

Taghipour & Loh, 2017

Volume 3 Issue 2, pp. 1947-1969

Date of Publication: 31st October, 2017

DOI-<https://dx.doi.org/10.20319/pijss.2017.32.19471969>

This paper can be cited as: Taghipour, A., & Loh, A. (2017). Influences on Brand Loyalty among Thai Female Cosmetic Consumers. *PEOPLE: International Journal of Social Sciences*, 3(2), 1947-1969.

This work is licensed under the Creative Commons Attribution-Non-commercial 4.0 International License. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc/4.0/> or send a letter to Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

INFLUENCES ON BRAND LOYALTY AMONG THAI FEMALE COSMETIC CONSUMERS

Amirhossein Taghipour

Business School of Assumption University, Bangkok, Thailand
Amirtg149@gmail.com

Aaron Loh

Business School of Assumption University, Bangkok, Thailand
draaronloh@gmail.com

Abstract

This study aims to examine and identify variables and factors which influence Thai women's purchasing decision of Korean cosmetics. The data were compiled from questionnaires given to 400 female respondents living in Bangkok, who were between the ages of 14-30 and who had purchased Korean cosmetics in the past. The methodology used in this study is the correlation coefficient relationship and ANOVA to test the hypotheses. The results illustrated that the country of origin (COO) has a relationship with the perceived quality of the cosmetics and consequently, to brand equity. There are differences between packaging, price, and perceived quality for customers, in which packaging has more influence on satisfaction. In addition, customer loyalty was affected indifferently by brand equity and customer satisfaction.

Keywords

Skin Care, Thailand, Country of Origin, Cosmetics, Etude House, Price, Quality, and Packaging

1. Introduction

According to trade statistics from Thailand, the most popular import items in the luxury sector are cosmetics and perfumes. Thailand imported 80 million USD worth of make-up and skin care products from South Korea in 2015 (Culture, Service, & KOCIS, 2016). The volume of imported goods to Thailand, especially luxury products, suggests a positive relationship with the average Thai consumers favoring using products from foreign countries because they perceive foreign commodities to be of higher quality (Phuengsuktechasit & Buaman, 2010). The country of origin can signify the quality and trustworthiness of a product, and it has the potential to reduce the risk for a customer when making purchasing decisions (Jiménez & San-Martin, 2016; Kaynak & Kara 2002; Yim Wong, Polonsky, & Garma, 2008; Zhang, 1997).

In Asia, Korean cosmetic brands are ranked third, with a 10.9 % market share. First is Japan, with 49.1% and China with a 28.9 % market share (Owned, Terms, & Policy, 2016). According to the International Culture Exchange of South Korea, K-pop has been a very successful cultural export of South Korea within Asia. On its "Korean Fever" index, the top consumers of K-pop in 2015 were Japan. Other countries included were Taiwan, China, Indonesia, Malaysia, Thailand, the Philippines, and Vietnam (Inc, S., 2016; Masangkay, 2011).

Moreover, Korean beauty product manufacturers like Etude House believe that Korean consumers' skin is similar to Thai skin, and thus, using Korean products would yield more effective results than products from Europe and the USA (Cathy, 2010). Furthermore, the skin care market in Thailand is very fragmented, with a vast range of brands at different price points. Beiersdorf maintained the first position in 2015, with a 14% market share; followed by L'Oréal and Unilever which holds 12% market share respectively. Beiersdorf in Thailand has sub-brands like Eucerin and Nivea for facial, sensitive skin, and body care categories (Owned et al., 2016).

Consumer behavior in Thailand is becoming more sophisticated. They are interested in product benefits and efficacy. Although the Etude House is the top 10 Korean brand in Thailand (Zalikha, 2015), there are other Korean and international competitors, which are further forward than Etude House. Innisfree, Laneige, and The Face Shop are ranked first, second, and fourth among Korean beauty brands and L'Oréal, Beiersdorf, and Eucerin are the three-top international personal care brands in Thailand in terms of market share, it would be

interesting to know what variables stimulate the customer to be loyal in purchasing products from Etude House over one of these other brands.

As Korean cultural content in Thailand expands and becomes more immersive, Korean brands like Etude House still have a lower market share compared to its competitors and so the question must be asked, why?

- Q1: To identify what can be related positively to customer loyalty in the Etude House brand.
- Q2: To examine product characteristics, which includes price, quality, and packaging and how they influence customer satisfaction for the Etude House brand?
- Q3: To examine how customer satisfaction and brand equity affect customer loyalty for the Etude House brand.

1.1 Definition of Terms

1.1.1 Brand equity: It was defined by Schiffman et al. (2009) as the acknowledgment of new products, the distribution of shelf space, and an increase in perceived value, quality, and premium pricing options.

1.1.2 Country of origin: Lusk et al. (2006) defined the country of origin as the country where products are made. It is also used as a tool to analyze how customers make decisions when buying luxury brands.

1.1.3 Skin care: Fartasch et al. (2015) defined Skin care products as products that are meant to be applied “to promote the renewal” of the skin. Their application is recommended for after work time and after skin cleansing.

2. Theoretical Framework

Previous research has reported that perceived quality (PQ) is an important factor of satisfaction (Cronin & Taylor, 1992). Moreover, Hsieh (2004) also stated that country of origin has a greater effect on consumers in developing countries than in developed countries because consumers in developed countries have a higher ethnocentrism. Country of origin is tied to product quality. Country of origin can have greater influence on consumer attitude than brand quality (Rezvani et al., 2013; Josiassen, Lukas, & Whitwell, 2008; Han & Terpstra, 1988). Saeed et al. (2013) investigated the influence of country of origin (COO) on Pakistani consumers and French cosmetics. It showed that COO successfully affected

consumers' product quality. The previous hypothetical and experimental rationales support to the following hypothesis:

2.1 H1: Country of origin has a statistical significant association with perceived quality of Etude House skin care products.

A study in Taiwan examined the relationship between brand equity, quality, and customer loyalty for female customers who regularly buy cosmetics (Chen, 2011). It showed a positive relationship was established between brand equity, "brand satisfaction and brand loyalty" for both cosmetic brand groups. Another study by Hanaysha et al. (2016) showed factors such as product innovation, promotion, quality, and COO to have a drastic affect on brand equity. Also, the role of quality is important in brand equity. Therefore, it can be assumed that the higher the perceived quality of the brand, the greater the possibility will be for brand equity (Yoo, Donthu, & Lee, 2000; Kim, K. H., Jeon, Jung, Lu, & Jones, 2011). The above hypothetical and experimental rationales give support to the following hypothesis:

2.2 H2: There is a significant relationship between perceived quality and brand equity for Etude House skin care products.

Packaging is a marketing tool for communication purposes, (Silayoi & Speece, 2007; Nilsson, 2010) which is used to catch consumer's attention. It is supposed to affect the product selection process. Moreover, food and drug packaging stimulate the consumer's attention and their product perceptions (Venter, van der Merwe, de Beer, Kempen, & Bosman, 2010; S.T. Wang, 2013). Research into packaging use and packaging related features shows that packaging plays a drastic role in the food and drug industry (Lindqvist et al., 2011).

Besides the functional usage of packaging, consumers' hedonistic choices are also influenced by package designing, particularly in how they feel towards a product (Peters-Teixeira & Badrie, 2005). Furthermore, the customer satisfaction level is to be expected effective on price searching mechanism; augmentation in satisfaction level causes a stronger association between price importance and internal price search (Sulu, Cherry, Saerang, & Massie, 2016). Mert Topoyanl and Zeki Atil Bulut (2008) studied about the effect of price, packaging, and perceived quality on customer satisfaction but they overlooked the effect of country of origin. The directly above hypothetical and experimental rationales give support to the following hypothesis:

2.3 H3: Does customer satisfaction differ in price, perceived quality, and packaging of Etude skin care products?

Customer loyalty is a crucial issue for manufacturers as it can assure the certainty of demand, and also create tendency in customers to pay, even premium prices (Hakala, Svensson, & Vincze, 2012; Muzellec & Lambkin, 2009). Brand equity can cause awareness of brands in customers' mind when they want to purchase something (Aaker, 2009). Consequently, customer loyalty is considered the basis of brand equity (Matanda & Ewing, 2012; Rios & Riquelme, 2008) because brand value is worth as much as the number of customers who are willing to pay the price asked. Customer satisfaction is highly valued because it leads to the enhancement of customer loyalty and lower price elasticity (Song, Li, van der Veen, & Chen, 2010).

In another study, DLAČIĆ and KEŽMAN (2014) investigated customer insights into the relationship between elements of brand equity and customer loyalty among self-medication products. The research results illustrated that brand equity elements do increase customer brand loyalty. The brand equity effect on customer loyalty is widely accepted and used by numerous researchers (Kim, H. J., 2011; Lee & Back, 2010; Pappu, Quester, & Cooksey, 2005). Customer loyalty refers to the customer's satisfaction with products as measured by how often they repurchase products in the future (Kim, Vogt, & Knutson, 2013; Martínez & Rodríguez del Bosque, 2013). Effect of customer satisfaction and brand equity on customer loyalty is investigated by Talyor A. S., Celuch K., and Goodwin S. (2004) in an unlike cosmetic product. Thus, the above hypothetical and experimental rationales give support to the following hypothesis:

2.4 H4: Does loyalty differ for customer satisfaction and brand equity of Etude skin care products?

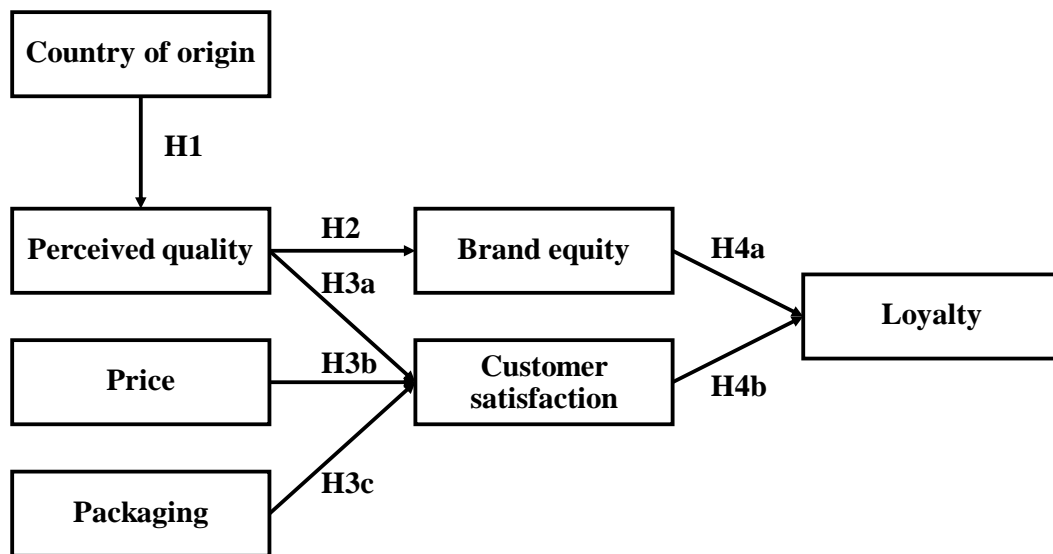


Figure 1: The modified conceptual framework of the relationship between Country of origin, Brand equity and Customer loyalty for Etude House skin care products.

Adapted From: Ngoc, C. T. (2014). Topoyan, M., & Bulut, Z. A. (2008). Taylor, S. A., Celuch, K., & Goodwin, S. (2004).

3. Method

This study was carried out in Thailand among young female cosmetics consumers using a cross-sectional field survey approach.

3.1. Research Instrument

The survey tool is a three-page questionnaire comprising two key sections. The questionnaire was interpreted from English into Thai using a back-translation method. The first segment is considered to measure the core constructs investigated. Each concept was assessed using a 5-point Likert scale.

The second segment determines the background information of respondents, such as age, gender, and education status. Furthermore, the questionnaire was pretested on a convenience sample of 50 customers from one of the branches of Etude House in Bangkok. Throughout the pre-test, respondents evaluated the clearness of the phrasing and comfort of understanding due to reduce vagueness and communication errors. Some slight amendments were made to the phrasing, demonstration and construction of the questionnaire in response to the pre-test feedback. Researchers didn't include the respondents who had contributed in the pre-tests in the main study.

3.2. Sample

In this research, we concentrate on young Thai females' customer loyalty on a Korean cosmetic brand. Therefore, we employed cosmetic buyers going out from Etude House shops as the sample population. Undeniably, the young female cosmetics consumer segment is documented as one of highest growing markets for health-related goods in Thailand. Instantly, it is apparent that young Thai females aged 14 to 30 has exposed an increase of blemish balm (BB) cream and Color Correcting (CC) cream consuming as being the fastest growing skin cares in 2014, as well as having the highest demand (Erinefraser, 2014).

Consequently, our decision to utilize Thai females as a sample population was driven by the considerable growing of this young customer section in the health sector. Thus, it is suitable that, data were collected from customer shopped at six branches of Etude House in Bangkok (ETUDE HOUSE, 2016). A total of 400 completed questionnaires are functioning. Since this research counts on voluntary involvement, non-respondents and respondents might vary on their demographic features. The research shows that 54.0% (216) of the respondents were from the income group of less than Baht 15000, 14.0% (56) of the respondents have the income of Baht 15,001–25,000, 4.8% (19) of the respondents have the income of between Baht 25,001–35,000, 9.0% (36) of the respondents have the income of Above Baht 35,000 and 18.3% (73) of the respondents declined to state their income level. In terms of their education, 31.5% (126) of the respondents are in high school level, 64.0% (256) of the respondents are in bachelor degree level, 4.5% (18) of the respondents are in the master degree level. In terms of age, 27.3% (109) of the respondents are between 14 to 18 years old, 49.5% (198) of the respondents are between 18 to 22 years old, 8.8% (35) of the respondents are between 22 to 26 years old, 14.5% (58) of the respondents are between 26 to 30 years old.

3.3. Data Collection

In an attempt to avoid sample selection bias, every individual person who had shopped cosmetics at the time of getting of the shop was asked for responding the questionnaire. The questionnaire, along with the explanatory statement and consent form, was personally distributed to the invited subjects during the lecture break time. The respondents were given ten minutes to accomplish the survey and then, were asked to hand in the completed questionnaire personally to the questioners. The entire data collection procedure took roughly six weeks.

3.4. Statistical Test Used

There is non-probability sampling, which consists of the selection of unit samples on the basis of judgment, convenience or known population that allows each population element an equal chance of selection (Cooper, Atlantic, Schindler, & Wittenberg, 2013). The

researchers have decided to study the relationships between the country of origin and perceived quality as well as the relationship of perceived quality and brand equity on Etude House skin care products; thus, the Pearson correlation coefficient test is suitable. In addition, the difference of quality, packaging, and price on customer satisfaction is examined in which factorial ANOVA is the suitable test. Eventually, the difference of customer satisfaction and brand equity on customer loyalty is assessed in which factorial ANOVA is determined as the suitable test. To treat the results, the data were gathered through the Statistical Package for Social Science (SPSS 23), to be then analysed and allow conclusions.

Table 1: *Reliability Measures*

Variables	Alpha test	Number of items
Price	.773	4
Perceived quality	.741	4
Packaging	.806	5
Customer satisfaction	.821	3
Country of origin	.857	5
Brand equity	.866	4
Loyalty	.818	4

Hence, the researcher concluded that the questionnaire used in this research was reliable and will apply to collect all primary data for this study.

4. Results

The research shows that 54.0% (216) of the respondents were from the income group of less than Baht 15000, 14.0% (56) of the respondents have the income of Baht 15,001–25,000, 4.8% (19) of the respondents have the income of between Baht 25,001–35,000, 9.0% (36) of the respondents have the income of Above Baht 35,000 and 18.3% (73) of the respondents declined to state their income level. In terms of their education, 31.5% (126) of the respondents are in high school level, 64.0% (256) of the respondents are in bachelor degree level, 4.5% (18) of the respondents are in the master degree level. In terms of age, 27.3% (109) of the respondents are between 14-18 years old, 49.5% (198) of the respondents are between 18–22 years old, 8.8% (35) of the respondents are between 22-26 years old, 14.5% (58) of the respondents are between 26-30 years old.

4.1 Hypotheses Testing

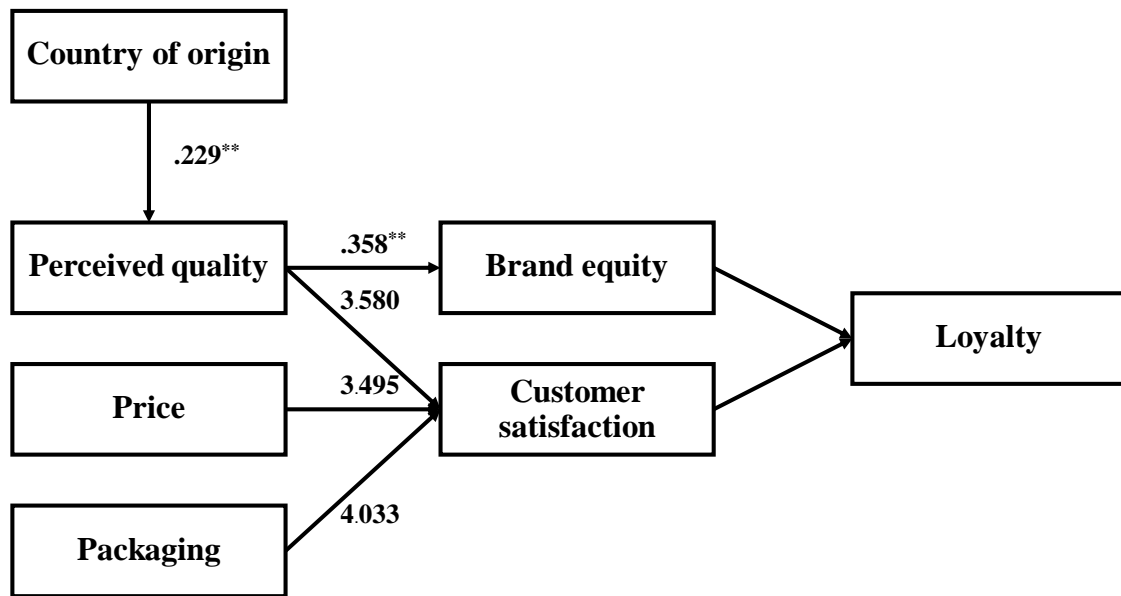


Figure 2: The association and mean differences of variables

Table 2: Correlation of Country of Origin, Perceived Quality, and Brand Equity

Correlations				
		Mean of COO	Mean of PQ	Mean of BE
Mean of COO	Pearson Correlation	1	.229**	.232**
	Sig. (2-tailed)	.000	.000	.000
	N	400	400	400
Mean of PQ	Pearson Correlation	.229**	1	.358**
	Sig. (2-tailed)	.000	.000	.000
	N	400	400	400
Mean of BE	Pearson Correlation	.232**	.358**	1
	Sig. (2-tailed)	.000	.000	.000
	N	400	400	400

** . Correlation is significant at the 0.01 level (2-tailed).

Note. The product moment value (r) of the hypothesis is 0.358. A low positive correlation is indicated between perceived quality and brand equity. A low positive correlation (r = 0.229) is indicated between country of origin and perceived quality. Thus, the higher the country of origin, the better the perceived quality of Etude House skin care. This

results is following along with the previous research findings such as Sulu et al. (2016); Chan et al. (2016); and Seo et al. (2015).

Table 3: Mean Differences of Price, Packaging, and Perceived Quality

Tests of Between-Subjects Effects							
Dependent Variable: Mean of customer satisfaction							
Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared	Observed Power ^b
Corrected Model	92.265 ^a	176	.524	5.448	.000	.811	1.000
Intercept	1331.63	1	1331.63	13838.59	.000	.984	1.000
Mean of PQ	5.416	10	.542	5.628	.000	.202	1.000
Mean of PR	4.413	10	.441	4.586	.000	.171	.999
Mean of PAC	3.478	11	.316	3.286	.000	.139	.992
Mean of PQ*Mean of PR	15.139	38	.398	4.140	.000	.414	1.000
Mean of PQ*Mean of PAC	9.810	39	.252	2.614	.000	.314	1.000
Mean of PR*Mean of PAC	19.325	38	.509	5.285	.000	.474	1.000
Mean of PQ*Mean of PR*Mean of PAC	3.075	13	.237	2.458	.004	.125	.975
Error	21.458	223	.096				
Total	5773.77	400					
Corrected Total	113.723	399					
a. R Squared = .811 (Adjusted R Squared = .662)							
b. Computed using alpha = .05							

Table 4: Mean Descriptive Statistics

	N			Std. Deviation
	Statistic	Mean Statistic	Std. Error	Statistic
Mean of Perceived Quality Mean of Price Mean of Packaging	400	3.580	.0254	.5091
	400	3.495	.0278	.5568
	400	4.033	.0281	.5620
Valid N (listwise)	400			

Note. The null hypothesis is rejected, which indicates that there is a significant relationship between perceived quality and brand equity. “A three-way between-subjects ANOVA” was conducted to compare the effect of packaging, price, and perceived quality on customer satisfaction for Etude House skin care. There was a significant effect of product features on customer satisfaction at the $p < 0.01$ level of Etude House skin care [$F(13, 223) = 2.458, p = 0.004$] (table 2). Post hoc comparisons using the Tukey HSD test indicated that the mean score for the Packaging feature ($M = 4.0330, SD = 0.56205$) was significantly different than the Price ($M = 3.4950, SD = 0.55689$). However, the Perceived Quality ($M = 3.5800, SD = 0.50916$) did not significantly differ from the Price and Packaging. Taken together, these results suggest that high levels of packaging beauty and attractiveness really do have an effect on satisfaction level of Etude House brand. Specifically, our results suggest that cosmetic consumers become highly attracted to a product’s appearance. However, it should be noted that packaging aesthetic must be of high quality in order to see an effect. Price does not appear to significantly increase the customer satisfaction. Etude House has to consider its customers’ insights and needs in order to increase their satisfaction and consequently maintain them loyal to Etude House brand. This result is consistent with Chung et al. (2016); Parlan et al. (2016); and Twomey et al. (2015) findings.

Table 5: *Mean differences of customer satisfaction and brand equity*

Tests of Between-Subjects Effects								
Dependent Variable: Mean of Customer Loyalty								
Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Partial Eta Squared	Noncent. Parameter	Observed Power ^b

Corrected Model	64.335 ^a	66	.975	2.869	.00	.363	189.355	1.000
Total	1346.82	1	1346.8	3964.0	0	.923	3964.06	1.000
Intercept	9.092	12	.758	6	.00	.074	26.760	.951
Mean of BE	11.427	6	1.904	2.230	0	.092	33.633	.997
Mean of CS	21.049	48	.439	5.605	.01	.157	61.952	.993
Mean of BE*Mean of CS	113.139	33	.340	1.291	0			
Error	4976.50	3			.00			
Total Corrected Total	177.474	40			0			
		0			.10			
		39			4			
		9						
a. R Squared = .363 (Adjusted R Squared = .236)								
b. Computed using alpha = .05								

Note. Results show the null hypothesis is accepted, which indicates that there is not a significant statistic relationship between customer satisfaction and brand equity. A two-way between-subjects ANOVA was conducted to compare the effect of brand equity and customer satisfaction on customer loyalty in Etude House skin care. There wasn't a significant effect of Brand equity and customer satisfaction on customer loyalty at the $p < 0.05$ level of Etude House skin care [$F(48,333) = 1.291, p = 0.104$]. The results are consistent with Lim et al. (2014); Thakur and Singh (2012); and Nezakati et al. (2013).

Table 6: Research Questionnaire

Descriptive Statistics		
	Mean	Std.
COO1 Having actors, singers or celebrities using the products have effects in product purchasing.	3.81	.88
COO2 South Korea has a good reputation in cosmetic manufacturing.	3.37	.83
COO3 South Korea is more reliable than other countries in terms of exported products.	4.09	.73
	3.77	.73
	3.63	.70

COO4 South Korea is more reliable than other competitive countries in cosmetic industry.		
COO5 South Korea is a pioneer of the beauty industry in Asia.		
PQ1 Etude House skin care lasts longer than other brands.	3.41	.65
PQ2 Etude House skin care has a sufficient range of colors.	3.68	.81
PQ3 Etude House skin care products have high quality.	3.58	.57
PQ4 Etude House skin care products are suitable for my skin.	3.63	.56
BE1 If the other skin care products have the same quality and features, I would prefer Etude House skin care.	3.51	.83
BE2 If the other skin care products are supported by a better promotional strategy, I will prefer Etude House skin care.	3.33	.76
BE3 If the other skin care products have the same availability as Etude, I will prefer Etude House skin care.	3.42	.66
BE4 I prefer to buy Etude House skin care, as it seems to be the smarter purchase.		
PR1 Etude House skin care prices are reasonable.	3.70	.65
PR2 Etude House skin cares are cheaper than other country imported products.	3.51	.66
PR3 If the price of Etude House skin care products increases significantly, I will keep buying Etude brand products.	3.16	.88
PR4 I Purchase the Etude House skin care products which have low prices.	3.59	.65
PAC1 Packaging is a key part of the product.	4.18	.71
PAC2 Packaging makes a difference at the point of purchase.	4.22	.73
PAC3 Packaging of Etude House skin care is attractive.	3.91	.66
PAC4 I like the color range of Etude House skin care products.	3.78	.67
SAT1 I like the design of Etude House skin care products.	4.06	.92
SAT2 I believe that using Etude House skin care is very satisfying experience.	3.79	.68
SAT3 I am very satisfied with using Etude House skin care products.	3.75	.55
LOY1 Etude House skin care products are my first choice.	3.36	.88
LOY2 I intend to continue using Etude House skin care products in the future.	3.73	.80
LOY3 I will not buy other brands if Etude skin care products are not	3.15	.85
	3.60	.77

available at the store.		
LOY4 I will encourage friends and relatives to use Etude House skin care		
Valid N (listwise)		

Abbreviations: BB: blemish balm; BE: brand equity; CC: Color Correcting; COO: country of origin; CS: customer satisfaction; LOY: loyalty; PAC: packaging; PQ: perceived quality; PR: price.

Note. In country of origin, “*South Korea is more reliable than other countries in terms of exported products*” has the highest mean (4.09) which illustrates that the respondents admit the reliability of South Korean imported products. In perceived quality, “*Etude House skin care has a sufficient range of colors*” has the highest mean (3.68) which indicates that the respondents believe in the whitening and compatibility of Etude House skin care with their skin. In price, “*If the price of Etude House skin care products increases significantly, I will keep buying Etude brand products*” has the lowest mean (3.16) which indicates that the Etude House customers are not flexible toward the price. In packaging, the “*Packaging makes a difference at the point of purchase*” has highest mean (4.22) which shows the importance of product appearance. And eventually, in loyalty, “*I intend to continue using Etude House skin care products in the future*” has the highest mean (3.73).

5. Conclusion and Future Study

In conclusion, some of the reasons for the lack of market share of the Etude House brand are because of its availability, place, brand awareness, weakness in advertising and promotional strategies, and affordability by target population which most are teenagers. The packaging had a higher influence on customer satisfaction rather than price and quality. It indicates the importance of product appearance and consequently the quality which made the Etude House customers be satisfied. Moreover, the price had a lower effect in comparison with packaging and quality which illustrates that customers are not that satisfied from the price and pricing managers in Etude House should consider this point.

Furthermore, $r = 0.229$ is indicated between country of origin and perceived quality and Country of origin had a low positive relationship with perceived quality which can be interpreted that even though there are massive promotional Korean cultural products, we can see that the country of origin is not strongly related to perceived quality of Etude House. So, they executive managers of cosmetics manufacturers have to invest on other aspects of their products too. Furthermore, there was no difference between customer satisfaction and brand equity which indicates that the customer’s perception from satisfaction and brand equity is

the same. Thus, in the future study, the factors like advertising, membership cards for regular customers, free samples, and cultural aspects should be examined. In addition, this study was conducted on Thai females, and future studies can be conducted on other gender with other international brands and in other countries.

5.1 Contribution to Theory

Many of the relationships hypothesized and supported in this study have been discovered before, but not composed together. The initiative and main contribution of this study is to offer a more comprehensive model and display that the mixture of product characteristics (price, packaging, and quality) with country of origin, which is novel in this setting, have some instructive values. Alternatively, as Hardley and Bhaskaran (2002) suggest, greater availability of the products may have higher consumer satisfaction about the beauty facts of cosmetics and thereby distort their evaluation.

5.2 Limitations of The Research

The researchers have selected a target population consisting of women only and omitted a possibly interesting point of view for companies, which are male customers. Moreover, in this study, the researchers concentrated on a specific sort of cosmetic product, which is skin care products from the Etude House brand, and so other types of cosmetic products are missed. And finally, this study is effectuated in just one of Thailand provinces which means other provinces customers' insights are overlooked.

5.3 Managerial Implications

This research will benefit business owners, investors, and marketers who are related to the Korean cosmetics industry. The results of the study can help improve brands to add more value by showing how to respond to the needs of the customers and improve marketing mix (price, place, channel, promotion). It can help to create a suitable marketing strategy to their market segment and competitors in the market. It can show if a focus on country of origin will affect the product. This point can become the competitive advantage of products in the market. Contribution of this research is mainly applicable to a number of key stakeholders in the business. This study uncovers customer insight into purchase criteria and implication in regards to Korea cosmetic products. This understanding will allow marketers to be able to optimally allocate their marketing budget to the right marketing mix effectively and efficiently. At the same time, it shows a deeper understanding of what is on a customer's mind and will help in the development of new products. Moreover, companies, which are working in the beauty and care industry like skin care, can better understand Thai consumers and from these results, would then be able to improve their current strategies in getting

market share. It can help future researchers of consumer behavior and consumption psychology.

References

- Aaker, D. A. (2009). *Managing brand equity*. Simon and Schuster.
- Agarwal, S. (2016). A Study on Satisfaction Measurement of Professional and Non-Professional Degree Level Students with Respect to Cosmetic Products in Jhansi district. *Journal of Management Value and Ethics*, 6(1).
- Bhaskaran, S., & Hardley, F. (2002). Buyer beliefs, attitudes and behaviour: foods with therapeutic claims. *Journal of Consumer Marketing*, 19(7), 591-606. <https://doi.org/10.1108/07363760210451410>
- Bloemer, J., de Ruyter, K., & Wetzels, M. (1999). Linking perceived service quality and service loyalty: A multi-dimensional perspective. *European Journal of Marketing*, 33(11/12), 1082–1106. doi:10.1108/03090569910292285 <https://doi.org/10.1108/03090569910292285>
- Cathy. (2010, September 20). Buying beauty at a bargain price. Retrieved September 3, 2016, from biz, http://www.koreatimes.co.kr/www/news/biz/2010/09/123_73356.html
- Chan, L. K., Hui, Y. V., Lo, H. P., Tse, S. K., Tso, G. K. F., & Wu, M. L. (2003). Consumer satisfaction index: New practice and findings. *European Journal of Marketing*, 37(5/6), 872–909. <https://doi.org/10.1108/03090560310465189>
- Chan, Y. Y., & Mansori, S. (2016). Factor that influences consumers' brand loyalty towards cosmetic products. *Journal of Marketing Management and Consumer Behavior*, 1(1).
- Chen, C. W. (2011). Statistical analysis for consumers' intentions of purchasing cosmetics. *Afr. J. Bus. Manage.*, 5(29), . <https://doi.org/10.5897/AJBM11.1278>
- Chung, G. (2015, August 19). How South Korea's AmorePacific became One of the world's most innovative companies. *Forbes*. Retrieved from <http://www.forbes.com/sites/gracechung/2015/08/19/how-south-koreas-amorepacific-became-one-of-the-worlds-most-innovative-companies/#5562442689cf>
- Chung, K. H., Yu, J. E., Kim, W., & Shin, J. I. (2016). The Antecedent and Consequences of Brand Image in a Low-Priced Cosmetic Brand of South Korea: The Moderating

- Effect of Gender. *International Journal of u-and e-Service, Science and Technology*, 9(2), 175-184. <https://doi.org/10.14257/ijunesst.2016.9.2.18>
- Cooper, D. R., Atlantic, F., Schindler, P. S., & Wittenberg (2013). *Business research methods* (12th ed.). New York, NY: McGraw Hill Higher Education.
- Cronin, J. J., & Taylor, S. A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing*, 56(3), 55–68. <https://doi.org/10.2307/1252296>
- Culture, K., Service, I., & KOCIS. (2016, January 14). Korean skincare, cosmetics exports hit USD 2.6 bil.: Korea.Net: The official website of the republic of Korea. Retrieved September 4, 2016, from <http://www.korea.net/NewsFocus/Business/view?articleId=131805>
- de Mooij, M., & Hofstede, G. (2002). Convergence and divergence in consumer behavior: Implications for international retailing. *Journal of Retailing*, 78(1), 61–69. [https://doi.org/10.1016/S0022-4359\(01\)00067-7](https://doi.org/10.1016/S0022-4359(01)00067-7)
- DLAČIĆ, J., & KEŽMAN, E. (2014). Exploring Relationship Between Brand Equity And Customer Loyalty On Pharmaceutical Market. *Economic and Business Review for Central and South - Eastern Europe*, 16(2), 121–131.
- Erinefraser. (2014, June 29). Korean BB cream review showdown. Retrieved September 2, 2016, from Beauty, <http://www.eatyourkimchi.com/korean-bb-cream-review-showdown/>
- ETUDE HOUSE. (2016). Store Locator. Retrieved October 12, 2016, from [ht http://www.etudehouse.com/index.php/storelocator/index/index](http://www.etudehouse.com/index.php/storelocator/index/index)
- Fartasch, M., Diepgen, T. L., Drexler, H., Elsner, P., John, S. M., & Schliemann, S. (2015). S1 guideline on occupational skin products: Protective creams, skin cleansers, skin care products (ICD 10: L23, L24) - short version. *JDDG: Journal der Deutschen Dermatologischen Gesellschaft*, 13(6), 594–606. <https://doi.org/10.1111/ddg.12617>
- Hakala, U., Svensson, J., & Vincze, Z. (2012). Consumer-based brand equity and top-of-mind awareness: A cross-country analysis. *Journal of Product & Brand Management*, 21(6), 439–451. <https://doi.org/10.1108/10610421211264928>
- Hanaysha, J. R. M., Abdullah, Hilman, H., & Hasmini, N. (2016, August 1). The effect of strategic factors and the role of relationship quality as mediator on brand equity of

- automotive industry. Retrieved September 15, 2016, from <http://etd.uum.edu.my/5442/>
- Han, C. M., & Terpstra, V. (1988). Country-of-origin effects for Uni-National and bi-national products. *Journal of International Business Studies*, 19(2), 235–255. <https://doi.org/10.1057/palgrave.jibs.8490379>
- Hsieh, M.-H. (2004). Measuring global brand equity using cross-national survey data. *Journal of International Marketing*, 12(2), 28–57. <https://doi.org/10.1509/jimk.12.2.28.32897>
- Inc, S. (2016). Kpop fashion. Retrieved September 2, 2016, from <https://www.scribd.com/document/206662677/Kpop-Fashion>
- Jiménez, N., & San-Martin, S. (2016). The central role of the reputation of country-of-origin firms in developing markets. *Journal of Business & Industrial Marketing*, 31(3), 349–364. <https://doi.org/10.1108/JBIM-02-2013-0045>
- Josiassen, A., Lukas, B. A., & Whitwell, G. J. (2008). Country-of-origin contingencies. *International Marketing Review*, 25(4), 423–440. <https://doi.org/10.1108/02651330810887477>
- Kaynak, E., & Kara, A. (2002). Consumer perceptions of foreign products. *European Journal of Marketing*, 36(7/8), 928–949. <https://doi.org/10.1108/03090560210430881>
- Kim, H. J. (2011). Service orientation, service quality, customer satisfaction, and customer loyalty: Testing a structural model. *Journal of Hospitality Marketing & Management*, 20(6), 619–637. <https://doi.org/10.1080/19368623.2011.577698>
- Kim, K. H., Jeon, B. J., Jung, H. S., Lu, W., & Jones, J. (2011). Effective employment brand equity through sustainable competitive advantage, marketing strategy, and corporate image. *Journal of Business Research*, 64(11), 1207–1211. <https://doi.org/10.1016/j.jbusres.2011.06.024>
- Kim, M., Vogt, C. A., & Knutson, B. J. (2013). Relationships among customer satisfaction, delight, and loyalty in the hospitality industry. *Journal of Hospitality & Tourism Research*, 39(2), 170–197. <https://doi.org/10.1177/1096348012471376>
- Lambin, J.-J., & Schuiling, I. (2012). Market-driven management: Strategic and operational marketing (3rd ed.). New York, NY: Palgrave Macmillan. <https://doi.org/10.1007/978-0-230-36312-0>

- Lee, J.-S., & Back, K.-J. (2010). Reexamination of attendee-based brand equity. *Tourism Management*, 31(3), 395–401. <https://doi.org/10.1016/j.tourman.2009.04.006>
- Lim, S., Chae, H., & Jeon, H. (2014). The Effect of Experience Marketing on Brand Attitude and Brand Loyalty of Beauty Salon Franchise Stores. *Fashion business*, 18(5), 42-55. <https://doi.org/10.12940/jfb.2014.18.5.42>
- Lindqvist, U., Federley, M., Hakola, L., Laukkanen, M., Mensonen, A., & Viljakainen, A. (2011). Consumer demand for information accessible through automatic identification. *Packaging Technology and Science*, 25(1), 1–6. <https://doi.org/10.1002/pts.951>
- Lusk, J. L., Brown, J., Mark, T., Proseku, I., Thompson, R., & Welsh, J. (2006). Consumer behavior, public policy, and country-of-origin labeling. *Review of Agricultural Economics*, 28(2), 284–292. <https://doi.org/10.1111/j.1467-9353.2006.00288.x>
- Martínez, P., & Rodríguez del Bosque, I. (2013). CSR and customer loyalty: The roles of trust, customer identification with the company and satisfaction. *International Journal of Hospitality Management*, 35, 89–99. <https://doi.org/10.1016/j.ijhm.2013.05.009>
- Masangkay. (2011, January 21). “K-pop” girl idols striking gold in Japan | the Japan times. Retrieved September 21, 2016, from <http://www.japantimes.co.jp/news/2011/01/21/national/k-pop-girl-idols-striking-gold-in-japan/#.V-IGNWh97IU>
- Matanda, T., & Ewing, M. T. (2012). The process of global brand strategy development and regional implementation. *International Journal of Research in Marketing*, 29(1), 5–12. <https://doi.org/10.1016/j.ijresmar.2011.11.002>
- Miranda, M. J., & Parkvithee, N. (2013). The influence of social class on the perceptions of country of origin. *Marketing Intelligence & Planning*, 31(4), 388–404. <https://doi.org/10.1108/02634501311324861>
- Muzellec, L., & Lambkin, M. C. (2009). Corporate branding and brand architecture: A conceptual framework. *Marketing Theory*, 9(1), 39–54. <https://doi.org/10.1177/1470593108100060>
- Name. (2013, February 21). K-POP. Retrieved September 2, 2016, from <https://vernandaolivia.wordpress.com/k-pop/>

- Nezakati, H., Yen, C. P., & Akhoundi, M. (2013). Antecedents impact on brand loyalty in cosmetics industry. *Journal of Applied Sciences*, 13(1), 126.
<https://doi.org/10.3923/jas.2013.126.132>
- Ngoc, C. T. (2014). International proceedings of economics development and research. 78(3), <https://doi.org/10.7763/ipedr>
- Nilsson, A. (2010). Balancing the management control package of small, rapidly growing firms in turbulent environments. *International Journal of Entrepreneurship and Small Business*, 11(1), 3. <https://doi.org/10.1504/IJESB.2010.034429>
- Owned, E. is privately, Terms, trademarked, & Policy, C. P. (2016, May). Skin care in Thailand. Retrieved September 2, 2016, from <http://www.euromonitor.com/skin-care-in-thailand/report>
- Pappu, R., Quester, P. G., & Cooksey, R. W. (2005). Consumer-based brand equity: Improving the measurement – empirical evidence. *Journal of Product & Brand Management*, 14(3), 143–154. <https://doi.org/10.1108/10610420510601012>
- Parlan, A. V., Kusumawati, A., & Mawardi, M. K. (2016). The Effect of Green Marketing Mix on Purchase Decision and Customer Satisfaction (Study on Independent Consultant of JAFRA Cosmetics Indonesia in Malang). *Journal Administrating business*, 39(1).
- Peters-Teixeira, A., & Badrie, N. (2005). Consumers' perception of food packaging in Trinidad, west Indies and its related impact on food choices. *International Journal of Consumer Studies*, 29(6), 508–514. <https://doi.org/10.1111/j.1470-6431.2005.00419.x>
- Phuengsuktechasit, P., & Buaman, P. (2010). Influence of country of origin on Thai consumer attitude and purchase intention toward skincare products. Retrieved September 4, 2016, from <http://www.diva-portal.org/smash/record.jsf?pid=diva2%3A425643&dswid=-2220>
- Rezvani, S., Rahman, M. S., Dehkordi, J., & Salehi, M. (2013). Consumers' perceptual differences in buying cosmetic products: Malaysian perspective. *World Applied Sciences Journal*, 26(6), 808–816. doi:10.5829/idosi.wasj.2013.26.06.12049
- Rios, R. E., & Riquelme, H. E. (2008). Brand equity for online companies. *Marketing Intelligence & Planning*, 26(7), 719–742.
<https://doi.org/10.1108/02634500810916681>

- S.T. Wang, E. (2013). The influence of visual packaging design on perceived food product quality, value, and brand preference. *International Journal of Retail & Distribution Management*, 41(10), 805–816. <https://doi.org/10.1108/IJRDM-12-2012-0113>
- Saeed, R., Khurshid, N., Safdar, M., Ahmad, W., Lodhi, R. N., & Ahmad, W. (2013). Country-of-Origin (COO) Effect on Pakistani Consumers' Evaluation of French Cosmetic Products. *Journal of Basic and Applied Scientific Research*, 3(6), 988–1000.
- Schiffman, L. G., Kanuk, L. L., & Wisenblit, J. (2009). Consumer behavior (10th edition) (10th ed.). Boston, MA, United States: Pearson Education/Prentice Hall.
- Seo, Y. M., Li, S., & Kim, E. K. (2015). The Influence of National image, Brand Image and Country-of-Origin Image on Purchase attitude and Purchase Intention-Focus on the purchase of Korean cosmetics which applied a high and/or convergence technology in Chinese consumers. *Journal of Digital Convergence*, 13(6), 69-79. <https://doi.org/10.14400/JDC.2015.13.6.69>
- Silayoi, P., & Speece, M. (2007). The importance of packaging attributes: A conjoint analysis approach. *European Journal of Marketing*, 41(11/12), 1495–1517. <https://doi.org/10.1108/03090560710821279>
- Song, H., Li, G., van der Veen, R., & Chen, J. L. (2010). Assessing mainland Chinese tourists' satisfaction with Hong Kong using tourist satisfaction index. *International Journal of Tourism Research*, 13(1), 82–96. <https://doi.org/10.1002/jtr.801>
- Sulu, Cherry, A., Saerang, D. P. E., & Massie, J. D. D. (2016). The Analysis Of Consumer Purchase Intention Towards Cosmetic Products Based On Product Origin. *Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 4(2), . Retrieved from <http://ejournal.unsrat.ac.id/index.php/emba/article/view/13044/12629>
- Sun, H., Kim, S., & Heo, E. J. (2016). What attracts Chinese customers to repurchase Korean cosmetics? *Advanced Science and Technology Letters*, 126, 55–60. <https://doi.org/10.14257/astl.2016.126.11>
- Taylor, S. A., Celuch, K., & Goodwin, S. (2004). The importance of brand equity to customer loyalty. *Journal of Product & Brand Management*, 13(4), 217–227. <https://doi.org/10.1108/10610420410546934>

- Thakur, S., & Singh, D. R. A. (2012). Brand image, customer satisfaction and loyalty intention: a study in the context of cosmetic product among the people of Central India. *EXCEL International Journal of Multidisciplinary Management Studies*, 2(5), 37-50.
- Topoyan, M., & Bulut, Z. A. (2008). Packaging value of cosmetic products: an insight from the viewpoints of consumers. *ICOVACS*. Retrieved from http://kisi.deu.edu.tr/mert.topoyan/dosyalar/topoyan_bulut.pdf
- Twomey, C., & Stoneman, A. (2015). Consumer Perception of Tactile Packaging: A Research Study on Preferences of Soft Touch and Hi Rise Coatings in Cosmetic Packaging. *Journal of Applied Packaging Research*, 7(1), 1. <https://doi.org/10.14448/japr.03.0001>
- Venter, K., van der Merwe, D., de Beer, H., Kempen, E., & Bosman, M. (2010). Consumers' perceptions of food packaging: An exploratory investigation in Potchefstroom, South Africa. *International Journal of Consumer Studies*, 35(3), 273–281. <https://doi.org/10.1111/j.1470-6431.2010.00936.x>
- Yim Wong, C., Polonsky, M. J., & Garma, R. (2008). The impact of consumer ethnocentrism and country of origin sub-components for high involvement products on young Chinese consumers' product assessments. *Asia Pacific Journal of Marketing and Logistics*, 20(4), 455–478. <https://doi.org/10.1108/13555850810909759>
- Yoo, B., Donthu, N., & Lee, S. (2000). An examination of selected marketing mix elements and brand equity. *Journal of the Academy of Marketing Science*, 28(2), 195–211. <https://doi.org/10.1177/0092070300282002>
- Zalikha, N. (2015, March 19). Top 10 cult Korean beauty brands for your shopping haul. Retrieved September 7, 2016, from Shopping & Eating, <https://www.tripzilla.com/top-korean-beauty-brands/18890>
- Zhang, Y. (1997). Country-of-origin effect. *International Marketing Review*, 14(4), 266–287. <https://doi.org/10.1108/02651339710173453>