COMMUNICATING INGREDIENT AUTHENTICITY IN PRODUCT PACKAGING FOR LUXURY KOREAN COSMETICS - THE CASE OF GINSENG AND SNAIL MUCUS

Sean Lee
School of Marketing, Curtin Business School
Curtin University

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Corresponding author:

Sean Lee  
School of Marketing, Curtin Business School  
Curtin University  
GPO BOX U1987  
Perth, WA 6845  
Australia  
Tel (+61 8) 9266 3882  
Fax (+61 8) 9266 3937  
Email: Sean.Lee@curtin.edu.au
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Abstract

The recent success of luxury Korean cosmetic products have caught the attention of researchers around the world. Products using authentic Korean ginseng and snail mucus are seeing unprecedented growth in recent years. The current study will explore the effects country image and authenticity of packaging have on consumer attitude and behavioural intention. This study will employ a 2x2 between-subjects experimental design to test the effects of indexical and iconic authentic package designs on consumer perceptions. The study contributes to the research area by integrating the authenticity literature and extending authenticity’s applicability to the packaging of Luxury Korean Cosmetics industry.

Introduction

The Korean cosmetics is a rapidly growing industry which can be credited to the Korean wave that has swept across the world (Citywire Global, 2015). In 2014 alone, the Korean Customs Service announced that cosmetics products accounted for US$1.45 billion in exports to over 120 countries (Korea.net, 2014). The Korean cosmetics industry now accounts for 2.5% of the global cosmetics market and continues to grow stronger with the aid of the 2011 free trade agreement with Europe, the Union’s first trade deal with an Asian country. Korea has also signed free trade agreements with other large international markets such as Australia, Canada and the United states (Korean Ministry of Foreign affairs (2014). Given the explosive growth of the industry it is increasingly becoming apparent that researchers need to further examine the reasons behind its success.

Recently, Korean cosmetic products have begun to draw on traditional remedies for general dermatological health particularly in the anti-aging creams sector (Dumas, 2015). The uniqueness to Korea of these ingredients have become the unique selling point of such products and marketers have developed a wide array of creative marketing strategies to promote them. However, the success of these products also act as a double edged sword creating a market for me-too and counterfeit products (Alpert et al., 2001). As such, the communication of the authenticity has become paramount to the ongoing success and
sustainability of such products. According to Ramkissoon and Uysal (2011), there exists a strong link between authenticity, attitude and behavioural intention. For instance, Kolar and Zabkar (2010) have examined the effects authenticity has on attitude and behaviour and have observed that higher perceptions of authenticity led to greater satisfaction and loyalty.

In the context of cosmetics products, the communication of authenticity relies greatly on its promotion particularly in the way it is packaged. The packaging of the product consists of informational and promotional labelling (Underwood, 2003). Informational labelling informs consumers of the functional benefits of the product, usage instructions and authentication (Bertrand, 2002). On the other hand, promotional labelling refers to the use of extrinsic cues to create a product experience based on symbolism (Hirschman, 1980; Elliot and Wattanasuwan, 1998), product imagery (McCracken, 1986; Visconti, 2010), nostalgia (Elliot and Wattanasuwan, 1998) and regional/brand authenticity (Underwood, 2003; Visconti, 2010). These elements of product packaging influence perceptions of quality which in turn impact on attitude and purchase intention (Kim, Ko and James, 2011; Singh and Winding, 1981; Rigaux-Bricmont, 1982). Yet, till this day only a few studies have examined authenticity in terms of the packaging of products (e.g. Lunrado and Guerinet, 2007; Mugee et al., 2014; Nguyen, Gunasti and Couter, 2012).

This study aims at exploring authenticity in the context of luxury Korean cosmetic products. Further, the current study explores the role country image plays in the formation of attitude toward cosmetic products, behavioural intention toward the product and behavioural intention toward the destination in an empirical model. The key objectives of this study are:

**R1:** To examine the effects authenticity has on consumer attitudes and behavioural intention.

**R2:** To examine country image for its influence on attitude toward the cosmetic product, behavioural intention toward the product and behavioural intention toward the destination

**Literature review**

The conceptual model for the current study comprises five key constructs. This framework is depicted in Figure 1.
The Indexical-Iconic Approach to Authenticity

Authenticity is rooted in the philosophical study of ontology and existentialism which contemplates on what is true, genuine and real (Ferrara, 2003). Since then, the construct has been examined in psychology, anthropology and sociology. Product authenticity is described in marketing as a product or brand (Robinson and Clifford, 2012) that is “real and genuine and has a history or tradition” (Babin and Harris, 2012, pg. 285). Judgements of a product are based on its uniqueness, workmanship, cultural and historical heritage, materials, aesthetics and shopping experience (Cohen, 1988; Littrell, Anderson and Brown, 1993; Wang, 1999). Thus, consumption of authentic products results in higher judgements of value since such products are perceived as more desirable compared to synthetic products or reproductions (Babin and Harris, 2012).

The literature on authenticity is vast and is fraught with debate on the conceptualisation of the concept. There are three traditional approaches to the way authenticity is conceptualised. First, the objectivist approach conceptualises authenticity as a property that is inherent in an object (Kolar and Zabkar, 2010; Wang, 1999). Second, the constructivist approach which challenges the objectivist approach suggests that reconstructed and contrived products can still be perceived as authentic (Grayson and Martinec, 2004). From this perspective, an authentic product is a “socially constructed interpretation” (Cohen, 1988, pg. 374) of a true and genuine experience rather than an inherent property (Beverland, 2006). Third, and more recently, the existentialist approach acknowledges a “potential existential state of being activated by tourist activities” stimulated through an interaction with a touristic object (Wang, 1999, pg. 352).

In 2004, Grayson and Martinec have drawn from Peircian semiotic theory (Peirce, 1998) to introduce the indexical-Iconic approach to authenticity. This theory examines human perception and epistemology to understand how people discern what is real and truthful. Indexical authenticity refers to the existence of a “factual spatio-temporal connection with tradition or history” (Grayson and Martinec, 2004, pg. 298) and is similar to objective authenticity. For instance, a bottle of Moet Chandon made in its founding Champagne region in France that still uses traditional wine-making processes is perceived to possess indexical authenticity. In the context of Korean cosmetics products, product packaging designed using the indexical approach would utilise traditional imagery and symbolism in their aesthetics to create the ‘ambience’ of Korean culture.
Conversely, iconic authenticity refers to the degree of similarity or “verisimilitude” of a reproduction (Grayson and Martinec, 2004, pg. 298) and is similar to constructivist authenticity. From this perspective, reproductions are made to mimic original products and are perceived as authentic based on subjective evaluations of consumer experiences with them (Beverland, 2006). For instance, visitors to Shakespeare’s Birthplace may immerse themselves in the ambience of a different era and develop a personal connection with the past, even though some of the artefacts on display may be reproductions. Within the context of package design, product packaging designed using the iconic approach would utilise more contemporary designs with subtle indications of the products ‘Koreaness’.

Figure 1: Conceptual research framework.

Country image

Image was first examined in general psychology in studies on perception, cognition and memory. Image is defined as “a memory code or associative mediator that provides spatially parallel information that can mediate overt responses without necessarily being consciously experienced as a visual image” (Poiesz, 1989, pg. 462). Finn (1985) has suggested that image is a collection of symbolic associations with an object, place or situation.

Country image was introduced to marketing to examine products (e.g. Lee and Lockshin, 2012), brands (e.g. Chien, Cornwell and Pappu, 2012), countries (e.g. Lee and Lockshin, 2012) and travel destinations (e.g. Elliot, Papadopoulos and Kim, 2011). In country-of-origin literature, country image is defined as descriptive, inferential and informational beliefs about a particular country (Roth and Diamantopoulos, 2009). Such beliefs relate to the character and competencies of the country in general as well as the locals that reside there (Bannister
and Saunders, 1978; Roth and Diamantopoulos, 2009). Consumers often draw upon country image as an extrinsic and intangible cue (Lee and Lockshin, 2012) to form product judgements when there is insufficient information about a product (Elliot, Papadopoulos and Kim, 2011).

In product marketing, the consumer’s image of a country serves as a bias or stereotype in the absence of complete information about a product (Han, 1989). There are two alternative views for the role of country image in product evaluations. First, country image may serve as a halo effect when consumers are unable to detect a product’s true quality (Huber and McCann, 1982). The authors have suggested that consumers draw on country image to form beliefs about unfamiliar products. This effect of country image has been found to be more prominent in consumers who are unfamiliar with products of the specific country (Han, 1989). Second, country image may serve as a summary construct in which consumers base their product judgements on past encounters with other products with the same country-of-origin (Jacoby, Szybillo and Busato-Schach, 1977). This effect has been found to be more prominent in consumers who are familiar or have had past experiences with products from a particular country (Han, 1989; Shapiro, 1982).

Country image serves as a crucial determinant of how consumers and tourists evaluate products and destinations (Elliot, Papadopoulos and Kim, 2004; Lee and Lockshin, 2012; Mossberg and Kleppe, 2005). For instance, Lee and Lockshin (2012) have examined beliefs about a country for its effects on products and destinations. The authors have concluded that country image influenced product evaluation which, in turn, influenced destination evaluation. Further, country image studies of products have suggested that the country-of-origin of a product provides a cue to consumers and serves as evaluative criteria (Mossberg and Kleppe, 2005). For instance, Erickson, Johansson and Chao (1984) have examined American MBA students for their beliefs and attitudes toward specific automobiles. The authors have noted that automobiles made in Japan and Germany evoked strong positive beliefs and attitudes about product quality. Previous studies have already demonstrated the importance of country image in the cosmetics industry (Coulter, Price and Feick, 2003; Nagashima, 1970; Niffenegger, White and Marmet, 1982; Seitz and Johar, 1993; Wang and Chen, 2004). As such, this study will also examine the role of country image in the formation of attitude towards cosmetic products and the subsequent behavioural intention toward the products.
Previously, product and destination image have been examined independently of each other (e.g. Hunt, 1975; Pearce, 1982; Woodside and Lyonski, 1989). However, recent studies have begun to explore a potential relationship between product country image and travel destination image (e.g. Elliot, Papadopoulos and Kim, 2011; Lee and Lockshin, 2012; Mossberg and Kleppe, 2005; Zhou, Murray and Zhang, 2002). For instance, Elliot, Papadopoulos and Kim (2011) have demonstrated that country image not only impacts on consumer attitudes but may also influence intentions to visit the country of origin of the product. Lee and Lockshin (2012) have also demonstrated that positive country image of copper products may influence purchase intention as well as the desire to visit the country from which the products originate. The current study further explores the relationship between behavioural intention toward cosmetic products and behavioural intention toward Korea.

Based on the above discussion, it is hypothesised:

**H1a:** More favourable country image positively influences attitude toward the cosmetic product.

**H1b:** More favourable country image positively influences behavioural intention toward the cosmetic product.

**H1c:** More favourable country image positively influences behavioural intention toward the destination.

**Attitude**

Attitude originates from psychology and refers to a “learned predisposition to respond to an object in a consistently favourable or unfavourable manner” (Allport 1935, 254). Attitude is an overall evaluation of people, places, things or events (attitude objects). It comprises affective, cognitive and conative (behavioural) components (Stedman, 2002). It is also widely acknowledged that attitude predicts behaviour toward objects (e.g. Greenwald, 1989; Kleine III, Kleine and Brunswick, 2009; Phillips, Asperin and Wolfe, 2013).

Attitude toward the product plays a critical role in consumer behaviour because attitude motivates consumers to behave in predictive ways (Babin and Haris, 2012). In product marketing, attitude is defined as an “enduring belief and predisposition toward a given brand or product” (Hosany and Gilbert, 2010, pg. 519). When products deliver value, positive attitudes are formed (Babin and Haris, 2012; Hosany and Gilbert, 2010). Benefits associated
with consuming a product produce more favourable attitude toward the product (Han and Shavitt, 1994) and in turn, lead to behavioural intention (Hosany and Gilbert, 2010).

Based on the above discussion, it is hypothesised:

**H2: More favourable attitude toward the cosmetic product positively influences intention toward the product.**

**Behavioural intention**

Behavioural intention originates from psychology and refers to an “individual’s readiness to perform a given behaviour” (Westaby, 2005, pg. 97). Although behavioural intention is seen as proximate to behaviour, some researchers have argued that actual behaviour does not necessarily occur as a result of behavioural intention (e.g. Ajzen, 2002). Instead, it has been suggested that planning or implementation intent is a better predictor of actual behaviour (Gollwitzer and Brandstätter, 1997). For instance, Sniehotta, Scholz and Schwarzer (2005) have studied heart disease patients for their intention to participate in physical exercise and have noted that patients who prepared detailed plans for physical activity were more likely to take part in actual physical activities.

Behavioural intention toward the product has been examined in consumer behaviour studies related to branding to explain consumer decision-making (e.g. Moutinho, 1987; Zarantonello and Schmitt, 2010). Behavioural intention toward the product refers to the degree to which a consumer has formulated conscious plans to act in a certain way toward the product (Warshaw and Davis, 1985). The construct is viewed as a surrogate indicator of actual behaviour (Jang and Young, 2009) and is often operationalised as intention to purchase, repurchase and recommend the product (Jang and Young, 2009; Warshaw and Davis, 1985). Consumer beliefs, attitudes, emotions and prior experience with a product impact on their purchase intentions (Illicic and Webster, 2011; Jang and Young, 2009).

Similarly, behavioural intention toward the destination has been examined in tourism studies to explain tourist decision-making related to destinations (Horng et al., 2012). Behavioural intention toward the destination refers to a behavioural predisposition toward a particular destination both before and after visitation (Williams and Soutar, 2009). Traditionally, it was believed that tourists’ perceptions of a destination’s attributes such as its food, shopping, sights and nightlife suggest both direct and indirect effects on their behavioural intentions.
toward the destination (Horng et al., 2012). However, recently, Elliot, Papadopoulos and Kim (2004) and Lee and Lockshin (2012) have also demonstrated that a consumer’s intention to purchase a product may also motivate them to visit the place from which the product comes from. As such, an intention to purchase a product is expected to result in an intention to visit the place of origin of the product.

**H3:** More favourable behavioural intention toward the cosmetic product positively influences intention toward the destination.

**The moderating role of the Need for Existential Authenticity**

The existentialist approach acknowledges a “potential existential state of being activated by tourist activities” stimulated through an interaction with a product (Wang, 1999, pg. 352). Traditionally, this construct has been used within the context of tourism studies. For instance, Kolar and Zabkar (2004) have examined tourists at Romanesque sites across Europe and have observed that tourist interaction with historical objects created deep connections with personal heritage and perceptions of authenticity. Although, existential authenticity has generally been seen as an outcome of tourist interactions with an authentic product, some studies have alluded to the notion of existential authenticity as a driver or need which exists in varying degrees within a tourist (Cohen, 1988; MacCannel, 1973; Wang, 1999). In the same vein, consumers of products have been found to purchase products for the experience of consuming an authentic product (Buchmann, Moore and Fisher (2010). The motivation to consume the symbolism can therefore be argued as a motivating factor for consuming authentically packaged cosmetic products. As such, a consumer may be motivated to consume an authentically packaged cosmetic product to feel a connection with the Korean culture and the corresponding concepts of beauty.

Motivational processing suggests that motivation impacts on attitude toward the product by altering the degree of consumer involvement when evaluating the product (e.g. Petty and Cacioppo, 1984; Trampe et al., 2010; Waller and Lea, 1999). Consumers with high motivation are more involved in the evaluation process and are more likely to emphasise cognitive cues and conduct a more thorough evaluation (Trampe et al., 2010). For instance, Mackenzie and Spreng (1992) have examined undergraduate and MBA students for their perception of sports watch advertisements. The authors have reported that highly motivated
and involved students who were asked for their impressions of the advertisements expended more cognitive effort when evaluating the advertisements as compared to the low motivated and less involved students. Higher motivation produces an enhancing effect through increasing the extremity of attitude (Oliver and Bearden, 1985; Lutz, Mackenzie and Belch, 1983; Mackenzie and Spreng, 1992). Similarly, consumers who are more existentially involved in positive evaluations of an authentic cosmetic product are more likely to process favourable attitude toward the product. As such, a stronger need for existential authenticity will serve as a moderator which enhances the effects of positive attitudes on behavioural intention toward the product.

Based on the above discussion, the hypotheses of this study are as follows:

**H4: Higher need for existential authenticity will enhance the relationship between attitude toward the food product and behavioural intention toward the product.**

**Research methodology**

The research design will adopt a mixed method which will consist of a qualitative and a quantitative phase (Feilzer, 2010). The mixed method offers greater depth and breadth of understanding and corroboration (Johnson, Onwuegbzie and Turner, 2007) and is in line with the underlying pragmatist paradigm of this study (Johnson and Onwuegbzie, 2004). A 2 (cosmetic product type – Korean ginseng moisturiser and Korean snail mucus moisturiser) x 2 (cosmetic product authenticity – indexical and iconic) between-subjects factorial design that comprises 4 cells will be adopted. The products utilised in the study have been selected based on the relative uniqueness of the ingredients (Korean ginseng and snail mucus) to Korean cosmetics. The authenticity manipulations be achieved through altering the type of designs used in the product packaging to represent indexical or iconic authenticity.

The sampling frame will include Singaporeans aged from 21 to 70 years. A systematic sampling method will be employed to reduce sampling bias. Singaporeans were selected due to the increase in popularity of Korean cosmetics in recent years. In Singapore, Korean foreign investment has increased by 12.8% from S$3.67 billion in 2010 to S$4.16 billion in 2011 (8th largest Asian investor) (Boh, 2013). According to the author, over 1,000 Korean MNCs including cosmetics companies are currently located in Singapore. Singapore has seen a popularisation of Korean culture in the last 10 years (Shim, 2006). Tourist arrivals to Korea from Singapore have increased by 17% in the last two years (KTO, 2012). In fact, 17,806
Singaporean tourists visited Korea in October 2013 alone (KTO, 2013). For these reasons, Singapore was selected as the research site for the current study.

The instrumentation will constitute a self-administered questionnaire collected by trained data collectors. Public areas, primarily will be targeted. Four studies will be conducted between July 2015 and August 2015 and will take place at different times of the day to ensure a cross-section of the general population. Each study will have a minimum target sample of 300 respondents. The questionnaire will utilise the authenticity scale developed for the purpose of the study and established scales for the other key constructs identified in the research model.

Statistical analyses with SPSS 22 and AMOS 22 will be used to test the hypothesis identified in the research model. Exploratory and confirmatory factor analyses will establish the dimensionality of key constructs and refine scale items (Hair et al., 2010). Analysis of variance (ANOVA) will identify significant differences between the four cells (Kalamas et al., 2006). Path analysis with structural equation modelling will test relationships between the key constructs (Hair et al., 2010).

**Significance of study**

Theoretical significance

- This study aim to expand the applicability of the indexical-iconic approach to the cosmetics industry. As mentioned earlier, this approach has only been used in the tourism and personal prized possessions.
- The newly developed model will be tested in an empirical model of decision-making. Thus, it will provide a generalisable framework that researchers may use in other contexts such as food and electronics products.

Methodological significance

- Unlike previous studies which have been primarily of a qualitative nature, this study will utilise the quantitative paradigm to examine the effects of authenticity on product judgement. This will

Managerial significance

- This study offers managers a means of identifying specific country image and authenticity cues which consumers perceive as crucial to a cosmetic product.
This study provides marketers with insights into which cues will enhance attitude toward the cosmetic product and travel destination, creating a synergy for product and destination branding and marketing communications. Such marketing initiatives have potential to impact on purchase intention.

Limitations

- This study focuses on only cosmetic products. Future studies will need to examine how the research model will perform in other contexts such as pharmaceuticals and fashion products.
- This study will be conducted in the context of Singaporean consumers of Korean products. It is necessary for the research model to be tested in other contexts to ensure the generalizability of the findings.

References


