



## PURCHASE INTENTION ANTECEDENT OF INDONESIAN CONSUMER ON BRANDED BEAUTY PRODUCTS FROM KOREA

Utari Septiani Ridian<sup>1</sup>; [Anas Hidayat](#)<sup>2</sup>

<sup>1</sup>Management Department, Faculty of Business & Economics, Universitas Islam Indonesia, [Utariseptiani98@gmail.com](mailto:Utariseptiani98@gmail.com)

<sup>2</sup>Associate Profesor, Faculty of Business & Economics, Universitas Islam Indonesia, [anas.hidayat@uii.ac.id](mailto:anas.hidayat@uii.ac.id)  
(Corresponding Author)



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### ABSTRACT

This research aims to identify the influence of brand equity on brand preference and consumer purchase intention of branded beauty product from Korea. The population was the people in Indonesia. The samples were 250 respondents who were considered to represent the population examined with the non-probability sampling method using convenience sampling techniques. Data were processed by analysing structural equation samples using the AMOS program.

Data variables used in this research consisted of brand attitude, brand image, brand equity, brand preference, and purchase intention. This research is interesting because the researcher saw that branded beauty products from Korea have succeeded in selling their products and creating a good brand in the minds of consumers. Therefore, this research focused on measuring the influence of brand attitude and brand equity, brand image and brand equity as well as the influence of brand equity on brand preferences and consumer purchase intentions of branded beauty products from Korea in Indonesia.

## 1. Introduction

In an era that is increasingly developing and modern as it is today and the flow of globalisation that is no longer unstoppable, consumers are faced with various choices in consuming daily needs. One of them which is affected by the flow of globalisation and developing quite rapidly is the cosmetics industry, especially in Indonesia. Indonesia is the largest market in Southeast Asia, and it is estimated that in the next 10 to 15 years, it will rise to the top five Asian markets for cosmetics (Stewart Tipson, 2018). The word cosmetics comes from Greek "Kosmetike tekhnē" which means "dressing and decorating techniques". The term "Kosmetikos" means "skilled in arranging and organising" and also comes from the word "cosmos" which means "arrangement" and "decoration". Seeing the rapid development of the cosmetics industry, it is spurring producers to compete to create a diversity of cosmetic products (Agung, 2019). External jewellery (cosmetics) has played a significant role in various cultures to convey circumstance, situation, social class, or status, to place individuals in the gender category, enhance role performance, and to enhance beauty (Fabricant & Gould, 1993). According to the ministry of industry, he estimates that the Indonesian cosmetics industry will soon reach Rp 100 trillion from Rp 46.4 trillion (Global Business Guide Indonesia, 2018). Thus, it makes Indonesia a potential country for selling cosmetics. Data in Million US \$ shows that cosmetic sales in Indonesia in 2012 was 1,029, in 2013 was 1,084, in 2014 was 1,145, in 2015 was 1,214, in 2016 was 1,289, in 2017 was 1,372 and in 2018 was 1,461 (Gumiwang, 2020).

The passion, nature and needs of women for cosmetics that are believed to make women look more beautiful and confident in public are the reasons for the growth of this industry which motivates cosmetics manufacturers to compete to produce their best products. Besides having the ability to meet the basic needs of a woman for beauty, cosmetics are unique products because they often become a means for consumers to clarify their identity socially in the eyes of society (Ferrianadewi, 2005). Because of this, various cosmetics industries have emerged. Different brands or brands that have developed, for example, from local cosmetic brands that are already familiar to Indonesian people such as Sariayu, Mustika Ratu, Viva, Wardah, Inez, Emina, Make Over, Latulipe and many more. Therefore, cosmetics industry players are demanded to be more innovative and creative so that their products still exist and can compete in local and global markets (Agung, 2019).

Improving facial beauty is a significant component of attractiveness and a source of information from someone. Besides, the use of cosmetics can increase the perception of others towards women positively (Fabricant & Gould, 1993). As a woman, of course, she wants to look young and beautiful all the time, even looking beautiful is now a ritual or obligation for every woman. Thus, it is one of the reasons that more cosmetic manufacturers have finally appeared to support the desire of a woman to look beautiful. With the arrival of these various manufacturers, consumers have many choices in deciding which cosmetics product they will use (Rini, 2018).

Based on the market research institute, cosmetics of Korea and skincare growth reached 5.8 per cent year-on-year since 2013 (Putri, 2017). Korean Wave is a term used by people who have Korean “fever”. Starting from the drama series to the idol from the Gingseng country was loved by Asian women and even among the men including in Indonesia. Besides that, now there are K-Beauty trends or a kind of cosmetics and skincare trends. This K-Beauty trend attracts women, especially in Indonesia. The beauty of Korean artists makes women interested to know the secret behind it because for women the desire to have a beautiful and young appearance has been embedded in their minds from generation to generation (Arsitowati, 2017). Some Korean cosmetic products are present in Indonesia, namely Etude House, The Face Shop, Laneige, The Saem, Nature Republic, Innisfree, Tony Moly, Skinfood and many more. Based on the data of import value of Korean cosmetics and skincare in Indonesia, it was 4.3 million USD in 2014, it was 3.7 million USD in 2015, and it was 5.9 million USD in 2016 (Putri, 2017).

The intense competition in the cosmetics industry requires all producers to have creative and innovative thinking in marketing their products. The expertise the company in combining marketing strategies and maintaining and creating a brand is a determining factor for the success or failure of the product in the market. A brand must have good quality, positive brand image, and also have a positive brand attitude so that it can be known by the uniqueness of each brand that has added value by a brand on the product called brand equity (Chang, 2008). Therefore, researchers see that branded beauty products originating from Korea already have good brand equity which then brands equity influence consumer brand preferences and consumer purchase intentions. It can be concluded that before the consumer decides to buy a product or service, the consumer will use the preferences or expectations that he will receive from the brand as a standard and reference that will ultimately result in purchase intention for the brand. Godey (2016) stated that stronger brand equity leads to increased brand preference, willingness to pay premium prices, and customer loyalty. According to Keller (1993), the understanding of brand preference brand was customers tend to prefer brands based on what they know and feel about the brand even though there are many more competitive brands.

Interestingly, Indonesian consumers still perceive foreign goods as better than domestic goods (Yulistara, 2018). However, they also realise that consuming cosmetic products must also be careful, considering that many consumers are allergic to certain cosmetics. The research interest in buying Korean-made cosmetic products is compelling because almost all Korean products are booming, and this Korean cosmetic product is no exception. Especially research related to brands is still relevant to do in Indonesia, given the name of the product "Foreign Brand", it seems like several consumers are still concerned with ‘the image’ rather than the quality itself (Ramdhini, 2018). Therefore, this study focuses on measuring purchase intentions that are influenced by brand equity and brand preference for branded beauty products from Korea in Indonesia. Brand equity is strengthened by brand attitude and brand image as ' knowledge of consumers; thus, it influences consumer brand preferences on branded beauty products from Korea in Indonesia.

## **2. Literature Review and Hypothesis Development**

### *2.1. Applying Theory of Reasoned Action*

The Theory of Reasoned Action (TRA), describes behaviour that changes based on the results of behavioural intentions. These behavioural intentions are influenced by subjective norms and individual attitudes towards the behaviour (Ajzen, 1986). Subjective norms are individual perceptions of one’s beliefs on others that will affect the intention to do or not do something that is being considered. While the attitude towards behaviour refers to the extent to which a person has a favourable or unfavourable evaluation of the intended behavioural action, in this research, purchase intention is influenced by brand preference. Brand preference is the attitude of consumers towards something they like. Whereas brand attitude and brand image that strengthen brand equity is consumer knowledge that influences consumer brand preferences. In this research, there are several variables, namely: (1) Purchase Intention (2) Brand Attitude (3) Brand Image (4) Brand Equity and (5) Brand Preference. Therefore, based on the results of the literature review and empirical findings, the hypotheses are as follow:

### *2.2 Purchase Intention*

Purchase intention is the probability of purchasing certain products by consumers in the future. Intention to buy can be realised when finding criteria that are in accordance with the wishes of consumers. Purchase intention refers to the extent to which consumers purchase certain products and at the same time, refuse to switch to other products. Purchase intention is considered a subjective tendency towards a product and can be an essential index to predict consumer behaviour (Vinh & Huy, 2016). The intention itself is a combination of trust from attitudes of consumers towards products or services. Before purchase, consumers will collect information about the product to be considered. Information about a product is influenced by brand image. While a high brand image will be followed by high brand equity as well, High equity is associated with high brand preference (Chang & Liu, 2009). Chang, Hsu & Chung (2008) stated that because brand equity is reflected in brand preference, it can be concluded that brand preference will be reflected in purchase intentions. In sum, strong brand preferences will increase consumer preferences for the brand; thus, the consumer purchasing intention shows up. Brand preference has a direct positive effect on consumer purchase intentions (Chang, Hsu & Chung, 2008).

### 2.3 Brand Attitude

Brand attitude is defined as the evaluation, feelings, and tendencies of someone who is consistently beneficial or unfavourable towards a specific brand (Chang, Hsu, & Chung, 2008). Attitudes towards a brand will be resistant to change if formed from time to time through consumer experience. Attitudes reflect the tendency towards an object that leads to actual real behaviour (Faircloth, 2001). Attitude has a function as a filter for how an individual sees an object. Brand attitude refers to the overall evaluation of consumers of a brand both in terms of product and non-product attributes. The intended product attributes include assumptions or feelings about a brand, including brand attractiveness and fondness. Chang & Liu (2009) said that in making a strong brand with consumers, three essential elements must be considered, namely positive brand evaluation, positive brand attitude, and consistent brand image. Brand equity can be increased directly or indirectly through brand attitude and brand image. The relationship between the attitude component and brand equity states that brand attitude helps explain the nature of brand equity (Chang, Hsu & Chung, 2008). Brand attitude is an essential booster of brand equity. Brand engagement, brand attitude, and brand awareness are three critical factors supporting brand equity (Ansary, 2017). Therefore, it can be concluded that the brand attitude has a positive and direct relationship with brand equity.

Brand attitude is essential because it can form consumer behaviour (Ansary, 2017). Attitudes represent the influence of an object, which reflects the tendency towards an object that leads to the actual reality (Faircloth, 2001). A positive brand attitude is influenced by brand image. Brand image is the overall perception of the brand and is formed from information and knowledge of the brand. A brand image arises because of the advertising, promotion or use of the brand. Through brand image, consumers can recognise products, evaluate the quality and gain specific experiences and get a certain satisfaction from a product. Evaluation results obtained by consumers through the brand image form consumer brand attitudes and therefore, the better the brand image of a product offered, the better the attitude of consumers towards the brand. Positive brand image can include positive brand attitude (Ansary, 2017). Therefore, it can be said that brand attitude has a positive and direct influence on brand image.

**H1:** Brand attitude has a positive and significant influence on brand image.

**H2:** Brand attitude has a positive and significant influence on brand equity.

### 2.4 Brand Image

Brand image is a combination of perceptions of consumers and beliefs about a brand (Chang & Liu, 2009). Romaniuk (2003) said that brand image could come from various sources, such as consumer experience, marketing communications, and word of mouth. A good brand image strategy in distinguishing company brands from other companies can produce favourable evaluations in the minds of consumers. In increasing brand equity, one of the challenges is dealing with the brand image. A brand must be strived to have a positive image. Handling this brand image is related to how a brand can convince customers that its brand can compete with other brands because it has strength, uniqueness and high value. To form a brand image, the power of the brand (brand equity) becomes the primary source of how the brand can provide added value to its products (Winarto, 2011). In other words, brand image has a direct influence on brand equity (Ansary, 2017). Brand image is a vital element of brand equity. A unique, profitable, and strong brand image will bring the brand to a strategic position in the memory of consumers, and this will contribute to the increasing of brand equity. Brands with high equity are more likely to have a high brand image compared to those with low equity (Faircloth, 2001).

**H3:** Brand image has a positive and significant influence on brand equity.

### 2.5 Brand Equity

Brand equity is divided into two categories which are viewed from different perspectives or point of view, namely financial perspective, and customer-based perspective (Vinh & Huy, 2016). In the financial aspect, brand equity is defined as additional cash flow created by a brand (Chang, Hsu, & Chung, 2008). Whereas in the customer-based perspective, brand equity is the response of consumers on a brand name or added value for a product or service with a specific brand name (Chang & Liu, 2009). Building strong brand equity is a significant problem in the world of business today. Marketers must pay special attention and look for effective methods to create strong brand equity to stay competitive and avoid brands that are quickly obsolete (Ansary, 2017). High brand equity shows high brand preference as well. Buil (2013) conducted research in two categories, hotels, and household cleaners. It was found that brands with higher equity produce a higher brand preference. High equity is associated with high customer satisfaction, brand preference, loyalty, high market share, premium prices, and high profits (Chang & Liu, 2009). High brand equity will attract consumers to show their preferences for the product rather than products with low brand equity. In other words, brand equity is believed to be an essential contributor to brand preference which is a strong relationship between brand preference and brand equity (Chang, Hsu & Chung, 2008).

**H4:** Brand equity has a positive and significant influence on brand preference.

## 2.6 Brand Preference

Of the many brands on the market, consumers tend to choose a brand based on what they know and what they feel about the brand, which is the definition of brand preference. Brand preference can be measured by asking consumers to show their favourite brands from the available brand choices (Godey, 2016). Brand preferences are generally the estimates of expectations or consumer beliefs about what they will receive. Therefore, companies are required to be able to provide products in accordance with consumer expectations so that consumers feel satisfied and like the products; thus, consumers will not leave the brand. Strong brand preference can increase consumer satisfaction and likeness on the brand. A high level of customer satisfaction and like-ness towards a brand can have an impact on the increasing consumer purchase intentions towards the brand. In sum, before the consumer decides to buy a product or service, the consumer will use the preferences or expectations that he will receive from the brand as a standard and reference that will ultimately result in purchase intention on the brand. Therefore, it can be concluded that brand preference will be reflected in purchase intentions (Vinh & Huy, 2016).

**H5:** Brand preference has a positive and significant influence on purchase intention

## 2.7 Research Model

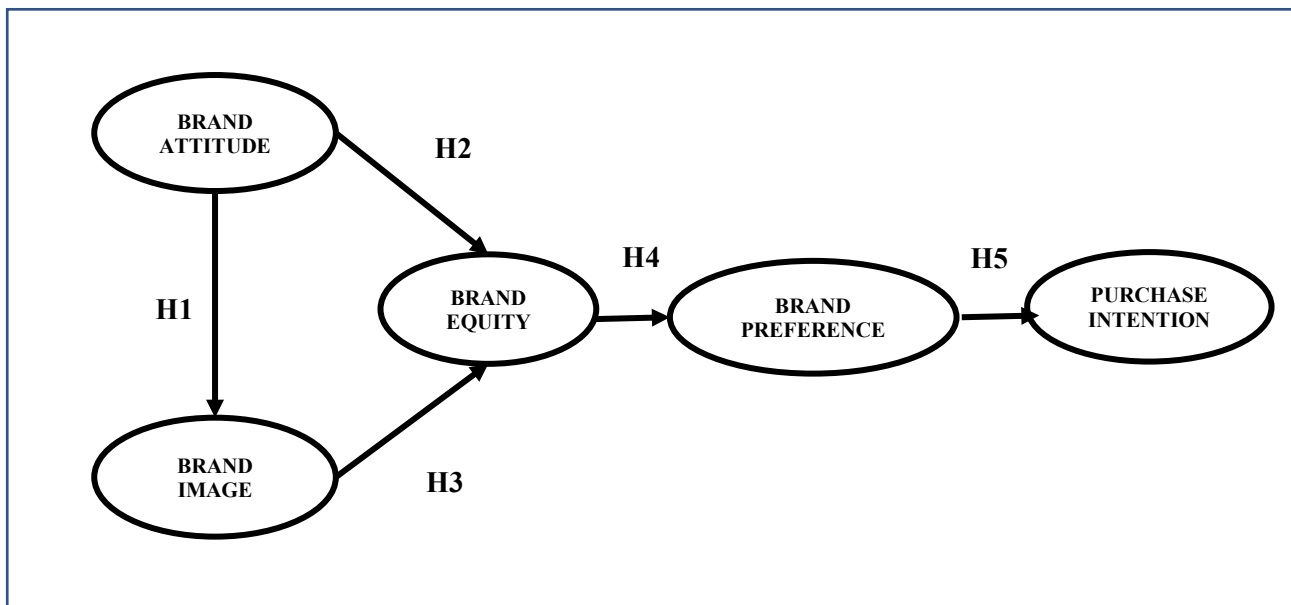


Figure 1: Research Framework  
Source: adapted from Chang and Liu (2009)

## 3. Methodology

This research was using non-probability sampling, where each member of the population does not have the same opportunity or opportunity to be chosen as a sample. While the sampling technique used convenience sampling where this type of sampling is based on the availability of elements and the ease of getting it the researcher determined the number of samples using the Structural Equation Modeling (SEM) method. In this research, the number of samples used was 250 respondents, where 272 respondents were collected through a survey questionnaire distributed via Google Form. In this research, the data was primary data which was obtained directly from respondents using a questionnaire survey. The data were collected using a survey questionnaire which is distributed online through the Google form.

The questionnaires used structured questions or closed questions. Evaluation of the answers of the respondents has been done on a six-point Likert scale from the lowest level to the highest level, namely: Very Strongly Agree (VSA), Strongly Agree (SA), Agree (A), Quite Agree (QA), Disagree (D), and Strongly Disagree (SD). The validity test is used to measure the validity of a questionnaire. It is stated valid if the questionnaires are able to reveal something that will be measured by this questionnaire (Ghozali, 2013). The items are valid if  $r_{count} \geq r_{table}$  and items are invalid if  $r_{count} \leq r_{table}$  (Ghozali, 2013). A questionnaire is said to be reliable if the answers of the respondent to the statement is consistent or stable (Ghozali, 2013). It is said to be reliable if the Cronbach Alpha value  $> 0.70$  (Ghozali, 2013).

Data collection was initially carried out by distributing questionnaires to 50 respondents to be tested for validity and reliability using the SPSS program. The test is used to find which indicators are valid and reliable, and then these indicators will be distributed to more respondents. Data collection was initially carried out by distributing questionnaires to 50 respondents to be tested for validity and reliability using the SPSS program. The test is used to find which indicators are valid and reliable, and then these indicators will be distributed to more respondents.

The analytical method used in this research is descriptive analysis and statistical analysis. Descriptive analysis is a method related to the collection, summarisation, and presentation of data so that useful information is obtained that is ready to be analysed. The purpose of descriptive analysis is to describe data so that the data is easily understood for people who read it. Quantitative analysis is an analysis using statistical techniques to prove the proposed hypothesis. In investigating the current research, the researcher used a statistical analysis tool that is Structural Equation Modeling (SEM) with the application program named AMOS.

#### 4. Data Analysis and Results

This section will explain the results of data analysis such as descriptive analysis, model results, and hypothesis results

##### 4.1 Descriptive Analysis

The following table is the demographic of respondents based on sex, age, education, occupation, and expenses:

Table 1: Respondent Descriptive Analysis

1	Sex	Amount	Percentage
	Man	65	26%
	Woman	185	74%
	Total	250	100%
2	Age	Amount	Percentage
	17-20	9	3.6%
	21-25	205	82%
	26-29	26	10.4%
	> 30	10	4%
	Total	250	100%
3	Education	Amount	Percentage
	Junior High school	5	2%
	Senior High school	181	72.4%
	Diploma	17	6.8%
	Undergraduate	44	17.6%
	Postgraduate	3	1.2%
	Total	250	100%
4	Occupation	Amount	Percentage
	Student	216	86.4%
	Civil Servant	15	6%
	Entrepreneur	8	3.2%
	Housewife	8	3.2%
	Others	3	1.2%
	Total	250	100%
5	Expenses	Amount	Percentage
	< Rp 1.000.000	9	3.6%
	Rp 1.000.000 – Rp 2.000.000	71	28.4%
	Rp 2.000.000 – Rp 3.000.000	98	39.2%
	Rp 3.000.000 – Rp 4.000.000	53	21.2%
	> Rp 4.000.000	19	7.6%
	Total	250	100%

From the results of the descriptive analysis of characteristics of respondents, it can be seen that the respondents used in this study were taken as many as 250 respondents, grouped by gender, age, last education, occupation, expenditure, and users of branded beauty products from Korea. Data shows that male respondents were 65 respondents or 26% and female respondents were 184 respondents or 74%. The number of respondents based on age where respondents aged 17 to 20 years amounted to 9 or at 3.6%, aged 21 to 25 years amounted to 205 or at 82%, aged 26 to 29 years amounted to 26 or at 10.4%, and aged over 30 years amounted to 10 or 4%. Respondents based on their latest education, SMP respondents were 5 respondents or 2%, SMA / SMK respondents were 181 respondents or 72.4%, Diploma respondents were 17 respondents or 6.8%, Bachelor respondents were 44 respondents or 17.6%, and Masters respondents were as many as 3 respondents or 1.2%.

Also, respondents based on status, the status of students 216 students or 86.4%, civil servants 15 or 6%, entrepreneurs 8 or 3.2%, housewives 8 or 3.2%, and 3 respondents with other types of work or with a percentage of 1.2%. respondents based on expenditure, spending Rp 2,000,000 to Rp 3,000,000 were 98 respondents or 39.2%. expenditure less than Rp 1,000,000 9 respondents or 3.6%, expenditure Rp 1,000,000 to Rp 2,000,000 are 71 respondents or 28.4%, expenses Rp 3,000,000 to Rp 4,000,000 are 53 respondents or 21.2% and expenditure of more than Rp 4,000,000 of 19 respondents

or 7.6%. Respondents who used branded beauty products from Korea were 245 respondents or with a percentage of 98% while respondents who did not use branded beauty products from Korea were 5 respondents or with a percentage of 2%.

#### 4.2 Model Result

##### 4.2.1 Outlier dan Normality Analysis

Outliers can be evaluated using analysis of Multivariate Outliers in terms of the Mahalanobis Distance value. The Mahalanobis Distance test was calculated using the Chi-square value in the Degree of Freedom of 24 indicators at the level of  $p < 0.001$  using the formula  $X^2 (24: 0.001) = 42.997$ . The results found 50 data that had a Mahalanobis d-square value of more than 42.979; thus, 50 data contained outliers. So, it must be eliminated. Testing multivariate normality is by observing the Critical Ratio (CR) value of the data used. If the value of CR multivariate data is in the range of  $\pm 2.58$ , of the research is a normal standard. The results of the study showed that the value of CR on multivariate was 2.499, where the value was above 2.58. Thus, the data in the research had been normally distributed.

##### 4.2.2 Confirmatory Factor Analysis

The following are the results of the validity and reliability of the data tested by Confirmatory Factor Analysis (CFA). In the first confirmatory analysis, the loading factor value of each indicator is seen. The loading factor can be used to measure of construct validity where a questionnaire is said to be valid if the questions on the questionnaire are able to reveal something that is measured by the questionnaire. The value of the validity test is said to be valid if it has a factor loading value of  $> 0.50$  (Tentama, 2018). From the results of the analysis, it was found that all the indicators of loading factor values had reached 0.5 except the PI2 indicator. Thus, it must be dropped from the analysis. Good construct reliability must have construct reliability value  $> 0.7$  and extracted variance value  $> 0.5$  (Tentama, 2018). The reliability test results is as follow:

Table 2: Result of Reliability Test

Indicator	Loading Standard	Loading <sup>2</sup> Standard	Measurement Error	CR	VE
Brand Attitude 5	0.848	0.719	0.281		
Brand Attitude 4	0.665	0.442	0.558		
Brand Attitude 3	0.781	0.610	0.390	0.9	0.6
Brand Attitude 2	0.809	0.654	0.346		
Brand Attitude 1	0.791	0.626	0.374		
Brand Image 5	0.732	0.536	0.464		
Brand Image 4	0.732	0.536	0.464		
Brand Image 3	0.702	0.493	0.507	0.9	0.5
Brand Image 2	0.778	0.605	0.395		
Brand Image 1	0.737	0.543	0.457		
Brand Preference 1	0.766	0.587	0.413		
Brand Preference 2	0.525	0.276	0.724	0.7	0.5
Brand Preference 4	0.615	0.378	0.622		
Brand Preference 5	0.508	0.258	0.742		
Purchase Intention 1	0.737	0.543	0.457		
Purchase Intention 2	0.656	0.430	0.570		
Purchase Intention 3	0.683	0.466	0.534	0.8	0.5
Purchase Intention 4	0.722	0.521	0.479		
Purchase Intention 5	0.743	0.552	0.448		
Brand Awareness	0.709	0.503	0.497		
Brand Association	0.727	0.529	0.471	0.9	0.6
Brand Loyalty	0.843	0.711	0.289		
Perceived Quality	0.789	0.623	0.377		

From table 2 above, it can be seen that the construct reliability of all variables already shows  $\geq 0.7$ , and the extracted variance value also shows the value  $\geq 0.5$ . It can be concluded that the questionnaire used in this research was declared reliable.

4.2.3 Goodness of Fit (GOF) Test

Figure 1: Result of Path Analysis

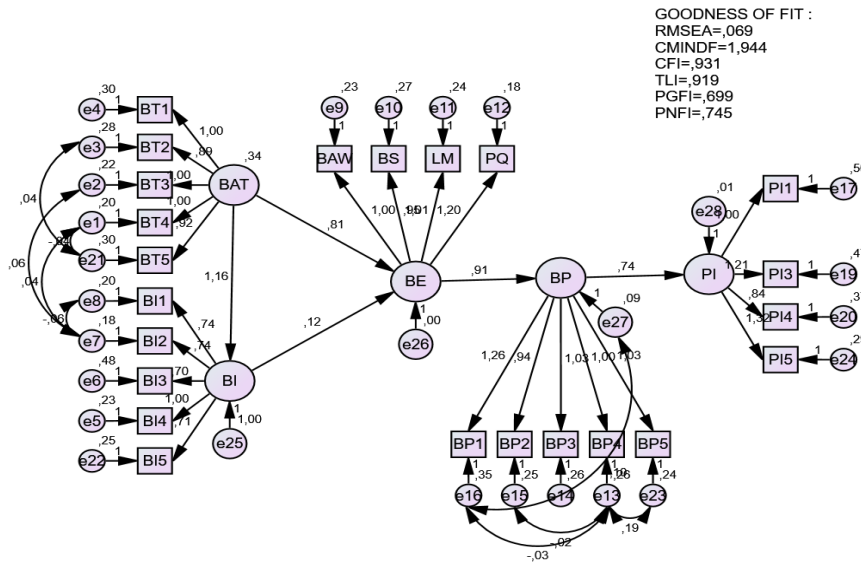


Table 3: Goodness of Fit Test

Fit Index	Goodness of Fit	Criteria	Cut-off value	Description
Absolute Fit	RMSEA	≤ 0.08	0.069	Fit
	CMINDF	≤ 2.00	1.944	Fit
Incremental Fit	TLI	≥ 0.90	0.919	Fit
	CFI	≥ 0.90	0.931	Fit
Parsimony Fit	PGFI	≥ 0.60	0.699	Fit
	PNFI	≥ 0.60	0.745	Fit

4.2.4 Hypothesis Testing

The subsequent analysis is a full model Structural Equation Modeling (SEM) analysis to test the hypotheses developed in this research. The Regression Weight test results in this research can be seen in Table 4 below:

Table 4: Result of Hypothesis Test

	Estimate	SE.	CR.	P	Label
BI <--- BAT	1.156	.152	7.619	***	Accepted
BE <--- BAT	.808	.077	10.559	***	Accepted
BE <--- BI	.124	.022	5.736	***	Accepted
BP <--- BE	.909	.091	9.942	***	Accepted
PI <--- BP	.737	.101	7.280	***	Accepted

To see whether the hypothesis is accepted or rejected, it can be seen by looking at the value of the Critical Ratio (CR) and the value of Probability (P) from the results of data processing. If the test results show a CR value above 1.96 and a probability value (P) below 0.05 or 5%, the proposed research hypothesis is accepted. Based on table 5 above, the first hypothesis with CR value of 7,619 and a probability value of 0,000 (P <0.05), it can be concluded that there was a positive and significant relationship between brand attitude and brand image; thus, the first hypothesis was accepted or supported. The second hypothesis with the CR value of 10,559 and a probability value of 0,000 (P <0.05), it can be concluded that brand attitude had a positive and significant influence on brand equity. Thus, the second hypothesis was accepted or supported. The third hypothesis showed the CR value of 5.736 and a probability value of 0.000 (P <0.05), and it can be concluded that there was a positive and significant relationship between brand image and brand equity; thus, the third hypothesis was accepted or supported. The fourth hypothesis with CR value of 9,942 and a probability value of 0,000 (P <0.05), it can be concluded that there was a positive and significant relationship between brand equity and brand preference; thus, the fourth hypothesis was accepted or supported. The fifth hypothesis showed CR value of 7,280 and a probability value of 0,000 (P <0.05), and it also can be concluded that there was a positive and significant relationship between brand preference and purchase intention; thus, the fifth hypothesis was accepted or supported.

## **5. Discussion**

From the result of hypothesis 1 test, it shows that brand attitude had a positive and significant influence on brand image toward branded beauty products from Korea. The higher brand attitude will consistently influence consumer behaviour to provide benefits and bring a positive impact on the brand image of branded beauty products from Korea. These results are consistent with research conducted by Ansary (2017) that positive brand image can include positive brand attitude.

From the result of hypothesis 2 test, it shows that brand attitude had a positive and significant influence on brand equity. These results support the research conducted by Chang, Hsu & Chung (2008), which said that the relationship between components of brand attitude and brand equity states that brand attitude helps explain the nature of brand equity. Brand attitude is an essential driver of brand equity. Consumer evaluation of Branded Beauty Products from Korea both in terms of attributes and benefits will influence the value of a brand in the eyes of consumers. Consumers can become very fond of Branded Beauty Products from Korea or even strongly reject a brand depending on how consumers perceive this Branded Beauty Products from Korea and how well the brand equity of this brand. Ansary (2017) also said that brand engagement, brand attitude, and brand awareness are three crucial factors driving brand equity.

From the results of hypothesis 3 test, it shows that brand image had a positive and significant influence on brand equity. The higher image of a brand can increase consumer trust in this brand. Brand image can be enhanced through brand equity. The brand image of branded beauty products from Korea that was unique, profitable, and strong will bring the brand to a strategic position in the minds of consumers, and this will contribute to increasing brand equity. These results were consistent with research conducted by Ansary (2017) that stated brand image has a direct impact on brand equity. While a study conducted by Faircloth (2001) pointed out that brand image is a vital element of brand equity. High brand equity tends to have a positive brand image.

From the results of hypothesis 4 test, it shows that brand equity had a positive and significant influence on brand preference. The high preference of branded beauty products from Korea will influence the intention to find out more about the brand and consumers are more likely to show their preference for the brand even though options from other brands are available. Brand preference was one of the indicators of brand strength in the hearts and minds of customers. The big brand name of branded beauty products from Korea will attract consumers to show their preferences for these products. These results were consistent with research conducted by Chang & Liu (2009) that stated high brand equity is associated with high customer satisfaction, brand preference, loyalty, high market share, premium prices, and high profits. Besides that, the research conducted by Chang, Hsu & Chung (2008) stated that brand equity is an essential contributor to brand preference, which is the existence of a strong relationship between brand preference and brand equity.

From the results of the hypothesis 5 test, it shows that brand preference had a positive and significant influence on purchase intention. Purchase intention was considered a subjective tendency towards a product and can be an essential index to predict consumer behaviour. Positive consumer behaviour towards branded beauty products from Korea illustrated their level of satisfaction and likeness of the product. To be able to increase consumer satisfaction and preferences for branded beauty products from Korea, they must have strong brand preferences. The high level of consumer satisfaction and likeness toward a brand had an impact on the increasing consumer purchase intentions of that brand. These results were consistent with the research conducted by Chang, Hsu & Chung (2008) that explained brand preference would be reflected in the purchase intention of a product. Brand preference had a positive direct relationship to customer purchase intentions.

## **6. Conclusion**

Based on the results of the analysis and the results of the research discussion, it can be concluded that the purchase intention is influenced by brand equity and brand preferences of the consumer on branded beauty products from Korean in Indonesia. Thus, the researcher suggested the marketing managers who want to increase consumer buying interest by increasing product brand equity. Increasing brand equity can be done by strengthening brand attitude and brand image as consumer knowledge so that it influences brand preferences of the consumer on branded beauty products from Korea in Indonesia. By having a high brand preference, consumers tend to choose brands based on what they know and feel about the brand. With the formation of this high brand preference, it is also followed by an increase in consumer preferences on a particular product; thus, buying interest of consumers on a product will increase.

Finally, it is hoped that this research can be used as information for marketing practitioners to develop marketing strategies. The next researcher is expected to be able to enrich this research model by adding complete literature related to the relationship between the dimensions of brand equity variables and other variables that influence consumer buying interest decisions. Some of the variables that can be used in the next research include, for example, brand attitude, brand image and brand preference variables. Also, further research is expected to further expand research respondents to men, not limited to women.



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## **Appendix**

### Questionnaires

#### A. Brand Awareness

1. I am familiar with branded beauty products from Korea
2. I can easily remember branded beauty products from Korea
3. I can easily remember the symbols or logos of branded beauty products from Korea
4. I am easy to remember the characteristics of branded beauty products from Korea
5. Famous branded beauty products from Korea

#### B. Brand association

1. I appreciate people who use branded beauty products from Korea
2. I like the brand image of branded beauty products from Korea
3. I believe in branded beauty products from Korea
4. Unique branded beauty products from Korea

#### C. Brand Loyalty

1. I prefer to buy branded beauty products from Korea
2. I will be loyal to branded beauty products from Korea
3. I will recommend branded beauty products from Korea to others
4. I say positive things about branded beauty products from Korea to others
5. I will continue to buy branded beauty products from Korea

#### D. Quality Perception

1. High quality branded beauty products from Korea
2. Branded beauty products from Korea of superior quality
3. Branded beauty products from Korea are attractive
4. Branded beauty products from Korea are satisfying
5. Branded beauty products from Korea can be trusted

#### E. Brand Attitude

1. I like branded beauty products from Korea
2. I support branded beauty products from Korea
3. I am satisfied with the branded beauty products from Korea
4. I am comfortable with branded beauty products from Korea
5. I will continue to use branded beauty products from Korea

#### F. Brand Image

1. Branded beauty products from Korea provide a good experience
2. Branded beauty products from Korea are different from the others
3. Branded beauty products from Korea are attractive
4. Korean branded beauty products have their own characteristics
5. Branded beauty products from Korea have a good reputation

#### G. Brand Preferences

1. I feel branded beauty products from Korea are superior to other brands
2. I feel branded beauty products from Korea are interesting
3. I prefer to buy branded beauty products from Korea than other brands
4. I will definitely buy branded beauty products from Korea
5. When considering an option, I will consider branded beauty products from Korea first

#### H. Intention to Buy

1. I will buy branded beauty products from Korea
2. I would consider buying branded beauty products from Korea
3. I will probably buy branded beauty products from Korea
4. I think of branded beauty products from Korea as an option
5. I think of good things about branded beauty products from Korea