

Taiwanese Customer Choices between Taiwanese and Korean Beauty Products

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1. Introduction

In recent years Taiwan's economy has grown significantly. According to data from the Ministry of Economy, the growth rate in 2014 and 2015 were 4% and 2.9%. That has allowed Korean cosmetics to invade the market, also known as the Korean Wave. The Koreans have used this opportunity to bring themselves to the world stage. There are many factors which may affect the choices that customers make, and does it have an effect on Taiwanese products? This is something worth experimenting with.

In recent years Korean beauty products are taking over Taiwan's cosmetics market. That has disallowed Taiwan cosmetic companies to flourish. Hence our experiment finding relations with customers' views on Taiwan and Korean beauty products and their choices on purchasing products. That allows a potential edge for Taiwan products.

Based upon such motives and background, we conduct an experiment on how customers' views affect choices in products. Hence, our motives:

1. Comparing Taiwanese customer values and choices between products.
2. Comparing Taiwanese customer lifestyles and choices between products.
3. Comparing the effect of salesmen tricks on Taiwanese customers and their choices on products.

2. Literature Review

Zeithaml in 1988, that evidence research

and insights from an exploratory investigation are combined in a conceptual model that defines and relates price, perceived quality, and perceived value. Propositions about the concepts and their relationships are presented, then supported with evidence from the literature. Discussion centers on directions for research and implications for managing price, quality, and value.

Sun, Kim & Heo, study is to investigate the extent of influence of Korean wave and perceived quality of cosmetics on customer satisfaction and repurchase intention, and then to figure out the extent of the impact of moderating effect of lifestyle on the relationship between the customer satisfaction and repurchase intention as well. This empirical result suggests that Korean wave and perceived quality factors.

Above researches that let us know there are many factors will effect human be to make decision..

3. Methodology

According to the literature, the framework built from customer values, customer lifestyles, and sales strategies, the customers' values directly affect the strategy of marketers. Different lifestyles also affect the strategies. Our experiment uses values guiding lifestyles in one direction as setting. This allows the building of values to be the priority. When many values band together it becomes a trend. Hence lifestyles had being a conglomeration of different customer values.

H1: Customer values on Taiwanese and Korean cosmetics have a significant impact upon lifestyle.

H2: The lifestyles of customers buying Taiwanese and Korean cosmetics have a significant impact on sales strategies.

H3: Customer values on Taiwanese and

Korean cosmetic products have a significant impact on sales strategies.

The experiment largely operates on analyzing statistical data, with methods such as: narrative statistical analysis, reliability analysis, T-Test for difference between Means, factor analysis, and regression analysis.

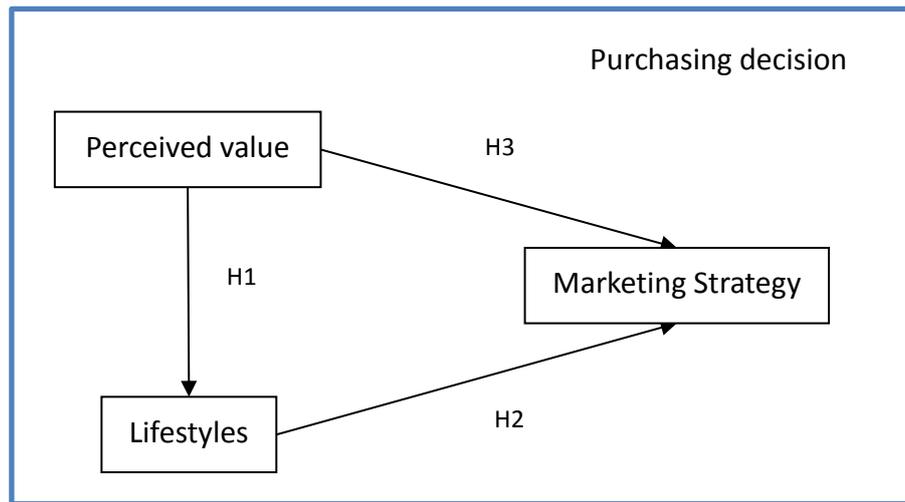


Figure 1 Structure of Research

4. Data analysis

The research recovered 380 questionnaires with 369 effective, success rate 97.1%. In Likert scale, the values range from 1-5 with 1 being the smallest. There are five ways of analysis.

In the values facet, we used narrative analysis on every question and found the average to be between 2 and 4. The average is higher than 3 which shows a positive view from the females.

Reliability analysis was run on different facets based off above questions. That delete some questions let the questionnaire get better.

The average of Taiwan cosmetic values is 3.2506, mean average deviation 0.54889. The average difference is 0.02857. For the Korean cosmetics, the average is 3.1272, slightly decreasing. The mean average deviation is

0.64781, the average difference is 0.03424. We can see that the values of Taiwan cosmetics and Korean cosmetics have a high relation value and it is significant.

We can see that the T-test is 3.857. 95% of the trust range gap is (0.06047-0.18629). The borderline is 0.000. That shows Korean and Taiwanese cosmetics have significant values.

According to the above, the chart below is all the factor confirmation values of all the questions. It shows that the KMO is 0.933, larger than the normal baseline value of 0.8. Through Bartlett's Test of sphericity we find that P is smaller than 0.05. That shows that the data is suitable for factor analysis, through which we can find the customers' orientation.

Perceived value of Taiwan beauty products, the factor analysis, we separated the

factors into five categories. Through the five categories we find two kinds. Factor one is “Respect Taiwanese cosmetic professionalism, factor 2 is,” Respect Taiwanese cosmetic quality.”

New factors names below:

(1) Factor 1: Respect Taiwanese Cosmetic Professionalism. In this category customers value the way information is received, the professionalism, of both product and salesperson. Hence, the name of the factor.

(2) Factor 2: Respect Taiwanese Product Quality. These customers value quality in products. Because of this, it is important to them that dependability can be seen in the product. Hence, the name of this customer group.

Perceived value of Korean beauty products, the Korean cosmetic values are separated into five facets. They are: quality, action price, currency price, emotion, and prestige. The five facets can be further divided into three factors: sociality, quality, and trendiness.

The factors are named as below:

(1) Factor 1: Respect Korean Cosmetic Sociability. These customers value sociability. They are quite adept at social interactions and sharing of their experiences. Hence, the name of this group.

(2) Factor 2: Respect Korean Product Quality. These customers value quality in products. Because of this, dependability becomes very important for them. Hence, the name of this group of customers.

(3) Factor 3: Respect Korean Product Trendiness. These customers value a trend.

Hence, the label “trendiness”

Lifestyle new factor names:

(1) Factor 1: Archetype Fashion

This factor has 12 questions. Mainly, they are welcoming of the new and trendy. These customers care about outward appearance. Hence our name.

(2) Factor 2: Archetype Family

These customers value family life and rational interaction. So they question their family members for opinions and put them first. Hence our naming.

(3) Factor 3: Archetype Achievement

This factor has 7 questions. These customers value achievement and are ambitious. They like expensive and quality cosmetics. Hence the name we gave them.

(4) Factor 4: Archetype Realism

This factor has 6 questions. They are good with finances, therefore creating the largest value out of them. They are a stickler for details so they get the max value. Hence the name they received.

We used multiple regression analysis in order to set up a direct relation. The different factors have been set up as different variables represented in the equation.

(1) Taiwan cosmetics values’ regression analysis on Archetype Fashion in lifestyle. We can see from the numbers that it has a significant impact, from both quality and professionalism valuing customers.

(2) Taiwan cosmetics values’ regression analysis on Archetype Family. Valuing professionalism doesn’t have a significant impact, although valuing quality does. We can see that $P > 0.05$ for professionalism, therefore losing significance.

(3) Taiwan cosmetics values' regression analysis on Archetype Achievement.

According to the P value we can see that professionalism does not have impact while quality has significance.

(4) Taiwan cosmetic values' regression analysis on Archetype Realism. We can find that professionalism has little significance since $P > 0.05$. But Quality has significance because P is less than 0.05.

(5) Lifestyle's regression analysis on Taiwan cosmetic sale strategies. Archetype Fashion is significant, Archetype Family is not, Archetype Achievement is significant, and Archetype Realism is significant.

(6) Values' regression analysis, we can find that quality and professionalism has significant impact on sale strategies.

(7) Korean cosmetic product values to Archetype Fashion's regression analysis, we can find that sociability and trendiness have

significance while quality doesn't.

(8) Korean cosmetic values regression analysis towards Archetype Family. We can find that there is no significance to the Archetype Family customers.

(9) Korean cosmetic values regression analysis on Arcehtype Achievement. Only sociability has a significant impact while quality and trendiness don't matter.

(10) Korean cosmetic values' regression analysis toward Archetype Realism. Through the P value we can find that only trendiness has a significant effect.

(11) Korean cosmetic values' regression analysis on sale strategies. We can find that sociability, quality, and trendiness all have significant impacts.

(12) Lifestyle's regression analysis on sales strategies. We can see that there is not significant impact on everything but Archetype fashion.

5. Conclusion

First, The impact of perceived value on lifestyle :

(1) In Taiwan: According to the results of data analysis, it is found that the value of Taiwan's beauty products has an impact on the lifestyle of consumers. No matter what type of life consumers pay attention to quality, because it can be known from evidence. The quality of Taiwan's beauty products is a factor in improving consumer purchasing decisions.

(2) In Korea, Taiwanese consumers are interested in "focusing on sociality" and "focusing on new trends" in purchasing Korean beauty products. It is obvious that consumers who purchase Korean beauty

products pay more attention to interpersonal interaction. Consumer experience and focus on packaging, the pursuit of popular indicators, allows consumers to believe that the purchase of Korean beauty products will be appreciated, but let yourself have a more superior sense and like new product packaging, uniqueness and pursuit of popular orientation, etc. The decision-making of Korean beauty products has a greater impact.

Second, the impact of lifestyle on marketing strategy :

(1) In Taiwan: In terms of lifestyle, Archetype Fashion ,Archetype Achievement, and Archetype Realism have a significant impact on Taiwan's beauty products marketing

strategy, showing the pursuit of fashion, attention to dressing, fashion, and attention. Career achievements, the use of high-quality, high-priced beauty products and economic independence, unique styles have an impact on Taiwan's beauty products marketing strategy. These three types like to try new things, be kind to themselves, behave in a timely manner, pay attention to the quality of life, hold a good idea of everything, like to meet with friends, and the concept of money is also painstakingly carefully calculated. It is always going to be executed after planning.

(2) In Korea: The lifestyle Archetype Fashion has an impact on the marketing strategy of Korean beauty products, indicating that consumers who purchase Korean beauty products will be recommended by packaging, fashion, advertising stars, spokespersons, relatives and friends and purchase Korean beauty products when affected.

Third, the impact of perceived value on marketing strategies

(1) In Taiwan: Taiwan's beauty products' values are: "focus on the professionalism of Taiwan's beauty products" and "focus on the quality of Taiwan's beauty products" have an impact on marketing strategies. Taiwan's beauty products value product quality. Safety and professionalism are the advantages. It is obvious that the vendor's sale strategy can influence consumers' decisions in purchasing Taiwanese beauty products. The product is the base of the brand. Without good products, the brand can't last. Therefore, the company must first control product quality, so that consumers can use it with peace of mind,

(2) In Korea, "focusing on the sociality

of Korean beauty products", "focusing on the quality of Korean beauty products" and "focusing on the new trends of Korean beauty products" have an impact on vendors' marketing strategies. It is Taiwanese consumers who think that buying Korean beauty products will not only allow gain of experience and value interpersonal interaction, but also from the recommendation of friends and relatives and receiving advertisements, actually understand the quality of the products, and whether the products are suitable for their skin type and function. And security and packaging and popular indicators, so manufacturers can sell through the promotion staff, so that consumers know more about the quality and quantity of their products, in order to create greater profits.

After analysis of the results, three major recommendations were proposed:

First, this study found that consumers are most concerned about quality and efficacy, so we should make good use of Taiwan's beauty and skin care products technology research and developmental capabilities, strengthen the efficacy of beauty care products, and combine entertainment industry, in addition to existing consumers in the domestic market, it will also stimulate future purchase decisions of potential consumers.

Second, since the Korean beauty products entered the Taiwan market, they have successfully occupied a place in the Taiwan cosmetics market with their unique product style management strategy. The study found that Taiwanese consumers are not "social" or "quality" seeking in purchasing Korean beauty products. "Trends" have a significant impact,

indicating that Korean beauty products have deeply penetrated by Taiwanese consumers in all aspects. It is recommended that manufacturers continue to understand the reasons for the popularity of Korean beauty products, and also strengthen product quality, safety, and practicality. The positive impression is that Taiwanese beauty products manufacturers are expected to create is an image of Taiwan's cosmetic kingdom.

Third, the study also found that in the life style, the "family type" type marketing strategy for Taiwan and South Korea beauty products is not significant, suggesting that operators can provide different products according to different lifestyles of consumers and customers. Providers need to provide information to identify segments that are different from others and stimulate consumer motivation through effective marketing.

Although the research structure of this research is based on reasonable theories, but due to factors such as time and manpower, there is still space for improvement, and it is hoped that follow-up research can make breakthroughs. Therefore, the following suggestions are proposed in this study:

First, the sampling part of this study is mostly concentrated in the younger age group, especially the office workers, students and computer groups. Therefore, the research results obtained may only be applied to this group and cause bias. Therefore, the re-sampling can be adopted. A more random sampling approach makes the results of the study more applicable to a wider age group.

Second, this study focuses on beauty products, so the results of this study may only

be applied to the cosmetics and cannot be extended to other products. Consumers may have different perceptions of the perceived value of different products, and the decisions and willingness may be different. Therefore, researchers may add other product screenings, and the research results discussed may be related to the results of this study. Compare the difference, so that the results can be deeper in depth and breadth to help the practice.

References

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