

# STUDY OF PURCHASE INTENTION TOWARDS SKIN CARE PRODUCTS BASED ON BRAND AWARENESS AND BRAND ASSOCIATION

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**ABSTRACT:** The purpose of this study is to measure the relationship between brand associations and brand awareness towards customer's purchase intentions on the skin care products. There are many type and categories of skin care products available in the markets. Most of the market leader was reputable brand from overseas which have been outstanding in market for more than 2 decades. This study is expected to provide information to local brand that is competing with the large and popular brands in producing their market share. This survey used self-administered questionnaires for data collections. 450 questionnaires were distributed to customers at 5 shopping malls in 3 major cities in Malaysia. Convenience sampling was used and data collected were analysed using structural equation model to perform the measurement model and structural model. The results indicate that both brand associations and brand awareness were equally significant towards influencing customers' purchase intentions. Market players in the industry should focused more on the brand associations and brand awareness as both were found to be significant for the increase sales and revenue.

**KEYWORDS:** Brand awareness, Purchase intention, Brand association, Skincare products

## I. INTRODUCTION

Recent report related to skincare consumption in Malaysia based on 2019 indicates an increase in purchased especially from the young generations below 30 years old. The reports claimed that consumer aged 30 and below used 60% of beauty balm and correcting colours followed by 50% of makeup remover. It was also mentioned that the same market segments consumed 48% of sunscreen or also known as sunblock. The usage of lipstick is only 38% and the rest of products are in averages of 30% for cream stick, mascara, lip gloss, eyebrow pencil and eyeliner. There are many types of products available in the markets consist of local and international products. Easily there are more than 20 brands available in Malaysia in the online and traditional markets.

Skincare markets in Malaysia contributed about 30% of the overall cosmetic categories. The next largest contributors are hair care which is 25% followed by cosmetics 14% and fragrances of 10%. The rest of percentages representing the men's grooming and deodorants. It was also highlighted that in Malaysia, L'Oréal hold the largest market share which is 20% followed by Protector & Gamble company of 19%. Unilever holds 14% of market shares in the Malaysian market as at 2019. Based on the numbers, it shows that industry players faced tough challenge in expanding their business growth. Local products in the same category might face greater challenge to get a piece of market share. They need to compete among the world renown products and manufacturer that have been available in the market for long time.

The current young generation have been reported as complicated in the sense of understanding their expectations and needs. The current generations have more knowledge and they are concerns about many things that could be less priority among the previous generations. Today, teenagers start to concerns about their health and skincare. They are very concerns on their appearance and follow through the trends and market preferences from international market over internet. The advent of technology leads to more demanding customer hence provide a challenges for small business or local brands to compete with internationally brands.

This study will provide a solution on how business organizations in the industry should focused towards getting more customer and gain business growth over the stiff competition.

## **II. LITERATURE REVIEW**

### **1. Purchase intentions**

Purchase intentions is the state that represent customers “likelihood to buy a products or subscribes a services based on customers’ purchase experience or history” (Ma, 2017). According to Ha and Janda (2014), customer purchase’s intentions derived from the customer needs towards a certain products or services. Getting customer is definitely one of the main objective of any business organizations. It is the customer who will bring in the revenue based on the exchanges process between the dollar and products’ benefits. Customer purchase is part of the process that customer may go through in order to complete the transactions process.

In marketing the brand is important towards customer decision making (Cui, Jiang, Deng, & Zhang, 2019). Positive brand image may lead to strong influence towards customer purchase intentions. Well-known brand may help customer to reduce their search cost to identify the products. Brands may help the customer to search the products more easily and accurately (Awan, Siddiquei, & Haider, 2015). According to Ma (2017), brands helps customer to reduced their perceived risk as the brands may represent the type of quality and standards offer in the markets. Intentions to purchase based on the overall customer evaluations towards the level of quality that each brands managed to satisfy and meet the customers’ expectations (Cui et al., 2019).

### **2. Brand associations**

Brand associations according to Valentini, Romenti, Murtarelli and Pizzetti (2018) is anything that stored in customer’s mental about the brand. Most of the time brand associations is related to the positive matters (Chen, 2017). Information associated to customers’ mind are actually based on the information’s that customer received and based on customer experiences (Mohd Yusof, Wan Jusoh, & Maulan, 2020). The benefits of brand associations are that customer will talk about it and communicate to other people about the brands (Wan Ismail, Othman, Md Nor, Badiuzaman, & Nik Mohd Nor, 2020).

According to Chen (2017), brand associations could be best to represent the products attributes that may attract customer attentions. The products features must be unique and different from other type of attributes in the market (Mohd Yusof et al., 2020). Unique attributes can gain more advantages in terms of customer supports and preferences. Business organizations need to highlight their brand attributes so that it can be easily accepted by customer with complete details. It was also mentioned by B. Kadir & Shamsudin (2019) that brand associations are closely related to the customer’s benefits. Customer make selection during the purchase intentions based on the cost and benefit. High benefits will lead to the selection of the brands as purchased items.

Brand associations is also related to relative prices (Baharudin Kadir, Shamsudin, Nurul, & Mohd, 2020). Business organizations need to know that one of the criteria for purchase intentions is the perceived value. High benefits may lead to high chance for high value but subjects to the price or cost incurred. High cost will normalised the benefits that may reduce the perceived value from the customer perspective’s (Eren-Erdoğan & Dirsehan, 2017). According to Azar (2015), quality of the products is important in order to remain deep inside of customers’ mind. Business organizations must ensure that products meet certain quality standards in order to be accepted by customers (Mohd Yusof et al., 2020). It was also mentioned by (Azar, 2015) that products or brand popularity may play roles to increase the brand associations in customer minds.

Recent research suggested that business organizations to leverage on their associations through the branding strategies (Boisvert, 2016). Good brand tactics may help the business organizations to survive and withstand in the market. It could also be considered the touch point of every customer. Azar (2015) claimed that business organizations should focused on how to strengthen their brand awareness through endorsements by influencer or popular artist (Maulan, Omar, & Ahmad, 2016).

Recent study related to brand associations suggested that business organizations to create a positive feelings and attitudes in the communications in order to instil positive information’s and associations towards the brand. Positive brand associations also help to justify the reasons why customer should buy the products during the purchase intentions process (Mohd Yusof et al., 2020). Positive brand associations can be the reason of products purchased and consumptions. Besides that, according to Salem, Shawtari, Shamsudin and Hussain (2016) product differentiations or different positioning may help customer to understand the products better and continue to support.

Brand associations is also important for the business organizations to use the positive remarks and current business performance towards the brand extensions. Business organizations should make used of the establish brand associations to introduce new products range. The new products may have enjoyed the same benefits of the currently enjoyed by the products under the brands, such thing provide a quick result towards customer purchases intentions.

### **3. Brand awareness**

According to Kotler (2017) brand awareness is the likelihood of a customer to aware of the products or services offered by a business organizations or brands. It was also mentioned that brand awareness is also related to the ability of customer to recall the particulars about the products or characteriser's offered by the brands. According to Kadir and Shamsudin (2019) brand awareness is partial requirements of the customer's purchase intentions. It was mentioned by Valentini, Romenti, Murtarelli and Pizzetti (2018) that brand awareness may drives customers to further assessments of a products before consider for purchase.

Past research indicates that brand awareness can be translated into brand recall where customer can easily remember the brand once the characteristics of the brand mentioned or being mentioned (Chakraborty, 2019). Brand awareness is also about the brand recognition towards the specific quality of the products offered. Customer will have recognized the products' benefit's, features and advantages that represent by the business organizations to the market (Valentini et al., 2018). High level of brand awareness may lead to the top of mind. Customer will always remember the brands towards the features as compared to the other competitor's product in the market.

Purchase intentions based on brand awareness must go through certain process of decision making before customer decide to make action (Baharudin Kadir et al., 2020). According to Chakraborty (2019), business organizations need to ensure that communications have been made to the right target market in order to promote the brand awareness in the market. The communication on the products should be able to provide information related to the benefits features and advantages, Good messages on the brand awareness may influence the customer to search for the products (Valentini et al., 2018). The interest will motivate the customer to learn more about the products and brands. It was mentioned that customer may even ask around about the brands through their social networking (S. Hassan, Shamsudin, & Mustapha, 2019).

Customer who have good brand awareness will also have strong desire to get the products as they have enough information about the products and brands characteristic as well as promised (Jaiyeoba, Abdullah, & Dzuljastri, 2019). Customer strong desire play important role towards purchase intentions. Past research indicates that purchase intentions very much influence by the brand awareness (Sallaudin Hassan & Shamsudin, 2019). All information feed by business organizations or brand managers should be focusing on how the customer may build their brand recall towards the brands (Chakraborty, 2019). It should be arranged to find unique selling points and products differentiations that can be easily to be compared and evaluate by the customers during their process of purchase intentions.

Successful brand awareness helps business organisations to increase their market through market share and business growth (Salem et al., 2016). It will also contribute towards business survival and sustains in the market (Jaiyeoba et al., 2019). Many past research reported a significant results related to brand awareness towards purchase intentions but limited study was conducted to measure the relationship of both variables in the areas of cosmetic. According to Valentini et al., (2018), brand awareness can be improved through aggressive communications in advertising and participation in any event or sponsorships. Such thing will increase the brands appearance that may stimulate awareness. Business organizations may use social media as most of customers today used social media as their main communications platforms (Razak & Shamsudin, 2019). Any kind of communications can also help to increase brand awareness as long as the objectives to convey about the products and its benefits.

### **III. METHODOLOGY**

This study used a quantitative survey in order to test the relationship between brand associations and brand awareness towards purchase intentions related to skincare products. Measurements scales were adapted from recent research from the literatures. Brand associations was examined using seven items adapted from French and Smith (2013), while brand awareness was adapted from Davčik (2013) with 4 items of measurements. At the same times, purchase intentions was adopted from Wang, Wiegerinck, Krikke and Zhang (2013) with overall five items. Final questionnaire was sent to 2 subject matters expert for their validation and comments. Some comments were highlighted based on the sentence structured and vocabulary used. The survey was conducted in three major cities in Malaysia namely Johor Bahru, Kuala Lumpur and Pulau Pinang. Data collection was done through a face to face sessions with customers from 5 supermarkets in those 3 major cities. At the end, the survey managed to generated 256 usable questionnaires. Data collected was measured using the structural equation model.

### **IV. FINDINGS**

Table 1 is the summary statistics of questionnaire based on data collected from 256 respondents. Questionnaire used 5 points Likert's scales which 1 is strongly disagree and 5 is strongly agree. Overall there are 16 items used

to measure the relationships. Brand associations, brand awareness and purchase intentions represented by 7, 4 and 5 items. Highest mean achieved through brand awareness while the lowest is purchase intentions. Alpha value for each constructs above 0.7. Table 2 represents the principal component surveys and all records shows good and positive value with eigenvalue for brand associations, brand awareness and purchase intentions are 8.104, 4.114 and 3.871.

**Table 1:** Summary statistics of the questionnaire survey

Constructs	No. of items	Mean	SD	$\alpha$
Brand associations	7	3.250	1.125	0.758
Brand awareness	4	3.555	1.110	0.821
Purchase intentions	5	3.050	1.155	0.799

**Notes:** SD, standard deviation;  $\alpha$ , Cronbach's  $\alpha$ ; overall  $\alpha = 0.787$

**Table 2:** Result of principal component analysis

No	Brand associations	Brand awareness	Purchase intentions
BAS1	0.766		
BAS2	0.798		
BAS3	0.791		
BAS4	0.821		
BAS5	0.825		
BAS6	0.834		
BAS7	0.805		
BAW1		0.768	
BAW2		0.815	
BAW3		0.728	
BAW4		0.799	
PI1			0.815
PI2			0.821
PI3			0.814
PI4			0.809
PI5			0.812
Eigenvalue	8.104	4.114	3.871
Variance explained (%)	33.411	16.115	16.774

Goodness-of-fit statistics indicates all value above suggested value for  $X^2/df$ , RMSEA, GFI, NFI, CFI and IFI.

**Table 3:** Goodness-of-fit statistics for measurement model and structural model

	Suggested values	Measurement model values	Structural model values
$X^2/df$	<3	1.319	1.377
RMSEA	<0.06	0.057	0.039
GFI	>0.90	0.910	0.920
NFI	>0.90	0.934	0.914
CFI	>0.90	0.918	0.928
IFI	>0.90	0.918	0.928

Table 4 represents the standardized loadings, t statistics, CR and AVE. CR value for all constructs is between 0.81 and 0.89 while AVE is between 0.72 and 0.78.

**Table 4:** Measurement model results

Constructs and variables	Standardized loadings	t-statistics	CR	AVE
<b>Brand associations</b>				
BAS1	0.802	16.047**	0.84	0.72
BAS2	0.809	16.440**		
BAS3	0.710	12.297**		
BAS4	0.655	11.193**		
BAS5	0.805	15.492**		
BAS6	0.688	11.983**		
BAS7	0.815	15.442**		
<b>Brand awareness</b>				
BAW1	0.911	14.995**	0.89	0.73
BAW2	0.815	13.573**		
BAW3	0.751	11.194**		
BAW4	0.814	12.578**		
<b>Purchase intentions</b>				
PI1	0.774	11.224**	0.81	0.78
PI2	0.705	11.391**		
PI3	0.699	11.963**		
PI4	0.714	12.689**		
PI5	0.815	15.499**		

Table 5 represent the final result of this study where it indicates that both constructs are important and positively influenced customer purchase intentions.

**Table 5:** Path analysis of structural model

Casual path	Path coefficient	t-statistics	Results
Brand associations → Purchase intentions	0.369**	2.657	Supported
Brand awareness → Purchase intentions	0.376**	2.305	Supported

**Notes:** \*,\*\* Significant at  $P < 0.05$  and  $P < 0.01$  levels, respectively

**V. DISCUSSIONS AND CONCLUSION**

The results indicate that both predictors are significantly positive towards the purchase intentions. Brand associations is important to the customer especially when there are too many products available in the market and definitely each will claim that they are better than anyone else. Brand associations helps both product owner and the customers. To the customer, brand associations will help them to recognized the brand that is closed to their needs and expectations. Brand associations will help customer to associate products based on attributes or benefits. It depends on the product want to be associated by the brand manager. Most of the advertisements for cosmetics products highlighted both the attributes and benefits to the user such as organic based or natural.

Customer who are concerns about green environments will easily hooked on the brands. Brand's benefits depend on the competitive advantage that the cosmetics may bring as compared to others in the market.

Brand awareness have been recognized as important towards purchase intentions in most of consumers' products. This means that brand manager need to continuously promote the products and communicate to the market without fail in order to keep the brand blooming and create more intentions either to current or new customers. Specific awareness campaign can be done whether based on type of products or in conjunction of sales promotion in order to increase sales. Brand manager need to updates customer on their products not only through above the line communications but can also use the social media, YouTube and any other online platforms which is much cheaper and mass coverages.

It was also recommended by Ali (2016) that brand manager need to ensure that communications channel is available at all customers' touch point. Customer services should be ready and trained to get closer and convert customer towards action. Based on this study, it is firmied that both brand associations and awareness is valid and vital to be focused by all industry players in order to stay longer in the market.

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