

**THE PURCHASE CRITERIA OF FACIAL SKINCARE
PRODUCTS AMONG THAI FEMALE CONSUMERS IN
BANGKOK**



**A THEMATIC PAPER SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE
OF MASTER OF MANAGEMENT COLLEGE OF
MANAGEMENT MAHIDOL UNIVERSITY
2021**

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Thematic paper
entitled
**THE PURCHASE CRITERIA OF FACIAL SKINCARE
PRODUCTS AMONG THAI FEMALE CONSUMERS IN
BANGKOK**

was submitted to the College of Management, Mahidol University
for the degree of Master of Management

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ACKNOWLEDGEMENT

This thematic paper would not have been succeeded without the guidance and the support of many people who contributed their valuable time and support throughout the preparation and completion of this study.

I am very thankful to the support from thematic advisor, Assoc. Prof. Randall M. Shannon, whose encouragement and guidance from the inception to the end enabled me to acquire the better understanding of the study.

I also would like to thank all the respondents who have the full cooperation for sharing their invaluable opinion and information without them this study would be beyond the bound of possibility.

In all, I would like to show my regards to friends and family who supported me in any respect during the accomplishment of the study. This thematic paper is simply impractical without them.

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THE PURCHASE CRITERIA OF FACIAL SKINCARE PRODUCTS AMONG THAI FEMALE CONSUMERS IN BANGKOK

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ABSTRACT

The objective of this research is to explore the facial skincare purchase criteria among female consumers in Bangkok who are the main customer target of beauty industry in Thailand. This research is qualitative research with exploratory nature which primary data was obtained through in-depth interview and secondary data was from online credible sources. The purchase criteria were focused on extrinsic cues referring to five variables consisting of user reviews, influencers, country of origin, brand reputation, and price signaling. These five variables were studied to be the potential purchase criteria among respondents. The result of this study shows that user reviews, influencers, country of origin, brand reputation, and price signaling have significant effects on consumers' purchase decision and are the criteria that consumers have during evaluating facial skincare product choice. Surprisingly, new factor was found which was skin doctor reviews. For recommendations, the company must keep maintaining brand reputation and intrinsic cues in order to stimulate the good user reviews. New factor found has a potential to contribute to user reviews, therefore company should consider skin doctor reviewing product as well. Moreover, company should set specific timeline and follow up to influencer advertising method and product using so as to show that product is really being used by influencers and gain benefit from social influence. Lastly, conveying the right information to the right target is also recommended to company to take advantage of product country of origin story.

KEY WORDS: facial skincare/ purchase criteria/ female consumers

44 pages

CONTENTS

	Page
ACKNOWLEDGEMENT	ii
ABSTRACT	iii
LIST OF TABLES	vi
LIST OF FIGURES	vii
CHAPTER I INTRODUCTION	1
1.1 Background and problem statement	1
1.1.1 Thailand overview	1
1.1.2 Beauty and personal care products market	1
1.2 Problem statement	4
1.3 Objectives	4
CHAPTER II REVIEW OF LITERATURE	5
2.1 Facial skincare evaluation	5
2.2 User reviews	6
2.3 Influencers	7
2.4 Country of origin	8
2.5 Brand reputation	9
2.6 Price signaling effect on perception of quality	10
2.7 Research questions/purpose and framework	11

CONTENTS (Cont.)

	Page
CHAPTER III RESEARCH METHODOLOGY	12
CHAPTER IV FINDING AND DATA ANALYSIS	14
4.1 Qualitative result	14
4.1 User reviews	15
4.2 Influencers	18
4.3 Country of origin	20
4.4 Brand reputation	23
4.5 Price signaling	24
CHAPTER V CONCLUSION AND RECOMMENDATION	27
5.1 Conclusion	27
5.2 Recommendation	33
5.2.1 Practitioners and companies	33
5.2.2 Further research	34
5.3 Limitation	34
REFERENCE	36
APPENDICES	39
Appendix A: In-depth interview question guide users	40
BIOGRAPHY	44

LIST OF TABLES

Table		Page
5.1	Names and ages of 14 respondents, older age group (30-59 years old) and younger age group (18-29 years old)	14



LIST OF FIGURES

Figure	Page
1.1 Per capita expenditure on skincare in Thailand compared to APAC and global levels 2014-2024 (GlobalData.com)	3
2.1 Potential variables of purchase criteria of facial skincare products	11
5.1 Result of purchase criteria among two groups of respondents	28
5.2 Similarities and differences result among two groups on price signaling	29
5.3 Similarities and differences result among two groups on user reviews	30
5.4 Similarities and differences result among two groups on brand reputation	29
5.5 Similarities and differences result among two groups on country of origin	29
5.6 Similarities and differences result among two groups on influencers	29

CHAPTER I

INTRODUCTION

1.1 Background and problem statement

1.1.1 Thailand overview

Thailand is an upper middle-income country and is the second largest economy in ASEAN after Indonesia with an open economy (<https://www.export.gov>, 2019). Thailand is export-dependent economy with total amount of US\$ 249.8 billion worth of goods in 2018. Among other countries in Asia, Thailand is one of the world most visited country and tourists are vital to Thai economy. Thailand welcomes large number of tourists each year that have made Thai economy growing through direct receipts and indirect receipt amounted to 12% and 20% of Thailand GDP accordingly. Not only the export-dependent economy and tourism that have made number of revenues to the country, Thai beauty and personal care market is also among the top industry attracting foreign country to invest in (<https://www.ibuzz.asia>, 2019). Thailand is the largest beauty market in the ASEAN region and has successfully attracted many strong players from America, Europe, South Korea and Japan to set up factories and compete fiercely in such a competitive market.

1.1.2 Beauty and personal care products market

According to (<https://www.export.gov>, 2019), Thailand's beauty and personal care products market was valued at approximately US\$ 6.2 billion in 2018 and is expected to reach US\$ 8.0 billion in 2022. Thailand's beauty industry has grown by 7.2-7.9% annually over the last six years. The beauty and personal care market in Thailand are projected to have a healthy growth by 7.3% per year from 2019 to 2022.

Beauty and personal care segments are among the fastest growing consumer goods areas. Top 3 fastest growing sub-category of personal care and beauty products

in Thailand are skincare amounted to US\$ 2.4 billion (38% of the market), haircare amounted to US\$ 0.9 billion (14.5% of the market) followed by color cosmetics care amounted to US\$ 0.7 billion (11.3% of the market).

The growth of Thailand skincare market was also supported by the report of <https://www.globaldata.com>, 2020 that facial category was the largest category with the value sales of US\$ 2.1 billion in 2019. Within the skincare segment, facial care accounted for 84%, whereas body care was about 16%. It was the result of a strong economic growth, rise of the middle class, growing tourism regardless of covid-19 pandemic, changing consumer inclination, and men consumer target contributed to the sizable growth.

Moreover, the report shows that the per capita expenditure of skincare in Thailand stood higher than the regional (APAC) and global averages in 2019. Thailand skincare sector stood at US\$ 36.5 in 2019 which is higher global per capita expenditure of US\$ 19.6 followed by regional per capita expenditure which stood at US\$ 17.6 in the same year. (Figure 1)

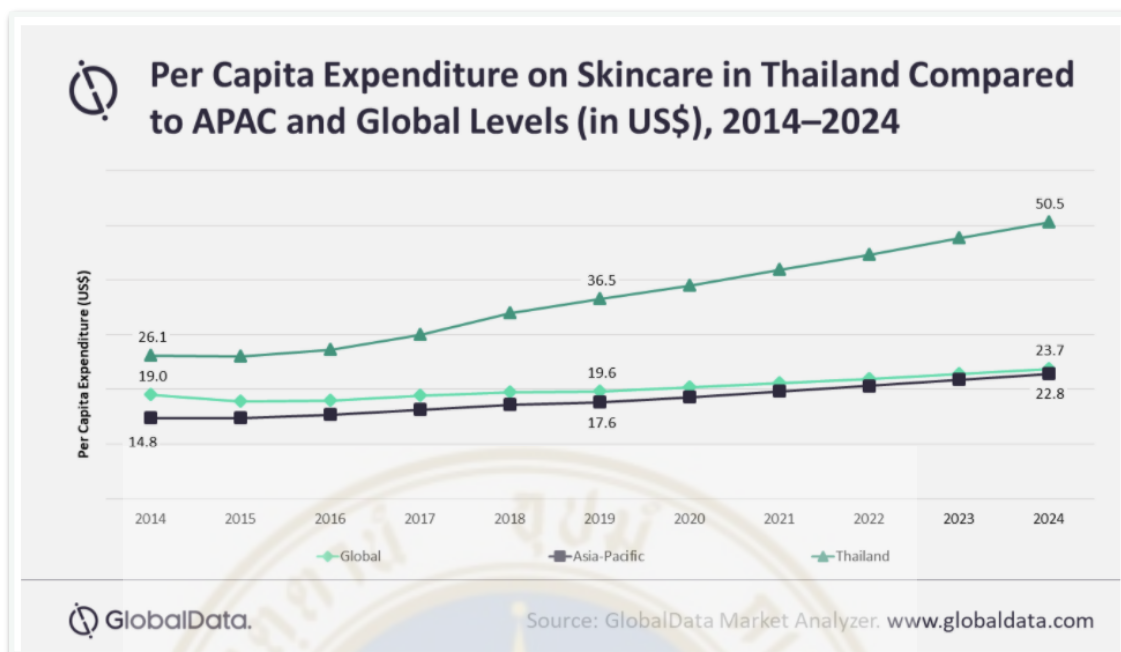


Figure 1.1 Per capita expenditure on skincare in Thailand compared to APAC and global levels 2014-2024 (GlobalData.com)

Due to high growth and high competition in skincare market, it appears that beauty retailers in Thailand have apparently increased such as Eveandboy, Sephora, Beautrium, Donki Mall and many more. These retailers have lifted up the industry even more in recent years. Conventionally, beauty retailers are located in cities, therefore it shows that most of the demand of buyers remain in the cities.

Going forward, Thailand's society is rapidly aging. This market shows a healthy demand for anti-aging products in various styles with low-to-premium positioning. There is a growing focus on a more natural beauty trend among Thai consumers, and color cosmetics with multi-benefits are desirable for consumers.

With such a growing number of beauty trend, it is an ample opportunity for skincare brands, especially facial skincare to thrive and become one of the top brands in consumers' brand choices.

1.2 Problem statement

Due to highly competitive beauty market in Thailand, there are many skincare products and brands in the market including many beauty retailers. Purchasing skincare products seem to be more complex than before especially facial skincare that are used on the most concerned area. Therefore, there is still the opportunity for beauty brands offering facial skincare products to know what criteria that Thai female consumers have when making purchase facial skincare products in order to remain a healthy growth revenue along with market growth.

1.3 Objectives

This research focuses on the purchase criteria that Thai female consumers consider when buying facial skincare products in Thai market.



CHAPTER II

REVIEW OF LITERATURE

The following literature review is the result of a secondary research, and is analyzed from several credible sources, such as articles, journals, reports, and other online sources from various contexts.

2.1 Facial skincare evaluation

Since Thailand is the largest beauty market in the ASEAN region where many strong players from America, Europe, South Korea and Japan setting up factories and competing fiercely, and the per capita expenditure of skincare in Thailand stood higher than the regional (APAC) and global averages in 2019, this research will focus on purchase criteria which consumers, referring to female customers in Bangkok, evaluate during buying process of facial skincare. Bangkok area is hi-lighted as it is the place where there are several beauty retailers and countless facial skincare choices. In this study, the researcher focuses only on the stage evaluation of alternatives (<https://www.export.gov>).

The consumers evaluation of facial skincare is affected by both intrinsic and extrinsic cues. The intrinsic cue that affects consumer purchase decision is product attributes which based on smell, ingredients, and texture while country of origin, influencer, user reviews, price, and brand are considered as extrinsic cue. The focus criteria in this research are extrinsic cues as intrinsic cues, referring to product attributes and its quality, need to be ensured by brand that consumers received what has been promised (Leek & Christodoulides, 2012). Besides, consumers are aware of the positive information of product attributes that has been communicated by the brand (Lähteenmäki, 2010).

2.2 User reviews

User reviews refer to the user experience, feedback, and recommendation in relation to a particular product/service or brand which has the power over potential consumers purchase intention (Sutanto & Aprianingsih, 2016).

According to <https://www.ibuzz.asia>, the report of beauty industry in 2019 said that word of mouth has the effect toward consumer purchase decision. Social media stood the highest source of WOM accounted for 78.10%, online forum such as Pantip beauty stood the second accounted for 16.99%, and the last is article accounted for 4.91%. Obviously, social media and word of mouth are associated with consumer perception and can influence them to buy facial skincare product. Thailand most used social media are Facebook accounted for 51.20% while Instagram accounted for 48.80%. The more positive word of mouth and conversation appeared online via official Facebook page, Official Instagram, Pantip forum beauty, and so on, more chances that brand/product will be in purchase criteria of consumers. One of the powerful user reviews source is from Pantip beauty forum as it appears to be authentic reviews from consumers (<https://www.ibuzz.asia>).

In addition to the report of [Ibuzz.asia](https://www.ibuzz.asia), the study of Nakyung (2019); Yogesh & Yesha (2014) also found that consumers tend to trust their friends or family. Therefore, personal and direct experiences from consumer to consumers are more solid and have more credibility. Organic user reviews have more credibility than advertised information about the benefit of the product.

2.3 Influencers

Influencer or influencer marketing approach is widely used among marketing professionals. Influencers refer to celebrities, bloggers, beauty vloggers, artists, net idols, or it refers to those who have remarkable number of followers on social media. Nowadays, using influencers is considered one of the most used marketing techniques to increase brand awareness and recognition (Pratiwi1 et al., 2019). Research also mentioned that the information on influencers' social media can convey and influence their followers' behavior toward brand/product. However, some influencer reviews are known that they are paid to do so. It is one of the marketing tactics that brands use to increase brand awareness among target consumers.

Recently, online influencers are commonly used in promoting and influencing consumers to buy product. Influencer reviews matter and it creates positive perception and attitude toward skincare product. Finding the right influencer who is trustworthy, portrays authenticity, and possesses the similar characters as the brand/products increases brand trust among target consumers (Lee, 2020).

More supports from Piyawathin (2019); Håkansson (2020); Pratiwi1 et al. (2019) on the advancement of technology together with urban consumers behavior on the online platform usage, influencers are the consumers' preference shifter. Influencers' experience and online conversations about the particular brand/product provoke consumers to continue searching for more information, therefore using influencer helps increase brand/product awareness and ultimately leads to a purchase decision making.

However, not every influencer has positive effect on purchase decision toward brand/product especially facial skincare as the study showed that review of a high expertise influencer creates more credibility and more convincing of brand/product more than an influencer with lower expertise in the particular field or industry (Nakyung, 2019).

2.4 Country of origin

There are several research (Barrameda, 2019; Luong et al. 2017; Roth & Romeo, 1992; Bilkey & Nes, 1982; Buaman & Phuengsuktechasit, 2011; Azuizkulov, 2013) found that COO has played the significant role in consumer decision process that leads to a purchase decision toward product/brand. Each country has their own unique identity and reputation toward country expertise. Strength of the country will be set as benchmark against other countries. As consumers are aware of the certain reputation and characteristic of countries, COO is used to assess the worth of brand/product and it becomes one of purchase criteria that consumers consider (Barrameda, 2019).

The evolution of skincare product and its birthplace have become significant to consumer purchase decision. In many cases, research (Barrameda, 2019 and Wall et al., 1991) found that consumers pay more attention to COO than price or brand as country of origin means product quality, the quality that is guaranteed by country expertise and economy position. Consumer evaluation is high or low depending on country image and reputation (Luong et al., 2017). In addition, Roth & Romeo (1992) found that consumer evaluation of product/brand relates to country economy growth. Therefore, consumers' evaluation depends upon how much the country has been developed (Bilkey & Nes, 1982). Regarding the study of Thai consumers by Buaman & Phuengsuktechasit (2011), Thais also hold different attitude toward COO of skincare products. Earlier industrialized countries have more positive effects than late industrialized countries. With the combination of economy position and country status, COO represents quality and reliability of product leading to reduce perceived risk while consumers making purchase decision. It is essential for a brand to consider using the COO that gives the credence during establishment as it has a strong influence and impact toward consumers perception (Azuizkulov, 2013).

2.5 Brand reputation

According to Chernatony (2012), brand consists of 3 perspectives, input, output, and time. Input perspectives refer to logo, personality, positioning, cluster of values, identity, and so on. Deriving from input perspectives, output perspectives of brand resonate image and relationship. Overtime, brand entities evolve. Therefore, brand reputation is the combination of input perspectives resulting in image and relationship which brand appears to and interacts with its target audience. Furthermore, brand acts as the risk reducer as reputation has the certain level of guaranteed quality, however, perceived risk level varies between consumers.

Corresponding to facial skincare, people tend to use or buy products from a prominent brand. As skincare users who want to find facial skincare product that is good and safe for themselves, one of the first thing that they consider is the brand and its reputation on a specific product which infers to brand credibility (Azuizkulov, 2013).

Brand reputation is the result of a brand that has been built up its equity over time by offering quality products and services accompanied by strong marketing strategies in order to say that brand can be trusted and depended on. Once customers trust in brand and spread positive word of mouth to others, brand gets the credibility and accumulated reputation in a good way. Thus, brand and its reputation create trust resulting in repeat purchasing and, at the same time, attracting new customers (Rani & Krishnan, 2018)

Furthermore, the study of Selnes (1993) found that the main driver of customer loyalty is brand reputation. Brand with reputation means brand that promotes customer satisfaction of the quality of intrinsic cues, products, and services. Nevertheless, when intrinsic cues are inadequate and unable to achieve customer satisfaction, brand reputation is proved to have a positive effect on customer perception.

2.6 Price signaling effect on perception of quality

The price signaling strategy is the situation where price of product/service is changed according to supply and demand in the market. It comes about the competition among suppliers who supply the same product but using price to differentiate the quality from competitors. It implies that higher price means higher cost therefore it is perceived that supplier uses higher quality materials. Consumers in general perceive higher price product as a higher quality. In fact, higher price does not guarantee its quality, but it should signal the positive relation between the two elements of product/service in consumers eyes.

In general, consumers consider the price and quality association as a fundamental evaluation of products. In some cases, price and brand are considered to infer the quality of product. These associations serve as heuristic hints for many consumers before making a purchase (Levrini & Santos, 2021).

In addition to COO effects on product/brand, price is critical aspect of any brands/products. To classify its position and quality, price plays a major role in consumers eyes. However, research found that higher price alone did not signal a high quality but should go hand in hand with other elements of marketing mix referring to place, packaging, and promotion meaning that applied the whole marketing mix such as 4Ps or 7Ps dose emphasize its quality (Alpert et al., 1993).

2.7 Research questions/purpose and framework

What are the purchase criteria of facial skincare product among Thai female consumers?

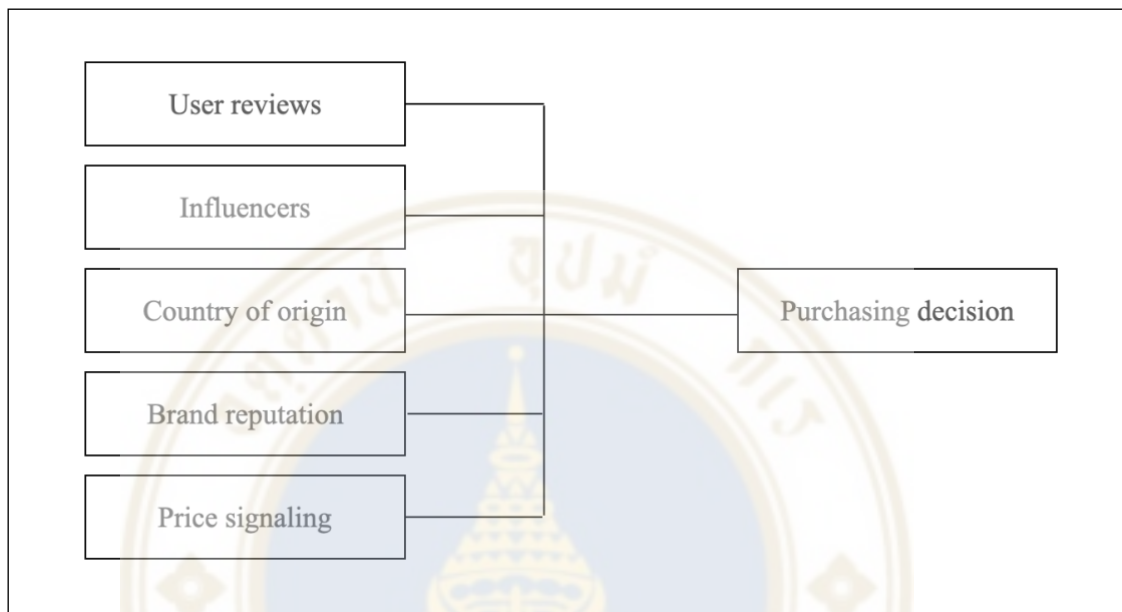


Figure 2.1 Potential variables of purchase criteria of facial skincare products

Following the previous studies from literature reviews, five variables (Figure 2); user reviews, influencers, country of origin, brand reputation, and price signaling are shown to be potential purchase criteria that consumers have when purchasing facial skincare products. This figure will help as guidelines for the researcher to answer research question.

CHAPTER III

RESEARCH METHODOLOGY

This study used a qualitative approach and was exploratory nature. The data was gathered through unstructured in-depth interviews and using open-ended questions to let the respondents tell stories and explain buying criteria and reasons following the questions and context provided based on a purposive sample considering the female consumers who live in Bangkok and who have tendency to spend more on facial skincare products. Female consumers based on demographics were selected as they are the majority target of facial skincare market in 2019 (<https://www.globenewswire.com/>).

Concerning that Thailand is currently entering aging society, the researcher sees the probability that the result might be different between age group of female consumers, therefore two groups were selected as purposive sample in the study. Convenience sampling was utilized including 14 Thai female interviewees who are consuming product and are willing to participated in this study. They are equally divided into two groups: younger (18-29 years old) and older (30-59 years old) age group.

The sample is divided into two groups which are younger age group and older age group so as to provide enough credibility of the information. Younger age group is female consumers who age between 18-29 years old. Older age group refers to female consumers who age between 30-59 years old. The reason why choosing the age between 18-29 years old as younger age group is that people who are in this age range are beginning to nourish their skin even though having less signs of aging skin. While more signs of aging skin such as wrinkles, sagging, and larger pores occur to people in the age range of 30-59 years old, so they are defined as older age group of people. These two age groups are shown to be the frequent users of facial skincare product according

to US consumers in 2017 (<https://www.statista.com/>). Besides, these two groups are in the age of people who have the ability to buy facial skincare products by themselves and are able to access information via electronic devices such as smart phone and laptop. Purchase channel of the sample groups is both online and offline purchase.



CHAPTER IV

FINDING AND DATA ANALYSIS

4.1 Qualitative result

The purpose of qualitative is to understand the consumer purchase criteria of facial skincare product in Thai market. 14 interviewees were represented in two groups which are younger age group and older age group.

Table 5.1 Names and ages of 14 respondents, older age group (30-59 years old) and younger age group (18-29 years old)

NO	NAME	AGE	GROUP
1	Manow	32	Older age group (30-59 years old)
2	Namwan	34	
3	Bhoom	37	
4	Fon	42	
5	Tak	33	
6	Amy	32	
7	Jane	35	

Table 5.1 Names and ages of 14 respondents, older age group (30-59 years old) and younger age group (18-29 years old) (Cont.)

NO	NAME	AGE	GROUP
8	Nok	29	Younger age group (18-29 years old)
9	Ploy	28	
10	Kwan	28	
11	Nan	26	
12	Nene	25	
13	Pla	29	
14	Lilly	26	

4.1 User reviews

So far, user reviews are among top purchase criteria for both groups. User review helps people understand not only product benefit and result but also their own skin condition. The more they expose to online and in person information, the better choices they choose and the higher chance they buy. Obviously, it is important for everyone to read review before making a purchase. Reading reviews becomes common thing to do before buying whatever product in the market in response to many online platforms that users have a place to share experience and price competitiveness of products.

“Very important as it is the real experience from the user meaning that I can see how the product is effective when being applied to the skin.” (Pla, younger age group)

“User reviews are very important. I personally like to know customer’s feedback to help making final decision.” (Nok, younger age group)

“It is pretty important around 60-80% that I believe, but I am also aware whether that review is trustworthy or not because the opinion vary among consumers.” (Karn, older age group)

“I think it’s really important because we can know the details of product such as ingredients, benefit, and price.” (Manow, older age group)

“Very much, especially for brands I have never used before.” (Jane, older age group)

Most of respondents from both groups choose to trust and believe friends and relatives more than other users. However, in many cases, respondents, who believe friend recommendation, afterward go online for more reviews from other users.

“User reviews are very important, especially from friends. I trust my friend. If my friend recommends me something, I will consider and then I will seek for user reviews during decision making process.” (Nan, younger age group)

“I usually ask friend who has the same skin condition, and sometimes they let me try the products recommended.” (Lilly, younger age group)

“Recommendations from a friend with similar age and skin type is important.” (Nok, younger age group)

“I ask friend all the time.” (Nene, younger age group)

“I would believe friend and person who I familiar with more than user reviews.” (Ploy, younger age group)

“Recommend from friends are very important to me as it is real and trustworthy.”
(Karn, older age group)

“Friend recommendation is 100% affecting my facial skincare purchase.” (Tak, older age group)

“Friends and relatives recommendation affect my purchase quite a lot.” (Amy, older age group)

However, some respondents in older age group choose not to believe friends and relatives but seek for dermatologist recommendations and reviews because with experience buying and using facial skincare products, respondents know well that everyone has different skin condition.

“User reviews are not important at all unless product reviewed has been proofed by dermatologist, I will buy. I usually read from skin doctor Facebook page not user reviews.” (Namwan, older age group)

“If friend has the same skin condition as me and knows well about facial skincare, I will believe. So far, I don't have any. I would rather believe and buy products recommended by skin doctor.” (Fon, older age group)

Also, most of respondent reveal their opinion toward user reviews that they are aware of review authenticity and skin condition difference, so they tried to read reviews from credible sources and rather try facial skincare themselves.

“The originality of the reviews is the first thing I try to verify: I would like to make sure that it's not the review by people hired by the brands themselves. But at the end of the day, I keep in mind that everyone's skin is not the same. I would still like to go try the products at the counter first before making the purchase.” (Jane, older age group)

“I will read only reviews from credible sources such as Kapook, Sanook, Jeban, or Sista cafe website. The website that has picture and has the clear content and also tell where to buy if not, I don’t think it is trustworthy.” (Bhoom, older age group)

“It’s quite important and especially if the user have similar skin type with me. For example, it would be nice if there are tap or label for user in a review section online so that I can choose to see the review by skin type.” (Amy, older age group)

So as to confirm past studies mentioned, authentic reviews have high effect on purchase intention. Also, friends and relative’s recommendation play a big role in decision making when thinking of facial skincare. In addition to friends and relative’s recommendation and user reviews, recommendation from dermatologist affects facial skincare purchase in some respondents as well.

4.2 Influencers

Influencers have less affect to half of respondents toward purchase intention of facial skincare products. The reason is because respondents know that influencers get paid which is related to the concerns in past studies, and they can say whatever brand wants them to say and recommendation might not be authentic. It appeals not so credible and as the influencer or well-known person, they might have taken care of themselves more than using only facial skincare product alone. Even if influencers don’t, respondents are going to doubt whether influencers did get paid or not. Consumers know that influencers are used as one of marketing tools, their perception toward influencers started to change overtime.

“I know that they are paid to do so. I would believe user reviews more than influencers.” (Lilly, younger age group)

“I don’t believe in the advertisement that has influencer as the brand endorsement and I don’t believe in their recommendations. I believe that those influencers must have done something extra to their skin.” (Nan, younger age group)

“I usually don’t believe in the influencer words unless my friend is the influencer.” (Karn, older age group)

“I don’t believe in influencers.” (Jane, older age group)

“I have never bought facial skincare influenced by influencers and I don’t quite believe in them.” (Bhoom, older age group)

However, it works on increasing brand awareness and interest.

“It appeals in a good way, but it does not affect my purchase decision not so important as much as user reviews.” (Kwan, younger age group)

“Influencers might get my attention to the product, but their review does not 100% affect my decision of purchasing skincare products.” (Nok, younger age group)

“For me, no specific influencer could influence me to buy facial skincare. It was like influencer is interest kicker and then user reviews and WOM are a main driver for purchasing the product.” (Tak, older age group)

Another half of respondents’ favorite influencers still can influence them to buy facial skincare. Respondents tend to believe in the one that they personally like and follow more than others that they just follow. Therefore, few respondents attitude and interest can be influenced by favorite influencers and their lifestyle and influencer who basically doesn’t get sponsor when reviewing product.

“I love to be on social media, and I consume social media content a lot. Influencers influence me to buy things all the time that sometimes I don’t really need it.” (Ploy, younger age group)

“Yes, I believe because I follow her for a while, and I can observe the influencer facial skin. Sometimes, I cannot withstand influencer reviews, so I buy that facial skincare product.” (Manow, older age group)

I believe the one that looks trustworthy. I see from the way she communicates and her expertise in the skincare market, and that person accept no sponsor. (Fon, older age group)

“If the product is related to their personal life, I would trust more such as when Koy Ratchawin use “Supergoop” brand, so I was not hesitated to buy it from Sephora.com before trying the real product. Sometimes, If they have outstanding style such as luxury lifestyle, I would buy some similar facial serum or cream after them, or active lifestyle, I would buy sunscreen after them. (Amy, older age group)

Influencers in today’s world seem to have power over followers’ attitude and interest, nonetheless the result in this study show that not all respondents believe and buy product based on influencers. Some does. The mixed of the result were shown in the study, so there is no difference among age group.

4.3 Country of origin

There is an obvious difference among groups. Older age group pay more attention to COO, country development, and country reputation.

“I think it is a good thing, It doesn’t surprise me. It should come with functional benefit. Anyway, I believe I can trust in the facial skincare product that comes from trustworthy country.” (Karn, older age group)

“My thought process is if it comes from a more technologically advanced country, the product might be better if it doesn't.” (Jane, older age group)

“COO is something that I consider during evaluating product choices along with brand and ingredients. For example, I trust product from Japan more than other countries in Asia. I also rely on Switzerland, USA, and UK because of country reputation toward skincare.” (Namwan, older age group)

“For me, COO is very important, especially Japan. Japan product standard is very high and strict, so I don't have to doubt about quality at all and I am not allergic to it. Also, I love facial skincare from Taiwan. It works on my skin really well and it is cheaper than Japan. Taiwan facial skincare might not popular in Thailand, but facial mask has the reputation in France not many people know that.” (Bhoom, older age group)

“COO means a lot, especially developed country such as Japan, USA, France, and Korea. Honestly, I have never tried Thai facial skincare products. I wouldn't dare to try on my skin.” (Fon, older age group)

“I have more trust in brands that are from USA, UK, Korea, and Japan than other countries because I trust in their quality control over brand.” (Amy, older age group)

While majority of respondents from younger age group sees it as part of brand story. COO does not play a big part in purchase intention among this group, it is better to have than not to.

“I don't see that affect my decision.” (Nene, younger age group)

“It means something, but it evolves. I think it is the story that any brands should have, but I wouldn't mind about COO when buying facial skincare. I used to consider moisturizer from Korea but now due to technological advancement, I believe good quality product could be done anywhere.” (Ploy, younger age group)

“I have never considered COO before, so it does not affect my decision. But, if I knew that country reputation toward skincare is good, I would like to try” (Kwan, younger age group)

“COO means nothing to me. I have never considered this criterion before.” (Nan, younger age group)

Some who expose to COO information tend to include COO as their purchase criteria.

“I do believe in quality of products from USA, UK, and Japan due to its reputation in facial skincare. As far as I know, product from those country will be better than Thailand.” (Pla, younger age group)

“I am usually using products that are especially made for Asian’s skin type. Therefore, I often buy products from Japan or South Korea as I believe that country that has reputation toward technology advancement will invest more in R&D.” (Nok, younger age group)

“I think it is a story that brand uses to attract consumers and yes, it matters if not comes from reliable country, I may not consider the product. I consider country reputation in a certain area, for instance, if thinking about dermatologist cream, I think of USA. If thinking about natural sense of skincare, I think of Korea. However, if compared Korea and Japan, I would go for Japan because my own bias. I think Japan is more delicate and offer high quality products.” (Lilly, younger age group)

Older age group tend to consider COO as a quality given because products that come from prominent countries toward facial skincare development guarantee quality in their perception. Developed countries in their opinion do better in term of product quality. While some respondents from younger age group, who grew in the age

of technological advancement, sees it as common thing brands do. They didn't recognize the value of COO. COO has not impressed them and some of them didn't realize that COO is one of the main features of products sold in the market.

4.4 Brand reputation

There is no doubt that brand reputation affects majority of people in this study. Respondents from both group responses show that brand reputation is in their purchase criteria which quite make sense when it comes to something that is used to apply on their face. Considering the longevity in the market, brand that has good reputation and is famous in global level comes with quality. The result respondents get has made them continue buying product overtime. The confirmation from respondents positively relates to literature studied.

“I am the person that consider brand as the top priority along with price range that I can afford. Brand provides me credibility, and it does influence and attract me to buy.”
(Manow, older age group)

“Brand reputation, it impacts the decision a lot. If not the products from the doctor, I always rely on international, reputable brands, rather than the local ones. Better brand reputation = more likelihood that I'd trust it.” (Jane, older age group)

“I do purchase product based on brand reputation in some items such as Lamer. Also, I usually purchase brand that has reputation among dermatologists.” (Namwan, older age group)

“Brand reputation is always the factor of my buying decision.” (Tak, older age group)

“With brand reputation, I believe in their quality and result.” (Amy, older age group)

“Brand reputation affects my decision a lot. Products from popular brand often guaranteed their quality so it easier to make the decision to purchase.” (Nok, younger age group)

“Even though I rely on a lot of user reviews, I also concern about brand reputation. Brand must be well known by majority of people.” (Kwan, younger age group)

“Those that I am using, I always bought because of its reputation and word-of-mouth in social media.” (Nan, younger age group)

“Yes, all facial skincare brands I bought were from brand reputation.” (Ploy, younger age group)

“I buy facial skincare product from a famous brand as I think that I can easily access information such as reviews and user reviews and it seems credible.” (Lilly, younger age group)

4.5 Price signaling

In relation to literature studied, consumer consider price and quality association as the fundamental evaluation of products. In consumers perception, they can infer quality from price offered. Respondents are among consumers who are not only depend on price alone, but also take other elements into consideration as well. It is accepted among respondents of both group that higher price tends to promise higher quality in their opinion. As a result, they choose to buy higher price option.

“Expensive is better than cheaper for sure because I use product with brand and it works, so I do believe and trust that higher price comes with quality.” (Manow, older age group)

“It makes sense to me expensive products are using higher quality ingredients. Anyway, I have to try. I would go for sample size of expensive item so that I know whether it is good or not. If not, I will stick to the one I currently use.” (Bhoom, older age group)

“To me, it makes sense. Quality comes with price.” (Fon, older age group)

“I prefer to buy the expensive one because I believe the pricey options are expensive for a reason. Most expensive products are the most scientifically proven to be effective and sometimes they contain rarer ingredients. (Even if expensive does not always mean better but I do not want to take a risk that might cause future damage to my face)” (Amy, older age group)

“Normally, I bought the counter brand product meaning high price. It helps reducing risk and concern.” (Tak, older age group)

“Sure, high price guarantee the good quality. I prefer buying expensive one more than cheap one.” (Namwan, older age group)

“I agree. Most expensive products use higher quality of ingredients and invest a lot in technology and innovation, so it is usually better than cheaper products.” (Nok, younger age group)

“I agree. Higher price means higher quality, but I would rather buy a small size to try before go for bigger one.” (Lilly, younger age group)

“It promises me high quality. Brand must made from high quality ingredients.” (Nan, younger age group)

While low price also tells respondents something which are in response to price signaling in the part of literature.

“I will have some concern if the product is too cheap. Is it going to do good to my skin? Something like that. I would doubt if product price were in hundred range.” (Kwan, younger age group)

“If the price lower than 700THB, I would not want to try as I think that quality might not good enough.” (Nan, younger group)

In some responses, respondents reveal that higher price does not promise quality. They would rather try lower price one before trying higher one.

“I believe that cheaper product can do a good job too. It doesn't have to be high price.” (Karn, older age group)

“There could be some truth to it in many cases that high price comes with high quality, but it's not always factually correct. I have used products that are reasonably priced and of good quality” (Jane, older age group)

“From my experience, expensive product does not always come with quality. We now expose to countless information. Everyone has the right to explore, and I found that if anyone with knowledge of facial skincare information, they can find affordable price product that comes with quality.” (Ploy, younger age group)

Respondents' experience indicates their perception toward the association between price and quality. The majority of respondents agree that, in their purchase criteria, higher price is reasonable when thinking of high quality. It also triggers their fear and concern if the product price is too low. However, there are some respondents who believe that they could find good quality with low price. The difference among two group didn't occur in aspect of price signaling.

CHAPTER V

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

This study aims to provide more understanding consumer purchase criteria of facial skincare products in Thai market. Thailand facial skincare market is among the most competitive market in APAC and in the world referring to per capita expenditure. With the ability to compete in global level, many foreign players invested in Thailand for their future growth. As a result, Thai facial skincare market consists of many major players such as Japan, Korea, USA, EU, and locals. There are obvious opportunities laying ahead in Thai facial skincare market. It is essential for brands and companies to promptly adjust to a rapidly changing business environment as well as consumers behavior.

To ensure that this study is able to provide the understanding of consumers purchase criteria toward facial skincare products, the research adopted qualitative interviews with 14 respondents whose characteristics aligned with target consumer in this market. In-depth interview was conducted so as to answer the research question. Interview questions were asked to two equally divided groups of respondents; younger age group, who age between 18-29 years old, and older age group, who age between 30-59 years old. It occurs that facial skincare products are attracted to them and frequently purchased by respondents. Due to self-image needed to be taken care of for their own confidence, respondents basically have some criteria when choosing the right standard of facial skincare products for themselves.

Based on the interview results, it appeared that the majority of respondents are using the five potential variables in their purchase criteria when considering facial skincare products. The top two purchase criteria mentioned by both groups were price

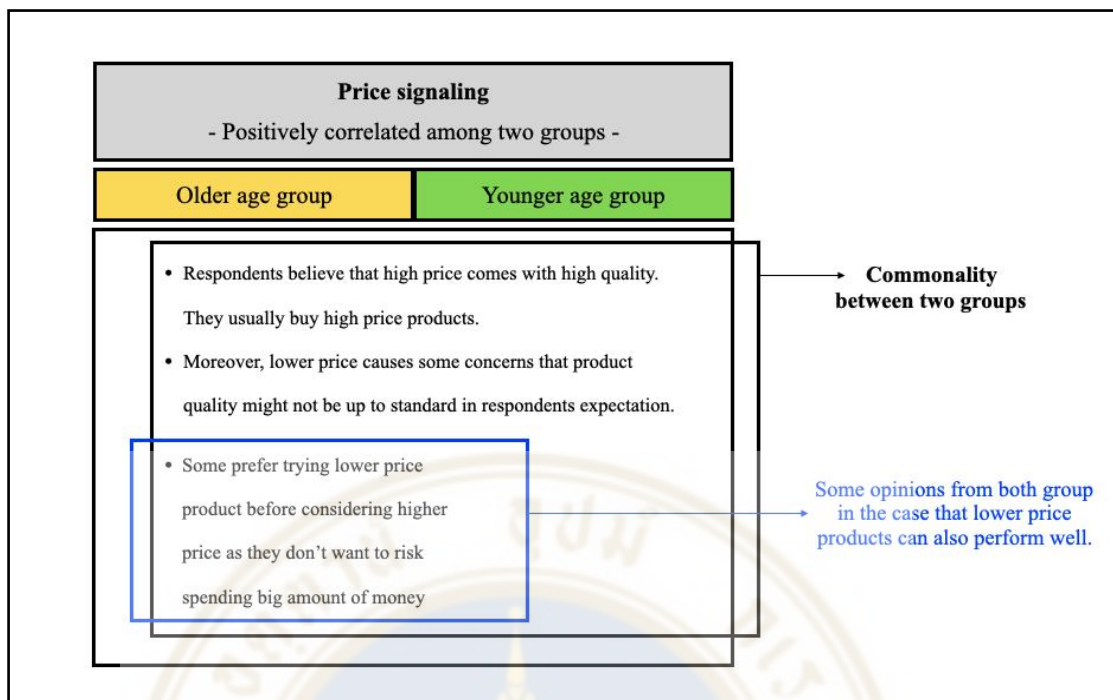


Figure 5.2 Similarities and differences result among two groups on price signaling

Alongside price signaling, respondents rely on user reviews during evaluation alternatives. The result shows that user reviews impact every respondent in decision making. Real user experience is valuable in buying process. Specifically, friends and relatives' recommendation and opinion influences respondents purchase decision. Yet, new factor has been discovered. Some respondents believe in dermatologist recommendation or scientifically proof instead of generic recommendations. The main focus of respondents lies on whether or not their skin condition match with other users so that they can learn from users' experiences. With the aid of credible online platforms, user reviews benefit both brands and consumers.

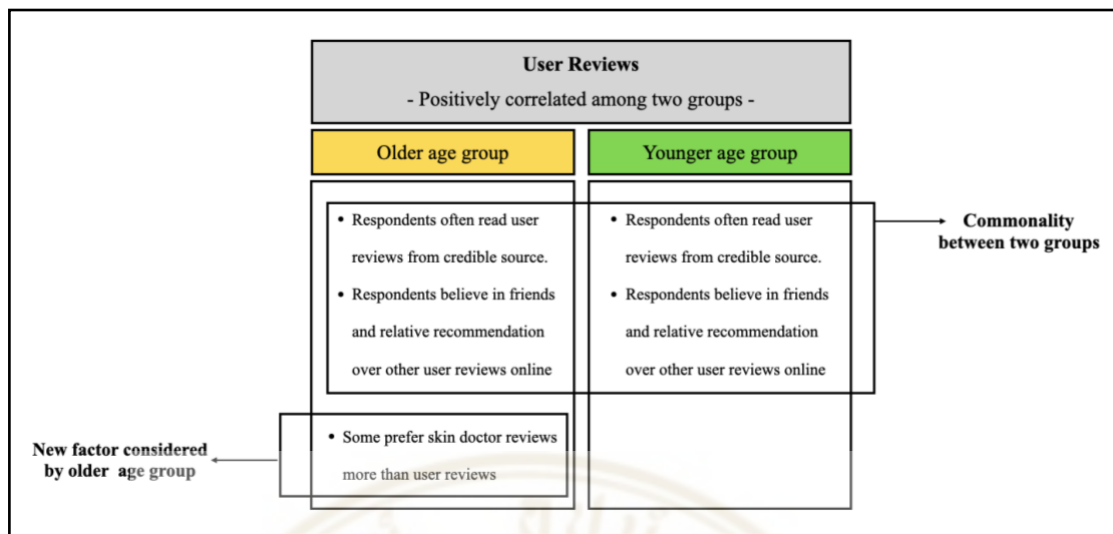


Figure 5.5 Similarities and differences result among two groups on user reviews

Furthermore, brand reputation plays a significant role in consumers perception. The result clarifies that brand reputation assures product quality along with price signaling and COO. Responses vary among respondents, however in general respondents trust in brand that has national or global reputation.

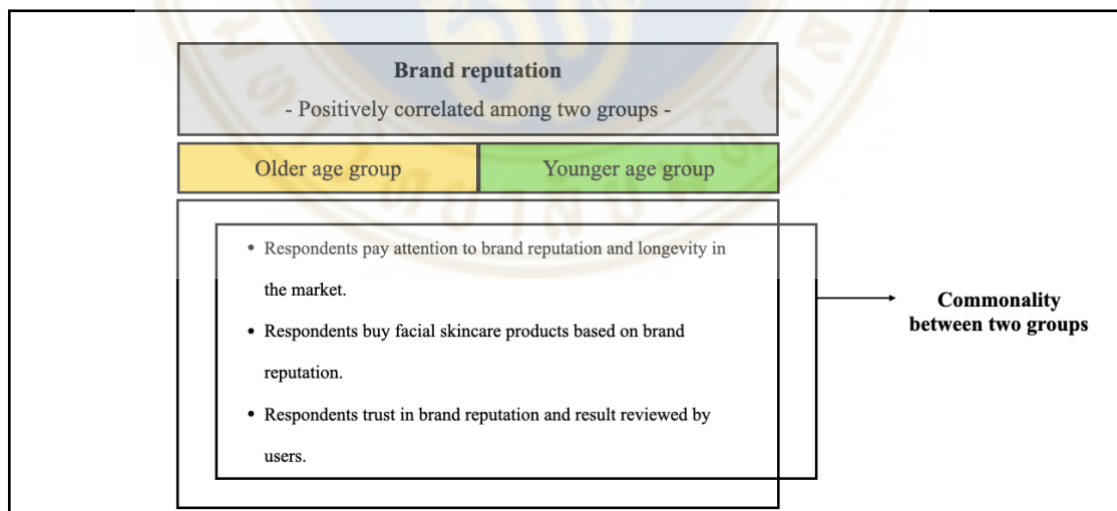


Figure 5.6 Similarities and differences result among two groups on brand reputation

In relation to brand reputation, country of origin result affects more to older age group who live longer therefore their knowledge are more extensive. Younger age group on the other hand exposes to less information and COO is out of their picture when evaluating facial skincare choices.

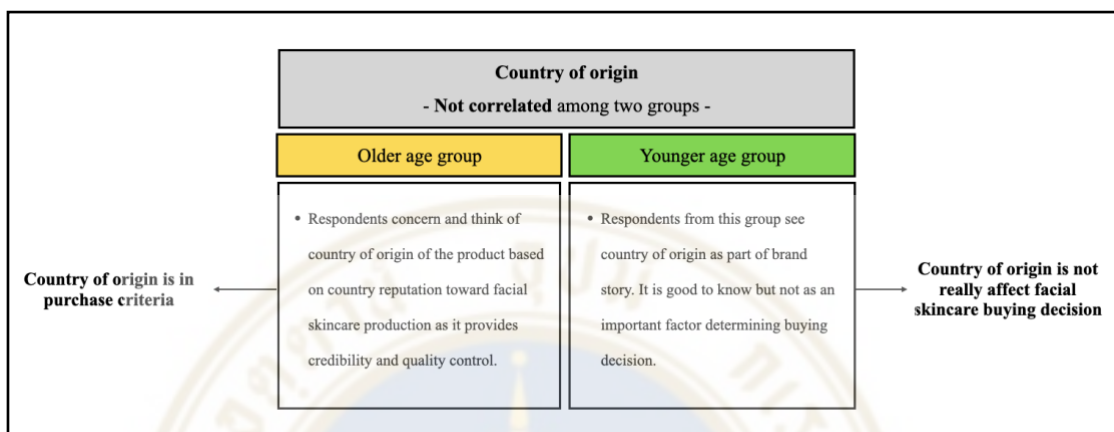


Figure 5.7 Similarities and differences result among two groups on country of origin

Lastly, in terms of respondents' opinion towards influencers, result shows that influencers affect consumers opinion lesser than expected. Even though influencer helps increase brand awareness among respondents, they don't believe influencer recommendation because of uncertainty whether influencer share real using experience or just do it for money. However, respondents who have keen interest in specific influencer might have higher chance to be influenced by influencer lifestyle as they observed influencer behavior overtime. They can be sure that facial skincare products recommended were from a real experience. they observed influencer behavior overtime. They can be sure that facial skincare products recommended were from a real experience.

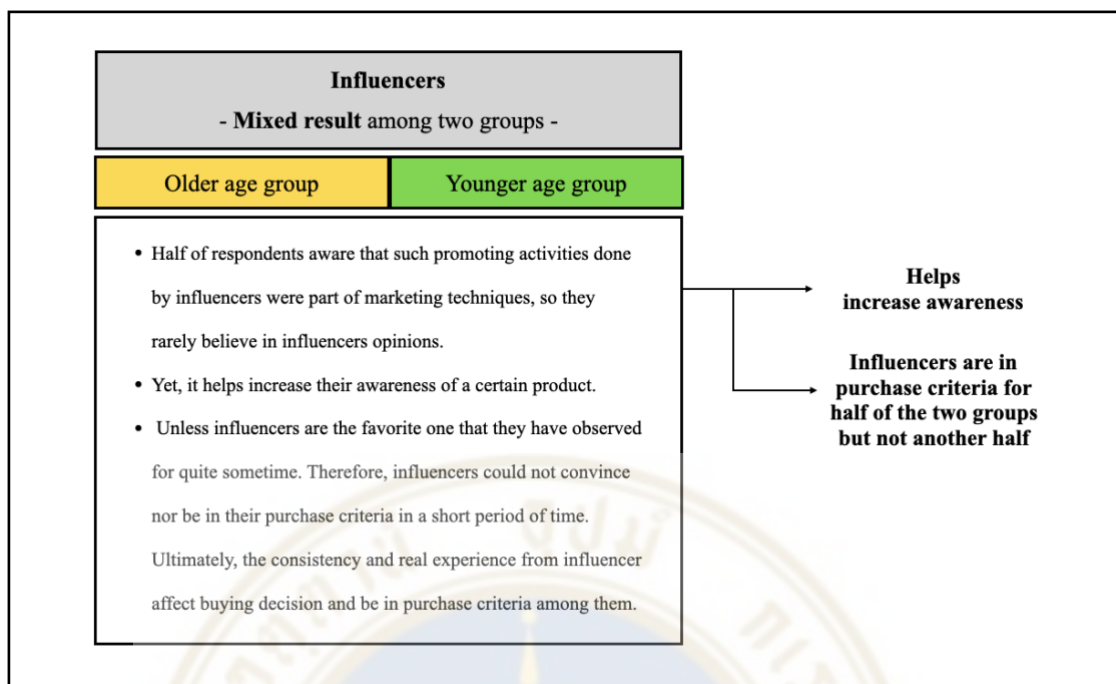


Figure 5.8 Similarities and differences result among two groups on influencers

In short, and with all proven result, it allows the conclusion that potential variables; user reviews, influencers, country of origin, brand reputation, and price signaling are interdependent within consumers purchase criteria of facial skincare products regardless of who pay attention to which one over the others. The obvious positive commonalities of both groups purchase criteria are user reviews, price signaling, and brand reputation. Respondents consider these variables when considering facial skincare products. Moreover, there was one new factor addressed which is skin doctor reviews. While attitude toward influencers promoting facial skincare was surprisingly addressed by half of respondents that influencers don't affect and aren't in facial skincare purchase criteria while others, who tend to follow their favorite influencers for long time, said that influencers affect their buying decision. The commonality is that influencers help them have more awareness towards facial skincare products. The country of origin affects the group differently. Unlike younger age group, older age group considers and pays attention to it when evaluating facial skincare products.

5.2 Recommendation

5.2.1 Practitioners and companies

The finding of qualitative research provides insightful information for beauty brands and company to thrive and be one of the brand choices that Thai women choose. Also, the finding provides the importance of consumer's purchase criteria to brand and marketing managers so as to grow and sustain in the Thai beauty market.

First, incorporating skin doctor proof or having facial skincare product tested by dermatologist could help increase product credibility and assure product result. Nowadays, consumers are exposing to huge amount of information in the online world, therefore online review from doctor is more credible than generic user reviews. Moreover, it will help clarify ingredients benefit and educate consumers. Once consumers know product benefit, they could spread the positive word on their own account as well. As a result, brands gain more profit in the end.

Second, based on finding that half of respondents are not convinced by commercial promoting by influencers as they are aware of such marketing technique used. Few times promoting was unmeasurable. Consumers could not see the clear result. It takes long time for respondents to digest and explore product information and observe result from influencer lifestyle overtime. Therefore, the suggestion proposed is to consider personality congruence between influencer and brand so as to help consumers perceive what brand stands for and relates their own personality to the brand and explore more information. Moreover, to enhance real product used, brand should set a specific plan for influencers to show duration of product used and result after using once every two weeks. By using the power of social influence, clear communication from brand needs to be addressed to both influencers and consumers. Another suggestion is to create a campaign for influencer to invite their normal friend who has skin problem to a challenge. The challenge will enable consumers to see real benefit of product and also real using experience of influencers.

Third, brand should communicate the story of the product country of origin to the right target segment, the segment of 30-59 years old customers with higher purchasing power. These group of consumers concern and see the importance of country reputation toward facial skincare. By emphasizing story of country of origin to this group, brand will penetrate to right target group and gain more profit.

5.2.2 Further research

On top of all of this, it is also suggested for the future research to conduct deeper analysis of purchase criteria by using the mixed methods research approach as well as explore more on other potential variables such as skin doctor reviews. Although the qualitative interview allows for insightful and detail-orientated data, it is difficult to measure data quality by statistical evidence. To better understand customer opinions and buying patterns, it is favorable to also make use of statistical analysis though quantitative research. Hence, the findings will be more effective and sharper.

5.3 Limitation

The empirical results reported herein should also be considered in some limitations. There are 3 major challenges in this study that could be addressed for future research comprising limited variables studied, the interview method, and time constraint. Considering variables studied in this research, consumer purchase criteria is affected by different factors such as intrinsic cues and extrinsic cues. The identified relevant literature is limited to extrinsic cues and features only five factors: user reviews, influencers, country of origin, brand reputation, and price signaling. Another challenge is the interview method. Initially in-person interview was required, however some respondents preferred online video interview and Line call. It occurs to researcher that distant interview was impersonal in nature and required the stability and speed of internet connection. In order to smoothen the interview process, readiness of internet and communication platform of both respondents and researcher must be prepared so as to continue effective interview sessions as well as interviewing in person may help researcher get more insightful information. Apart from limited variables studied and the

interview method, time constrain also present challenge that can influence research result. The timeframe conducting the study is quite limited, however researcher was able to interview 14 respondents. Researcher believes with the extended timeframe of collecting data, the researcher could get greater number of respondents.



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APPENDICES

Appendix A: In-depth interview question guide users

No	Questions	Open-ended answer
Facial skincare awareness		
1	How interested are you in skincare and taking care of your beauty?	
2	In your opinion, what is skin care products designed especially for facial skin?	
3	What is your opinion toward facial skincare in the market?	
Facial skincare experience		
4	What facial skincare products that you use daily? Why?	
5	Before starting to buy facial skincare, do you have any worries about your skin? Why?	

No	Questions	Open-ended answer
Consumption patterns		
6	How often do you buy facial skincare in a month?	
7	Where do you purchase facial skin care products from?	
8	Do you have some kind of purchase criteria for facial skincare? Can you share?	
9	During the alternative evaluation process of buying, what are you considering important to facial skincare product?	
User reviews		
10	Have you ever purchased facial skincare product based on user reviews?	
11	How important user reviews for you before buying facial skincare product?	
12	What is your opinion toward user reviews regarding the facial skincare that you have heard/read?	
13	How the opinions and recommendations of your friends affect facial skin care products you purchase?	

No	Questions	Open-ended answer
Influencers		
14	What is your opinion toward skincare that is recommended by influencers?	
15	Have you ever purchased facial skin care products based on a recommendation of a beauty professionals/influencers? Why?	
16	Can it be any influencers in the market that could influence you to buy facial skincare product? Why?	
17	Do your attitude toward facial skincare product change according to influencers?	
18	How much do you believe in facial skincare product using influencer?	
19	How would influencers' lifestyle/personal life scandals affect your purchase decision of facial skincare product in the market?	
Country of origin		
20	What do you think about facial skincare product using country of origin as the unique selling point?	
21	How important to you that facial skincare product is made in country that has the good reputation towards technological advancement/ingredient?	
22	What quality level do you infer from country of origin of facial skincare product?	

No	Questions	Open-ended answer
Brand reputation		
23	Have you ever purchased facial skincare product based on Brand reputation?	
24	How brand reputation affects your purchase decision? Can you share?	
25	Do you feel that brand reputation influences you to make a decision to buy facial skincare, can you please explain?	
Price signaling		
26	Do you feel that expensive brands of facial skin care products are better than cheaper ones?	
27	What do you think about high-priced and low-priced facial skincare product?	
28	If you don't have any idea about the brand or details of facial skincare product, would you consider buying high/low price? Why?	