

A Study on Consumer Attitude and Purchase Intention towards Herbal Products in India

Abstract

The desire for knowledge and the preference for **natural or plant-based medicines, cosmetics, and botanical products** are increasing worldwide, irrespective of developed and developing nations. This growth is mainly attributed to several factors, as these products are considered to have minimal or no side effects and are available at affordable prices. The market remains highly consumer-driven, and organizations continuously attempt to understand patterns of consumer buying behaviour, which is often complex and dynamic. Various factors influence consumer perception, including personal beliefs, price considerations, brand image, perceived benefits, and product effectiveness. These aspects form an important part of consumer behavioural studies. Individuals increasingly rely on herbal and natural products in their daily lives and show strong confidence in herbal remedies and traditional treatments. Apart from perception, external influences such as media exposure, medical professionals' recommendations, and social opinions also affect consumers' purchasing decisions and usage patterns..

Key Words: Consumer Perception, Herbal Products, Buying Behaviour, Purchase Decision, Consumer Preference

INTRODUCTION

According to studies conducted by the World Health Organization (WHO), a large proportion of the global population depends more on herbal medicines and natural products than on modern pharmaceutical treatments. Herbal remedies have been practiced for centuries, even before the emergence and advancement of contemporary medical science. Traditional healing systems have continued to play an important role in maintaining human health across different cultures and regions.

Herbal Medicine

Herbal medicines are utilized by nearly 70–80 percent of the world's population because they are generally considered safe, cost-effective, and associated with fewer side effects. These products are commonly used for treating minor health problems, improving physical fitness, maintaining overall well-being, and managing certain chronic conditions. Many herbal preparations are available as over-the-counter (OTC) products and can be purchased without medical prescription. In India, traditional systems of medicine have a history extending over

38 5,000 years, popularly known as Ayurveda. Ayurveda emphasizes balanced nutrition, lifestyle
39 practices, and herbal remedies for preventing as well as treating physical and mental illnesses.

40 **1 Overview of Herbal Products**

41 The term “herb” originates from the Latin word *Herba*, referring to plants or plant parts
42 such as leaves, stems, roots, flowers, and seeds that possess medicinal, nutritional, or flavoring
43 properties. Herbs have been used for thousands of years across European and Mediterranean
44 civilizations and are also mentioned in various religious and historical texts worldwide. Across
45 different cultures, herbal substances have been applied for therapeutic purposes through
46 continuous experimentation and scientific development. Herbal products today range from raw
47 plant materials to processed and packaged supplements designed to promote health and wellness.

48 **Global Herbal Market**

49 The global herbal market comprises a diverse range of products including over-the-
50 counter (OTC) medicines, dietary supplements, personal care items, and cosmetic products. In
51 recent years, the herbal industry has witnessed substantial expansion due to increasing consumer
52 preference for natural and wellness-oriented products. The global herbal sector is currently
53 growing at an estimated annual rate of 15–18 percent. Herbal products also possess significant
54 potential in international trade, particularly when manufacturers comply with global quality and
55 safety standards. Market analysts project that the worldwide herbal industry may reach an
56 estimated value of nearly five trillion US dollars by the year 2050

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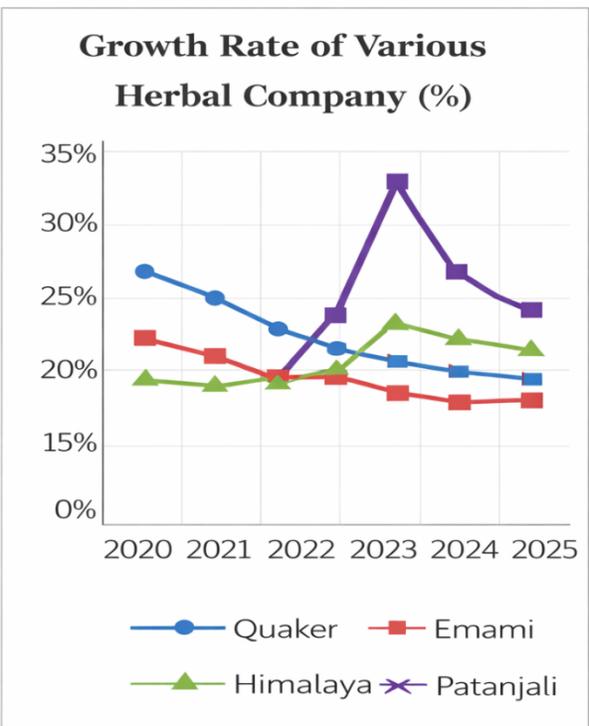
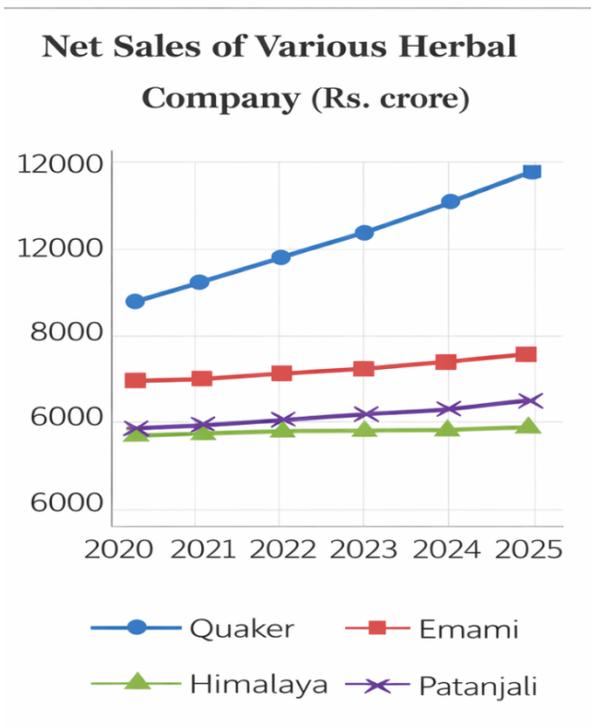
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60 **Indian Pharmaceutical Market**

61 The pharmaceutical industry in India has emerged as one of the fastest-growing sectors, making
62 a substantial contribution to export earnings and economic development. During the period
63 2020–2025, the industry witnessed significant expansion, with the Indian pharmaceutical market
64 reaching approximately **US\$ 55–65 billion by 2025**, supported by strong domestic demand and
65 global exports. Pharmaceutical exports alone crossed **US\$ 30 billion in FY 2024–25**, reflecting
66 the country’s growing dominance in the global generic medicines market. The sector has
67 maintained a steady compound annual growth rate (CAGR) of around **9–10 percent**, with
68 projections indicating continued double-digit growth in the coming years. The overall Indian
69 healthcare market, comprising pharmaceuticals, healthcare services, diagnostics, and medical

70 equipment, expanded rapidly and is estimated to reach nearly **US\$ 638 billion by 2025**. The
 71 healthcare industry plays a vital role in national economic development, contributing
 72 significantly toward employment generation and supporting **millions of direct and indirect jobs**
 73 across hospitals, manufacturing, research, and allied services. The pharmaceutical market
 74 includes both prescription medicines and over-the-counter healthcare products designed to meet
 75 the diverse healthcare needs of the population.



Source: www.moneycontrol.com accessed on

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UNDER

Table 1: Growth Performance of Indian Pharmaceutical and Healthcare Industry (2020–2025)

S.No	Indicators	2020	2021	2022	2023	2024	2025	Observation
1	Pharmaceutical Market Size (US\$ Billion)	42	45	50	50	60	65	Continuous Growth
2	Pharmaceutical Exports (US\$ Billion)	20	24	25	25	30	30+	Export Expansion
3	CAGR Growth Rate (%)	–	9.0	9.5	9.5	10	10	Stable Growth
4	Healthcare Market Size (US\$ Billion)	280	310	372	372	520	638	Rapid Development
5	Employment Generation (Million Persons)	3.5	3.7	3.9	3.9	4.3	4.5	Increasing Employment

79 Trends in Indian pharmaceutical industry

80 The bar chart illustrates the steady growth of the Indian retail pharmaceutical market
81 from 2020 to 2025. It shows a continuous increase in market size from ₹1.47 lakh crore in 2020
82 to an estimated ₹2.38 lakh crore by 2025. This upward trend indicates consistent expansion of
83 the pharmaceutical sector due to rising healthcare awareness, increasing demand for medicines,
84 growth in chronic disease treatment, and improved access to healthcare services. The chart
85 clearly reflects the strong and stable development of the Indian pharmaceutical industry during
86 the given period.

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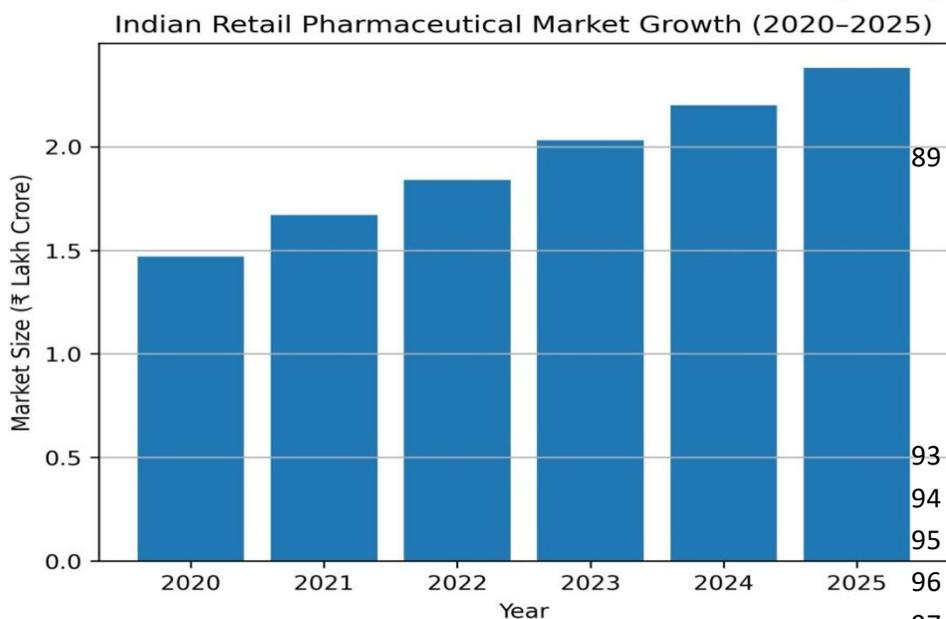
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93 Scope of
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98 Herbal products are generally perceived as safe, economical, and more effective than
99 modern medicines in curing certain diseases. However, in recent times, they have encountered
100 adverse effects, leading to a reduction in sales. This decline is mainly due to consumers requiring
101 more reliable and authentic information regarding the proper usage of herbal products (Arun,
102 2014).

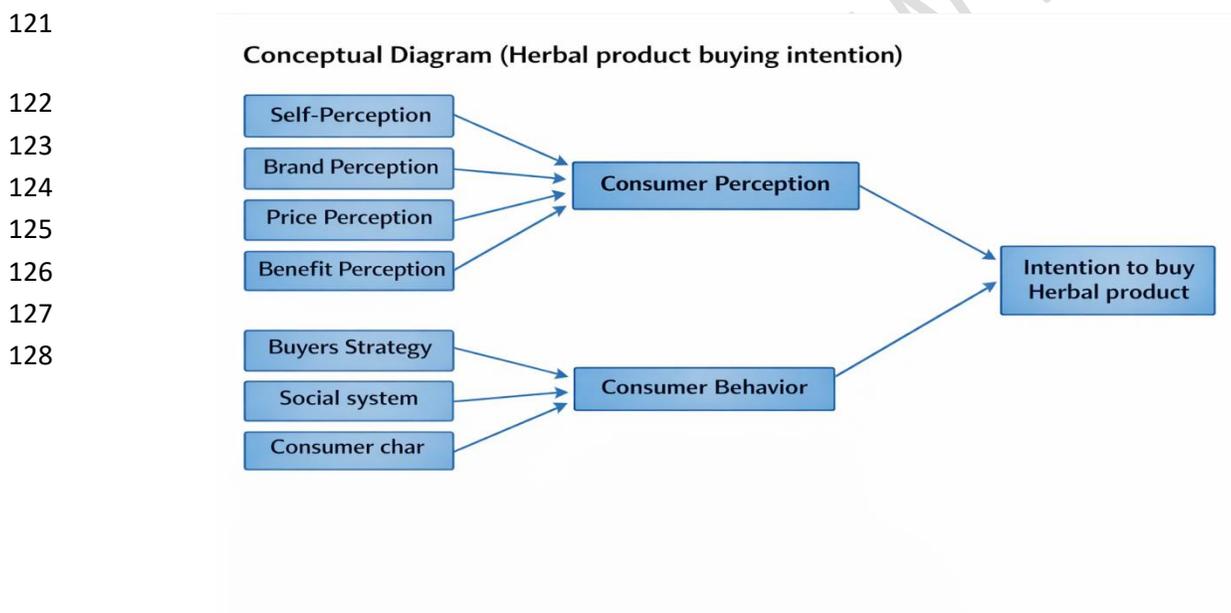
103 India is one of the richest countries in terms of herbal resources. It has more than 45,000
104 plant species, spread across 16 agro-climatic zones, 10 vegetative zones, and 15 biotic provinces.
105 The country possesses around 18,000 flowering plants, 16,000 lichens, 2,500 algae, 1,800
106 bryophytes, 23,000 fungi, and nearly 30 million microorganisms (Industry Highlights, 1998).

107 India is a major player in the global herbal market and is one of the 12 mega biodiversity
108 centers in the world. Investment in herbal products increased significantly from ₹450 crore in

109 2000 to ₹3,000 crore in 2005, and further rose to ₹10,000 crore by 2010 with the support of a
110 “Grand Strategic Plan” (Pujari et al., 2015).

111 The value of the Indian herbal market is estimated to be about \$1 million, and nearly \$80
112 million worth of products are exported. Herbal product sales account for approximately 50% of
113 the total herbal market (Braver, 1998). In recent years, the herbal market has grown rapidly,
114 covering a wide range of products from over-the-counter (OTC) medicines to beauty and
115 personal care products. The annual growth rate of the herbal industry is estimated to be around
116 15–18% (Vani and Nikhil, 2015).

117 The demand for herbal products has increased worldwide, including in developed
118 countries, due to their higher safety margin and fewer side effects. Herbal products play a
119 significant role in food supplements as well as personal care products. Thus, the herbal industry
120 has emerged as a promising sector with immense growth potential (Alok, 2008).



129 2.2 Self-Perception

130 Self-perception is a crucial factor in analyzing consumers’ priorities, purchasing
131 decisions, and consumption patterns. It explains how individuals interpret and understand the
132 motivations behind their own behavior. Self-perception significantly influences consumer buying
133 behavior patterns. Consumers who are socially and environmentally conscious tend to consider
134 the environmental impact of products before making purchasing decisions.

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137 **2.3 Brand Perception**

138 Brand perception refers to the emotional and psychological response of consumers
139 toward a brand. It is associated with trust, loyalty, preference, repeated usage, and effective
140 product differentiation (Guthrie & Kim, 2009). Market characteristics and a company's expertise
141 play a vital role in designing strategies to create and strengthen positive customer perception
142 toward a particular brand.

143 **2.4 Price Perception**

144 Organizations often adopt penetration pricing strategies to attract customers, while others
145 focus on quality and value for money to satisfy them. Price perception is one of the most
146 influential factors affecting customer satisfaction and repeat purchase behavior. Pricing decisions
147 are usually determined by the quality of products and services offered compared to competitors
148 providing similar products or services.

149 **2.5 Benefit Perception**

150 The perceived nutritional value of food products strongly influences consumer
151 perception. Consumers often reject foods enriched artificially with nutrients, as they may
152 consider them unhealthy based on traditional beliefs. Modern consumers demand accurate and
153 transparent information about the products they purchase. Buying decisions are influenced not
154 only by discounts and promotional offers but also by economic conditions (Rojanadilok, 2012).
155 Socio-economic changes, rising income levels, increasing awareness, and exposure to Western
156 lifestyles and beauty trends have significantly expanded the herbal and cosmetic market.
157 Particularly, the growing middle-class population with higher disposable income has altered
158 purchasing behavior and increased the consumption of cosmetic and herbal products
159 (Bhattacharya, 2006).

160 **3. Consumer Behavior**

161 Consumer behavior refers to the study of how individuals, groups, or organizations
162 select, purchase, use, and evaluate products and services. It integrates concepts from psychology,
163 sociology, and economics to understand buying patterns and decision-making processes.
164 Research indicates that women tend to use herbal products more frequently than men. This
165 difference may be due to variations in attitudes, health awareness, and perceptions regarding diet
166 and well-being. Findings related to age are mixed. Some studies suggest that older individuals
167 consume more herbal products, while others indicate higher usage among younger consumers.
168 Education level also influences herbal product usage. Higher educational attainment is associated
169 with increased use, as educated consumers tend to be more informed and confident about product
170 quality, safety, and media influence.

171 **Consumer Behavior Theories**

172 Consumer behavior is influenced by factors such as personality, past experiences, age,
173 gender, and behavioral intentions (Engel, Kollat & Blackwell, 1973). Various theories have been
174 developed based on psychology, sociology, economics, marketing variables, packaging,
175 promotion, and external stimuli (Ehrenberg & Goodhart, 1979). Models proposed by Engel
176 (1995), Howard and Sheth (1969), and Nicosia (1966) consider both environmental and personal
177 variables. However, these models primarily explain brand understanding and fail to clearly link
178 brand preference to purchase intention (Ajzen & Fishbein, 1980).

179 The Expectancy-Value Model developed by Rosenberg (1956) and Fishbein (1963)
180 explains that consumer satisfaction depends on the belief that a product fulfills their needs. This
181 model later evolved into the Theory of Reasoned Action (TRA) (Ajzen & Fishbein, 1980) and
182 subsequently into the Theory of Planned Behavior (TPB) (Ajzen, 1985; 1991). The TPB model
183 helps explain how attitudes, social norms, and perceived behavioral control influence purchase
184 intention and consumption behavior.

185 **Market Value and Consumer Attitude**

186 Market value refers to a product's ability to satisfy customer needs and wants (Sheth,
187 1999). Value is created only when a product meets customer expectations. Values serve as
188 guiding principles that shape attitudes toward products or situations (Rotech, 1973). Consumer
189 attitude can be defined as a learned predisposition to respond favorably or unfavorably toward a
190 product (Engel, Blackwell & Miniard, 1995). Kotler et al. (1999) further extended this definition
191 to include behavioral tendencies toward products or ideas.

192 **Buying Strategy**

193 Consumer buying strategies are influenced by factors such as needs, social status,
194 media exposure, and promotional activities. However, not all consumers respond to promotions
195 equally. Selective exposure refers to consumers paying attention only to information relevant to
196 their interests. Selective retention means consumers remember information that matches their
197 needs and ignore irrelevant details.

198 **Social System**

199 A social system consists of interconnected individuals and institutions working toward
200 common goals within society. Herbal product usage is influenced by household size and marital
201 status, with higher consumption observed among families compared to individuals. The social
202 system includes family, peer groups, organizations, and retail outlets. Health food stores, in

203 particular, play a significant role, as trained staff members provide guidance and promote
204 appropriate herbal products to customers.

205 **Consumer Characteristics**

206 Consumer characteristics include health-related factors and demographic factors such as
207 age, gender, use of medicines, and level of education. These factors influence how people choose
208 and use herbal products. Studies show that women use herbal products more than men. This may
209 be because women are generally more concerned about health, diet, and overall well-being. They
210 also use more herbal and nutritional supplements compared to men. When we consider age, the
211 results are not clear. Some studies say older people use more herbal products because they have
212 more health problems. Other studies say younger people use more herbal products due to
213 awareness and lifestyle trends. Education level also affects the use of herbal products. People
214 with higher education are more likely to use herbal products. This is because they have better
215 knowledge about quality and safety and are more influenced by media and health information.

216 **Discussion**

217 Herbal products are used by more than 80% of the world's population, especially in
218 developing and low-income countries, to meet their healthcare needs. People trust herbal
219 products because they believe they are safe, of good quality, affordable, and have fewer side
220 effects. Cultural acceptance also increases their usage. Marketing factors such as product quality,
221 price, place of availability, and promotion play an important role in shaping customer perception.
222 Advertisements, attractive packaging, easy availability, and awareness programs also positively
223 influence consumers. Customer satisfaction is another important factor that supports the
224 continued use of herbal treatments.

225 **Conclusion**

226 This study mainly focuses on the factors that influence customer perception toward
227 herbal products. Various reliable sources were used to ensure the accuracy and completeness of
228 the study. Although people use modern medicine for quick relief, many still prefer herbal
229 pharmaceutical products as an alternative option. Even though herbal products may be
230 expensive, they are widely accepted because they are believed to have fewer side effects.
231 Personal interest, doctor recommendations, and media influence also encourage consumers to
232 purchase and use herbal products

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