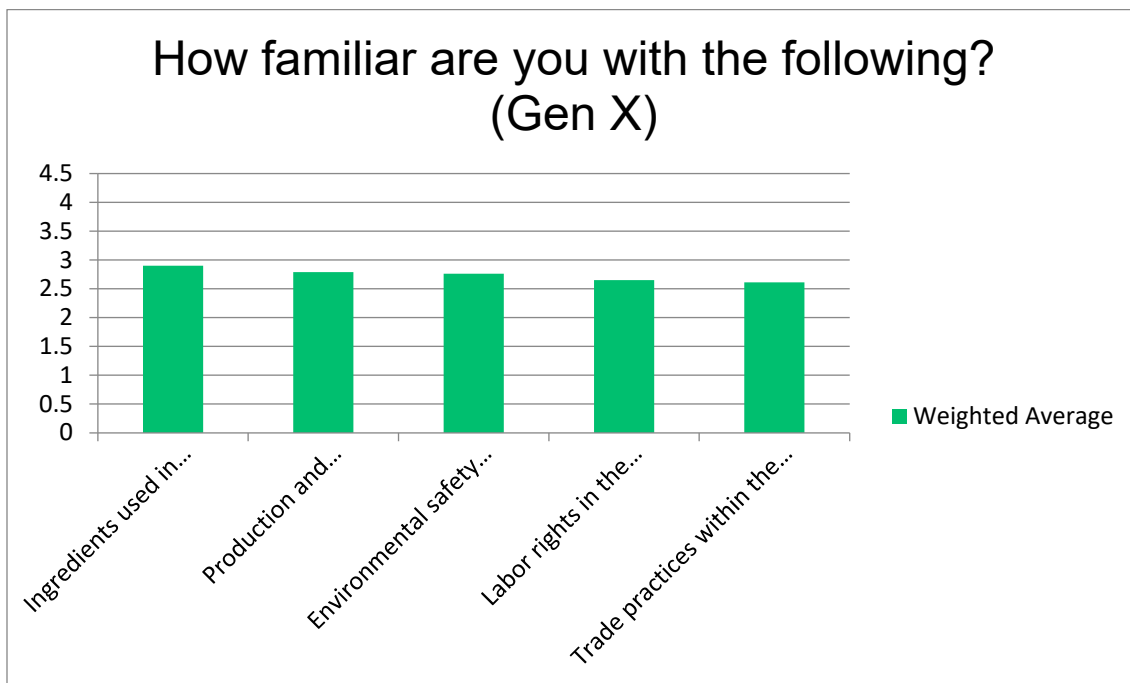


Chart 2.3: Hypothesis II Generation X

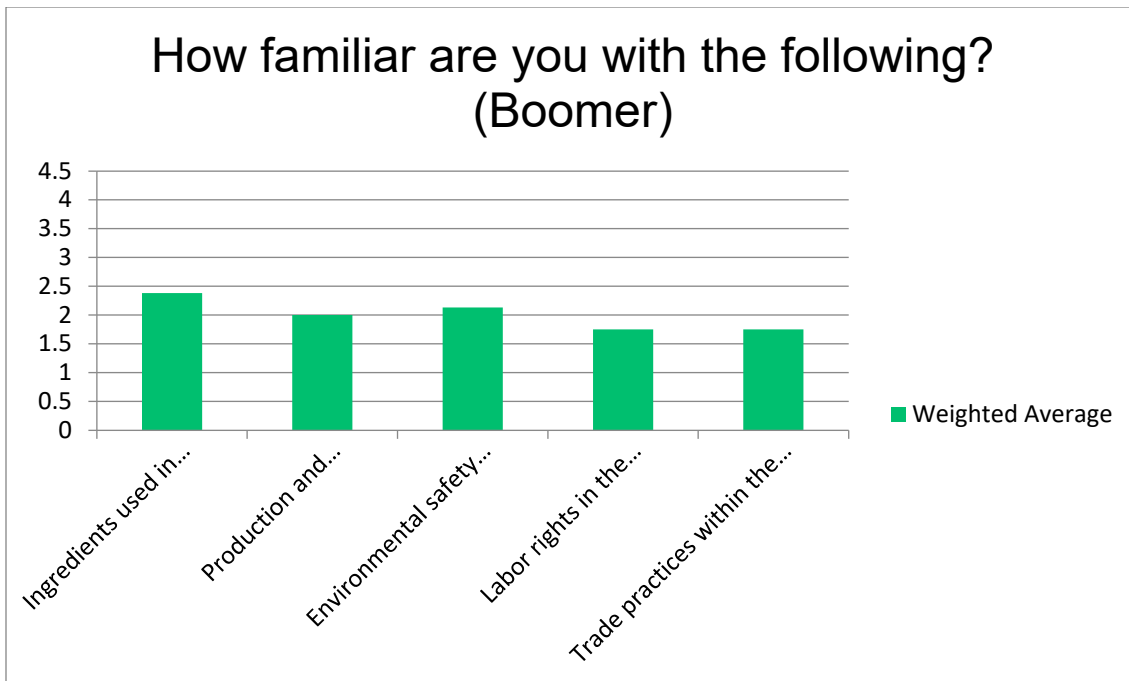


Chart 2.4: Hypothesis II Boomer Generation

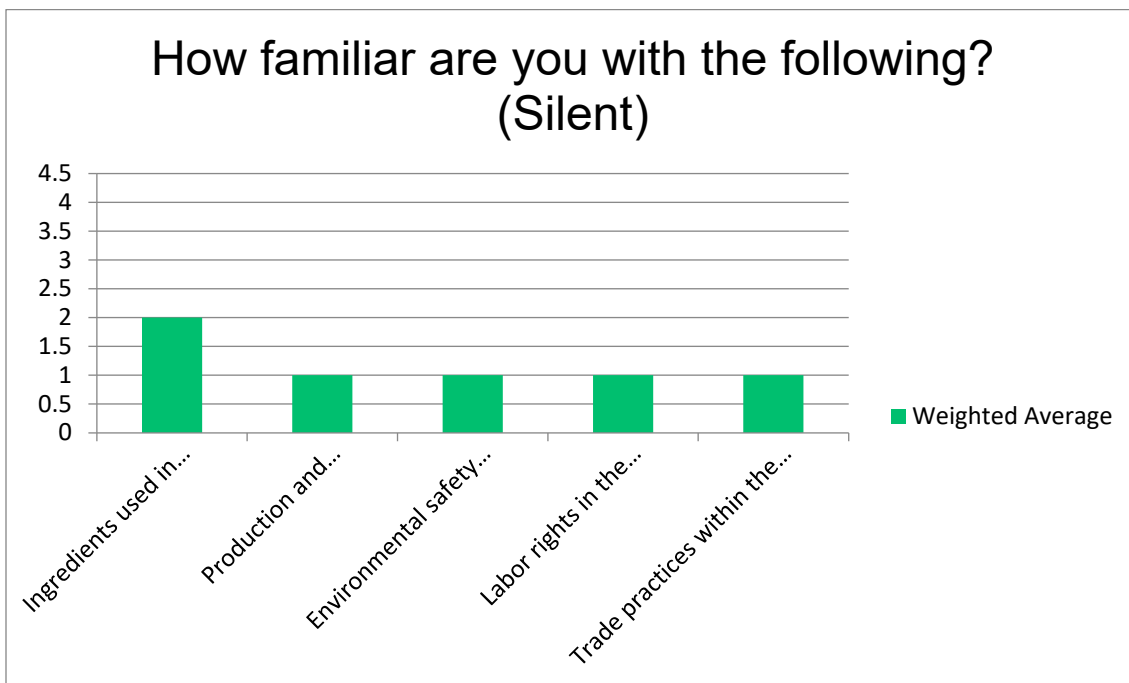


Chart 2.5: Hypothesis II Silent Generation

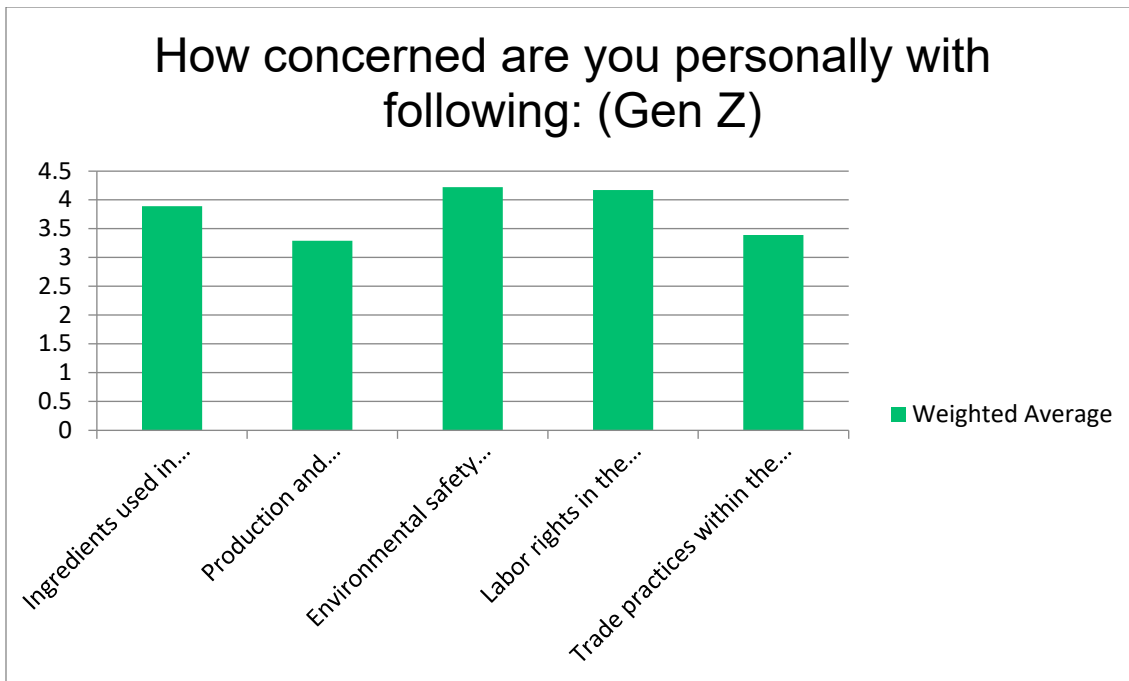


Chart 3.1: Hypothesis III Generation Z

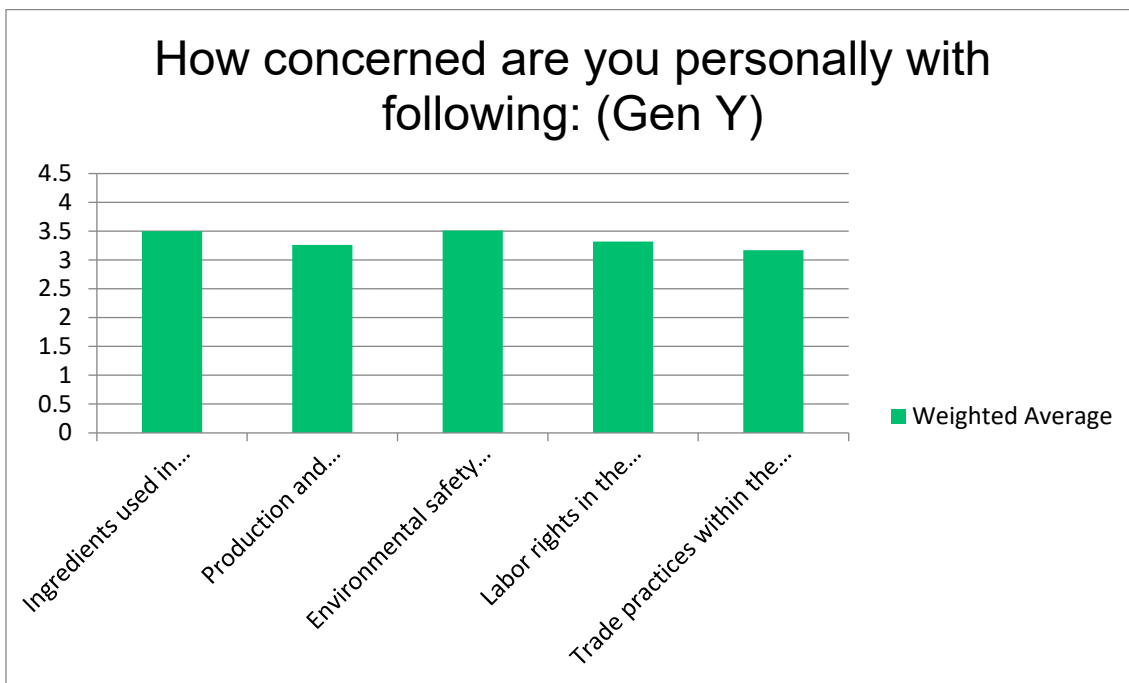


Chart 3.2: Hypothesis III Generation Y

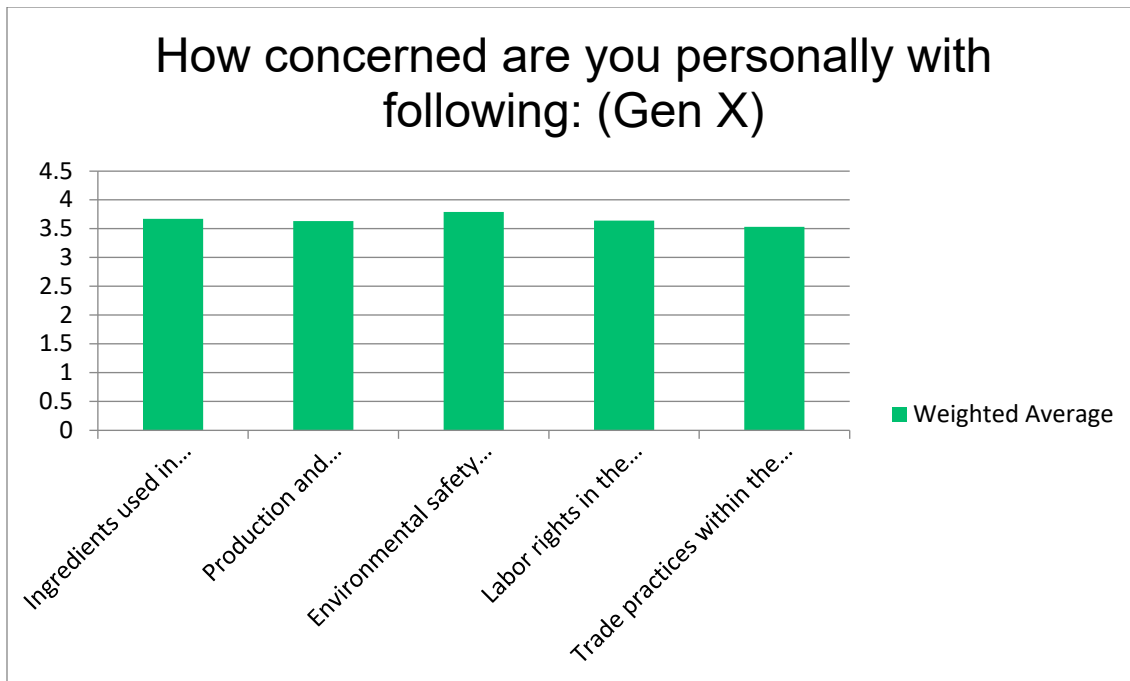


Chart 3.3: Hypothesis III Generation X

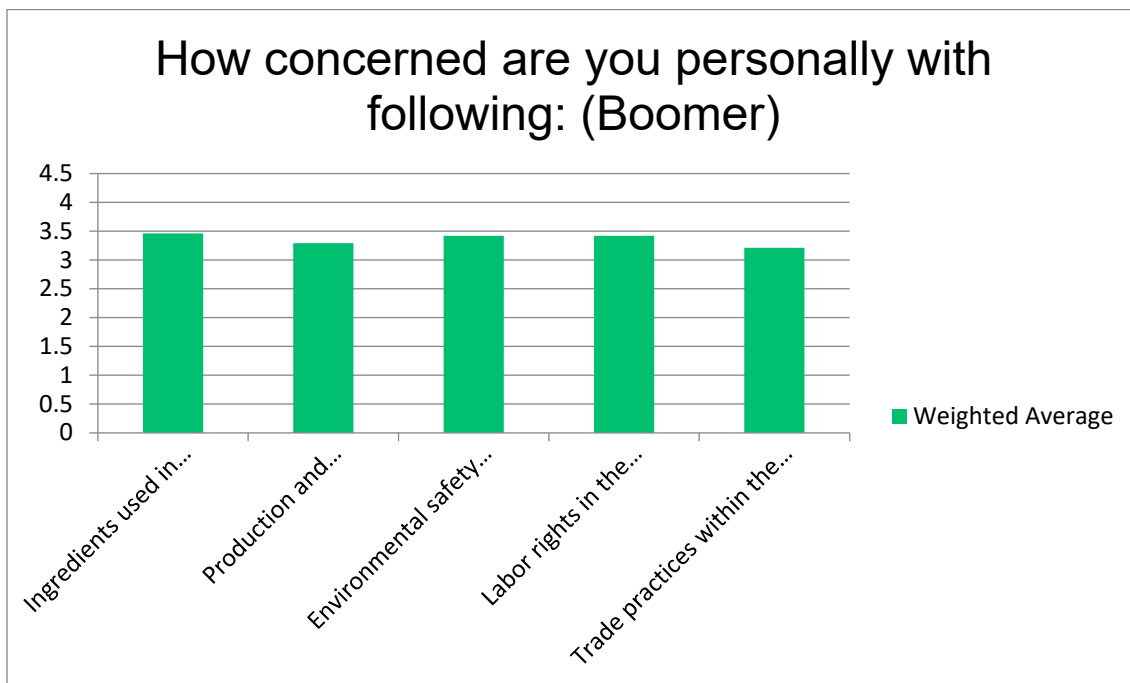


Chart 3.4: Hypothesis III Boomer Generation



Chart 3.5: Hypothesis III Silent Generation

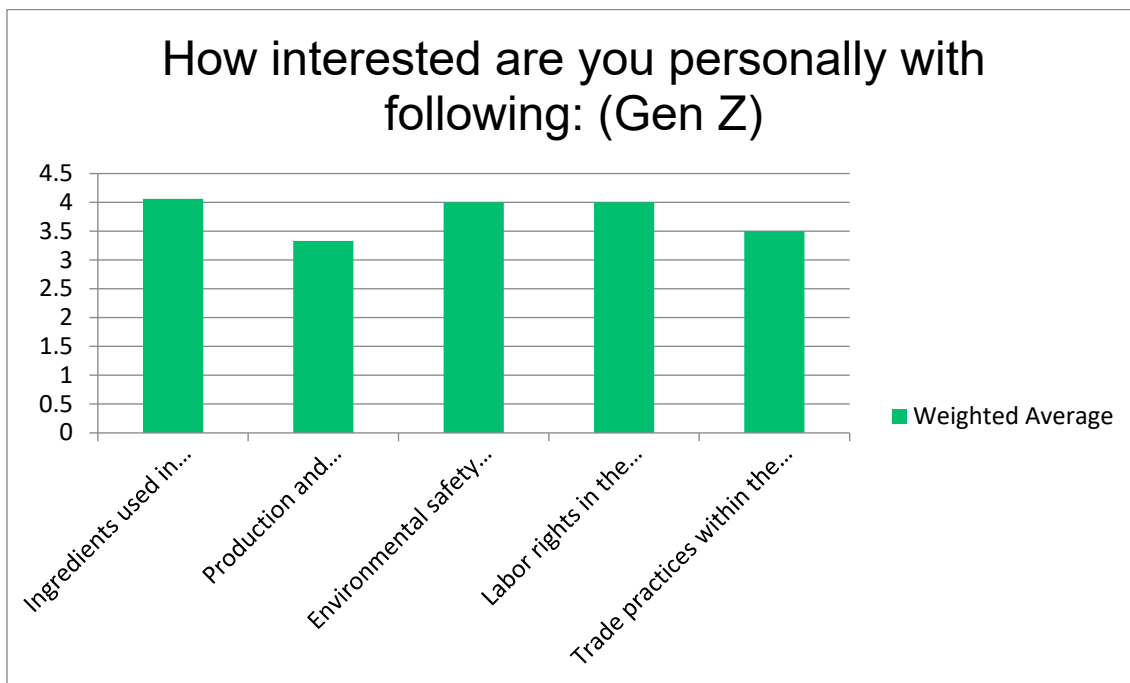


Chart 4.1: Hypothesis IV Generation Z

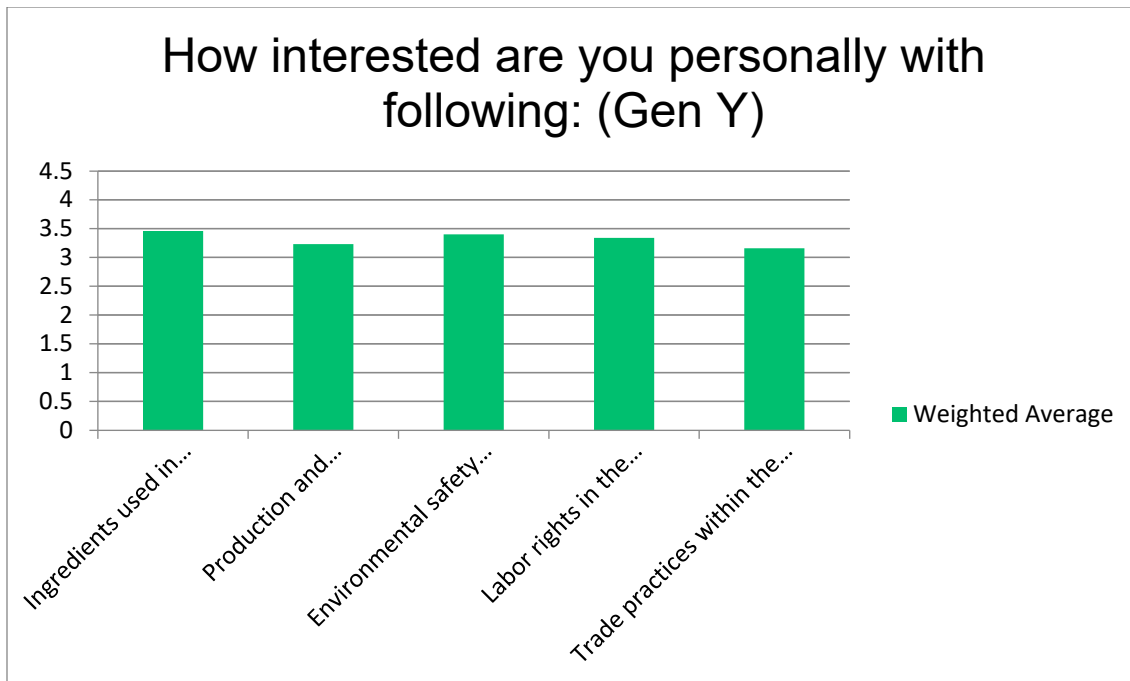


Chart 4.2: Hypothesis IV Generation Y

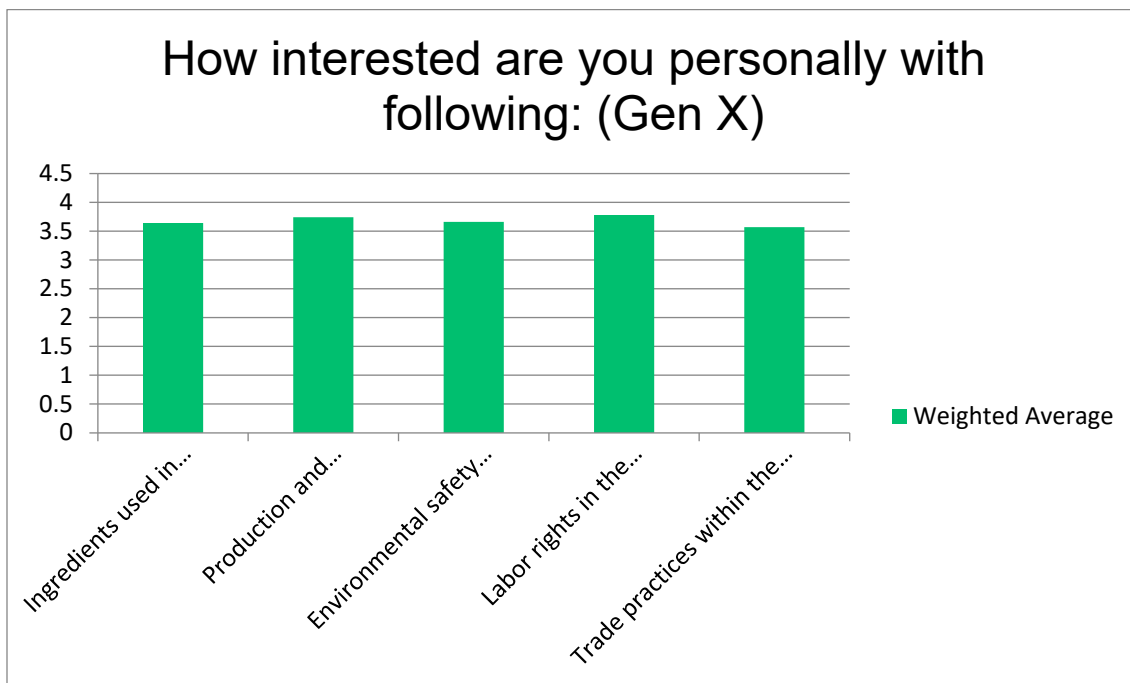


Chart 4.3: Hypothesis IV Generation X

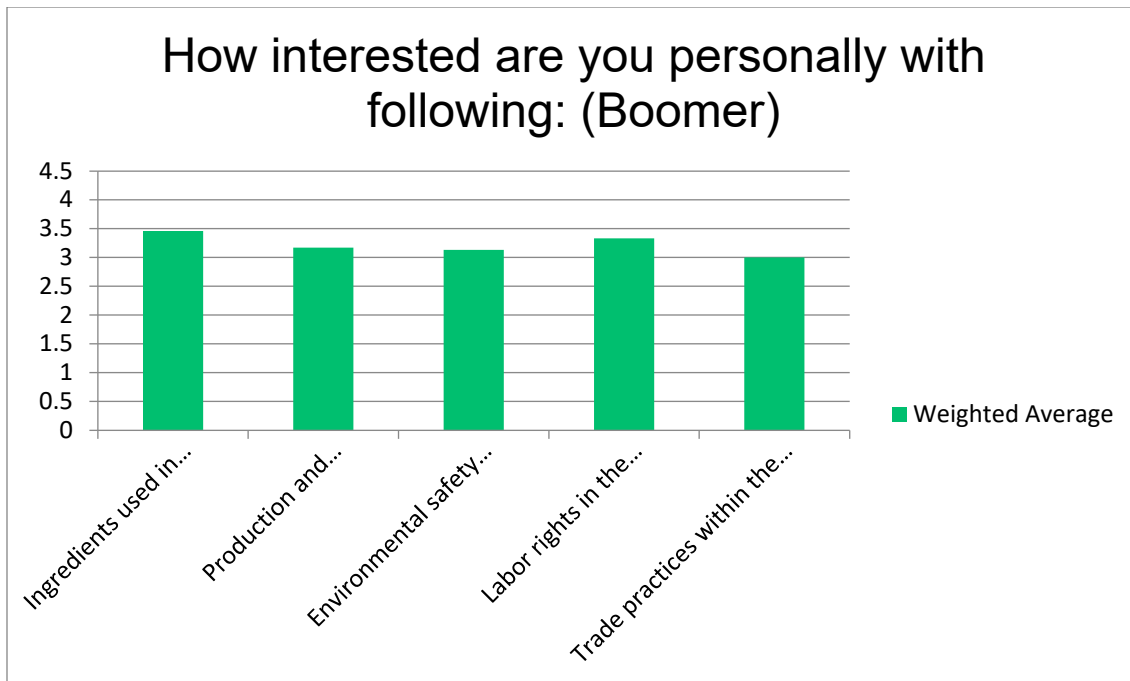


Chart 4.4: Hypothesis IV Boomer Generation



Chart 4.5: Hypothesis IV Silent Generation

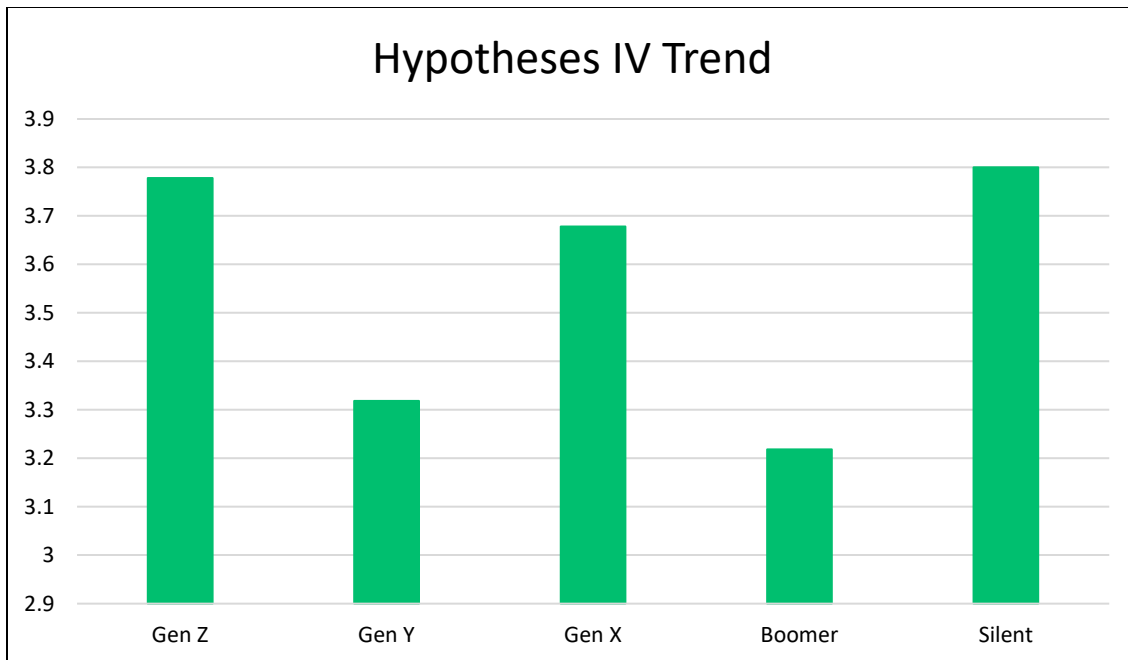


Chart 4.6: Hypothesis IV Trend

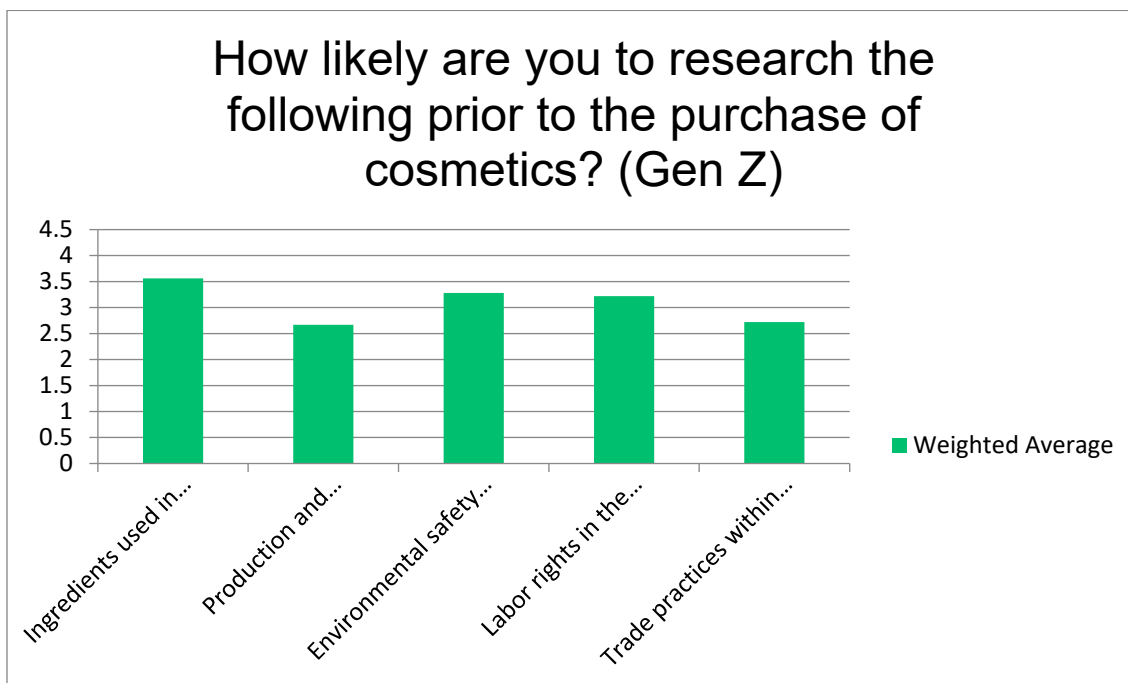


Chart 5.1: Hypothesis V Generation Z

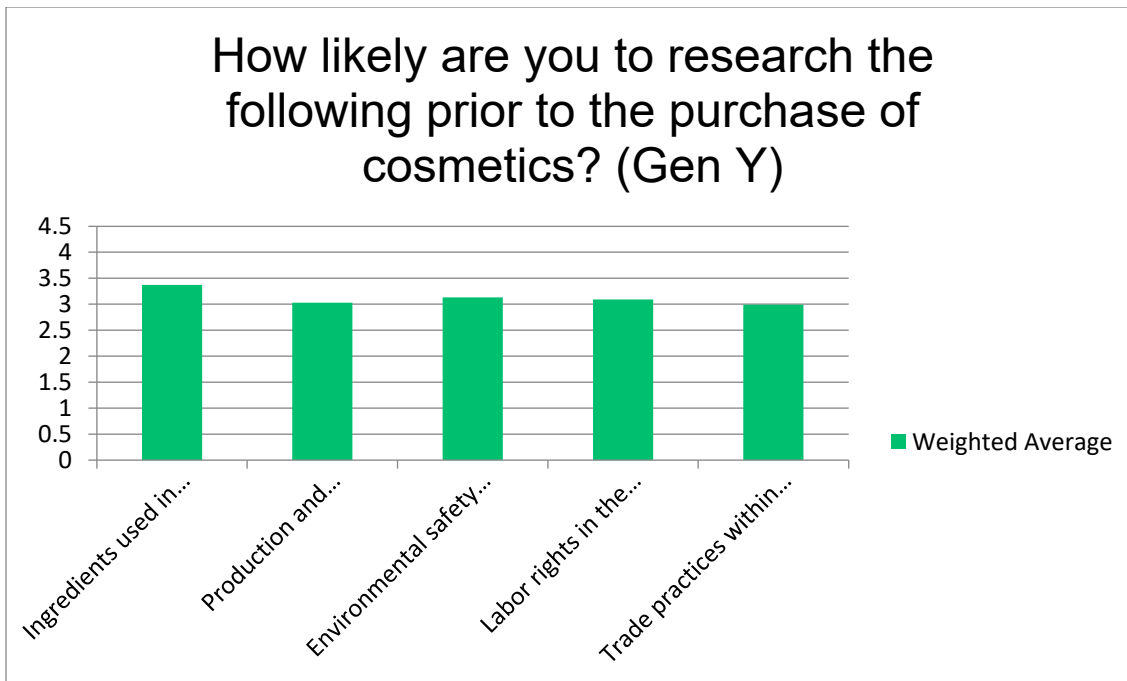


Chart 5.2: Hypothesis V Generation Y

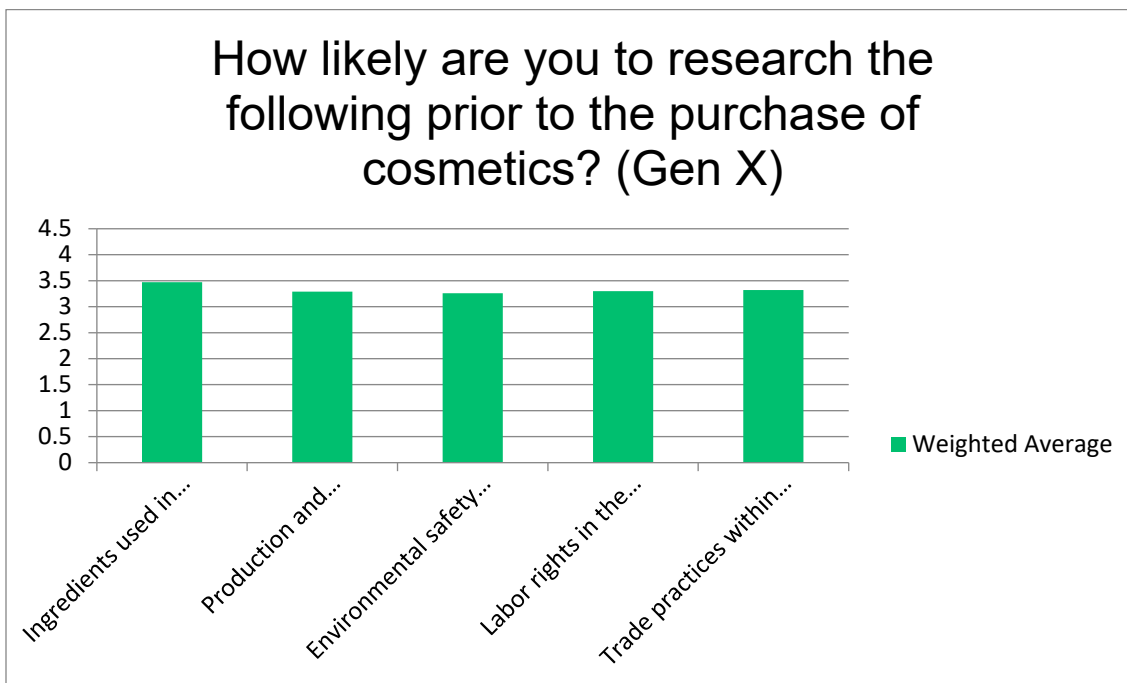


Chart 5.3: Hypothesis V Generation X

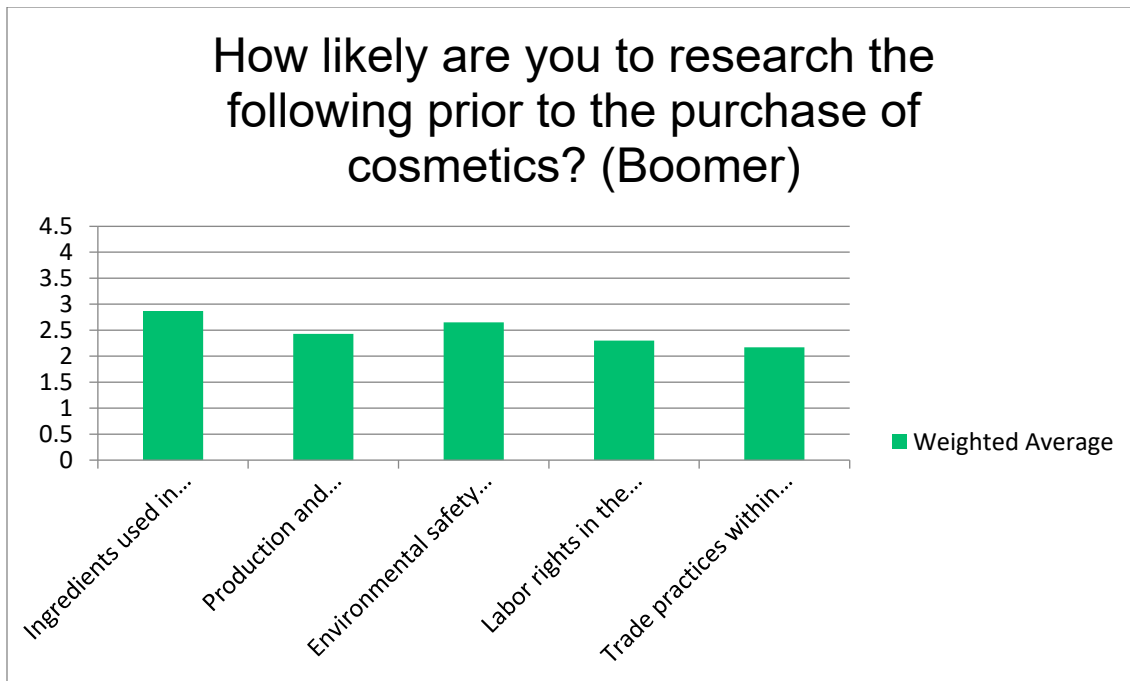


Chart 5.4: Hypothesis V Boomer Generation

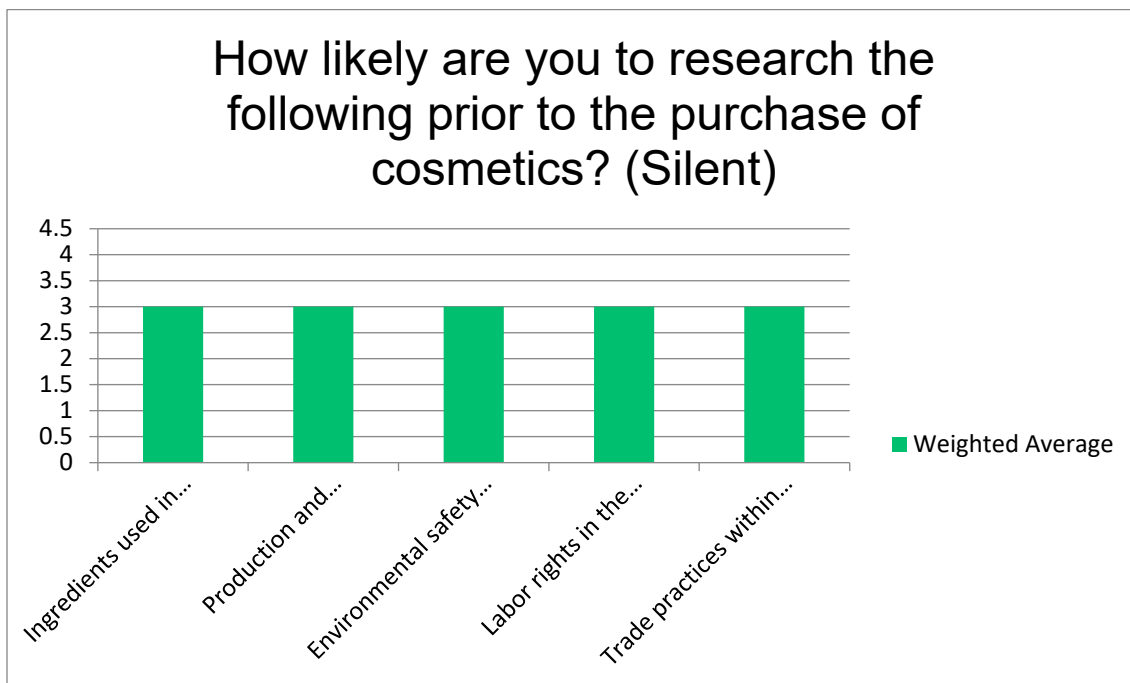


Chart 5.5: Hypothesis V Silent Generation

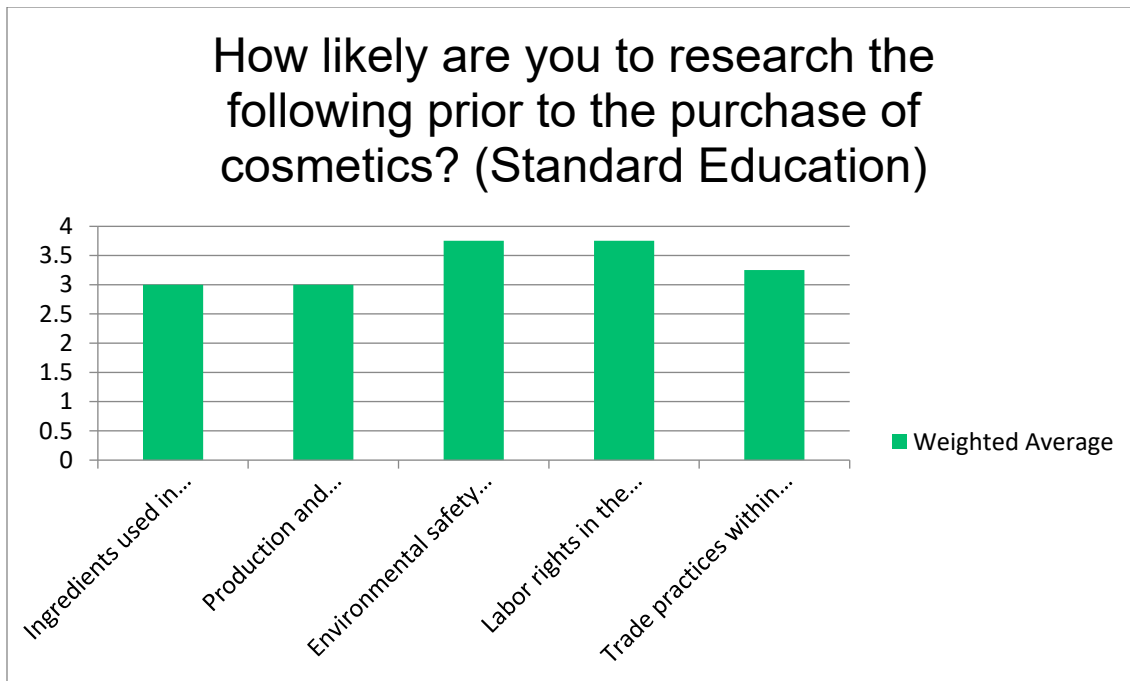


Chart 6.1: Hypothesis VI Standard Education

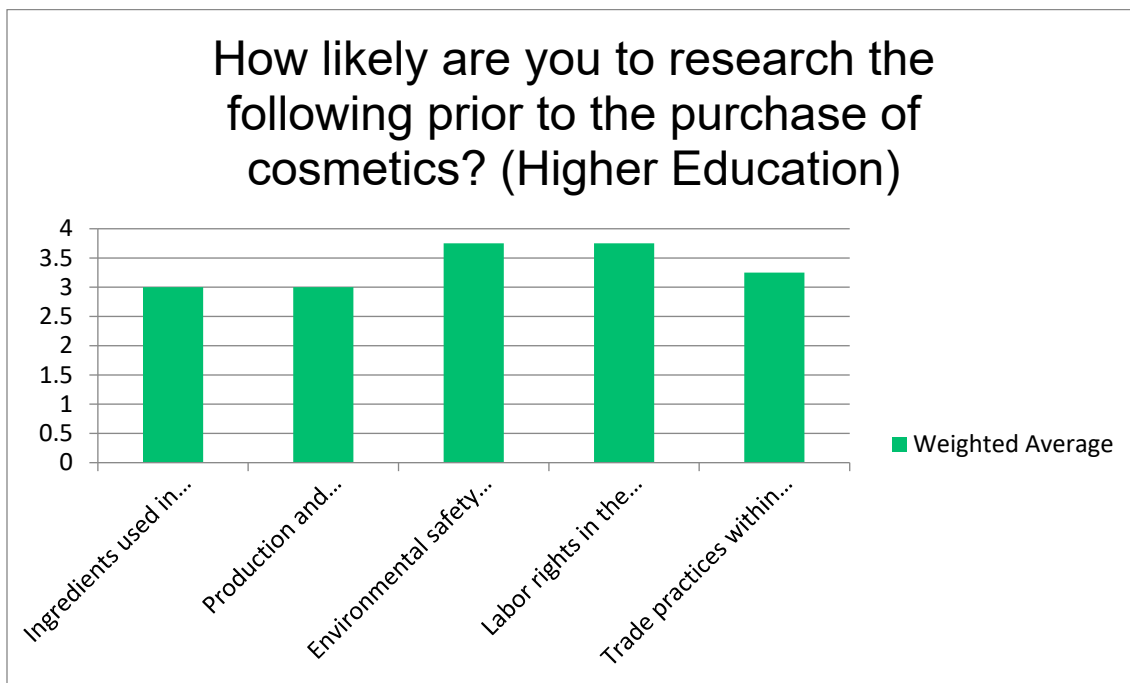


Chart 6.2: Hypothesis VI Higher Education


























	Not At All Important	Slightly Important	Moderately Important	Very Important	Extremely Important
Ingredients used in cosmetics	 Ingredients used in cosmetics Not At All Important	 Ingredients used in cosmetics Slightly Important	 Ingredients used in cosmetics Moderately Important	 Ingredients used in cosmetics Very Important	 Ingredients used in cosmetics Extremely Important
Production and manufacturing process of cosmetics	 Production and manufacturing process of cosmetics Not At All Important	 Production and manufacturing process of cosmetics Slightly Important	 Production and manufacturing process of cosmetics Moderately Important	 Production and manufacturing process of cosmetics Very Important	 Production and manufacturing process of cosmetics Extremely Important
Environmental safety regulations	 Environmental safety regulations Not At All Important	 Environmental safety regulations Slightly Important	 Environmental safety regulations Moderately Important	 Environmental safety regulations Very Important	 Environmental safety regulations Extremely Important
Labor rights	 Labor rights Not At All Important	 Labor rights Slightly Important	 Labor rights Moderately Important	 Labor rights Very Important	 Labor rights Extremely Important
Trade practices within the cosmetic industry	 Trade practices within the cosmetic industry Not At All Important	 Trade practices within the cosmetic industry Slightly Important	 Trade practices within the cosmetic industry Moderately Important	 Trade practices within the cosmetic industry Very Important	 Trade practices within the cosmetic industry Extremely Important

Table 7.1: Importance














































	Not At All Familiar	Slightly Familiar	Moderately Familiar	Very Familiar	Extremely Familiar
Ingredients used in cosmetics	 Ingredients used in cosmetics Not At All Familiar	 Ingredients used in cosmetics Slightly Familiar	 Ingredients used in cosmetics Moderately Familiar	 Ingredients used in cosmetics Very Familiar	 Ingredients used in cosmetics Extremely Familiar
Production and manufacturing process of cosmetics	 Production and manufacturing process of cosmetics Not At All Familiar	 Production and manufacturing process of cosmetics Slightly Familiar	 Production and manufacturing process of cosmetics Moderately Familiar	 Production and manufacturing process of cosmetics Very Familiar	 Production and manufacturing process of cosmetics Extremely Familiar
Environmental safety regulations of the cosmetics industry	 Environmental safety regulations of the cosmetics industry Not At All Familiar	 Environmental safety regulations of the cosmetics industry Slightly Familiar	 Environmental safety regulations of the cosmetics industry Moderately Familiar	 Environmental safety regulations of the cosmetics industry Very Familiar	 Environmental safety regulations of the cosmetics industry Extremely Familiar
Labor rights in the cosmetics industry	 Labor rights in the cosmetics industry Not At All Familiar	 Labor rights in the cosmetics industry Slightly Familiar	 Labor rights in the cosmetics industry Moderately Familiar	 Labor rights in the cosmetics industry Very Familiar	 Labor rights in the cosmetics industry Extremely Familiar
Trade practices within the cosmetic industry	 Trade practices within the cosmetic industry Not At All Familiar	 Trade practices within the cosmetic industry Slightly Familiar	 Trade practices within the cosmetic industry Moderately Familiar	 Trade practices within the cosmetic industry Very Familiar	 Trade practices within the cosmetic industry Extremely Familiar

Table 7.2: Familiarity

	Very Unconcerned	Unconcerned	Neutral	Concerned	Very Concerned
Ingredients used in cosmetics	 Ingredients used in cosmetics Very Unconcerned	 Ingredients used in cosmetics Unconcerned	 Ingredients used in cosmetics Neutral	 Ingredients used in cosmetics Concerned	 Ingredients used in cosmetics Very Concerned
Production and manufacturing process of cosmetics	 Production and manufacturing process of cosmetics Very Unconcerned	 Production and manufacturing process of cosmetics Unconcerned	 Production and manufacturing process of cosmetics Neutral	 Production and manufacturing process of cosmetics Concerned	 Production and manufacturing process of cosmetics Very Concerned
Environmental safety regulations of the cosmetics industry	 Environmental safety regulations of the cosmetics industry Very Unconcerned	 Environmental safety regulations of the cosmetics industry Unconcerned	 Environmental safety regulations of the cosmetics industry Neutral	 Environmental safety regulations of the cosmetics industry Concerned	 Environmental safety regulations of the cosmetics industry Very Concerned
Labor rights in the cosmetics industry	 Labor rights in the cosmetics industry Very Unconcerned	 Labor rights in the cosmetics industry Unconcerned	 Labor rights in the cosmetics industry Neutral	 Labor rights in the cosmetics industry Concerned	 Labor rights in the cosmetics industry Very Concerned





















	Very Unconcerned	Unconcerned	Neutral	Concerned	Very Concerned
Trade practices within the cosmetic industry	 Trade practices within the cosmetic industry Very Unconcerned	 Trade practices within the cosmetic industry Unconcerned	 Trade practices within the cosmetic industry Neutral	 Trade practices within the cosmetic industry Concerned	 Trade practices within the cosmetic industry Very Concerned

Table 7.3: Concern

	Very Uninterested	Uninterested	Neutral	Interested	Very Interested
Ingredients used in cosmetics	 Ingredients used in cosmetics Very Uninterested	 Ingredients used in cosmetics Uninterested	 Ingredients used in cosmetics Neutral	 Ingredients used in cosmetics Interested	 Ingredients used in cosmetics Very Interested
Production and manufacturing process of cosmetics	 Production and manufacturing process of cosmetics Very Uninterested	 Production and manufacturing process of cosmetics Uninterested	 Production and manufacturing process of cosmetics Neutral	 Production and manufacturing process of cosmetics Interested	 Production and manufacturing process of cosmetics Very Interested
Environmental safety regulations of the cosmetics industry	 Environmental safety regulations of the cosmetics industry Very Uninterested	 Environmental safety regulations of the cosmetics industry Uninterested	 Environmental safety regulations of the cosmetics industry Neutral	 Environmental safety regulations of the cosmetics industry Interested	 Environmental safety regulations of the cosmetics industry Very Interested


























	Very Uninterested	Uninterested	Neutral	Interested	Very Interested
	Uninterested				
Labor rights in the cosmetics industry	 Labor rights in the cosmetics industry Very Uninterested	 Labor rights in the cosmetics industry Uninterested	 Labor rights in the cosmetics industry Neutral	 Labor rights in the cosmetics industry Interested	 Labor rights in the cosmetics industry Very Interested
Trade practices within the cosmetic industry	 Trade practices within the cosmetic industry Very Uninterested	 Trade practices within the cosmetic industry Uninterested	 Trade practices within the cosmetic industry Neutral	 Trade practices within the cosmetic industry Interested	 Trade practices within the cosmetic industry Very Interested

Table 7.4: Interest

	Very Unlikely	Unlikely	Neutral	Likely	Very Likely
Ingredients used in cosmetics	 Ingredients used in cosmetics Very Unlikely	 Ingredients used in cosmetics Unlikely	 Ingredients used in cosmetics Neutral	 Ingredients used in cosmetics Likely	 Ingredients used in cosmetics Very Likely
Production and manufacturing process of cosmetics	 Production and manufacturing process of cosmetics Very Unlikely	 Production and manufacturing process of cosmetics Unlikely	 Production and manufacturing process of cosmetics Neutral	 Production and manufacturing process of cosmetics Likely	 Production and manufacturing process of cosmetics Very Likely
Environmental safety regulations of the	 Environmental safety regulations	 Environmental safety regulations of	 Environmental safety regulations of	 Environmental safety regulations of	 Environmental safety regulations










	Very Unlikely	Unlikely	Neutral	Likely	Very Likely
cosmetics industry	of the cosmetics industry Very Unlikely	the cosmetics industry Unlikely	the cosmetics industry Neutral	the cosmetics industry Likely	of the cosmetics industry Very Likely
Labor rights in the cosmetics industry	 Labor rights in the cosmetics industry Very Unlikely	 Labor rights in the cosmetics industry Unlikely	 Labor rights in the cosmetics industry Neutral	 Labor rights in the cosmetics industry Likely	 Labor rights in the cosmetics industry Very Likely
Trade practices within the cosmetic industry	 Trade practices within the cosmetic industry Very Unlikely	 Trade practices within the cosmetic industry Unlikely	 Trade practices within the cosmetic industry Neutral	 Trade practices within the cosmetic industry Likely	 Trade practices within the cosmetic industry Very Likely

Table 7.5: Likelihood of Research