

The Impact of Korean Wave on the Purchase Intention of Korean Cosmetics of Thai People in Bangkok and Chonburi, Thailand

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Abstract

Nowadays Korea is well known by its popular culture, such as, TV dramas and pop music, called as "Korean Wave", which the Korean government has considered as soft power for enhancing exports. This study aims to investigate the impact of Korean wave on the purchase intention of Korean cosmetics. Korean wave in this study consists of three variables which are sympathy and empathy induced by Korean dramas, the attractiveness of Korean celebrities. The country image of Korea, brand awareness and brand equity of Korean cosmetics are also examined as mediating variables. 398 data were collected from women in Bangkok and Chonburi, Thailand. They have experienced Korean wave. A survey questionnaire method was employed. Pearson correlation was used to test the hypotheses. The results show that Korean wave has a positive impact on the country image of Korea, and positive country image can increase the purchase intention of Korean cosmetics. Thus, Korean wave can be a soft power of Korea which can promote country image and exports. These findings can be used as guidelines for the Korean government and Korean companies for sustainable growth of industries related to Korean wave.

Keywords: Korean Wave, Korean Cosmetics, Purchase Intention, Country Image, Brand Equity

Introduction

It is not uncommon to watch Korean dramas on TV abroad or listen to Korean pop music on the street in other countries. Additionally, several Korean celebrities can be easily seen on even commercial advertisement overseas. Since the late 1990s, Korean popular culture has been enjoyed by many people all over the world. Started from TV dramas, such as, "Winter Sonata", "Dae Janggeum", Korean pop music, for example, Psy's "Gangnam style" has been also beloved. A term "Korean wave" is used to mention a kind of popular Korean entertainment and culture overseas (Shim, 2006). As Korean wave has got a growing acceptance and popularity through many countries, the Korean celebrities in K-drama and K-pop got to be famous and have many overseas fans.

Korean wave can be understood as the case of cultural globalization. People from all over the world can enjoy the international flow of popular culture and purchase foreign items. Popular culture is quite influential to those people following the trend, and in other words, popular culture can be said to have power on consumers' behavior, like purchase intention. As the popularity of Korean wave grew, the interest in Korean fashion and life style has also increased. This interest has improved the perception of related Korean products, and Korean cosmetics are one of them (Han, 2011). In fact, CNN analyzed that the popularity of Korean cosmetics among Chinese came from the long for Korean drama and Korean celebrities (Peter, 2014).

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In this context, Korean government has considered Korean wave as a tool for soft power and used it for enhancing exports (Ravina, 2009). South Korean government and large corporations have tried to develop and sustain the market relating to Korean wave which is called "cultural industry". However, Korean wave as businesses are not much studied because previous studies have usually considered "Korean wave" as a social phenomenon. As a result, the information that can be used in the Korean wave-related market is still insufficient. For supporting sustainable growth, marketers or content developers as well as Korean government need more information about the details of Korean wave in the real market.

The objective of this study is to investigate the impact of Korean wave on purchase intention of Korean product, especially Korean cosmetics and to find the process of this influence. To examine the process of Korean wave's impact, the country image of Korea (affective, cognitive), brand awareness and brand equity of Korean cosmetics are also examined as mediating variables.

Literature Review

Impact of Korean Wave on Country Image

Kim et al. (2014) studied the impact of Korean wave in Indonesia, and the result shows that scenario and characters of Korean dramas have successfully touched Indonesians' emotions, such as, sympathy and empathy, and this emotional touch has resulted in the positive image of Korea. Their study implies that consumers' attitude toward cultural elements of a foreign country impacts on their image of the home country.

As many Korean dramas and pop musics have accompanied popularity through many countries, the related Korean celebrities got to have many overseas fans. For example, the hero in Winter Sonata, Bae Yongjun became a superstar in Japan and called as nickname "Yon-sama" (Honorable Yon). His popularity in Japan was called as "Yon-sama syndrome" and Creighton (2009) noted that he had "likely done more to contribute to positive relation between Japan and Korea than most of Japan's political leaders".

Impact of Country Image on Brand & Purchase Intention

Some previous researches show that country image has both cognitive and affective dimensions even if studies usually regard country image as a cognitive construct (Li et al., 2014). Cognitive country image represents consumers' beliefs of a country, including its level of economic development, standard of living, industrialization and technological advancement; while affective country image refers to consumers' affective responses toward a country, including its culture and people. (Laroche et al., 2005). These two have to be distinguished because they can be often different to the same country (Li et al., 2014).

Consumers' perceptions about products are significantly different according to the countries in which the products were made. These perceptions about a country or country image significantly affect consumers' attitudes towards brands made in the country (Han, 1990).

Since consumers' perception of a particular country-of-origin influences their evaluation of products from that country, this will influence their preference, purchase intention and choice of a particular brand (Yasin et al., 2007).

Impact of Brand on Purchase Intention

Brand awareness refers to the ability of a potential buyer to recognize or recall a brand as a member of a certain product category (Aaker, 1991). Brand equity is the "added value bestowed on the product" by the brand name (Park & Srinivasan, 1994). It occurs when

consumers willingly pay for the same level of quality owing to the charm of the product's name (Bello & Holbrook, 1995).

The equity of a brand is partly measured in terms of the awareness it evokes. Increasing the level of awareness raises the possibility that the brand will be in the consideration set (Nedungadi, 1990) which will affect consumers' behavior. Purchase decisions that are in favor of the brand helps forming brand equity (Yasin et al. 2007).

Furthermore, Buil et al. (2013) found a positive influence of overall brand equity on purchase intention. According to them, the influence of brand equity on these factors can provide greater performance and profitability to firms.

Conceptual Framework

The conceptual framework seen in Figure 1, explores the impacts of Korean wave on the purchase intention of Korean cosmetics. This was modified from previous studies, explained above. Kim et al. (2014) was used as the main foundation and the others (Han, 1990; Sasmita & Suki, 2015; Buil et al., 2013) were added for a better eclectic model.

Variables of the model

The variables used in the conceptual framework can be categorized into following 4 groups which include Korean wave, country image, brand attitudes and purchase intention. Factors of each group are given as follows.

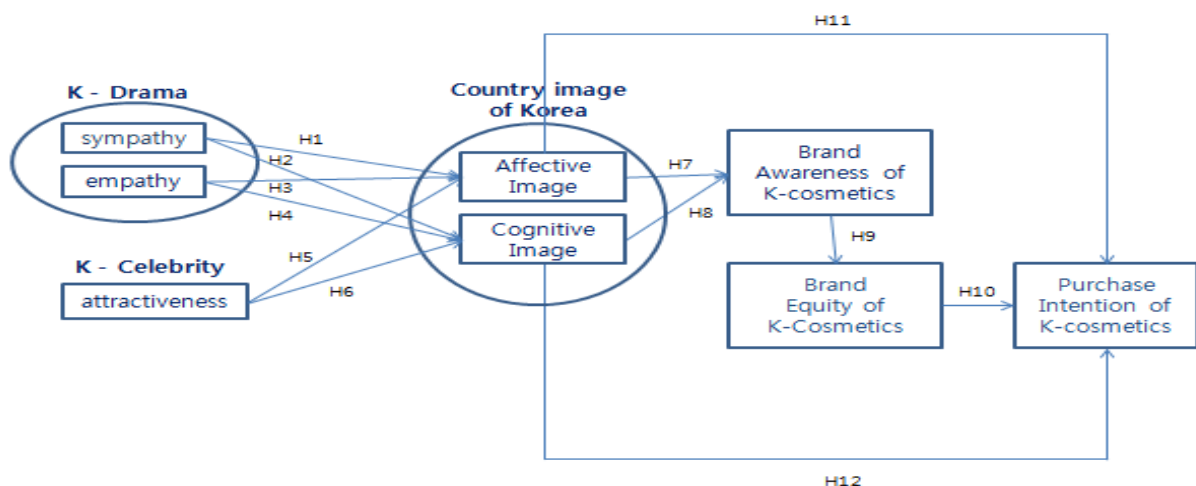
Group 1 covers factors that are related to Korean wave, they include sympathy and empathy from Korean drama, the attractiveness of Korean celebrity.

Group 2 covers factors that are related to the country image of Korea, they are the affective image of Korea, the cognitive image of Korea.

Group3 covers factors that are related to consumers' attitudes towards Korean cosmetic brand, they include brand awareness, brand equity of Korean cosmetic brand.

Group 4 is consumers' response, which is the purchase intention of cosmetics of Korean brand.

Figure 1 The impact of Korean wave on the purchase intention of Korean cosmetics



Hypothetical Relationships

In this conceptual framework, the variables related to Korean wave (sympathy, empathy, attractiveness) are considered to have influence on the country image of Korea, which can be divided into two parts: affective and cognitive.

H1. Sympathy induced by Korean drama has a significant effect on the affective image of Korea.

H2. Sympathy induced by Korean drama has a significant effect on the cognitive image of Korea.

H3. Empathy induced by Korean drama has a significant effect on the affective image of Korea.

H4. Empathy induced by Korean drama has a significant effect on the cognitive image of Korea.

H5. The attractiveness of Korean celebrities has a significant effect on the affective image of Korea.

H6. The attractiveness of Korean celebrities has a significant effect on the cognitive image of Korea.

The researcher postulates that the country image of Korea influences the purchase intention of Korean cosmetics indirectly, through the mediating effects of brand awareness and brand equity of Korean cosmetics. First, the country image of Korea is considered to influence brand awareness of Korean cosmetics, which affects brand equity of Korean cosmetics, and then brand equity of Korean cosmetics is considered to affect the purchase intention of Korean cosmetics finally.

H7. The affective image of Korea has a significant effect on the brand awareness of K-cosmetics.

H8. The cognitive image of Korea has a significant effect on the brand awareness of K-cosmetics.

H9. The brand awareness of K-cosmetics has a significant effect on the brand equity of K-cosmetics.

H10. The brand equity of K-cosmetics has a significant effect on consumers' purchase intention of K-cosmetics.

Moreover, the country image of Korea (affective, cognitive) is also considered to affect the purchase intention of Korean cosmetics directly.

H11. The affective image of Korea has a significant effect on consumers' purchase intention of K-cosmetics.

H12. The cognitive image of Korea has a significant effect on consumers' purchase intention of K-cosmetics.

Methodology

In order to test the hypothetical relationships, the research was conducted in Bangkok and Chonburi of Thailand, in which Korean wave is prevalent and popular (Shim, 2006). Target population of this research are women in Bangkok and Chonburi who have experienced Korean wave. Bangkok, the capital of Thailand, is a cosmopolitan city which has been quite open to international culture and Korean wave is commonly enjoyed. Chonburi where some factories of Korean companies, such as Samsung, LG, POSCO are located, is also good area for this research because the workers of these factories are probably more familiar to Korean culture and Korean wave. The reason why target population is limited to women is that dependent variable is the purchase intention of cosmetics. As Korean cosmetic brands, "Skinfood" was chosen because this is known to be the most popular and famous brand in Thailand.

The required sample size was determined as 384 using the population research sample table (Anderson, 1996) based on the number of target population with the confidence level at 5%.

People who work in the factory of Korean companies, such as, Samsung, LG, POSCO as well as the Embassy of Korea were selected as respondents by the judgment that they are more familiar with Korean culture elements and have more possibility to experience it.

Besides other samples were obtained mostly from the acquaintances of the researcher, such as, classmates, neighborhoods, fiends and their acquaintances. The data were gathered through a questionnaire method. A total of 425 questionnaires were collected and valid questionnaires were 398 (271 from Bangkok, 127 from Chonburi). Most of respondents (73.1%) are under 34 years old, and unmarried (69.1%). In terms of occupation, the biggest portion of respondents (53.3%) belongs to the group of employee, followed by student (20.1%), and housewife (17.6%).

The questionnaire of this study contains multiple measures of all eight variables of the model and consists of following eight parts; screening question, Korean drama, Korean celebrity, Korea, Korean cosmetic brand, the purchase intention of Korean cosmetics, and demographic factors. Respondents of this study are required to know and have the experience about Korean wave, so screening questions were designed to test this qualification.

Each variable is measured by 4-5 items and there are a total of 41 questions. A five-point Likert scale was applied to all of the measures ranging from (1) strongly disagree to (5) strongly agree. The main sources of these variables are Kim et al. (2014), Spry et al. (2011) for items measuring Korean wave, Gerald Häubl (1996), Laroche et al. (2005) for the evaluation of country image, Yasin et al. (2007) for the evaluation of brand equity and the brand awareness, Buil et al. (2013) for the measuring purchase intention.

Inferential analysis using Pearson correlation was conducted to test hypotheses.

Results

The Impact of Korean Wave on Country Image

Table 1 shows that there is a significant relationship between all of independent variables (sympathy, empathy, attractiveness) which represent Korean wave and country image of Korea (affective, cognitive). These results support H1~H6.

Lind et al. (2010) mentioned that the correlations is strong if the value is .50 to 1.0 or -.50 to -1.0. According to this, the correlation between empathy from Korean drama and affective image of Korea is positively strong (.525). Other correlation values mean a moderate positive linear relationship. The result also reveals that affective image of Korea has stronger relationship with independent variables than cognitive image of Korea.

Table 1 Correlation analysis (the Impact of Korean Wave on Country Image)

	Pearson correlation		Mean	SD
	affective	cognitive		
sympathy	.486** (H1)	.393** (H2)	3.3251	.54289
empathy	.525** (H3)	.450** (H4)	3.2201	.61090
attractiveness	.418** (H5)	.346** (H6)	3.4548	.75311

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

The Impact of Country Image on the Purchase Intention

Table 2 shows that all the relationships in hypotheses (H7~H12) are positively significant. This results means that country image (affective, cognitive) has positively significant relationship with the purchase intention both directly (H11,H12) and indirectly (H10) through the mediating effects of brand awareness (H7,H8) and brand equity (H9). Specially, the correlation coefficient of brand equity and purchase intention is .835 indicating a strong, positive linear relationship.

Table 2 Correlation analysis (The Impact of Country Image on the Purchase Intention)

	Pearson correlation			Mean	SD
	brand awareness	brand equity	purchase Intention		
affective	.357** (H7)		.479** (H11)	3.4253	.66623
cognitive	.378** (H8)		.409** (H12)	3.5459	.66389
brand awareness		.418** (H9)		3.4931	.68960
brand Equity			.835** (H10)	3.0126	.85293
purchase Intention				2.9089	.88474

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

Discussions and Conclusions

This study aims to investigate the impact of Korean wave on the purchase intention of Korean product, cosmetics and to find the process of this influence. The hypotheses testing revealed that all of twelve hypotheses had significant relationships between the variables indicating Korean wave has a positive impact on the country image of Korea, and positive country image can bring about the higher purchase intention of Korean cosmetics directly, and indirectly.

The results showing the positive significant relationship between emotions from Korean drama (sympathy, empathy) and the country image of Korea (affective, cognitive) are consonant to the previous research of Kim et al. (2014). Furthermore, the attractiveness of Korean celebrities was also uncovered to impact on the country image and the purchase intention of Korean products.

This study also showed the country image of Korea played a important mediating role which delivers the influence of Korean wave to the purchase intention of Korean products. This finding is consonant to the result of Han (1990) revealing a positive relationship between country image and purchase intention. The researcher divided the country image into two parts (affective, cognitive). Affective image of Korea means "consumers' emotional reactions towards Korea", which was measred by 4 items (nice, friendly, pleasant, peaceful). Cognitive image of Korea means "consumers' beliefs of Korea based on fact", which was measred by 4 items (rich, high level of education, technologically advanced, hardworking). In this study, affective country image showed more significant relationship with Korean wave, and purchase intention than cognitive image.

In conclusion, through this study, the researcher could confirm the prediction that Korean wave can be soft power of Korea which promotes country image and export of Korean products.

Recommendations

Although this research revealed that sympathy, empathy from Korean dramas had a significant impact on country image and purchase intention, both of mean values are below 3.5 (sympathy 3.32, empathy 3.22) which are not satisfactory yet, so they should be improved. To stimulate sympathy, empathy, all of characters, events and storyline of dramas need to accord with audiences' emotion and background knowledge so that audiences may understand the situation in dramas easily, experience similar feelings as characters portray. Therefore, the researcher recommends Korean entertainment companies to conduct research on foreign cultures, nationalities thoroughly before making dramas for export, and reflect

these foreign factors actively in dramas. These factors will help foreign audiences understand the dramas deeply, and feel sympathy, empathy. Furthermore, the researcher recommends Korean government to support exports of well made dramas.

Additionally, based on the results revealing that attractiveness of Korean celebrities also had a significant impact on country image and purchase intention, the researcher encourages Korean government and companies to find more channels to use the attractiveness and popularity of Korean celebrities. For example, casting attractive actors/actress can help audiences being absorbed in dramas. They also can participate in global advertisement or even in diplomatic area for boosting country image.

Korean government should pay attention to the impact of Korean wave. Positive country image exalted by Korean wave is worth much in itself, and furthermore it can promote Korean products. Possibly Korean government will be able to upgrade country image by supporting Korean wave. For example, dramas can reveal the daily life, culture, history of Korea, and the attractive fashion style of Korean celebrities can imply a high standard of living. In other words, Korean wave can be used as an indirect diplomatic channel.

This study showed that the purchase intention can be also improved by increasing brand awareness and brand equity. For higher awareness, brand has to be recognized easily and quickly. Korean companies can use popular Korean celebrities for commercial advertisement. It will be also helpful to develop impressive logo or symbol reflecting brand's character.

This research has a limitation regarding areas, which is that the survey was done only on two selected cities: Bangkok and Chonburi, Thailand. Future research can extend the scope of target regions to other cities or other countries. Besides, this study examines Korean cosmetics only. Future research can explore other products related to Korean wave, such as, Korean food, Korean fashion items. Future research also can examine other categories of Korean wave besides dramas and celebrities, such as, movie, pop music, dance movement etc.

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