THE EFFECTS OF BRAND IMAGE, PRODUCT QUALITY AND SALES

PROMOTION TO THAI CONSUMERS DECISIONS TO PURCHASE KOREAN

BRAND COSMETICS IN BANGKOK DISTRICT

THE EFFECTS OF BRAND IMAGE, PRODUCT QUALITY AND SALES

PROMOTION TO THAI CONSUMERS DECISIONS TO PURCHASE KOREAN

BRAND COSMETICS IN BANGKOK DISTRICT

Hsi Thu Pyae Sone

This Independent Study Manuscript Presented to

The Graduate School of Bangkok University

in Partial Fulfillment

of the Requirements for the

Master of Business Administration

2018

**This Independent Study has been approved by
the Graduate School
Bangkok University**

Title: THE EFFECTS OF BRAND IMAGE, PRODUCT QUALITY AND SALES
         PROMOTION TO THAI CONSUMERS DECISIONS TO PURCHASED
         KOREAN BRAND COSMETICS IN BANGKOK DISTRICT

Author: Mr. Hsi Thu Pyae Sone

Independent Study Committee:

Advisor
                    ....
                    (Asst. Prof. Dr. Kasemson Pipatsirisak)

Field Specialist
                    ....
                    (Dr. Sukontip Rattanapupan)

                    ....
                    (Suchada Chareanpunsirikul, D.B.A.)
                    Dean of the Graduate School
                    October 5, 2018

Hsi Thu, P.S. M.B.A.,2018, Graduate School, Bangkok University.

The Effects of Brand Image, Product Quality and Sales Promotion to Thai Consumers

Decisions to purchase Korean Brand Cosmetics in Bangkok District (55 pp.)

Advisor: Asst. Prof. Kasemson Pipatsirisak, D.B.A.

ABSTRACT

This research aimed to identify factors that have effect on Thai consumers

decisions to purchase Korean brand cosmetics in Bangkok District. Based on findings

of former researchers, brand image, product quality and sales promotion were chosen.

A quantitative approach was deployed. Opinions of 160 local people in Bangkok

District in 2018 were collected by questionnaire.

Statistical techniques for data analysis included descriptive and inferential

statistics which were mean, standard deviation, and multiple regression analysis. The

hypotheses were tested at the significant level of 0.05.

The findings were shown that among three factors, product quality effect to

Thai consumers decisions to purchase Korea brand cosmetics in Bangkok district.

Keywords: Korean Brand cosmetics, Decision making, Brand Image, Product quality,

Sales promotion

ACKNOWLEDGMENT

This paper could not be completed without the kind help from my beloved professors.

I would particularly express my wholehearted gratitude to my advisor Asst. Prof. Dr. Kasemson Pipatsirisak whose knowledge, wisdom, patience, and encouragement have directly contributed to the very completion of this paper.

I also want to give my sincere appreciation to all professors who taught me during these years in Bangkok University. The knowledge they offered me kept inspiring me in the process of writing this paper.

In addition, great thanks are given to my classmates and kind staffs of MBA international programme who were always ready to help.

TABLE OF CONTENTS

TABLE OF CONTENTS (Continued)

LIST OF TABLES

LIST OF TABLES (Continued)

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

1.1 Rationale and Problem Statement

At a time of uncertainty in the global environment, a growing number of Korean cosmetics companies are looking to develop new markets in Southeast Asia (Kim, 2017).In particular, with Thailand 's restrictions on K-pop and K-drama over Seoul's decision to deploy an advanced U.S. missile defense system, Korea's consumer goods manufacturers are speeding up their forays into ASEAN markets (Kim, 2017).Among them, Thailand is considered one of the attractive markets for Korean players both in its economic size and geographical location (Kim, 2017). With the launch of the AEC, Korean firms need to use Thailand as a bridgehead to enter other ASEAN countries using the country's geographical advantage (KOTRA,2017).

In Thailand, Bangkok is the capital city which is developed in political, economic and culture. Thai teenagers and young adults, in particular women in Bangkok, are influenced by Korean pop culture as is evident by the products they purchase, their fashion style, and the TV shows they choose to watch (www.blog.theasia.com). As the city of shopping there have variety of cosmetics are easily available. All these factors may affect to Thai consumers make decision to purchase Korean brand cosmetics.

Moreover, various factors were found to influence to Thai consumers decision making process of purchasing western brand cosmetics or Thai brand cosmetics or Korean brand cosmetics. Skin care products promise to give blemish-free, fair, dewy skin

are very popular. Snail cream bb cream, emulsion, toner, and serum are just some of the

Korean cosmetics products that are sold in Bangkok from high-end shopping malls to

street market (www.blog.theaisa.com). Sometimes just for marketing purpose, the

company which produced those cosmetics put the word "Korea" somewhere on the label

to make the product sound authentic. Thai people would be more willing to buy Korean

brand cosmetics because to them any skincare from Korean looks quite

promising(https://blog.theasia.com/korean-pop-culture).

Consider all of the above factors, the researcher questions will be;

(1) How brand image effect to Thai consumers decisions to purchase Korean brand

cosmetics in Bangkok District?

(2) How product quality effect to Thai consumers decisions to purchase Korean brand

cosmetics in Bangkok District?

(3) How sales promotion effect to Thai consumers decisions to purchase Korean

brand cosmetics in Bangkok District?

The result finding of the study could be used for a reference for not only operation a new

Korean cosmetics companies in Thailand but also existing Korean cosmetics companies

in Thailand to improve operation and attract more Thai consumers in Bangkok District.

1.2 Objectives of the study

The objectives of the study are as follow;

(1) To investigate the effects of brand image to Thai Consumers decisions to purchase

Korean cosmetic in Bangkok District.

(2) To investigate the effects of product quality to Thai Consumers decisions to purchase Korean cosmetic in Bangkok District.

(3) To investigate the effects of sales promotion to Thai Consumers decisions to purchase Korean cosmetic in Bangkok District.

1.3 Contribution of Study

Identifying possible factors that could affect Thai consumers decision making on purchasing Korean cosmetics in Bangkok District. This research would help Korean cosmetics company in Thailand when they would like to improvement their Thai consumers.

CHAPTER 2

LITERATURE REVIEW

2.1 Previous Study and Hypothesis

Nowadays, brand is very important for every business, Nilson (1998) contends that a brand is the key that can lead your business winning or losing in the market and strong brand can make your business success. Nevertheless, brand image is important because they act as the communication tool and it can add values to your product or service, Ellwood (2000, p.17) stated that 'there is the aura surrounds a product or service that communicates its benefits and differentiates it from competition for the consumers'.

The relationship between brand image and customer decision has been studied extensively Kotler (2000) defined brand is a name, symbol, and it used to distinguish one's products and others from competitors. 8 Ellwood (2000) defined brand acts as a kind of flag; it can send a message to consumers and creating awareness of the product and make consumers feel different from other competitors.

Kotler and Keller (2009) described brand image as the perceptions and beliefs held by consumers about the brand. In today's dense marketplace, consumers often decide to purchase brands based on their image or identity. The identity of a brand is central to the brand's strategic vision since it embodies the basic characteristics that will sustain it over time; just as a person's identity provides direction, purpose and meaning (Aaker, 1996). Thus, a brand's identity is the sum of unique associations that consumers have when confronted with the brand (Keller, 2003). Corporate image in the service

marketing literature was early identified as an important factor in the 15overall evaluation of the service and the company. Corporate image is a filter which influences the perception of the operation of the company**.**

Brand can make consumers to recognize a product or service and consumers can evaluate the expectation from product or service such as quality of the product or service and it lead to brand image of our business that consumers expected also (Thakor and Katsanis, 1997). Nilson (1998), showed that brand not only a symbol, flag or only name, brand is also represented trust. Trust is the one part in successful branding and from the perspective of the customers and suppliers. Nilson also stated 'Trust adds value to the 9 relationship and trust bought potentially important benefits to both sides'. High level of trust can bring benefits for your company and also for your customers. Brands can play in peoples' mind. If someone thinks one kind product then your brand being first in their mind, it shown that your brand becomes success.

The brand that come first in customers' mind which mean it got the height recognition and always come fist on shopping-list (Nilson, 1998, p.21). If we loss in customers mind. It meant that we loss of leadership, profitability and also market shares for competitors. Nilson (1998, p.21) shown that 'IBM was once the choice for a computer, today's Microsoft for PC software, Intel for PC processors, AppleMac for graphics and IBM for large computers'. IBM loss in leadership also in market shares to competitors.

Keller (1993), held the opinion that brand equity came from the customers' confidence in a brand. The greater the confidence they place in the brand, the more likely they are willing to pay a high price for it.

This emphasizes the important of brand image effect on Thai consumers decision to purchase Korean brand cosmetics in Bangkok District. Hence, the following hypotheses are proposed;

Hypothesis 1: The Brand image can affect Thai consumers decisions to purchase Korean Brand cosmetics in Bangkok District.

Aaker (1991) defines product quality as what customers perceive the product's overall quality or when they prefer a product or service to its alternatives for a particular purpose. John and Winchell (1989) defined the product features as in the part of product quality which is characteristic, design or a set of features of a good or service that can determine its ability to satisfy the need of customer. There are five aspects of quality in a business context:

Producing: Providing something

Checking: confirming that something has been done correctly

Quality control: controlling a process to ensure that the outcomes are predictable

Quality management: directing an organization so that is it optimizes its performance therogh analysis and improvement

Quality Assurance: obtaining confidence that a product or service will be satisfactory. (Normally performed by a purchaser).

Product quality is a critical element for consumer decision making: consequently, consumers will compare the quality of alternative with regard to price within a category (Jin and Yong, 2005). Product quality is directly related to the reputation of the firm that manufactures that product. However, National Quality Research Center or NQRC (1995) defined product quality as the degree to which a product provides key customer requirements (customization) and how reliably these requirements are delivered (reliability). Consumers often judge the quality of a product on the basis of a variety of informational cues that they associate with the product. Some of these cues are intrinsic to the products. As defined by Zeithaml (1988b), cues that are intrinsic concern physical characteristics of the products itself, such as product's performance, features, reliability, conformance, durability, serviceability and aesthetics. Product quality has direct impact on customer purchase decision and brand loyalty, especially during the time customers have less or no information of the products that they are going to purchase (Aaker, 1991; Armstrong and Kotler, 2003).

According to Lee and Tai (2009), marketing manager should be able to implement marketing strategies and activities as to promote consumers perceptions of higher product quality. In addition to the above dimensions, the country of origin of

products and technology are the attributes of the product quality perception of COO considered by consumers when deciding to purchase a product.

This emphasizes the important of product quality effect on Thai consumers decision to purchase Korean brand cosmetics in Bangkok District. Hence, the following hypotheses are proposed;

Hypothesis 2: The product quality can affect Thai consumers decision to purchase Korean Brand cosmetics in Bangkok District.

Certain studies point out that consumers always respond to discount campaigns. Promotions focused on prices are based on transactional incentives that provide immediate rewards and utilitarian benefits (Chandon et al., 2000; Kwok & Uncles, 2005).

Promotion refers to raising customer awareness of a product or brand, generating sales, and creating brand loyalty (Mulhern, 2009). It is one of the four basic elements of the market mix, which includes the four P's: price, product, promotion, and place. Promotion is also defined as one of five pieces in the promotional mix or promotional plan. These are personal selling, advertising, sales promotion, direct marketing, and publicity. A promotional mix specifies how much attention to pay to each of the five factors, and how much money to budget for each (Mulhern, 2009).

Fundamentally, there are three basic objectives of promotion. These are: to present information to consumers and others, to increase demand, to differentiate a

product. The purpose of a promotion and thus its promotional plan can have a wide range, including: sales increases, new product acceptance, creation of brand equity, positioning, competitive retaliations, or creation of a corporate image (Mulhern, 2009). The term promotion is usually an "in" expression used internally by the 13marketing company, but not normally to the public or the market, where phrases like "special offer" are more common.

Promotion can be done by different media, namely print media which includes newspaper and magazines, electronic media which includes radio and television, digital media which includes internet, social networking and social media sites and lastly outdoor media which includes banner ads, OOH (out of home). Digital media is a modern way of brands interacting with consumers as it releases news, information and advertising from the technological limits of print and broadcast infrastructures. Mass communication has led to modern marketing strategies to continue focusing on brand awareness, large distributions and heavy promotions (Mulhern, 2009). The fast paced environment of digital media presents new methods for promotion to utilize new tools now available through technology. With the rise of technological advances, promotions can be done outside of local contexts and cross geographic borders to reach a greater number of potential consumers. The goal of a promotion is then to reach the most people possible in a time efficient and cost-efficient manner (Mulhern, 2009).

As to promotions that are not focused on price, benefits are not always related to short-term sales increase (Oly Ndubisi & Tung Moi, 2005). However, they may be related to entertainment and actions aimed at long-term periods, such as brand

strengthening (Chandon et al., 2000; Kwok & Uncles, 2005). Certain promotions that are not focused on prices have sales as their primary objective, while others are interested in promoting brand communication (Lee, 2002).

As previously stated, sales promotions are divided into two groups: a) Promotion focused on price/monetary, b) Promotion not focused on price/nonmonetary. Monetary promotions are preferred by consumers and are the most used in the market besides being the most exploited academically (Gilbert & Jackaria, 2002). Thus, the strongest short-term effects for monetary promotions (e.g., purchase intention) over long-term effects (e.g., brand assessment) are observed and ratified. For non-monetary promotions, the opposite behavior is observed. Research carried out by Lee (2002), Campbell and Diamond (1990) and Gilbert and Jackaria (2002) reinforce and consolidate these assumptions).

This emphasizes the important of sales promotion effect on Thai consumers decision to purchase Korean brand cosmetics in Bangkok District. Hence, the following hypothesis are proposed;

Hypothesis 3: Sales promotion can affect Thai consumers decision to purchase Korean cosmetics in Bangkok District.

2.2 Conceptual Frame Work

Due to previous studies, a comprehensive aggregation factors such as brand image, product quality, sales promotions have impact on Thai consumer's decision on purchasing Korean cosmetics in Bangkok District.

This study sums up as "brand image", "product quality" and "sales promotion".

Therefore, the conceptual frame work of this study presents as below;

Brand Image

Product Quality

Thai Consumers Decision to purchase Korean brand cosmetics in Bangkok District
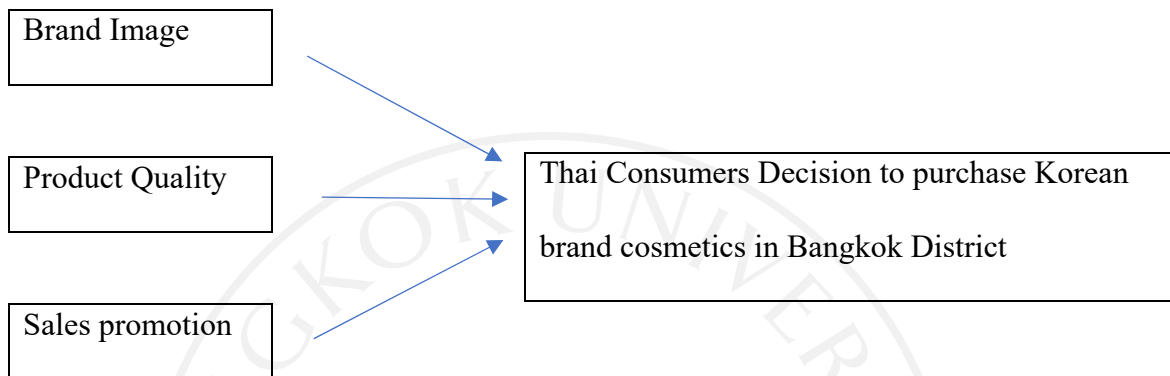
Sales promotion

Figure 2.1: The Relationship between brand image, product quality and sales promotion
and Thai consumers decisions to purchase Korean brand cosmetics in
Bangkok District.

CHAPTER 3

RESEARCH METHODOLOGY

3.1 Research Design

The present research has applied the technique of quantitative research to attain the purpose of the study. The questionnaire, which was used as the research instrument, was constructed by applying the related theories and approved by the expertise. The samples of the research were selected from the population which include the people who had the direct experiences of using or week understanding of the product specified by this study. Moreover, the samples were randomly selected regarding purposive sampling method. The statistical techniques used for data analysis and interpretation included descriptive and inferential statistics. The details as mentioned above were describes as these followings.

3.2 Sample and Sampling Method

The 160 samples calculated by applying an equation proposed by using G*Power program (Cohen,1971).

The population of the study is local people of Bangkok District in 2018 who have experience in using or purchase Korean brand cosmetics recently in one year.

3.3 Research Instrument

The research designed the questionnaire as the research instrument by applying the explanations and evidences of the related theories and the precious research findings. The questionnaire which consisted foe four parts were as follows:

Part 1: The close-ended demographic questions consisted of gender, age, frequency and income.

Table 3.1: The questions of demographic data

Gender	1. male	Nominal
	2. female	
Age	1. 18 years and below	Ordinal
	2. 18 years to 25 years	
	3. 26 years to 35 years	
	4. 36 years to 45 years	
	5. 46 years to 55 years	
	6. 56 years and above	
Frequency purchase Korean cosmetics (recent in one year)	1. Once in every month	Ordinal
	2. Once in every two months	
	3. Once in every four months	
	4. Once in every six months	
	5. Once in a year	

(Continued)

Table 3.1(Continued): The questions of demographic data

Income	1. Under 10000THB	Ordinal
	2. 10001-20001 THB	
	3. 20001-30001THB	
	4. 30001-Above THB	

Part 2: The close-ended questions about independent variables and dependent variables consists of brand image, product quality, sales promotions and were divided into 15 headings as follow:

Table 3.2: The questions of brand image, product quality and sales promotion

Brand Image	The Korean brand cosmetics have innovative, gentle ingredients, pleasing packaging and be good for skin
	The Korean brand cosmetic prices are reasonable and value
	The Korean brand cosmetics have more reputation on health, hydration and preferred lack of pigment
	The Korean brand cosmetics can make the users better personality

(Continued)

Table 3.2 (Continued): The questions of brand image, product quality and sales

promotion

Brand Image	The Korean brand cosmetics have various choices of products to different skin types
	The Korean brand cosmetics can easily available in both online shopping websites and cosmetics stores
Product quality	The Korean brand cosmetics have natural and pure ingredients
	The Korean brand cosmetics really affects skin improvement
	The Korean brand cosmetics do not have side effects to skin
	The Korean brand cosmetics have attractive and protecting package
	The Korean brand cosmetics are approved by acceptable association
Sales Promotion	Sales promotion can draw your attention to find the Korean brand cosmetics
	Sales promotion can draw your interaction to follow the Korean brand cosmetics product information
	Sales promotion can draw your desire to use the Korean brand cosmetics

(Continued)

Table 3.2 (Continued): The questions of brand image, product quality and sales

promotion

Sales Promotion	Sales promotion can draw your action to buy the Korean brand cosmetics

Part 3: The close-ended questions about independent variables and dependent

variables consists of decision making and were divided into 5 headings as follow:

Table 3.3 The questions of decision making

Decision Making	You have high intension to buy Korean brand cosmetics
	You usually make your decision to buy Korean brand cosmetics
	You usually make your decision to buy Korean brand cosmetics for next purchase
	You usually make your decision to buy Korean brand cosmetics after getting enough information
	You usually make your decision to buy Korean brand cosmetics because of your trust in the product

Regarding part 2 and Part 3, the researcher exercised on liker's 5-point scale for

measuring the statistical mean range for mean interpretation as follows:

Range= <u>Maximum- Minimum</u>

Scale level

= <u>5-1</u> = 0.80

5

Table 3.4: The range of Meaninterpartation

Range	Interpretation
1.00-1.80	Strongly disagree/High important
1.81-2.61	Rather disagree/Rather important
2.62-3.42	Moderate/Mondale important
3.43-4.23	Rather agree/Rather low important
4.24-5.00	Strongly agree/Low important

3.4 Reliability and Content Validity

The value of Cronbach alpha coefficient was conducted for measuring the reliability of the questionnaire. Consequently, the questionnaire would be approved when the alpha value must be 0.7-1.00. The researcher conducted a pilot kept for this concern by using 30 qualified people who were not in the group of samples of this study.

Questions of the questionnaire are constructed on the base of previous researchers given above and was approved by author's advisor Asst. Prof. Dr Kasemson Pipatsirisak. Those assure the content validity of this research.

Table 3.5: The pretest of Cronbach's alpha of the questionnaire (Pretest).

The result of 30 samples		
Variables	Cronbach's alpha	Interpretation
All parts	0.932	Very High
Product Analysis	0.888	Very High
Physical Envoriment	0.881	Very High
Culture Awareness	0.890	Very High
Decision Marking	0.813	Very High

All the Cronbach's alpha is higher than 0.7 which means the questionnaire is reliable. After pretest, the researcher collected 160 samples of Thai consumers in Bangkok district of 2018. The researcher used 160 samples to test Cronbach's alpha.

Table 3.6: The Cronbach's alpha of the questionnaire (Total)

The result of 160 samples		
Variables	Cronbach's alpha	Interpretation
All parts	0.930	Very High

(Continued)

Table 3.6 (Continued): The Cronbach's alpha of the questionnaire (Total)

Product Analysis	0.862	Very High
Physical Environment	0.980	Very High
Culture Awareness	0.899	Very High
Decision Making	0.863	Very High

All the Cronbach's alpha is higher than 0.7 which means the questionnaire is reliable. The content validity is approved by Asst. Prof. Dr Kasemson Pipatsirisak.
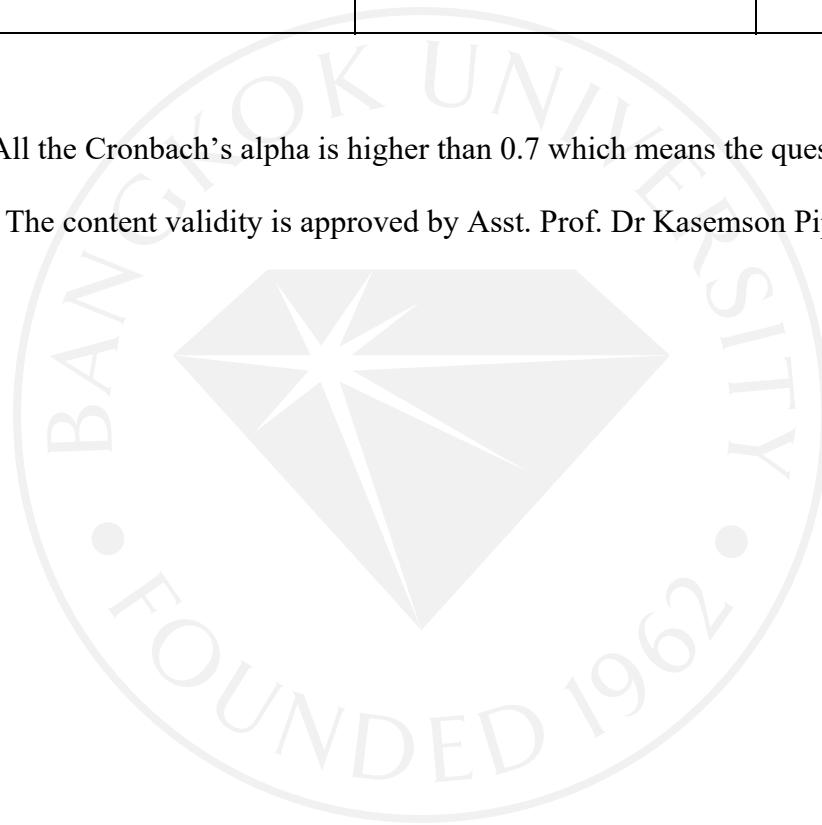
CHAPTER 4

RESEARCH RESULTS

4.1 Summary of Demographic Data

The research finding of this part presented the respondents' personal data including gender, age, frequency purchase and income. The statistical techniques used for data analysis were percentage ratio and frequency counting. The findings were presented in Table 4.1.

Table 4.1: Summary of Demography data (n=160)

Demographic Data	Frequency	Percentage
Gander		
Male	110	68.8
Female	50	31.3
Total	160	100.0

(Continued)

Table 4.1(Continued): Summary of Demography data (n=160)

Age		
18 and below	60	37.5
18-25	0	0
26-35	92	57.5
36-45	8	5.0
46-55	0	0
56 and above	0	0
Total	160	100.0
Frequency purchase		
once in every month	17	10.6
once in every two months	34	21.3
once in every four months	32	20.3
once in every six months	8	5.0

(Continued)

Table 4.1(Continued): Summary of Demography data (n=160)

once in a year	69	43.1
Total	160	100.0
Income		
under 10000 THB	78	48.8
10001-20001 THB	56	35.0
20001-30001 THB	21	13.1
30001 THB and above	5	3.1
Total	160	100.0

Table 4.1 illustrated that most respondents were male (68.8%), aging between

(26-35) years (57.5%), purchase Korean Brand cosmetics once in a year (43.1%) and the

income salary under 1,0000 THB (48.8%).

4.2 Result of research variables

From the second to third part, all questions are used 5-point scale method. Each

question would be marked from 1 to 5. Determined as "1=Strongly disagree, 2=Disagree,

3= Neutral, 4=Agree and 5=Strongly agree". As this survey adopts 5-point scale questions, the average level of influencing factors will be defined as follow,

Average score from 1.00 to 1.80 refer to strongly disagree

Average score from 1.81 to 2.60 refer to disagree

Average score from 2.61 to 3.40 refer to neutral

Average score from 3.41 to 4.20 refer to agree

Average score from 4.21 to 5.00 refer to strongly agree

Table 4.2: The Mean and standard deviation of the effects of brand image to Thai consumers decisions to buy Korean brand cosmetics in Bangkok district (N=160).

Brand Image	Mean	Std. deviation	Interpretation
Innovative	3.56	1.169	Agree
Value Price	3.71	0.763	Agree
Reputation	3.84	0.858	Agree
Better Personality	3.89	1.140	Agree
Various Choice	3.99	1.162	Agree
Easily available	4.26	0.865	Agree

Table 4.2 showed that most respondents strongly agreed that brand image should be concern with easily available (Mean=4.26, Std. deviation=0.865). Moreover, the respondents rather agree that brand image should be concern with various choice (Mean=3.99, Std deviation=1.162), better personality (Mean=3.89, Std deviation=1.140), reputation (Mean=3.84, Std deviation=0.858), value price (Mean=3.71, Std deviation=0.763) and innovative (Mean=3.56, Std deviation=1.169) respectively.

Table 4.3: The Mean and standard deviation of the effects of product quality to Thai consumers decisions to buy Korean brand cosmetics in Bangkok district (N=160).

Product Quality	Mean	Std. Deviation	Interpretation
Natural Ingredients	3.65	0.754	Agree
Skin Improvement	3.85	0.926	Agree
Side effect to skin	3.06	0.888	Agree
Attractive Package	4.04	0.834	Agree
Approve	4.03	0.911	Agree

Table 4.3 showed that most respondents agreed that product quality should be concern with attractive package (Mean=4.04, Std. deviation=0.834), approve (Mean=4.03, Std deviation= 0.911), skin improvement (Mean=3.85, Std deviation=0.926) and natural ingredients (Mean=3.65, Std deviation=0.754) respectively.

Moreover, some respondents refer to moderate that product quality should be concern with side effect to skin (Mean=3.06, Std deviation= 0.888).

Table 4.4: The Mean and standard deviation of the effects of product quality to Thai consumers decisions to buy Korean brand cosmetics in Bangkok district (N=160).

Sales Promotion	Mean	Std. Deviation	Interpretation
Attention	3.34	1.098	Disagree
Interaction	3.35	1.161	Disagree
Desire	3.64	0.764	Agree
Action	3.77	0.864	Agree

Table 4.4 showed that most respondents agreed that sales promotion should be concern with action (Mean=3.77, Std deviation=8.864) and desire (Mean=3.64, Std deviation=0.764). Moreover, the respondents refer to moderate that sales promotion should be concern interaction (Mean=3.35, Std deviation=1.161) and attention (Mean=3.34, Std deviation=1.098) respectively.

Table 4.5: The mean and standard deviation of making decision (N=300).

Decision Making	Mean	Std Deviation	Interpretation
Intension	3.40	1.071	Disagree
Decision	3.29	1.038	Disagree
Next purchase	3.34	1.115	Disagree
Enough Information	3.81	1.041	Agree
Trust Product	3.51	0.918	Agree

Table 4.5 showed that most respondents agree that decision making should be concern with enough information (Mean=3.81, Std deviation=1.041) and trust product (Mean=3.51, Std deviation=0.918). Moreover, the respondents refer to moderate that decision making should be concern with intension (Mean=3.40, Std deviation=1.071), next purchase (Mean=3.34, Std deviation=1.115) and decision (Mean=3.29, Std deviation=1.038) respectively.

Table 4.6: The summary of Mean and Standard deviation of all variables

Variables	Mean	Std. deviation	Interpretation
Brand Image	3.88	0.993	Agree

(Continued)

Table 4.6: The summary of Mean and Standard deviation of all variable

Product quality	3.73	0.864	Agree
Sales Promotions	3.53	0.972	Agree
Decision Making	3.47	1.037	Agree

4.3 Relationship between brand image, product quality, sales promotion and Thai consumers decisions making.

The research finding of this part presented the relationship in terms of the degree of the effect of brand image, product quality and sales promotion on Thai consumers decisions to purchase Korean brand cosmetics in Bangkok district. The Multiple Regression Analysis was used for analyzing such relationship. The findings were presented in Table 4.7 as follow.

Table 4.7: The relationship between brand image, product quality and sales promotion and decision making

Independent Variables	B	Std. Error	Beta	t	Sig.

(Continued)

Table 4.7 (Continued): The relationship between brand image, product quality and sales

promotion and decision making

Brand Image	0.143	0.104	0.166	1.440	0.152
Product Quality	0.543	0.123	0.469	4.400	0.000
Sale Promotions	-0.031	0.093	-0.026	-0.336	0.737

Adjusted R-square= 0.346, df (3), (156), (159), F=29.021, *p≤0.000

*Significant at 0.05 level

From Table 4.7, the value of the adjusted R2 can explain that the product attributes have moderate prediction power 34% of total decision making. The brand image (β=0.166) had not affected on the decision making (P≤0.05).

Therefore, the hypothesis 1 was not accepted. The significant level is at 0.05.

From Table 4.7, the value of the adjusted R2 can explain that the product quality has moderate prediction power 34% of total decision making. The product quality (β=0.469) had positively affected on the decision making (P≤0.05).

Therefore, the hypothesis 2 was accepted. The significant level is at 0.05.

From table 4.7, the value of adjusted R2 can explain that sales promotion has moderate prediction power 34% of total decision making. The sales promotion (β=-0.336) had not affected on the decision making (P≤0.05).

Therefore, the hypothesis 3 was not accepted. The significant level is at 0.05.

Among the influence of brand image (β=0.166), product quality (β=0.469) and sales promotion (β=-0.336), brand image effects to Thai consumers decisions to purchase Korean brand cosmetics in Bangkok district. After hypothesis testing, the Table 4.8 is the result of Hypothesis.

Table 4.8: The summary of Hypothesis testing and results.

Hypothesis	Result
Hypothesis 1: Brand image can affect to Thai consumers decision to purchase Korean brand cosmetics in Bangkok district	Rejected
Hypothesis 2: Product quality can affect to Thai consumers decision to purchase Korean brand cosmetics in Bangkok district	Accepted
Hypothesis 3: Sale promotions can affect to Thai consumers decision to purchase Korean brand cosmetics in Bangkok district	Rejected

CHAPTER 5

DISCUSSION

5.1 Research Findings and Conclusion

This research aims to identify possible effect of some qualitied of Korean brand cosmetics on Thai consumers decisions making to purchase Korean brand cosmetics in Bangkok district. According to the previous literatures, brand image, product quality and sales promotion were chosen as factors to study. The 160 Thai people who had experience of use or purchase Korean brand cosmetics at least once in a year in 2018 were asked to offer their thinking and opinions upon the factors. The questionnaire was collected by participants opinion and the data was analyzed according to quantitative approaches.

Due to the statistic, hypotheses were approached as below.

1. The brand image cannot affect to Thai consumers decision to purchase Korean brand cosmetics in Bangkok district.

2. The product quality can affect to Thai consumers decision to purchase Korean brand cosmetics in Bangkok district.

3. The sales promotion cannot affect to Thai consumers decision to purchase Korean brand cosmetics in Bangkok district.

Innovative, value price, reputation, better personality, various choice and easily available of Korean brand cosmetics all not influence on Thai consumers decisions making. Regarding natural ingredients, skin improvement, side effect to skin, attractive package and approve of Korean brand cosmetics all influence in Thai consumers decision making. As the sales promotion factors of Korean brand

cosmetics, attention, interaction, desire and action all not influence to Thai consumers decision making.

5.2 Discussion

The recognition of brand image's effect on Thai consumers decision to purchase Korean brand cosmetics in this research not conform to former researchers' emphasis on describe brand image as the perception and the beliefs held by consumers about the brand (Kotler and Keller,2009). This research also not conform on brand can make consumers to recognize a product or service and consumers can evaluate the expectation from product or service such as quality of the product or service and it lead to brand image of our business that consumers expected also (Thakor and Katsanis, 1997) , the brand that come first in customers' mind which mean it got the height recognition and always come fist on shopping-list (Nilson, 1998, p.21) and brand equity came from the customers' confidence in a brand Keller (1993).

The finding that product quality effect on Thai consumers decision making to purchase Korean brand cosmetics in Bangkok is consonance with (Aaker, 1991) uncovered on their research that Product quality has direct impact on customer purchase decision and brand loyalty, especially during the time customers have less or no information of the products that they are going to purchase, Lee and Tai (2009), marketing manager should be able to implement marketing strategies and activities as to promote consumers perceptions of higher product quality.

The finding that sales promotion effect to Thai consumers decision to purchase Korean Brand cosmetics in Bangkok district not conform to researcher (Mulhern, 2009) Promotion refers to raising customer awareness of a product or

brand, generating sales, and creating brand loyalty and (Davis, Inman, & McAlister, 1992; Nijs, Taylor & Neslin, 2005) certain studies point out that consumers always respond to discount campaigns.

The three contributors identified in this research as known as brand image, product quality and sales promotion effect to Thai consumers decision making, are not only about deciding to buy Korean brand cosmetics as skin cares but choosing Korean brand cosmetics among many others countries' cosmetics brands.

This study has limitations ascribed to sampling method. Random sampling was adopted in recruiting participants. That avoids subjective influences from researcher on data resources with a risk of misrepresenting Thai consumers as a group. Alone with that, the sample size could be larger to get a more accurate result considering the population of Chinese visitor.

5.3 Managerial Implementation

This research confirms a fascinate picture for operators relate to cosmetics business in Thailand, such as market manager, band manager, public relation manager. Purchasing Korean brand cosmetics as a rigid demand of increasing Thai consumers assure benefit to them.

According to this research, product quality is the domain that they should keep making improvements to attract Thai consumers in Bangkok district. It is recommended that managers to watch Thai consumers satisfaction index on product quality.

Considering Korean brand cosmetic companies, they should concern on product quality as using natural ingredients those could noticeably show skin improvement. Focusing on packaging, get the feedbacks from consumers about side

effects and skin improvements should be highlighted in promoting Korean brand cosmetics to Thai consumers.

5.4 Future Research

As brand image effect on Thai consumers to purchase Korean brand cosmetics in Bangkok district, it is clear that purchasing demand is also a driven factor for them to purchase Korean brand cosmetics in Bangkok district. In other word, Thai consumers focus on product quality on their decisions making process. Therefore, managers could improve and always control product quality on improving customer satisfaction.

In addition, researches could be conducted to dig into Thai customers' psychological level in order to see the reason of their insistence on purchasing demand in deciding purchase Korean brand cosmetics as well as to see if consumers from other country/culture own the same concern in decision making.

BIBLIOGRAPHY

Aaker, D. A. (1991). *Managing Brand Equity: Capitalizing on the Value of a Brand Name*. New York: Free.

Chandon, A. (2000). *A Benefit Congruency Framework of Sales Promotion Effectiveness*. London: Business School.

Campbell, L., & Willian, D. (1990). Framing and Sales Promotions: The Characteristics of a ″Good Deal″. *Journal of Consumer Marketing*, 7 *(4),* 25-31.

Inman, J., & McAlister, L. (1992). Promotion has a negative effect on brand evaluations or does it. *Journal of Marketing Research, 29 (February1992)* ,143-8.

Ellwood, I. (2000). *The essential brand book: over 100 techniques to increase brand value*. London. UK: Kogan page.

Gilbert, D., & Jackaria, N. (2002). The efficacy of sales promotions in UK supermarkets: a consumer view. *International Journal of Retail & Distribution Management, 30 (6),* 315-322.

Jin, B., & Yong, G. (2005). Emerald Insight: Integrating effect of consumer perception factors in predicting private brand purchase in a Korean discount store context. *Journal of consumer marketing, 22 (2),* 62-71.

Kim, J. (2017). The Asean Post: S.Korean cosmetics maker targets Southeast Asian markets. South Korean: The Asean Post.

Keller, K. (2009). *Strategic Brand Management: Building. Measuring and Managing Brand Equality* (3rd ed.). USA: Cengage Learning Business Press.

Kim, E., Sung, Y., & Kang, H. (2014). Brand followers' rewetting behavior on Twitter: How brand relationships influence brand electronic word-of-mouth. *Journal of computers in Human Behavior, 37 (0747),* 18–25.

Kotlra, P., & Keller, K. L. (2009). Customer satisfaction, productivity, and profitability: differences between goods and services. *Journal of Marketing Science, 16 (2),* 129-45.

Kotler, P. (2000). *Marketing Management: Analysis. Planning. Implementation. and Control* (10th ed.). New Jersey: Prentice-Hall.

Kwok, K., & Mark, U. (2005). Sales promotion effectiveness: the impact of consumer differences at an ethnic-group level. *Journal of Product and Brand Management, 14 (3),* 170-186.

Lee, J. W., & Tai, S. W. (2009). Determinants of product quality perceptions and their application to marketing standardization: The case of the automobile in Kazakhstan. *International Journal of Emerging Markets, 4 (2),* 119-136.

Mulhern, F. (2009). Integrated marketing communications: From media channels to digital connectivity. *Journal of marketing communication, 15 (2),* 85-101.

Nilson, T. H. (1998). *Competitive branding: winning in the market place with value-added brands*. New York: John Wiley.

Nelson, O. N., & Tung, M. C. (2005). Customers behaviourial responses to sales promotion: the role of fear of losing face. *Asia Pacific Journal of Marketing and Logistics, 7 (1),* 32-49.

Taylor, K., & Neslin, A. (2005). Relationship between multiple CRM activities in retail and customer performance: The moderating effects of brand loyalty and variety seeking behavior. *International Journal of Marketing and Distribution, 2 (2),* 37-52.

Thakor, M. V. & Katsanis, L. P. (1997). A Model of Brand and Country Effects on Quality Dimensions: Issues and Implication. *Journal of International Consumer Marketing, 9 (3).* 79-100.

Zeithaml, B. (1988). How consumer perception of price, quality and value: a mean-end model and synthesis of evidence. *Journal of Marketing*, *52(3),* 2-2.

Zhang, Y. (2015). The Impact of Brand Image on Consumer Behavior: A Literature Review. *Journal of Business and Management, 3*, 58-62.

Zeng, W. Y., & Huang, B. Y. (2005) Analysis on the Reliability and Validity of Questionnaire. *Journey of Xiamen University, 5(11),* 11-15.
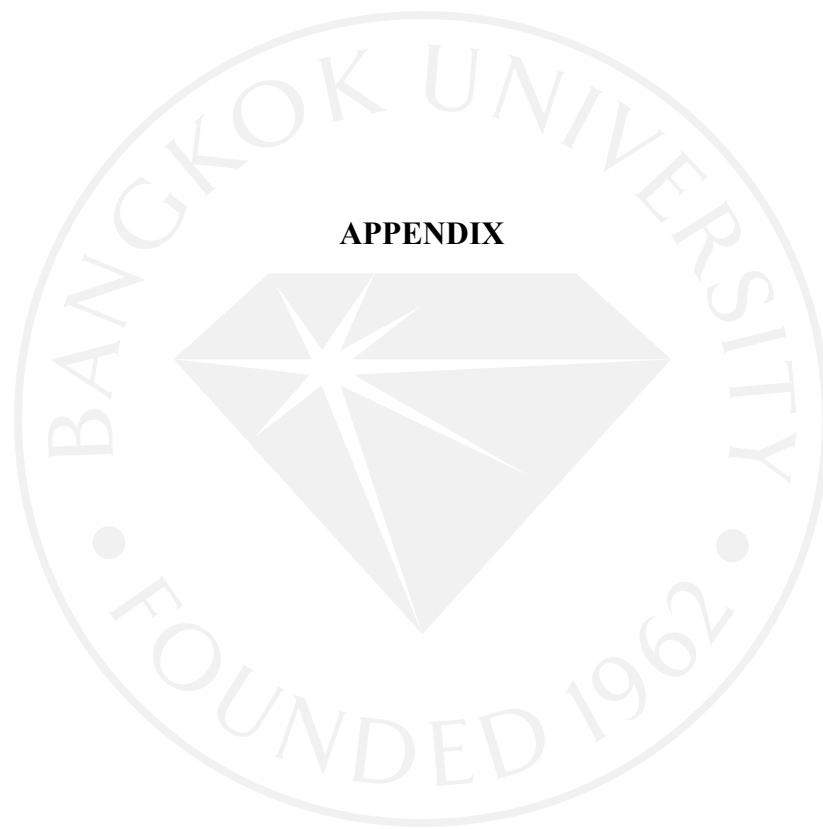
APPENDIX

Reliability testing pretest (All Parts)

Scale: All variables

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded[a]	0	.0
	Total	30	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.932	20

Ratability Testing Total (All Parts)

Scale: All Variables

Case Processing Summary

		N	%
Cases	Valid	160	100.0
	Excluded[a]	0	.0
	Total	160	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.930	20

Scale: Q5 Part

Case Processing Summary

		N	%
Cases	Valid	160	100.0
	Excluded[a]	0	.0
	Total	160	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.862	6

Scale: Q6 Part

Case Processing Summary

		N	%
Cases	Valid	160	100.0
	Excluded[a]	0	.0
	Total	160	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.890	5

Scale: Q7 Part

Case Processing Summary

		N	%
Cases	Valid	160	100.0
	Excluded[a]	0	.0
	Total	160	100.0

a. Listwise deletion based on all variables in the procedure

Reliability Statistics

Cronbach's Alpha	N of Items
.889	4

Scale: Q8 Part

Case Processing Summary

		N	%
Cases	Valid	160	100.0
	Excluded[a]	0	.0
	Total	160	100.0

a. Listwise deletion based on all variables in the procedure

Reliability Statistics

Cronbach's Alpha	N of Items
.863	5

Demographic Data

Gender

		Frequency	Percent
Valid	male	110	68.8
	female	50	31.3
	Total	160	100.0

Age

		Frequency	Percent
Valid	18 - 25	60	37.5
	26 - 35	92	57.5
	36 - 45	8	5.0
	Total	160	100.0

Frequency

		Frequency	Percent
Valid	once in every month	17	10.6
	once in every two months	34	21.3
	once in every four months	32	20.0
	once in every six months	8	5.0
	once in a year	69	43.1
	Total	160	100.0

Income

		Frequency	Percent
Valid	under 10000	78	48.8
	10001-20001	56	35.0
	20001-30001	21	13.1
	30001-Above	5	3.1
	Total	160	100.0

Descriptive Statistics

Brand Image

	N	Mean	Std. Deviation
Innovative	160	3.56	1.170
Value Price	160	3.71	.764
Reputation	160	3.84	.859
Better Personality	160	3.88	1.140
Various Choice	160	3.99	1.163
Easily Available	160	4.26	.865
Total	160	3.87	0.994

Product Quality

	N	Mean	Std. Deviation
Natural Ingredients	160	3.65	.754
Skin Improvement	160	3.85	.926
Side effect to skin	160	3.06	.888
Attractive Package	160	4.04	.834
Approvement	160	4.03	.911
Total	160	3.73	.863

Sales Promotion

	N	Mean	Std. Deviation
Attention	160	3.34	1.098
Interaction	160	3.35	1.161
Desire	160	3.64	.764
Action	160	3.71	.864
Total	160	3.51	.972

Decision Making

	N	Mean	Std. Deviation
Intension	160	3.40	1.071
Decision	160	3.29	1.038
Next purcase	160	3.34	1.115
Enough Information	160	3.81	1.041
Trust produt	160	3.51	.918
Total	160	3.47	1.037

Regression Analysis

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Total7 Total6, Total5[b]	.	Enter

a. Dependent Variable: Total8

b. All requested variables entered.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.598[a]	.358	.346	3.37625

a. Predictors: (Constant), Total7, Total6, Total5

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	992.438	3	330.813	29.021	.000[b]
	Residual	1778.256	156	11.399		
	Total	2770.694	159			

a. Dependent Variable: Total8

b. Predictors: (Constant), Total7, Total6, Total5

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.203	1.535		2.739	.007
	Total5	.149	.104	.166	1.440	.152
	Total6	.543	.123	.469	4.400	.000
	Total7	-.031	.093	-.026	-.336	.737

a. Dependent Variable: Total

Questionnaire

Dear respondents,

This questionnaire is part of the Independent study of a Master Candidate in Bangkok University International. The objective is to define some factors that impact Thai Consumers Decisions to purchase Korean brand Cosmetics in Bangkok District.

Please read questions carefully and provide a truthful response based on your own experiences. Your answer will be confidential.

After you answering questionnaires, please press "summit" bottom at the end.

Thank you for your cooperation

Part 1. Personal Profile

Q1. Gender

1. male

2. female

Q2. Age

1. 18 years and below

2. 18 years to 25 years

3. 26 years to 35 years

4. 36 years to 45 years

5. 46 years to 55 years

6. 56 years and above

Q3. Frequency purchase Korean cosmetics (recent in one year)

1. Once in every month

2. Once in every two months

3. Once in every four months

4. Once in every six months

5. Once in a year

Q4. Income

1. Under 10000THB

2. 10001-20001 THB

3. 20001-30001THB

4. 30001-Above THB

Part2. Personal Attitude

There are several possible factors that may affect your decision to purchase Korean brand

cosmetic in Bangkok District, please choose the number that best represent your opinions.

Q5. According your experience in purchasing Korean brand cosmetics, how you think about **Brand Image** upon on those Korean brand cosmetics	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	1	2	3	4	5

5.1 The Korean brand cosmetics have innovative, gentle ingredients, pleasing packaging and be good for skin					
5.2 The Korean brand cosmetic prices are reasonable and value					
5.3 The Korean brand cosmetics have more reputation on health, hydration and preferred lack of pigment					
5.4 The Korean brand cosmetics can make the users better personality					
5.5 The Korean brand cosmetics have various choices of products to different skin types					
5.6 The Korean brand cosmetics can easily available in both online shopping websites and cosmetics stores					

Q6. According your experience in purchasing Korean brand cosmetics, how you think about **Product Quality** on those Korean brand cosmetics.	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	1	2	3	4	5
6.1 The Korean brand cosmetics have natural and pure ingredients					
6.2 The Korean brand cosmetics really affects skin improvement					
6.3 The Korean brand cosmetics do not have side effects to skin					
6.4 The Korean brand cosmetics have attractive and protecting package.					
6.5 The Korean brand cosmetics are approved by acceptable association					

Q7. According to your experience in purchasing Korean brand cosmetics, how you think about **Sales Promotion** available on those Korean brand cosmetics	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	1	2	3	4	5
7.1 Sales promotion can draw your attention to find the Korean brand cosmetics					
7.2 Sales promotion can draw your interaction to follow the Korean brand cosmetics product information					
7.3 Sales promotion can draw your desire to use the Korean brand cosmetics					
7.4 Sales promotion can draw your action to buy the Korean brand cosmetics					

Q8. How do you make your **decision** to buy Korean cosmetic brand in Bangkok District	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	1	2	3	4	5
8.1 You have high intension to buy Korean brand cosmetics					
8.2 You usually make your decision to buy Korean brand cosmetics					
8.3 You usually make your decision to buy Korean brand cosmetics for next purchase					
8.4 You usually make your decision to buy Korean brand cosmetics after getting enough information					
8.5 You usually make your decision to buy Korean brand cosmetics because of your trust in the product					

Thank you!

BIODATA

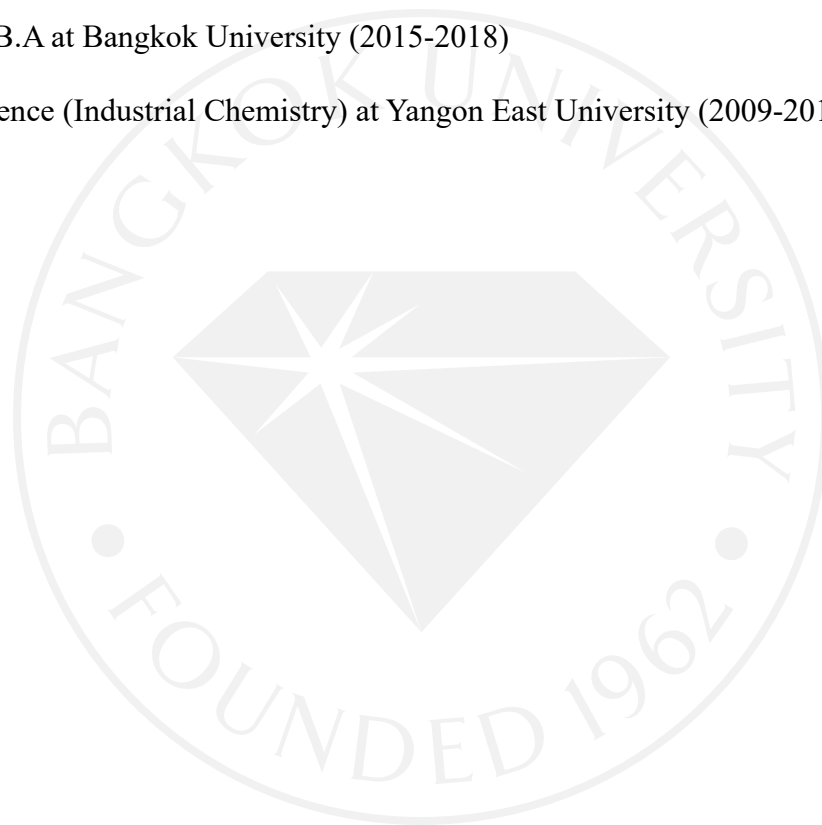**Name – Surname:** Hsi Thu Pyae Sone

Address: Room no 154, Mono Sukhumvit 50, Bangkok, Thailand

Contact Number: 09-544-30466

E-mail: siegfriedsone@gmail.com

Education: M.B.A at Bangkok University (2015-2018)

Bachelor of Science (Industrial Chemistry) at Yangon East University (2009-2013)

<center>**Bangkok University**</center>

<center>**License Agreement of Dissertation/Thesis/ Report of Senior Project**</center>

Day <u>12</u> Month <u>January</u> Year <u>2019</u>

Mr./ Mrs./ Ms <u>HSI THU PYAE SONE</u> now living at <u>NICHE MONO</u>

Soi <u>SUKHUMVIT 50</u> Street <u>SUKHUMVIT ·</u>

Sub-district_____ District _____

Province_____ Postal Code_____ being a Bangkok

University student, student ID_____

Degree level ☐ Bachelor ☑ Master ☐ Doctorate

Program <u>M. B. A</u> Department <u>-</u> School <u>Graduate School</u>

hereafter referred to as "the licensor"

Bangkok University 119 Rama 4 Road, Klong-Toey, Bangkok 10110 hereafter referred to as "the licensee"

Both parties have agreed on the following terms and conditions:

1. The licensor certifies that he/she is the author and possesses the exclusive rights of dissertation/thesis/report of senior project entitled

<u>The Effect Of Brand Image, Product Quality And Sales Promotion</u>
<u>To Thai Consumers Decisions To Purchase Korean Brand Cosmetics</u>
<u>In Bangkok District.</u>

submitted in partial fulfillment of the requirement for <u>M. B. A</u>

of Bangkok University (hereafter referred to as "dissertation/thesis/ report of senior project").

2. The licensor grants to the licensee an indefinite and royalty free license of his/her dissertation/thesis/report of senior project to reproduce, adapt, distribute, rent out the original or copy of the manuscript.

3. In case of any dispute in the copyright of the dissertation/thesis/report of senior project between the licensor and others, or between the licensee and others, or any other inconveniences in regard to the copyright that prevent the licensee from reproducing, adapting or distributing the manuscript, the licensor agrees to indemnify the licensee against any damage incurred.

This agreement is prepared in duplicate identical wording for two copies. Both parties have read and fully understand its contents and agree to comply with the above terms and conditions. Each party shall retain one signed copy of the agreement.

_____ Licensor

( )

_____ Licensee
(Director, Library and Learning Space)

_____ Witness
(Dean, Graduate School)

_____ Witness
(Program Director)