The Influence of Individual Overseas Purchasing on Thai Cosmetic Products

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Abstract

Research Title   : The Influence of Individual Overseas Purchasing on Thai
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Thailand was a paradise for spa, beauty treatments, and exotic locations of cosmetics. It was a place where people from all over the world fly there to feel the charm of this enchanting place. Thailand is famous for its cosmetic manufacturing industry as most of the ingredients used are organic which are acquired from all over the world. The main purpose of this research is to investigate the influence of individual oversea purchasing Thai cosmetic products from Thai market. The consequence of the research would be beneficial to influence factors of purchasing especially in Thai cosmetics-makeup industry to understand the target consumer-whether brand loyalty affect their purchasing decision. Both primary and secondary data source were used to ask research questions. Questionnaires are

Chinese people who vistied Bangkok to gather primary data about their opinion towards all variables in this study.

The number of interviews was limited to 100 due to limitations of time, intentions and willingness of subjects to participate in this study and the availability of subjects on that day. The 100 informants were approached using purposive sampling. The majority of the respondents present the age group of 21 to 30 years that counts for 45.2%, 32 of the respondents are in the age group of 31 to 40 years and counts for 38.1% and 8 of the respondents present the age group less than 20 years and 6 of the respondents are 41 years or above. Moreover, the results of this research found that brand loyalty was significant to consumer purchase as sig value indicate 0.000 and B value of .605 shows there was a strong positive relationship between product quality and cosmetic product purchase and packaging is significant to consumer purchase as sig value indicate 0.000 and B value of .627 shows there is a strong positive relationship between brand loyalty and cosmetic product purchase.

Keywords: Inlfuence factors, Product quality, brand loyalty, packaging, purchasing, cosmietic.

ACKNOWLEDGEMENT

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CHAPTER 1

Introduction

1.1 Background of the study

Thailand was a paradise for spa, beauty treatments, and exotic locations of cosmetics. It was a place where women look their best and people from all over the world fly there to feel the charm of this enchanting place. Thailand is famous for its cosmetic manufacturing industry as most of the ingredients used are completely organic which are acquired from all over the world.

Industry involving cosmetic manufacturing in Thailand is making a breakthrough by producing the best anti-aging facial and eye treatment products, make-up and color cosmetics, innovative beauty and wellness products, men's grooming, hair restoration and treatment, baby and child-specific products, whitening facial and body skin-care products and premium sunscreens. The cosmetic market in Thailand has a strong hold. Some of the most popular cosmetic manufacturing companies in Thailand have been listed below-

ZIAMEX Co., LTD-It's one of the most experienced cosmetic companies which has aimed to deliver the best products to its customers all over the world. This company supplies cosmetic products in bulk and maintain Global Cosmetic Industry standards.

Praileela Bath and Body Care.net-You can get the best beauty products prepared with specialized Thai herbal formula and flower scent extracts. Main products are hair shampoos, conditioners, shower gels, soaps, body lotions, and scrubs.

Thann Oryza Co. Ltd-All skin care products have natural ingredients which include aromatherapy products for face, lips, body, hair, and scalp.

Tropicana Oil Company Ltd.-100% cold pressed coconut oil is their specialty. Apart from that, a plethora of coconut oil based products are produced like suntan lotions, toners, shower gels, day and night cream, body lotion, foot cream, soaps and lip balm.ver the population both male and female not only locally but globally.

In Thailand, commonly domestic cosmetics has affordable price which was lower than imported cosmetics. Nonetheless, in fact, the greater price of imported cosmetics does not decline for purchasing and influence of Thais cosmetics. The researchers in this study focus on the key factors; brand loyalty, product quality and packaging. Since there is not much widely studies about this topic, to study dealing with this topic in cosmetics industry in Thai market can be advantageous to marketers in firms (Jinachai, Anantachoti, & Winit-Watjana, 2016).

Thai cosmetic products which is investigated in study is "Namu Life Snail White" cosmetics that was founded in 2013 in Thailand. Namu Life Snail White has evolved the products based on its proficiency and advanced science to encounter the customer satisfaction in Thailand market and ASEAN market as well.

1.1.1 The overview of Namu Life cosmetics in Thailand

Namu Life is a cosmetics brand from Thailand that was founded back in 2013 with the launch of their Snail White product line, a line that offers all the benefits of other snail slime creams along with added protection from the sun and whitening action, something that is highly sort after throughout Asia.

The brand prides itself on its commitment to offering high quality, tried and tested products, something which is reflected in both their commitment to research and development, along with the fact that many any of Namu Life's products have both Thailand Food and Drug Administration (TFDA) and Good Manufacturing Practice (GMP) certification.

Namu Life's flagship product is their snail white snail cream, a product that is widely considered to be the most popular snail cream throughout Thailand. The brand now offer a full range of cosmetic creams and beauty products in addition to its snail cream, these products include dietary supplements, facial masks, moisturizers and sun screens.

The medicinal use of snail slime dates back as far as 400 BC in ancient Greece, where the classical physician Hippocrates prescribed crushed snails as a way to combat inflammation of the skin. It is also known that the ancient Greeks used to ingest snail smile as a treatment for a number of other ailments, from gastrointestinal ulcers to coughs. (Sources, http://www.snailcream.co.uk/snail-cream-history)

Furthermore, the history of modern day snail slime cream began in the 1960's when the healing properties of snail slime were discovered by Spanish oncologist Rafael Abad, completely by accident, back in the 1960's. He conducted experiments on snails with radiation therapy, the same therapy used to treat cancer, and observed that the snails would secrete slime with a different composition than they usually did. This slime increased the snail's ability to heal and repair themselves, countering the effects of the radiation therapy they had been exposed to. Rafael later tested the snail slime on human skin, finding that it had similar healing effects.

Cosmetic products of Namu Snail white

Later in 1980 a family-run snail farm in Chile stumbled across the benefits of snail slime on human skin. They discovered these completely by chance, as the family we're intending to farm snails to be eaten in Europe before they discovered the smoothing effect snail slime had on their farm workers hands. The first commercial snail cream brands to come to market was Elicina snail cream, back in 1995.

(http://www.snailcream.co.uk/snail-cream-history)

1.2 The Influence of Thai products

Traditionally, model conceives of influence has three components: cognitive, affective, and behavioral. The cognitive dimension involves thoughts or ideas people have about the attitude object, usually referring to beliefs. The affective dimension contains feelings or emotions people experience in regard to the attitude object. The last component, the behavioral dimension of attitude, consists of people's actions with regard to the object (Runyon &

Stewart, 1987). Jacoby and Chestnut (1978) stated that brand loyalty was a function of consumer attitude and behavior. Baldinger and Rubinson (1996) found that attitude toward the brand affected brand loyalty. This study applies three out of five product levels of Kotler (2003) which include core benefit, tangible product, expected product. Additionally, this study includes three additional dimensions: perceived quality, store image and store identity.

1.2.1 Influence of Brand

Consumers may use certain products or brands to convey a particular image. Within product categories, there are brands that have distinct, images and personality. Brand personality is important because it says something about the person. Therefore, consumers are more likely to select brands with personalities that convey the right image. The little empirical work that was done with brand personality was very introductory or "ad-hoc" in nature (Aaker, 1997). Then in 1977, Aaker (1997) developed a quantitative scale to measure brand personality (Brand Personality Scale). It includes five dimensions: sincerity, excitement, competence, ruggedness, and sophistication.

1.2.3 Influence of Motivation

Motivation is the driving force within individuals that implies them to action. Marketers view motivation as the force that creates consumption. Consumer behaviorists divide motives into rational motives and emotional motives. Rationality implies that consumers select goals based on totally objective criteria such as price, size, etc. Emotional motives imply the selection of

goals according to personal or subjective criteria such as fear, status, and so on (Schiffman and Kanuk, 2007).

1.3 Statement of the problem

According to this study, most researcher has simulated the reasoned action theory and has rarely modified it with the additional constructs. However, the theory of reasoned action has not been previously applied to the study of influence, purchasing intention, and actual purchase regarding cosmetic products in Thailand. It has also been found that this model confirmed the strong predictive power for Asian consumers towards purchasing a variety of consumer products, i.e. appliances and clothing (Chung & Pysarchik 2000), hence, the aim of the study is to test the validity of the modified reasoned action theory in explaining purchasing behaviour regarding cosmetic products in the Thai market.

1.4 Research Question

What are the consumer purchasing behavior factors influence on Thai cosmetics products?

How is the influence level of individual oversea purchasing on Thai cosmetic products?

1.5 Purpose of the Study

The main purpose of this research is to investigate the influence of individual oversea purchasing Thai cosmetic products from Thai market. The consequence of the research would be beneficial to influence factors of purchasing especially in Thai cosmetics-makeup industry to understand the target consumer-whether brand loyalty affect their purchasing decision. Researcher would be investigated as Thai brand marketer to see their strengths and

weaknesses in their use of brand loyalty, product quality and packaging can improve their performance accordingly. At the same time, the research can assist domestic marketers to adapt the knowledge to their marketing plan and activities to satisfy customers and provide the offerings based on the factual consumers' needs.

1.5.1 Research objectives

Firstly, the research objective is to identify how consumer purchasing behavior factors influence on Thai cosmetics products

Secondly, to explore what are the influence level of individual oversea purchasing on Thai cosmetic products.
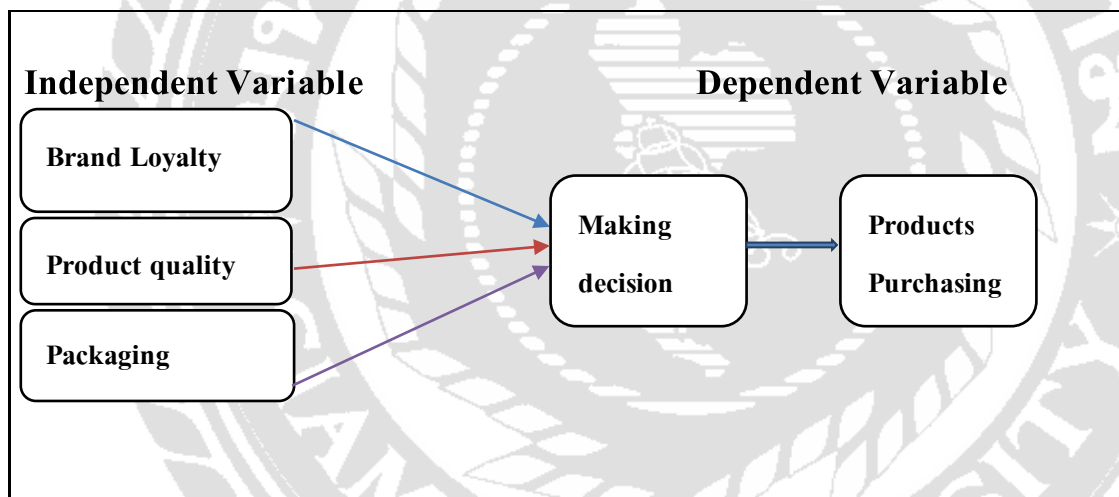
Figure: 1 Conceptual Framework

1.6 Variable of the study

1.6.1 Independent Variable

This research aims to study the influence of individual oversea purchasing for Thai cosmetic product. There are three independent variables are composed in this research;

1. Brand loyalty is relationship between making decision and cosmetic products purchasing.

2. Product quality is relationship between making decision and cosmetic products purchasing.

3. Packaging is relationship between making decision and cosmetic products purchasing.

1.6.2 Dependent Variable

Dependent variable can be remarked the outcome of independent variables when analyze how relationship between Brand loyalty, Product quality and Packaging between making decision and cosmetic products purchasing from independent variables.

1.7 Definitions of Terms

Influence—defined as compelling behavior change without threat of punishment or promise of reward—results largely from the respect and esteem in which one is held by others.

Purchasing means the first phase of Materials Management. Purchasing means procurement of goods and services from some external agencies. The object of purchase department is to arrange the supply of materials, spare parts and services or semi-finished goods, required by the organization to produce the desired product, from some agency or source outside the organization.

Brand loyalty can be defined as the extent of consumer faithfulness towards a specific brand and this faithfulness is expressed through repeat purchases and other positive behaviours such as word of mouth advocacy, irrespective of the marketing pressures generated by the other competing brands (Kotler & Keller, 200)

Product quality means to incorporate features that have a capacity to meet consumer needs (wants) and gives customer satisfaction by improving products (goods) and making them free from any deficiencies or defects.

Product quality define that the wrapping material around a consumer item that serves to contain, identify, describe, protect, display, promote and otherwise make the product marketable and keep it clean.

CHAPTER -2

Review of Literature

2.1 Overview of Cosmetics Products in Thailand

In Thailand, domestic cosmetics has affordable price was lower than imported cosmetics. The price and demand and have negative association, meaning if there is an escalation in price, it logically results a decrease in demand (Kotler, 2010). Nonetheless, in reality,the more high price of imported cosmetics does not decline the attention and preference of Thais on purchasing imported cosmetics that costs higher. The researchers in this study focus on Thai market because of its greatness in demand. Also, it was high competitive as there were many famous international firms represent in Thailand (Jansri, 2015). Since there was not much widely studies about this topic, to study about individual purchasing of Thai cosmetics can be advantageous to marketers in firms (Jinachai, 2016).

According to World Bank predicated in 2011, economic of Thailand recession did not allow both international and local business to prosper. (Rashmisrisethi, 2008.). Suddenly, the market of csometics in Thailand had been economical and developed repeatedly during the previous years ago. Kumar, (2006) definited that industry of cosmetics was very lucrative innovative fast paced which requires innovative key to success. In Thai land the cosmetic market, the selection of products and brands has been broadening to attract and satisfy the customer's needs. However, it was significant that foreign brands are more sought after. The reason was that the consumers of Thailand believe the quality, have positive brand image and perception towards those imported brands (Phupoksakul 2005). Thai land business environments also accommodate the growth of cosmetics industry very well.

Among the cosmetics, make up products were available to constomers through three channels: direct sale is the most effective channel to initiate new medium and the low-end cosmetic products in the market, counter sale is a standard channel for marketing high quality or price and well-known internationally, well-known brands and hanger sale—marketed towards the younger consumers and the mass market for medium and low-end cosmetic products (Phupoksakul, 2007). There were up to 108 department store locations in major cities such as Bangkok, Chiangmai, Cholburi, Nakornratchasima, Phuket, and Songkhla. Major department stores were: Robinson Department Store (18 stores), Department Stores (17 stores), The Mall Department Stores (6 stores), Siam Paragon (1 store),Emporium (1store), Icon siam,Imperial

,ZEN(1store)Department Stores (2 stores), Tang Hua Seng (1 store) ,(Commercial Service 2009). From the numbers of department stores, the level of competition was considered high and concentrated in the city areas.In just Siam Paragon which was a luxury mall right in Bangkok city centre, there were more than 100 of the world's renowned brands such asAnne Semonin, Anna Sui, Elemis, Erno Laszlo,Jo Malone, Molton Brown, Sugar Baby,Paul & Joe, and Agent Provocateaur etc (Siamparagon 2009).

Thailand product market about the overall growth rate of cosmetic products for 2017 was expected to be approximately 11 percent compared to 8 percent for 2016 even when the Thai political situation was seen unstable since 2016-2018. From such perspective, Thailand is a growing market with a very strong group of potential buyers.
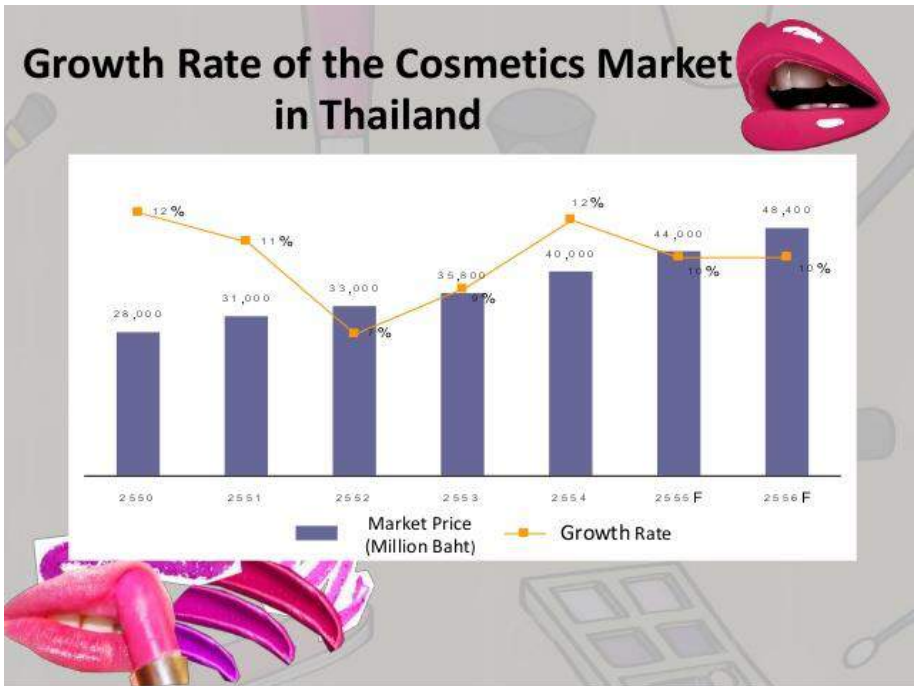
Figure- 2 Grwoth rate of the cosmetics market in Thailand

The reason of continual growth of Thai cosmetic market was owing to the increasing number of young female consumers. According to Sae-jiu, (2007) the young population of Thailand has a large . This segment has a high spending power and eagerness to spend. Thailand has been exposed to international fashion media from both the east:Korea, Japan and the west: America, Europe and Australia. Consequently, beauty items from the other cultures, when introduced to Thailand, can attract many young consumers to try (Chaisitthiroj, 2007). Furthermore, in Thailand, the majority of cosmetic consumers have female (97 percent) who were over 18 years of age. It was estimated that 15 million Thai people apply cosmetic products regularly and spend 10-20 percent of their monthly income on cosmetics.

According to Kumar (2005), the structure of cosmetic market comprises of five highly competitive sectors: hair care,skin care, make up, fragrance and personal hygiene. To clarify,

the Makeup products including face makeup,eye makeup, lipstick, nail products, and so on, and the cosmetic products of this section roughly courting 18% of overall market share of the world market. In accordance with the growth in Thai cosmetics market, the figure represents high value and potential profit in the sub-section. Cosmetic market in Thailand has divided to four major sections (Phupoksakul, 2007); hair care, skin care, color make-up, and perfume product.

2.1 Brand

Brand is the name that is used to identify the source of characters of the items related with one of more items in the product line (Kotler, 2002). Doyle, (2002) also cited that a brand is defined as a specific name, symbol or design, or the combination of these-that is employed to differentiate a product. Nowadays, Brand name has become an ordinary feature for every products available on the market. The specialty of each brand is its different value in the mind of the potential buyers. A strong brand image and reputation enhances differentiation and has a positive influence on buying behaviour (Jacoby, 1978). Marketers see the significance of powerful brands and this is shown in all effort to build up a strong brand.

For customers, the brand means familiarity and credibility (Ger et al., 1993). Moreover, brands are regarded as causal signs of determinants of product quality depends on if the intrinsic attributes and processes that truly determine quality such familiarity and credibility in the mind of consumers, which creates value to the firm, can be enforced by the use of brand equity: brand loyalty, brand awareness, loyalty, brand associations and perceived quality (Aaker, 2002).

2.2 Brand Loyalty

Brand loyalty has been the center of attention among academicians and practitioners for many decades. Oliver defined comprehensively loyalty as "a deep held commitment to rebuy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts that have the potential to cause switching behavior" (Oliver, 1999) .

Brand loyalty can be operationalized either based on behavioral, attitudinal or composite approach (Jacoby, J., & Chestnut, R, 1978). Behavioral loyalty has been considered as repeat purchases frequency or proportion of purchase, while attitudinal brand loyalty referred to "stated preferences, commitment or purchase intentions of the customers. In addition, few academicians suggested that using the composite approach (attitudinal and behavioral approach) will provide a more powerful definition of brand loyalty. Dick and Basu (1994, p. 100) also state that "the behavioral definition is, consequently, insufficient to explain how and why brand loyalty developed and modified up."(Dick & Basu, 1994). Loyalty has both attitudinal and behavioral elements, and it is determined by the strength of the relationship between relative attitude and repeat patronage". In this article, smartphone customers classified according to Dick and Basu's model.

2.3 Product quallity

Quality is defined as a zero error rate, i.e. the ability to produce a perfect products on the first try (Parasuraman et al., 1985). The definition of quality is the core of the definition contained

in the Zeithaml, (2000) standard. Be concerned the customer's (consumer's) point of view is concerned, quality can be defined as the quality perceived upon the basis of the consumer's decision on the overall excellence or superiority of the product (Zeithaml, 1988). All definitions shows above apply to the quality of products, which is consistent with the focus of the research into the foodstuffs industry.

Anderson, Mittal, 2000), but we was focused on the product and its impact on customer satisfaction, and consequently the profit of the company. Of course, we also understand the relationship of product quality and customer satisfaction over the long term, i.e. that should a satisfied customer influence profitability positively (through the purchase of a quality product), customers must be attracted and held, which is consistent with findings of Anderson and Mittal (Anderson, Mittal, 2000) or Cooil (Cooil et all, 2007).

The definitions above have show that the extent to which customers requirements are met determines customer satisfaction and the degree of meeting them then becomes the degree of product quality. Every company should struggle to reach the optimal level of quality of its products to meet the expectations of their customers. In this study, quality is defined to be quality as subjectively perceived by customers. Thus, the main factor of product quality is customer satisfaction itself. To achieve high customer satisfaction, it is crucial for companies to make a product that fulfils the customer's requirements.

2.4 Packaging Design

Schoormans & Robben (1997); deem that the package design is one of the most important parts of product strategy. It is estimated that the approximately 70 percent of all purchase decisions of goods are made at the point of purchase. (Holmes & Paswan 2012, p.109.)

According to the fact that the package are strongly related to the consumer, in this study, two areas of business are described from the point of packaging : marketing and consumer behavior. These two fields both affect and develop each other what helps companies to make right decision about their marketing strategies.

Concerning the packaging design, it is a wide theme and many aspects can be investigated. In this study, the main objective of is to recognize customer perception on different product designs. Namely, to examine how consumer perceives and evaluates patterns, colors, and graphics on the package. In this study, the goal is to identify elements of the packaging design and its importance from the consumer point of view. This will assist companies in creating effective package design and attracting customers.

2.5 Packaging make as decision instrument

Packaging is one of important role on purchasing decision. Silayoi and Speece (2007) mentioned that the package is a vital factor in the buying choice to the consumer when making decision. The package is the key factor for successful marketing strategies (Silayoi et al. 2007; Gofman & Moskowitz & Mets 2010, p. 157).

 Package design is the important influences to the consumer making decision process. There are two-step decision process for the consumer to follows convenience-packaged products. The first step is to examine the product on the supermarket's shelf. Here, the package design

has the power to initiate consumer examination of the product. The second step includes direct experience with the product where the package becomes a "markers". Hence, packaging design and the package are involved in the consumer selection and purchasing intent. (Holmes et al. 2012, p. 110.)

2.6 Making decision of Consumers

The customer making decision process consists of mainly five steps according to most researchers within the field (Peter, 2005, p.169) Hawkins, (2001) The steps included in the model are; information search,need or problem recognition, purchase and the post-purchase process, evaluation of alternatives. Consumer will skip the evaluation of alternatives when considering low involvement products (Peter & Olson 2005, p.168).

According to Hawkins, (2001, pp.26-27) the decision making process that affect consumer behavior which are external and internal influences.

2.7 Purchasing Decision

There are two elements need to discuss in the

purchase decision

process after the consumers have evaluated the products or services and selected one brand from available options.

- The selection of a specific retail outlet

- Amount of purchase

Consumers evaluate the image of store such as service, merchandise, promotion, physical facilities, store atmosphere,institution and post-transaction factors, convenience, and make a selection to purchase at that specific outlet.

CHAPTER 3

Methodology

This Chapter describes about research methodology and guidence comprehensive explanations of research processes. It analyze a review of research methodology and statement of research methodology tools. It presents a discussion of the research methodology which focused on the Influence of Individual Overseas Purchasing on Thai Cosmetic Products. It comprises the theoretical analysis of the methods. Methodology is essential in collecting relevant information giving effective and reliable representation. In this research, there were two type of research methodologies such as qualitative and quantitative.

In this study, the researchers reached to use the interview as the research tool. The data of this study were collected through primary source. The interview from 100 White Snail brand customers was conducted. The questions were asked from those females who are purchasing and applying White Snail cosmetics in Bangkok in Thailand during April and May of 2018. The demography of this study, the respondents are Thai females aged from 18 years old and over. Two main questions are asked from the interviewees regarding the Scrichand cosmetics:

What products of Snail are you applying currently?

Why are you interested in Snail brand cosmetics?

What factors affect you to purchase this brand of cosmetics?

3.1 Type of Research Methodology

In this study, it is base on both qualitative and quantitative research dealing with the key factors of indivendual purchasing on Thai cosmetic products such as brand loyalty, product quality and packaging.

Qualitative research is essentially exploratory research. It is utilized to pick up a comprehension of basic reasons and informations. This type of research strategies includes particular circumstance utilizing research instruments like meetings, reviews, and observations. It gives bits of knowledge into the issue or creates thoughts or theories for potential quantitative research.

Quantitative data collecting techniques are considerably more organized than Qualitative data accumulation strategies. Quantitative data accumulation strategies incorporate different types of studies – online reviews, paper studies, portable overviews and stand studies, up close and personal meetings, phone interviews, longitudinal investigations, site interceptors, online surveys, and orderly perceptions. The methodology of this research has two kinds such Research Design and Data collection.

3.2 Research Design

Burns and Grove (2003:195) define a research design as "a blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings". Parahoo (1997:142) describes a research design as "a plan that describes how, when and where data are to be collected and analyses". The research approach for this exploration is "Descriptive Research", which is an examination intended to demonstrate the members in

clear way. All the more basically, enlightening examination is tied in with depicting individuals who participate in the investigation.

3.3 Data Collection

Data collection in this research is the process of gathering information on targeted variables in an established systematic fashion. The data collection component of research collected from internet, previous research papers, journal, articles and defferent sources of secondary data have been applied for in this research.

Simple Random Sampling is used in this research such as computer or an advance calculator to assign numbers according to the amount of the population, and then select each number at random to form a sample.

Both primary and secondary data source were used to ask research questions. Questionnaires are Chinese people who vistied at Bangkok to gather primary data about their opinion towards all variables in this study.

The number of interviews was limited to 100 due to limitations of time, intentions and willingness of subjects to participate in this study and the availability of subjects on that day. The 100 informants were approached using purposive sampling. All interviews were transcribed. The interviews were conducted in Chinese language that lasted for approximately 5 minutes for each one.

3.4 Sample Size and Design

Sample sizes are most significant to the study, as the smaller size can affect the result of individual research. However, the effect will be different, as it's depend on individual selection for the methodology methods. For instance, the qualitative research design and techniques to support the smaller range of sample size, a range of 6-10 sample size is recommended for these methodology methods. Miles & Huberman, 1994; Creswell, (2007).

Questionnaires are the Chinese tourists who visit at Bangkok to collect the primary data about their attitudes towards the all variables in this research. Survey are conducted to understand the right target and approach towards the research, questionnaires are used as the surveys for this research

3.5 Analysis of Data

Data analysis is another important factor to understand (Aaker et al., 1998). Firstly, the researcher can get information and insights by analyzing raw data. Secondly, it can help researcher to interpret and understand related analysis. Finally, Techniques of analysis data or handle of data are important and can result in constructively researcher's objectives.

In this study, research focuses on 100 Chineses who visit at Bangkok during on 15th April to 15th May in 2018. To accomplish the research objectives and to answer the research questions, this study adopted the cluster sampling technique to select the sample. The population is larger and the cluster sampling technique is being most effective economical, time efficient, and feasible technique for the researcher.

CHAPTER -4

Data Presentation and Analysis

4. Introduction

This section of research presents the data collected from the surveys. This chapter is divided into two parts, the first part presents the demographic data and second part present the analysis the data. This research distributed 100 surveys and 8 of respondents select no option and 8 surveys were not completed full or miss some part. Therefore, this section present and analysis data collected from 84 respondents.

4.1 Demographic

This section of the research presents the demographic information of 88 respondents.

Table 4.1: The respondent who has Bought Thai Cosmetic product

	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	84	100.0	100.0	100.0

The table above present the data of the respondents, who has bought the Thai cosmetic product and out 100 sample units, 88 of the respondents had purchased the Thai cosmetic products and 8 of the respondents has not purchased the Thai cosmetic product and reaming respondents had selected yes but their surveys were not complete.

Table 4.2: The number Times do the respondents had purchased the Product in one year

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 2 times	11	13.1	13.1	13.1
2 to 4 times	8	9.5	9.5	22.6
5 to 6 times	21	25.0	25.0	47.6
More than 6 times.	44	52.4	52.4	100.0
Total	84	100.0	100.0	

The table presents data that demonstrate, how many often did the respondents bought product in one year time period. The majority of the respondents had the product more than 6 times, which counts for 52.4%. 21 of the respondents purchase the product 5 to 6 times, that present 25%, 11 of the respondent purchases the product less than 2 times and the remaining respondents purchase the 2 to 4 times a year.

Table 4.3: The Important factor in your decision.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Quality of cosmetic	43	51.2	51.2	51.2
Brand of cosmetic	22	26.2	26.2	77.4
Packaging of Cosmetic	19	22.6	22.6	100.0
Total	84	100.0	100.0	

The table above presents data about the factors that respondents consider when purchasing the cosmetic product. The majority of the respondents selected quality factor at the time of

purchasing the cosmetic product which counts for 51.2%. 22 of the respondents purchase the cosmetic product due its brand and its represent 26.3%, 11 of the respondent purchases the product because of its packaging and the present 22.6 %.

Table 4.4: The Gender of the respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	36	42.9	42.9	42.9
	2	48	57.1	57.1	100.0
	Total	84	100.0	100.0	

The table 4.4 present the gender of the respondents. Out of 84 respondents, majority of the respondents are female and counts for 57.1%. 36 of the respondents are males and its counts for 42.9%

Table 4.5: Status of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	34	40.5	40.5	40.5
	Married	29	34.5	34.5	75.0
	Separated	16	19.0	19.0	94.0
	Others	5	6.0	6.0	100.0
	Total	84	100.0	100.0	

The table 4.5 presents the status of the respondents. The majority of the respondents are single and present 40.5%, 29 of the respondents are married counts for 34.5% and 16 of the respondents are separated, counts for 19%.

Table 4.6: Age of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 20 years	8	9.5	9.5	9.5
21 to 30 years	38	45.2	45.2	54.8
31 to 40 years	32	38.1	38.1	92.9
41 years and above	6	7.1	7.1	100.0
Total	84	100.0	100.0	

The table 4.6 present the age group of the respondents. The majority of the respondents present the age group of 21 to 30 years that counts for 45.2%, 32 of the respondents are in the age group of 31 to 40 years and counts for 38.1% and 8 of the respondents present the age group less than 20 years and 6 of the respondents are 41 years or above.

Table 4.7: Occupation of the respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Student	15	17.9	17.9	17.9
Private Employee	23	27.4	27.4	45.2

		Frequency	Percent	Valid Percent	Cumulative Percent
Public Employee		19	22.6	22.6	67.9
Own-Business		12	14.3	14.3	82.1
Others		15	17.9	17.9	100.0
Total		84	100.0	100.0	

The table 4.7 present the occupation of the respondents. The majority of the respondent's are private employee that count for 27.4%, 19 of the respondents are public employee that count for 22.6% and 12 of the respondent's own-business, which counts for 14.3 %.

Table 4.8: Income of Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 15,000 Baht	24	28.6	28.6	28.6
	15,001 to 30,000 Baht	20	23.8	23.8	52.4
	30,000 to 45,000 Baht	31	36.9	36.9	89.3
	45,001 Baht or more	9	10.7	10.7	100.0
	Total	84	100.0	100.0	

The table 4.8 presents the income of the respondents. 31 respondents present the income group of 30,000 to 45,000 baht that counts for 36.9%. 24 of the respondents presents income group of less than 15,000 baht and counts 28.6%. 20 of the respondents present income of 15,000 to 30,000 Baht and counts 23.8%. 9 of the respondent incomes is 45,001 or above present 10.7%.

4.2 Brand loyalty is relationship between making decision and cosmetic products purchasing.

Table 4.9 Summary of correlations

			Model Summary		
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.675[a]	.456	.449	.47370
a. Predictors: (Constant), loyal				

Model		Sum of Squares	Df	Mean Square	F	Sig.
				ANOVA[a]		
1	Regression	15.424	1	15.424	68.737	.000[b]
	Residual	18.400	82	.224		
	Total	33.824	83			
a. Dependent Variable: purchase						
b. Predictors: (Constant), loyal						

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
				Coefficients[a]		
1	(Constant)	1.610	.257		6.271	.000
	loyal	.576	.069	.675	8.291	.000

a. Dependent Variable: purchase	

The hypothesis one test the relationship between brand loyalty and cosmetic product purchasing, regression analysis as conducted to measure this hypothesis and the outcome of the test is indicated in the table presented above. It can be notice from the outcome that there are three tables which are Model Summary, Anova and Coefficient.

The R value of 0.675 reflect high level of prediction and the R square value of 0.456 explains independent variable of brand loyalty contains 45.6% of the variability for dependent variable. The Anova table indicate if relationship is significant between dependent and independent variable and in this case the F value of 68.737 and sig value below 0.005 shows there is a significant relationship. The coefficient table shows that brand loyalty is significant to consumer purchase as sig value indicate 0.000 and B value of .576 shows there is a neutral positive relationship between brand loyalty and cosmetic product purchase.

4.3 Product quality is relationship between making decision and cosmetic products purchasing

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.605[a]	.366	.358	.51146

a. Predictors: (Constant), quality

ANOVA[a]

Model	Sum of Squares	Df	Mean Square	F	Sig.

1	Regression	12.374	1	12.374	47.302	.000[b]
	Residual	21.450	82	.262		
	Total	33.824	83			

a. Dependent Variable: purchase

b. Predictors: (Constant), quality

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.784	.283		6.295	.000
	quality	.530	.077	.605	6.878	.000

a. Dependent Variable: purchase

The hypothesis two test the relationship between product quality and cosmetic product purchasing, regression analysis as conducted to measure this hypothesis and the outcome of the test is indicated in the table presented above. It can be notice from the outcome that there are three tables which are Model Summary, Anova and Coefficient.

The R value of 0.605 reflect high level of prediction and the R square value of 0.366 explains independent variable of brand loyalty contains 36.6% of the variability for dependent variable. The Anova table indicate if relationship is significant between dependent and independent variable and in this case the F value of 47.302 and sig value below 0.005 shows there is a significant relationship. The coefficient table shows that brand loyalty is significant to consumer purchase as sig value indicate 0.000 and B value of .605 shows there is a strong positive relationship between product quality and cosmetic product purchase.

4.4 Packaging is relationship between making decision and cosmetic products purchasing

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.627[a]	.393	.386	.50040

a. Predictors: (Constant), packaging

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.291	1	13.291	53.079	.000[b]
	Residual	20.533	82	.250		
	Total	33.824	83			

a. Dependent Variable: purchase

b. Predictors: (Constant), packaging

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.632	.288		5.660	.000
	packaging	.566	.078	.627	7.286	.000

a. Dependent Variable: purchase

The hypothesis three test the relationship between packaging and cosmetic product purchasing, regression analysis as conducted to measure this hypothesis and the outcome of the test is indicated in the table presented above. It can be notice from the outcome that there are three tables which are Model Summary, Anova and Coefficient.

The R value of 0.627 reflect high level of prediction and the R square value of 0.393 explains independent variable of brand loyalty contains 39.3% of the variability for dependent variable. The Anova table indicate if relationship is significant between dependent and independent variable and in this case the F value of 53.079 and sig value below 0.005 shows there is a significant relationship. The coefficient table shows that packaging is significant to consumer purchase as sig value indicate 0.000 and B value of .627 shows there is a strong positive relationship between brand loyalty and cosmetic product purchase.
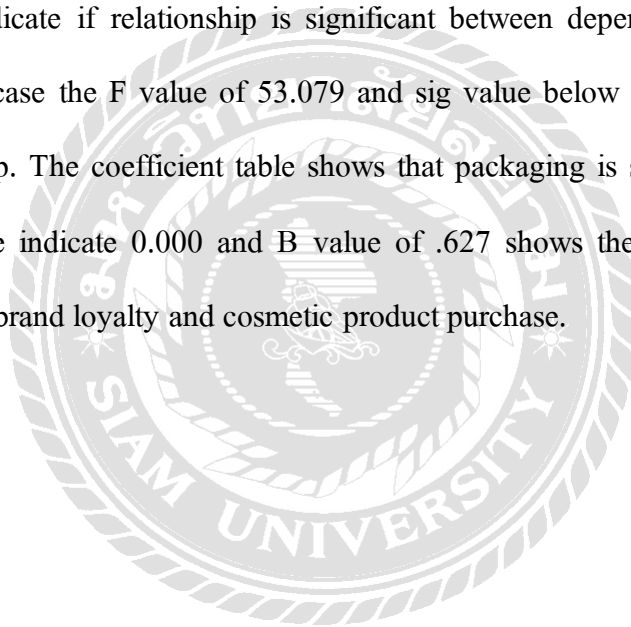
Chapter 5

Conclusion and Recommendations

5.1 Introduction

This study collected data from the oversea customers who are purchasing the Thai cosmetic products. The researcher distributed, 100 sample units to a Chinese customer in Bangkok area and those customers were selected on systemic based sampling and 8 of the respondents had not purchased the Thai cosmetic product and another 8 surveys were not completed. Therefore, the research analyze the data from 88 complete survey.

In this the questionnaire is design is manner to explore the reason for purchasing the Thai Cosmetic Product. The research related the Quality, Brand and Packaging as the core reason for the oversea customer to buy the Thai Cosmetic product.

5.2 Brand loyalty is the relationship between making a decision and cosmetic product purchasing.

The research employs primary research to collect the data for this research and the primary data collected suggest that brand loyalty is any important element for the customer, when there are discussing to purchase the Thai cosmetic product. The Anova result in chapter 4 proof the relationship between the brand loyalty and decision making of cosmetic product purchasing. Even the hypothesis one test support the result and define the moderate positive relationship between the brand loyalty and purchasing decision making of the customer. This research finding is supported by the finding of Jacoby and Chestnut, (1978) & Dick and Basu (1994), as they suggested the importance of brand loyalty to customer purchasing or re-purchasing the product.

5.3 Product Quality is relationship between making a decision and cosmetic product purchasing

The research employs primary research to collect the data for this research and the primary data collected suggest that product quality is any important element for the customer, when there are discussing to purchase the Thai cosmetic product. The Anova result in chapter 4 proof the relationship between the product quality and decision making of cosmetic product purchasing. Even the hypothesis two test support the result and define a positive relationship between the product quality and purchasing decision making of the customer. This research finding is supported by the finding Anderson and Mittal, (2000), Cooi et al (2007) & Parasuraman et al., (1985) ,as they suggested the importance of product quality to customer purchasing or re-purchasing the product.

5.4 Product packaging is the relationship between making a decision and cosmetic product purchasing

The research employs primary research to collect the data for this research and the primary data collected suggest that packaging is any important element for the customer, when there are discussing to purchase the Thai cosmetic product. The Anova result in chapter 4 proof the relationship between the packaging and decision making of cosmetic product purchasing. Even the hypothesis three tests support the result and define a positive relationship between the packaging and the purchasing decision making of the customer. This research finding is supported by the finding of Silayoi and Speece, (2007), Holmes et al (2012) & Gofman, Moskowitz and Mets (2010), as they suggested the importance of packaging to customer purchasing or re-purchasing the product. This package does aids the consumer decision making process and sometime become an important element and the customer can purchase the product based on the packaging of the product (Silayoi and Speece, 2007).

5.5 Recommendation

The researcher of this research considers the finding as accuracy, moreover to improve the accuracy of this research the diver's perspective of the factors, such as quality, brand and packaging to purchasing product decision. It is recommended that larger sample size is to be

used by the future research or the individual who want to research with similar factors that directly related to the purchasing of the Thai cosmetics. In term of the sampling location, more location in the city shall be selected, other cities shall be selected and cover more multiple national respondents. As the large expat stays in Bangkok and other major city of the country. Expat include people from many different nations.

Therefore, for the sampling technique, this study shall have the health resources, this study suggests the future research to select the loyal customer of the Thai cosmetic product. As this will help in decreasing the chance of biasness, as the each respondent will be involved in the population. This will help in selecting probability sampling and selection will aid in producing more accurate result.

As many of the researcher commonly consider the probability sample methods as an inconvenience but aids in improving the tendency of the research finding. Moreover, it will help the future researcher to identify the imbalance of the demographic profile of the respondents found in this study. Even the different sampling techniques can aid and improve the result of this future research.

This study can be also used by the Thai cosmetic product business, employees or the exporter of the product. Those parties can employ the finding of this research to get a better insight of the product and customer demand.

5.6 Conclusion

The study was conducted to find the reason for the oversea customers to purchasing the Thai cosmetic product. The researcher outline the three core factors to understand the consumer decision making process. The factors are as follows; brand loyalty, product quality and packaging to the purchasing decision. The researcher design the questionnaire based on the framework presented in chapter 1 and distribute to 100 respondents. The researcher employs the quantitative and collected is analysis use the SPSS program.

The result for the hypotheses and Anova testing proof the positive relationship between the product quality, packaging and brand loyalty and purchasing. The asked question and the

questionnaire design and manner the data is collect reflect and support the specific research objectives. Therefore, the researcher concluded that the stated factors have the impact on the customer decision making process and the collected data from the given sample unit proof and support the research objectives.

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APPENDIX

QUESIONARE

The Influence of Individual Overseas Purchasing on Thai Cosmetic Products

Part I
1. **Have you ever bought cosmetic products?**

   [ ]   Yes (Continue with the questionnaire)
   [ ]   No (End of the questionnaire)

2. **How many times do you purchase cosmetic products in one year?**

   [ ] Less than 2 times
   [ ] 2 to 4 times
   [ ] 5 to 6 times
   [ ] More than 6 times

3. **When you buy cosmetic, what is the most important factor in your decision?**

   [ ] Quality of cosmetic product
   [ ] Brand of cosmetic product
   [ ] Packaging of cosmetic product

Part II: Demographic Information

Gender
   [ ] Male
   [ ] Female

Status
   [ ] Single
   [ ] Married
   [ ] Separated
   [ ] Others

Age
   [ ] Less than 20 years
   [ ] 21 to 30 years
   [ ] 31 to 40 years
   [ ] 41 years and above

Occupation
   [ ] Student

[ ] Private Employee
[ ] Public Employee
[ ] Own-Business
[ ] others

Income
[ ] Less than 15,000 baht
[ ] 15,001 to 30,000 baht
[ ] 30,001 to 45,000 baht
[ ] 45,001 baht or more

Part III: Regarding the following statement please indicate your level of agreement
Directions: Please tick the box of your option

Brand Loyalty	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I am loyal towards Thai cosmetic products	•	•	•	•	•
I will recommend Thai cosmetic products to my family members	•	•	•	•	•
I will recommend Thai cosmetic products to my friends	•	•	•	•	•
I will continue using Thai cosmetic products	•	•	•	•	•

Packaging	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Packaging of the product matters to	•	•	•	•	•

me					
Packaging attracts my interest	●	●	●	●	●
I am ready to pay high price if the product is packed in an expensive manner	●	●	●	●	●
I prefer to pay higher for cosmetic product which are well packed over other products	●	●	●	●	●

Product Quality	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The quality of cosmetic products are high	●	●	●	●	●
Thai cosmetic products are superior then other brands	●	●	●	●	●
The quality of cosmetic products matter to me	●	●	●	●	●
I feel positive towards the quality of Thai cosmetic products	●	●	●	●	●

Purchase Intention of Thai Cosmetic products	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
I intend to continue purchasing Thai cosmetic products	●	●	●	●	●
I plan to shop for Thai cosmetic products in my next shopping visit	●	●	●	●	●
I will still choose Thai cosmetic product over other brands	●	●	●	●	●