

Examining the Impact of Environmental Factors, Consumer Perceptions, and Subjective Norms on Intentions to Purchase Foreign Cosmetic Brands

Suriani Sukri^{1*}, Waeibrorheem Waemustafa² & Sharifah Raudzah S Mahadi³

¹Faculty of Business and Communication, University Malaysia Perlis, 01000 Kangar, Perlis, Malaysia

²School of Economic, Finance and Banking, University Utara Malaysia, 06010 Sintok, Malaysia

³College of Creative Arts, University Technology MARA Perak Branch, Seri Iskandar Campus, 32610 Perak, Malaysia

*Corresponding Author

DOI: <https://dx.doi.org/10.47772/IJRISS.2024.814MG007>

Received: 31 October 2024; Accepted: 11 November 2024; Published: 25 November 2024

ABSTRACT

The study was designed to explore the environmental factors, consumer perceptions, and subjective norms influencing the intention to purchase foreign cosmetic brands among university students in Malaysia. A survey research design was used to collect the data from a randomly selected sample of 364 students. The study used *Statistical Package for the Social Sciences* (SPSS) to analyze the data obtained from the sample and test the hypotheses in the model. The findings of the study revealed that environmental factors, as well as subjective norms, influenced an individual's decision to purchase a foreign cosmetic brand. The study established a significant positive relationship between environmental factors and student purchase intention as well as a relationship between subjective norms and student purchase intention. However, the study found no significant relationship between perception toward foreign products and student purchase intention. The study makes a significant contribution by providing valuable insights to both local and multinational cosmetic companies in improving their products and services for business promotion.

Keywords: Purchase intention, foreign cosmetics brands, environmental factors, consumer perceptions, subjective norms

INTRODUCTION

The emphasis on self-image for the sake of looking good has long been taken seriously by human beings (Ma, 2024; Gimlin, 2002). In 4000 BC, the Ancient Egyptian civilization discovered the first piece of archaeological evidence of cosmetics use. In that primitive period of science, science was not that advanced, which explains why the Egyptians used dangerous formulas to create what seemed to be appealing to their eyes. Dangerous substances, such as mercury and white lead, were so widely used that users may have experienced occasional eye irritation, such as conjunctivitis. The word cosmetics encompasses a wide range of niche products, among which are make-up, toiletries, fragrances, hair care, skin care, and facial cleansers. All of the items mentioned are formulated especially to enhance one's beauty. According to the Malaysian Cosmetics and Toiletries Industry Group's rules and regulations, in Malaysia all cosmetics manufacturers have to be registered under the Federation of Malaysian Manufacturers. The Malaysian government constantly encourages its citizens to support and buy only Malaysian-made products by spreading awareness through the slogan "*Belilah barangan buatan Malaysia*". The goal of this campaign is to encourage Malaysians to support the country's industry by purchasing locally made goods, which will contribute to the stability of the Malaysian currency and, indirectly, less foreign currency exchange drainage in the market, which will strengthen the nation's economy overall. Despite such awareness campaigns, the majority of Malaysian cosmetic users still prefer imported products.

It is believed that since 2003, 6 million population of Malaysia have been active consumers of cosmetics and are responsible for pushing up the demand for cosmetics. This was also indirectly attributed to the strong economic growth experienced in 2003. Malaysia's cosmetics and toiletries market is estimated to be worth USD800 million, or RM3 billion. The major cause is due to the urbanisation of the country and the increasing number of women joining the work force. According to the web site mentioned above, it is said that consumers perceive that imported cosmetics and toiletries are of better quality in comparison to locally made cosmetics. Local cosmetics and toiletries comprise about 60,000 different cosmetics, fragrances, and toiletry products being manufactured in Malaysia, of which the majority are manufactured on a franchise contract basis. Imported products from a few countries, particularly Singapore, Thailand, and the United States, dominate the Malaysian cosmetics market. As time passed and lifestyle changes took place as people began to broaden their mindset, the public began to have a different perspective. People began to realise that using cosmetics did not imply that they did not appreciate Allah SWT's natural beauty, but that it was useful in enhancing one's beauty. Cosmetics usage is now widely accepted by both the male and female genders, as they believe that it enhances beauty and makes them more socially acceptable, be it in their daily lives or for business purposes. This study chose these intricacies of the beauty business and the sociological response to the foreign cosmetics brands with an eye on consumer psychology and the related new knowledge gained from this study.

Statement of Problem

Based on the researcher's observation that students prefer foreign brands (e.g., Christian Dior, Chanel, and M.A.C.) compared with local brands (for example, WARDAH and SIMPLYSITI). As the cosmetics industry expands, foreign brands will eventually be the greatest business rivals to the local Malaysian cosmetic industry in the long run. The cosmetics market is growing continuously. In order to learn deeply about consumer psychology, a study of consumer behaviour is essential. The purpose of this study was to understand the factors that influence a consumer's choice in the purchase of a certain product. The scope of the study on consumer behaviour is wide, and for the purpose of this report, the scope shall be narrowed down to just four factors, which entail the study on consumer loyalty, social learning and social cognitive theory in consumer behaviour, the theory of planned behaviour, the theory of reasoned action, and quality perceptions of a consumer. Cosmetics use is said to be more prevalent in the Western world's upper middle age group, typically among members of the upper class (Khraim, 2011). But how far is that statement true? Does social status really play a part in cosmetic usage? Therefore, the issue here is to identify whether or not cosmetic products are items of necessity or luxury items, which could help one psychologically believe that they are at a higher social level if they ever use a branded cosmetic product. Although many cosmetic users face the consequences of skin irritation, they nevertheless continue using foreign products in order to satisfy their egoistic needs (Rani & Krishnan, 2018).

The issue, therefore, addressed here was: if a foreign-brand product gave consumers negative results, why did they still continue using it? Was it because of the positive feedback that was received by the public at large? A study carried out by the University of the Basque Country found that individuals used cosmetic products primarily for emotional reasons (Salem, 2018). In order to look good, females are willing to pay, no matter what the price is, for cosmetic products. Consumers who are extremely loyal to a brand are willing to pay a premium for it (Khraim, 2011). The question that is to be addressed is how much one is willing to pay for such a hedonistic product that claims to be better yet gives a reaction to some who use it, especially if the individuals are students themselves.

To enumerate the objective of the study, the following are the three research questions that were used in this study:

1. Does the environment influence the intention to purchase a cosmetic product?
2. Does the consumer perception of foreign cosmetic brands influence the intention to purchase a cosmetic product?
3. Do subjective norms have an influence on the intention to purchase a cosmetic product?

Therefore, the purpose of this study is to investigate the role of environmental factors, consumer perceptions, and subjective norms to influence the intention to purchase foreign cosmetic brands among university students in Malaysia. To achieve this goal, some hypotheses were formulated and tested.

LITERATURE REVIEW

Environmental Factors and Intention to Purchase

Research on environmental factors reveals their substantial influence on consumer purchasing behavior, particularly in retail settings. The store environment—including layout, decor, lighting, and scent—plays a critical role in shaping consumer moods and facilitating the selection process. Studies show that a well-organized layout can help ease customer decision-making, especially in cosmetics, where clear product displays and accessible arrangements enhance consumer engagement (Mattila & Wirtz, 2001; Lam, 2001). Seasonal decorations and appropriate lighting further contribute to creating a pleasant shopping ambiance, which in turn positively impacts purchase intentions (Broekemier et al., 2008). Additionally, atmospheric elements like music and scent are shown to evoke emotional responses. Music that is calm and soothing relaxes shoppers, whereas loud music may have an adverse effect (Bone & Jantrania, 1992; Broekemier et al., 2008). These findings underline the impact of sensory experiences on purchasing behavior, with a significant portion of consumers indicating preferences for environments that support relaxed, pleasant shopping experiences.

H1: There is a relationship between environmental factors and intention to purchase foreign cosmetic brands.

Consumer Perceptions and Intention to Purchase

Consumer perception is defined as an individual's subjective interpretation of a product or brand based on past experiences, emotions, and social context (Saks & Johns, 2011). This perception varies due to unique cognitive processes that shape consumer evaluations of cosmetic brands, especially foreign ones. Perception often influences behavior, as consumers may form opinions about a product's quality and benefits based on marketing and advertisements (Chen, 2007). However, research shows that consumer perception does not always align with actual product attributes or lead directly to purchase intentions, as some consumers may be skeptical toward new products, requiring reassurance through trusted advertisements or brand reputation. For instance, Dixit (2001) notes that perception may be influenced by personal social factors, such as family or peer group opinions, which can affect product evaluations. Consequently, although consumer perception is important, its role as a predictor of purchase intention may be limited or indirect.

H2: There is a relationship between consumer perception and intention to purchase foreign cosmetic brands.

Subjective Norms and Intention to Purchase

Subjective norms, or the perceived social pressure to engage in a particular behavior, are recognized as influential in shaping consumer intentions. Studies applying theories such as the Theory of Planned Behavior (Ajzen, 1991) indicate that individuals are significantly influenced by the expectations of those in their social networks. In the context of foreign cosmetic brands, subjective norms can impact consumers' purchasing decisions when friends, family, or societal trends emphasize foreign brands as desirable or superior (Dixit, 2001; Khraim, 2011). Statistical analyses show a positive correlation between subjective norms and purchase intention, with one study highlighting a 36.4% increase in purchase intention linked to normative social influences. Consequently, subjective norms emerge as a powerful motivator for consumers considering foreign cosmetic brands, as these norms often shape consumer expectations and validate choices that align with social approval.

H3: There is a relationship between subjective norms and intention to purchase foreign cosmetic brands.

RESEARCH METHODOLOGY

Participants and Procedures

The study's population consists of 7,132 students from 75 randomly selected programmes at one university in northern Malaysia. A simple random sampling technique was used to draw the students' sample from diverse academic fields in the selected programs, including engineering, technology, and business. In the process of data collection, a questionnaire was personally administered by the researchers. The five-point Likert scale was primarily used to learn about the perceptions of the sample group, but a number of closed-ended questions were also included. The demographic profile of the respondents is presented in Table 1.

The questionnaire comprises a set of six sections. Section A focuses on the demographic profile of the respondents. In sections B to F, respondents were required to check the most appropriate answer to the questions proposed based on the Likert scale. Section B of the questionnaire focuses on seven commonly purchased products in the cosmetic market: shampoo (which includes body shampoo and hair shampoo), coloured cosmetics, fragrance, face products, deodorant, moisturising cream, and hair products. There was also a column where respondents could fill in for other unspecified products commonly purchased. Sections C, D, and E of the questionnaire are constructed based on the independent variable of the study's hypothesis. Questions based on environmental factors, consumer perceptions, and effects on subjective norms that influence purchasing decisions. Section F of the questionnaire was based on the dependent variable, which is the intention to purchase foreign cosmetic brands.

Method of Data Analysis

The collected data was further analysed using the SSPS program. The results of the analysis were tabulated accordingly. AS statistical description was used as part of the analysis and interpretation.

FINDINGS AND DISCUSSION

Table 1. Demographic Profile of The Respondents (N=100)

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	41	41
	Female	59	59
Age	18- 19 years	4	4
	20-21 years	10	10
	22-23 years	72	72
	24-25 years	14	14
	>26 years	0	0
Ethnicity	Malay	38	38
	Chinese	36	36
	Indian	21	21
	Others	5	5
Origin	Johor	4	4
	Kelantan	12	12
	Labuan	0	0
	Negeri Sembilan	9	9
	Perak	12	12
	Pulau Pinang	16	16
	Sabah	3	3
	Selangor	18	18

	Kedah	7	7
	Kuala Lumpur	5	5
	Melaka	4	4
	Pahang	2	2
	Perlis	1	1
	Putrajaya	1	1
	Sarawak	4	5
	Terengganu	2	2
Program	Computer Engineering	2	2
	Micro Electric Engineering	5	5
	Product Design Engineering	7	7
	Mechanical Engineering	8	8
	Biomedical Electronics Engineering	4	4
	Bioprocess Engineering	18	18
	Environmental Engineering	6	6
	Manufacturing engineering	0	0
	Materials Engineering	6	6
	Mechatronics Engineering	0	0
	Metallurgical Engineering	0	0
	Communication Engineering	1	1
	Electrical Systems Engineering	1	1
	Electrical engineering	1	1
	Electronic Engineering Industry	3	3
	Photonics Engineering	3	3
	Biosystems Engineering	1	1
	Building Engineering	3	3
	Polymer Engineering	2	2
	International Business	25	25
	Engineering Entrepreneurship	4	4
Academic Year	Year 1	6	6
	Year 2	24	24
	Year 3	51	51
	Year 4	19	19
Students of a certain age began to put emphasis on cosmetic products.	Nov-13	23	23
	14-16	19	19
	17-19	37	37
	20-22	21	21

Source: Survey Data

Table 1 shows that of the 100 respondents, 41 were male and 59 were female, making it 41% and 59% respectively. 4% of the respondents are between 18-19 years old while 10% are aged between 20-21 years old. 74% of the respondents are aged between 22 and 23, making this the biggest group of respondents. 14% of the respondents are aged between 24-25 years old. Malays make up 38% of the respondents, Chinese

36%, and Indians 21% while 5% came from other ethnicities, which include Melanau and Kadazan from both Sabah and Sarawak. All 16 states and territories making up Malaysia were listed, allowing respondents to tick the response of their choice. Respondents who are originally from Selangor are amongst the highest number of respondents with 18 (18%) of them, followed by Pulau Pinang with 16 (16%), 12 (12%) from Perak and Kelantan respectively, 9 (9%) from Negeri Sembilan, 7 (7%) from Kedah, 5(5%) from Kuala Lumpur, 4 (4%) each from Sarawak, Johor and Melaka, 3% from Sabah, 2 (2%) each respectively from Terengganu and Pahang, and lastly 1 (1%) respondent each from Putrajaya and Perlis. There was no respondent from Labuan.

Reliability

Table 2. Results on Reliability

Variables	No. of items	Cronbach Alpha
Environmental factor	15	0.613
Consumer perception	15	0.797
Subjective norms	15	0.789
Intention to purchase	15	0.778

Note: All variables were measured on a 5-point Likert scale

Source: Survey Data

From the results in Table 2 shows the reliability of the study based on each independent variables, environmental factors, consumer perception toward foreign cosmetic brands, subjective norms, and intention to purchase foreign cosmetic brands as dependent variables. Each variable was given 15 questions for each section specifically. No items have been dropped or recorded with the Cronbach coefficient alpha value, which ranges from 0.613, 0.797, 0.789, and 0.778, respectively, based on the list of variables stated earlier. Variables with a Cronbach alpha of at least 0.5 and above are considered acceptable.

Table 3. Results on Analysis Descriptive

Factors	N	Min	Max	Mean	Standard Deviation
Environmental factors	100	2.2	7.07	3.955	0.616
Consumer perception	100	2.4	4.73	3.862	0.472
Subjective norms	100	2.1	4.57	3.579	0.521
Intention to purchase	100	1.9	5.00	3.585	0.548

Source: Survey Data

Table 3 shows the results of the descriptive statistics for mean values. The values for the mean for all variables range from 3.579 to 3.955. The mean for independent and dependent variables for environmental influence is 3.955; consumer perception towards a foreign cosmetic brand is 3.862; the subjective norms is 3.579; and the dependent variable of intention to purchase a foreign cosmetic brands is 3.585. Each independent and dependent variable has a standard deviation of 0.616, 0.472, 0.521, and 0.548, respectively.

Regression

Table 4. Regression Analysis Values

Variables	Beta	t-Ratio	Sig. t
Environmental factors	0.307	2.776	0.007
Consumer perception	0.063	0.467	0.641

Subjective norms	0.364	3.289	0.001
R square = 0.404			
Durbin-Watson = 2.110			
F = 21.695 Sig.			
F = .000a			
Condition Index = 32.648			

Table 5. Relationship Between Independent Variable and Dependent Variable

Variables	Relationship Between		
	Independent Variable		Dependent Variable
Environmental factors	(+)	Environmental factors	Intention to purchase Foreign Cosmetic Product
Perception towards Foreign Cosmetic Brands	(-)	Perception towards Foreign Cosmetic Brands	Intention to purchase Foreign Cosmetic Product
Subjective norms	(+)	Subjective norms	Intention to purchase Foreign Cosmetic Product

The result in Table 4 shows the regression analysis, which was carried out to study students' intentions to purchase foreign cosmetic brands. Table 5 shows the results, which indicate that the coefficient of the environmental factors is positively correlated and significantly influences the intention to purchase foreign cosmetic brands ($\beta = 0.307$, $t = 2.776$, $p < 0.01$), hence H1 is supported. This means that the systematic layout of the products in the store is important as it facilitates the customer's selection process. Nicely decorated stores, especially during the festive season, coupled with the correct brightness and lighting are important as they can help put the customers in a relaxed mood. At the same time, proper lighting enables customers to choose the products they want with ease. It is also found that the type of music played is important, as it can help alter the mood of the customer. Soothing music will relax the customer, whereas loud, obnoxious music may cause anxiety and stress. The scent in a store plays an important role in affecting a person's purchases; most respondents agreed that they prefer a store with a good scent as opposed to stores that have an unpleasant smell.

In contrary, the result shows no significant effect of the consumer perceptions on a foreign cosmetic brands and intention to purchase foreign cosmetic brands. The result is insignificant ($\beta = 0.063$, $t = 0.467$, $p > 0.10$), therefore H2 was not supported. Table 4 shows that the result indicates a coefficient estimated as having a negative and insignificant relationship between consumer perception of a foreign cosmetic brand and the intention to purchase foreign cosmetic brands. The value also suggested that there would only be a 6.3% change in the intention to purchase foreign cosmetic brands. This shows that consumer perception is not affected by factors like the consistent quality control of the brand, the packaging of the product, the range of products offered by foreign cosmetic brands, or the number of promotion seasons offered. As a result, Hypothesis 2, that is, the relationship caused by various elements that affect the perception of foreign cosmetic brands and may influence a student's intention to purchase foreign cosmetics, is unsupported. The result is consistent with the study done by Dixit (2001), where every action taken by an individual has a reason behind it that is mainly affected by social factors, including the reference group's family, social role, and status, which can influence consumer behaviour directly or indirectly. Whereas, Hypothesis 3 assumes subjective norms has an influence on student's intention to purchase foreign cosmetics. The result discloses the t-value of 3.289 ($\beta = 0.364$, $p < 0.01$), indicate that subjective norm is positively related and significant with a value of 0.001, to the intention to purchase foreign cosmetic brands; hence H3 is supported. Statistics also suggest that for every one percent change in the subjective norms, there will be a change of 36.4% in the intention to purchase foreign cosmetic brands.

The model accounts for 40.4% of the regression result relationship between factors influencing purchase intention of foreign cosmetic brands. See Table 4. The acceptable Durbin Watson range is from zero to four,

and in the study, the Durbin Watson results fall within the acceptable range of 2.110. The F-value appeared significant at the 2% significance level (sig. t = 0.000). The condition index falls within the acceptable range with a value of 32.648.

Table 6: Coefficient for Multicollinearity

Variables	VIF
Environmental factors	1.97
Consumer perception	2.89
Subjective norm	1.98

Multicollinearity is where the independent variables combine together and have a great impact on the dependent variable. This issue would occur when one of the variables appeared to be misleading. Based on this study, the multicollinearity between consumer perception and intention to purchase shows a large variance inflation factor (VIF) value of 2.89. See Table 6. This means consumer perception appeared to be misleading and is insignificant as the confidence intervals based on the coefficient of regression appear to be wide. In summary, the three hypotheses are analyzed using the SSPS software. The following Table 7 summarizes the hypotheses.

Table 7: Hypotheses Results for the Study

Hypotheses	Variables	Results
H1	There is a relationship between environmental factors and intention to purchase foreign cosmetic brands.	Supported
H2	There is a relationship between consumer perception and intention to purchase foreign cosmetic brands.	Not Supported
H3	There is a relationship between subjective norms and intention to purchase foreign cosmetic brands.	Supported

CONCLUSION

In conclusion, this study highlights the importance of environmental influences and subjective norms on consumers' intentions to choose foreign cosmetic brands, suggesting that these external factors play a more critical role in the decision-making process than the intrinsic product attributes themselves. This insight provides valuable guidance for manufacturers and sales managers in shaping their marketing and product positioning strategies to better align with consumer motivations.

While the findings offer meaningful insights, the study faced several limitations, such as a restricted sample size from a single university and potential language barriers in the survey that may have affected response accuracy. Future studies could address these limitations by expanding the demographic scope to include a broader, more diverse respondent pool and by incorporating bilingual or simplified questionnaires to enhance understanding and reliability of responses. Additionally, qualitative approaches could yield richer insights into the nuanced preferences and perceptions of cosmetic consumers.

Overall, this research meets its primary objectives, shedding light on the demographic patterns of cosmetic users, identifying the influence of environmental factors, and examining the role of subjective norms in consumer behaviour toward foreign brands. The results can serve as a practical reference for both foreign and local cosmetic brands. Foreign brands can leverage these findings to refine their market approaches, while local brands can use this feedback to improve brand visibility and align product quality with consumer expectations, potentially boosting their competitiveness in the market.

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