

THE INFLUENCE OF KOREAN WAVE, BRAND AMBASSADOR, KOREANESQUE BRAND IMAGE OF LOCAL COSMETIC AND PRODUCT PRICE ON PURCHASE INTENTION OF LOCAL COSMETIC

Listia Amalia¹, Desty Kusuma Wulandari², Deddy Kusuma Hadiputra³, Pantri Heriyati⁴

^{1,2,3} Binus Business School. Master of Management. Bina Nusantara University. Indonesia

⁴ Binus Business School. Doctor of Research in Management Program. Bina Nusantara University. Indonesia

Email: listia.amalia@binus.ac.id, desty.wulandari@binus.ac.id, deddy.hadiputra@binus.ac.id

ABSTRACT

The influence of the Korean Wave, brand ambassadors, and Koreanesque brand image has significantly shaped consumer behavior in Indonesia's local cosmetic market. This study aims to analyze the impact of these factors along with product pricing on purchase intention for local cosmetics inspired by Korean culture. Using a quantitative approach, data was collected through online questionnaires distributed to 321 respondents, with 200 valid responses analyzed using SmartPLS 4.0. The results indicate that brand image and product price have a significant positive effect on customer trust and purchase intention, while the Korean Wave and brand ambassadors show no direct influence when mediated by customer trust. The findings suggest that local cosmetic companies should emphasize building a strong Koreanesque brand image and competitive pricing strategies to enhance purchase intention and foster consumer loyalty.

KEYWORDS

Korean Wave, Brand Ambassador, Koreanesque Brand Image, Product Price, Purchase Intention



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INTRODUCTION

Currently, South Korea is very famous for its cultural development. South Korean cultural culture or what is called "Korean Wave / Hallyu" in Indonesia is developing and is favored by the community in our environment through several media in the country. The development of cultural culture that we can observe is

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among others TV Drama, K-Pop Music, Cosmetic Products, body care / skin care, and also in food & beverage products.

The development of South Korean culture has spread throughout the world. Indonesia is one of the countries experiencing the impact of the spread of South Korean culture (Putri et al. 2019). "The global spread of South Korean culture, known as the Korean Wave or Hallyu, has had a significant influence in various countries, including Indonesia. The widespread popularity of Korean entertainment, fashion, and beauty products in Indonesia reflects the huge impact of Hallyu on consumer behavior and cultural trends in Indonesia.", (Jung, E. Y., & Shim, D. (2014). Korea is known for its entertainment that attracts people. For example, actresses, actors, comedians, kpop boy bands and kpop girl bands. Its fans are diverse and are not differentiated by gender or age. "The influence of the Korean Wave is not only limited to entertainment, but also includes a wide range of consumer products such as make-up, skincare, food and drinks. These products have gained many fans around the world, with fans appreciating the innovation and quality associated with Korean brands.", (Choi, Y. K., & Lee, J. H. (2012). Apart from music, make-up, skincare, food and beverage products also have many fans (Siskhawati and Maulana, 2021).

The Cosmetics Industry is a flagship industry that is one of the three National Priority industries as stated in the National Industrial Development Master Plan (RIPIN) 2015-2035. Quoted from international market and consumer data portal Statista, the Indonesian Cosmetics Industry market is forecast to grow by 5.91% per year, including skincare and personal care products. This industry is a highly competitive sector and is influenced by people's lifestyle towards product perception and usage. During the Covid-19 pandemic, local brands mushroomed along with the increasing public interest in skincare at home. In the midst of the onslaught of international brands entering the country, local brands are not inferior in terms of quality and price so as to create enthusiasm and loyalty in local consumers. This is a major factor in the increase of the National Cosmetic Industry. Reported by BPOM, there was an increase in the growth in the number of business actors, which amounted to 819 in 2021 to 913 in 2022, this is equivalent to a growth of 20.6% in 2022. In addition, based on data from the National Industry Information System (2022) the Cosmetics Industry was recorded to be able to absorb a workforce of 59,886 people. Another analysis by Statista states that the largest market segment of the National Cosmetics Industry is the care segment, including skincare and personal care, with a market volume of 3.16 billion USD in 2022.

Along with the opportunities and government support and the Korean wave phenomenon, this is one of the influences where companies must do the right marketing (Nabilaturrahmah and Siregar 2022). "The convergence between government support and the Korean Wave phenomenon provides a strategic advantage for businesses, requiring appropriate marketing efforts. Companies must align their strategies to effectively utilize cultural trends and regulatory support, ensuring they capture the high consumer interest generated by the Korean Wave.", (Lee, S. J., & Jang, J. H. (2013). Not a few companies use this opportunity to market their cosmetic products. Many local cosmetic products (native to Indonesia) are found to use brand ambassadors of South Korean artists and public figures to

increase consumer engagement with their products. The function of brand ambassadors, accompanied by the entry of Korean culture, cannot be separated from the proliferation of Korean cosmetics in Indonesia (Jin et al, 2021; Le et al., 2020; Long & Khoi, 2020). The mental image that Indonesian consumers have of Korean cosmetics shapes their attitudes: the intention to buy, suggest to others, remain loyal, and continue using the product shapes consumer behavior (Vergura et al., 2020). The positive image of Korean cosmetics among Indonesian consumers significantly shapes their attitudes, including purchase intention, willingness to recommend to others, brand loyalty, and continued use. These favorable perceptions drive consumer behavior, leading to sustained market growth for Korean beauty products in Indonesia.", (Kim, H. Y., & Chung, J. E. (2011).

Consumers make various judgments when making purchases, both simple and sophisticated (Siskhawati and Maulana 2021). "Consumers engage in a spectrum of evaluative processes when making purchasing decisions, ranging from simple assessments of price and packaging to more sophisticated evaluations involving product quality, brand reputation, and perceived value. These different levels of consumer involvement significantly influence their purchasing behavior and decision-making outcomes.", (Kotler, P., & Keller, K. L. (2012).

The decision to buy is an individual decision because of the importance of things or activities that cause feelings of wanting to get or use these goods (Osak and Pasharibu 2020). "Purchasing decisions are basically individual in nature because they are driven by the importance of activities or factors that generate the desire to obtain or use certain goods. This desire is influenced by personal motivation, perceived needs, and emotional responses, so the act of buying is a very personal and subjective process.", (Schiffman, L. G., & Kanuk, L. L. (2010). The character of one brand has a comparison with other brands, as well as the character itself. Brand personality affects purchasing decisions. "Brand personality significantly influences consumers' purchase intention; the stronger and more positive the brand personality, the higher the likelihood that consumers will choose and purchase the products offered by the brand. This relationship is rooted in the emotional and psychological relationships that consumers build with brands that exhibit desirable personality traits.", (Aaker, J. L. (1997). The higher the value of brand personality, the higher the consumer will buy the product offered. (Tsabithah and Anggraeni 2021).

Cosmetics and skincare are popular products among women, especially teenagers and adults. SAC Indonesia research shows that in 2018, facial care and skincare products held the largest market in the cosmetics industry, with a contribution of USD 2,022 million for cosmetics and USD 5,502 million for body care. The Korean wave has had a significant influence on the cosmetics industry in Indonesia, making many local products Korean-style.

Research in Indonesia found that Korean wave, brand ambassadors, and brand personality influence cosmetic purchasing decisions. Korea is considered an icon in the industry, with Korean celebrities often serving as role models. However, there are also studies that show other factors such as price play an important role in consumer decisions.

This study will explore the influence of Korean wave, brand ambassadors, Korean-style brand image, and product prices on consumer decisions to buy local cosmetics with Korean inspiration.

This study aims to understand consumer preferences in choosing local Korean-style cosmetics/skincare products, with a focus on the influence of the Korean wave trend, brand ambassadors, and country of origin. The main questions include whether the Korean wave, the use of Korean brand ambassadors, production in Korea, Korean-style product design, and price influence consumer purchasing decisions. The research objects include brand ambassadors (local, South Korean, and international), Korean wave influencing consumer behavior, Korean-style brand image, product price, customer trust, and consumer purchase intention. This study explores how these factors influence consumer interest and decisions in purchasing local Korean-inspired cosmetic products.

Literature Review

Korean Wave

Several studies have shown the status of Korean Wave as a key variable influencing consumers' intention to purchase Korean products (Kim & Lee, 2013; Lee, 2015). This is because when consumers feel a sense of intimacy with the Korean Wave, their emotions transfer to products related to Korean culture, thus positively influencing their desire for these products (Han, Chen & Rhee, 2011). Cosmetics are strongly associated with the Korean Wave as Korean artists often endorse these products. Their many fans tend to follow the artists' skincare routines and fashion styles, which influences purchase behavior (Jeon & Kim, 2020; Lee, 2015). The influence of the Korean Wave has been explained through various theories such as cultivation effect, halo effect, and country of origin (Ko, 2014). In other words, the images of Korean life depicted in Korean dramas and movies have indirectly shaped a positive image of Korea, which in turn increases the preference for Korean culture or products among foreign consumers.

The results of concurrent studies on the influence of the Korean wave have different opinions about the products of the Korean wave itself, but all confirm that the Korean Wave has conveyed Korean culture to foreigners and has contributed positively to the status of Korean products. Lee, Shang and Xiao (2016) found that the influence of the Korean Wave can affect the frequency of exposure to mass media such as music, drama, and movies, leading to the purchase intention of Korean cosmetics. Yu, Nam, Park, and Jin (2014) found that consumers who experienced the Korean Wave showed a strong preference for some Korean products. This is because consumers are very likely to form specific preferences for Korean products by using Korean Wave derivatives, which in turn can have macroeconomic effects on Korea and also micro effects on derivative products that apply or stick to the pattern of this phenomenon.

Brand Ambassador

Brand ambassadors convey product-related information to potential consumers. The information provided by brand ambassadors is a stimulus for potential consumers or it can also be for existing consumers. The use of brand

ambassadors can also be a means for repeat sales to existing consumers as a means of increasing consumer loyalty to certain products. Brand ambassadors are usually people who have the ability to interpret certain products as their image, usually brand ambassadors themselves are artists, models, idols and even public figures who can or are felt to represent certain products to build an image in the eyes of consumers. "Celebrity endorsers serve as a powerful source of meaning for the brands they endorse. By transferring their own qualities and attributes to the product, they create a rich tapestry of meaning that consumers can associate with. This process not only stimulates initial interest and purchase intention, but also fosters a sense of loyalty and repeat purchase behavior as consumers seek to maintain their association with the positive attributes embodied in the celebrity.", (McCracken, G. (1989). Brand ambassadors can drive interest (Kusumawardani & Intan Puspita, 2021; Nguyen, 2021; Pandika et al., 2021) or even repurchase interest. It was found that brand ambassadors have an effect on purchasing decisions (Cui & Bai, 2020; Fadila et al., 2021; Sulihandini et al., 2022). Therefore, the relationship between brand ambassadors and purchasing decisions is not direct but through certain media variables.

Lee and Jeong (2016) stated that Korean artists act as human brands for Chinese consumers; furthermore, artists can be considered as symbolic brands that make products more salient to consumers than product brands. The results of their study revealed that attachment to the advertising model can be transferred to the corresponding brand, leading to consumer trust in the cosmetic brand. As such influence is recognized, where Korean Wave stars appear as product advertising models or Korean products are featured in dramas or movies is increasing.

Product Price

Focuses on the price of cosmetic / skincare products offered to customers. The price of a product is often used to differentiate the quality of the product. Products that have better quality tend to have higher prices. However, in this case, the price pattern offered is competitive with the appearance of the product and the product guarantee is in line with foreign products. Consumers believe that the products sold will provide benefits and quality in accordance with the price given. Consumers who get benefits in accordance with the price to be paid will feel satisfied with the product (Su and Huang, 2011). Perception of price is a feeling of whether the price of a product is expensive or cheap (Erevelles, Roy, and Vargo, 1999). Erickson and Johansen (1985) state that price is the currency that consumers must sacrifice to get the benefits of the product or service purchased. Teas and Agarwal (2000) argue that the price offered is positively related to the perception of product quality and the sacrifices made by consumers. Pricing allows companies to segment markets, define products, create incentives for consumers and even send signals to competitors (Atcharyachanvanich and Hitoshi, 2007).

Purchase Intention

Consumer purchase intention is related to the likelihood of consumer willingness to buy a product (Grewal, D et al, 1998). In line with that, it also states that consumer purchase intention is the likelihood of consumer willingness to buy

a product (P.S. Richardson et al, 1994). The term "purchase intention" itself represents the possibility that consumers plan to buy a product/service in the future (M.E Salinas, J.M.P. Perez, 2009). Whenever a consumer can or intends to buy a product, purchase intention exists (D.A Baker & J.L Crompton, 2011). A positive consumer value attitude towards a product increases the likelihood of consumption, increasing the number and frequency of products purchased (Sloan Manag. Rev. 1991). A lot of literature has studied perceived value and purchase intention from various perspectives and most of them claim that perceived value can significantly influence purchase intention.

Koreansque Brand Image

The concept of brand image refers to the process of emphasizing corporate identity and building a positive reputation among stakeholders (Firmansyah, 2019). "Brand image refers to consumers' perceptions and attitudes towards a brand, which are created by brand identity and reinforced through consistent strategic communication. Effective brand management emphasizes the alignment of brand identity with the company's core values and mission, fosters a positive reputation among stakeholders and increases overall brand equity.", (Keller, K. L. (2013).

Furthermore, Abubakar and Sugito (2019) explain that consumers will assume that the image of a company will affect the brand image of the products they produce. "The image of a company significantly affects the brand image of the products they produce. Consumers tend to extend their perceptions of the company to its products, which means a positive corporate image can increase perceived quality and brand desirability.", Balmer, J. M. T., & Greyser, S. A. (2006). Brand image is the consumer's perception of a product brand formed by the information they gather through their experience with the product. According to Keller (2013), brand image is a consumer response to a brand based on the positive and negative aspects of the brand that consumers remember. According to Rindell et al. (2011), brand image has a positive and significant influence on purchasing behavior. Ryu et.al, (2008), state that brand image is a determining factor that influences customers' subjective perceptions and the resulting behavior. The better the brand image, the more positive the attitude towards branded products and their attributes (Aghekyan-Simonian et al., 2012). Utama (2007) states that image is the overall perception of objects formed by consumers through processing information from various sources.

Brand image represents the beliefs formed in consumers' minds about the product object they have experienced. Image refers to the representation of a product, the consumer's main impression of the product, or the image of the product, even the image that a person has about something; therefore, image can be maintained. In this study, researchers raised a new construct, with a broader view of the brand image of a product that is inspired by culture, promotion methods, packaging styles and others that lead to original South Korean products.

Customer Trust

Trust is represented by the customer's belief that the customer will find what they want from the product they buy. Trust involves a willingness to behave in a

certain way because the parties expect the exchange to deliver what is promised (Barnes, 2003). There are three components of trust, namely: credibility, reliability, and familiarity. Credibility implies that employees are honest and trustworthy. Reliability means providing the service or product in the promised format and within the promised time frame. Intimacy is related to the premise of employee integrity which is reflected in the extent to which employees have strong moral values (Green in Peppers, 2004). Walter et al. (2000) that trust in relationships has three main parts: a) that partners will act in the interest of maintaining the relationship; b) that partners will be honest with each other; and c) that the parties will be able to act in the interest of the relationship. Thus, trust is a very important component in a long-term relationship between a company and its trading partners.

Companies decide to maintain relationships when they think that their partners are also committed to the relationship and this can result in long-term relationships (Morgan and Hunt, 1994).

Hypotheses

H1	Korean Wave has a significant effect on Customer Trust
H2	Brand Ambassador has a significant effect on Customer Trust
H3	Product price has a significant effect on customer trust
H4	Korean Brand Image has a sig effect on Customer Trust
H5	Customer Trust has a positive relationship with local cosmetic purchase intention.
H6	Korean Wave significantly affects Customer Purchase Intention mediated by Customer Trust.
H7	Brand Ambassador significantly influences Customer Purchase Intention mediated by Customer Trust.
H8	Korean Brand Image significantly affects Customer Purchase Intention mediated by Customer Trust.
H9	Product Price significantly affects Customer Purchase Intention mediated by Customer Trust.

RESEARCH METHOD

Approach

The approach method in this research is Quantitative with data collection methods using questionnaire surveys. Tailored to the objectives of this study.

Purpose

In this research, the author aims to find out how influential Korean wave variables and their derivatives affect consumer decisions to buy local cosmetic products, the variables to be tested include the influence of Korean brand ambassadors for these local cosmetic products, the manufacturing origin of these products.

Strategy

In this study, a causal quantitative design was used, using a population of women with an age range of 18 to 55 years. With the assumption that this age is a productive age and where women are accustomed to using facial treatments. The main targets are actors or consumers of skincare products who tend to use local and combination skincare in a certain region (Indonesia).

Time Horizon

This research uses a **cross-sectional time horizon method**, where data is collected at one specific point in time. The processing time of this research is estimated within 90 (Ninety) days, where the sampling data collection process is the dominant time-consuming work item. The following is a detailed time line that we plan for this research.

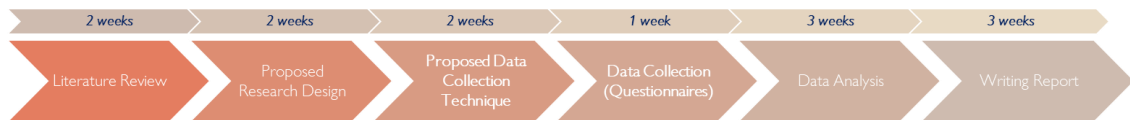


Chart 2: Time Horizon "The Influence of Korean Wave, Brand Ambassador and Country of Manufacturing on Purchase Intention of Local Cosmetic"

Operationalization of Construct

Using the Validity test and Reliability test process, where validity will show the extent to which the tool measures the variable being measured, while reliability shows the extent to which the tool provides consistent results. The testing process uses the Construct Validity Test method using the Confirmatory Factor Analysis (CFA) method.

RESULT AND DISCUSSION

Data Analysis & Discussion

Data collection was carried out online through the google form application which was distributed to male and female respondents who were users of local cosmetics / skincare. Data collection was carried out within a span of 2 weeks. The number of respondents needed in this research is 385 people with the provisions of calculating the number of respondents for non-population assumptions. The questionnaire details consist of:

- 1) Screening Questions
- 2) Respondent Data Question
- 3) KW question (Korean wave)
- 4) BA (Brand Ambassador) Question
- 5) BI (Brand Image) Question
- 6) PP (Product Price) Question
- 7) CT (Customer Trust) Question
- 8) PI (Purchase Intention) Question

The Influence of Korean Wave, Brand Ambassador, Koreanesque Brand Image of local cosmetic and Product Price on Purchase Intention of Local Cosmetic

Questionnaire questions use a Likert scale of 1 to 5 with information 1: STS (strongly disagree), 2: TS (Disagree), 3: R (undecided), 4: S (Agree), 5: SS (Strongly Agree).

Respondents in this study were local cosmetic and skincare consumers with the characteristics of 18 to 55 years of age, both students, housewives and working women who have used local cosmetic and skincare products. Respondents who filled out the questionnaire were 321 respondents.

Those who met the criteria and answered the questions and statements in the analyzed questionnaire were 200 respondents (response rate =62.3%).

Table 1. Characteristics of Research Respondents

Characteristic	Total	Percentage %
Age		
18 - 25 years	17	13%
26 - 34 years old	63	50%
35 - 44 years	41	32%
45 - 55 years	6	5%
Status		
Single	32	25%
Married	95	75%
Profession		
Student	7	6%
Work	106	83%
Not Working	14	11%
Income		
< Rp. 1,500,000,-	11	9%
Rp. 1,500,000,- to Rp. 3,000,000,-	3	2%
Rp. 3,000,000,- to Rp. 4,500,000,-	13	10%
Rp. 4,500,000,- to Rp. 6,000,000,-	13	10%
> Rp. 6.000.000,- to Rp. 10.000.000,-	31	24%
> Rp. 10,000,000,- to Rp. 20,000,000,-	37	29%
> Rp. 20.000.000,-	19	15%

The sample data testing process uses the SmartPLS 4.0 application using the multi-linear regression method. Sample measurements carried out in this study include Variability Test, Validity Test and Reliability Test, Significance and Relevance Test, Collinearity Test and also direct and indirect hypothesis testing (Direct Indirect). From the test results using the SmartPLS 4.0 application, the theoretical framework of the variables to be tested is obtained as follows:

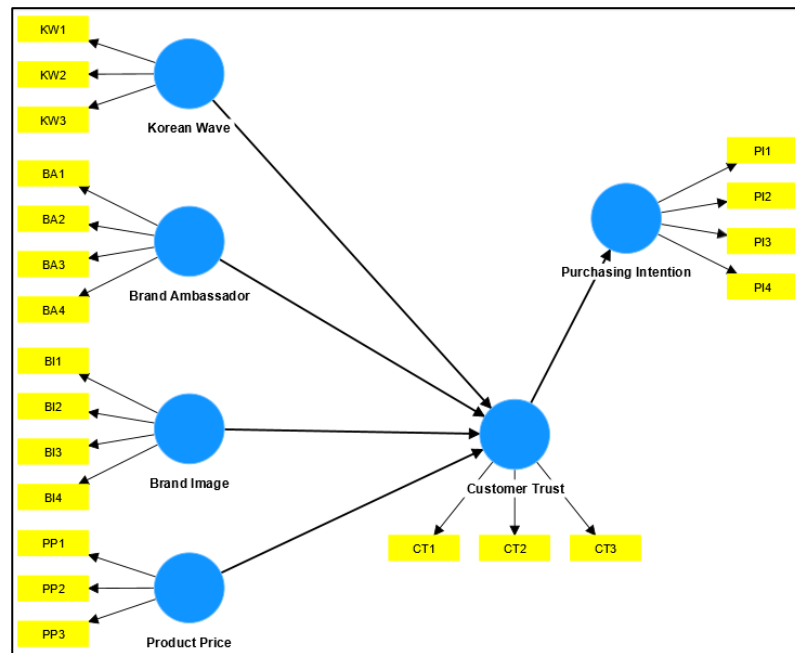


Figure 1. PLS SEM Model

From the results obtained, the outer loading value of the measurement data that has been obtained from 21 indicators representing 6 variables obtained 4 indicators with a value of less than 0.7, namely indicators BI3, BI4, PP1 and PI 4. Where researchers decided to discard these 4 indicators to further calculate the inner model and outer model of the new framework.

Measurement Model Analysis (Outer Model)

Outer model analysis defines how each indicator relates to its variables. The tests carried out in the outer model include:

- a. **Convergent Validity.** The convergent validity value is the loading factor value on the variable with its indicators, the value that is considered to be fulfilled is greater than ($>$) 0.6 as the minimum limit of the factor loading value.

This test serves to determine the validity of each relationship between indicators and their constructs or latent variables.

The following are the results of the PLS SEM model calculation, to see the loading value of each indicator for each variable.

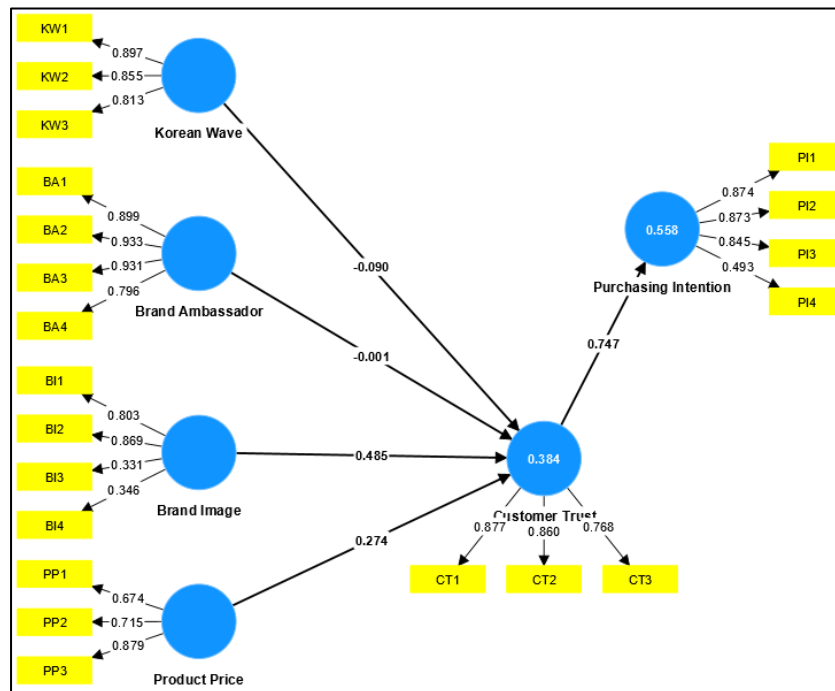


Figure 2. PLS SEM Model

Table 2. Outer Loading Variable indicators

Indicator	Outer loadings	Description
BA1 <- Brand Ambassador	0.899	Good Fit
BA2 <- Brand Ambassador	0.933	Good Fit
BA3 <- Brand Ambassador	0.931	Good Fit
BA4 <- Brand Ambassador	0.796	Good Fit
BI1 <- Brand Image	0.803	Good Fit
BI2 <- Brand Image	0.869	Good Fit
BI3 <- Brand Image	0.331	Not Good Fit
BI4 <- Brand Image	0.346	Not Good Fit
CT1 <- Customer Trust	0.877	Good Fit
CT2 <- Customer Trust	0.860	Good Fit
CT3 <- Customer Trust	0.768	Good Fit
KW1 <- Korean Wave	0.897	Good Fit
KW2 <- Korean Wave	0.855	Good Fit
KW3 <- Korean Wave	0.813	Good Fit
PI1 <- Purchasing Intention	0.874	Good Fit
PI2 <- Purchasing Intention	0.873	Good Fit
PI3 <- Purchasing Intention	0.845	Good Fit
PI4 <- Purchasing Intention	0.493	Not Good Fit
PP1 <- Product Price	0.674	Good Fit
PP2 <- Product Price	0.715	Good Fit
PP3 <- Product Price	0.879	Good Fit

From the calculation results, the outer loading value of each indicator of each variable is obtained. Where there are three indicators that have a value below 0.6, which means that the indicator has low validity so it is better to eliminate or remove it from the model. Indicators that were removed included BI3, BI4 and PI4. The elimination results will be recalculated using a modified model.

The following is a description of the modeling that has been modified (elimination of indicators that have met the requirements).

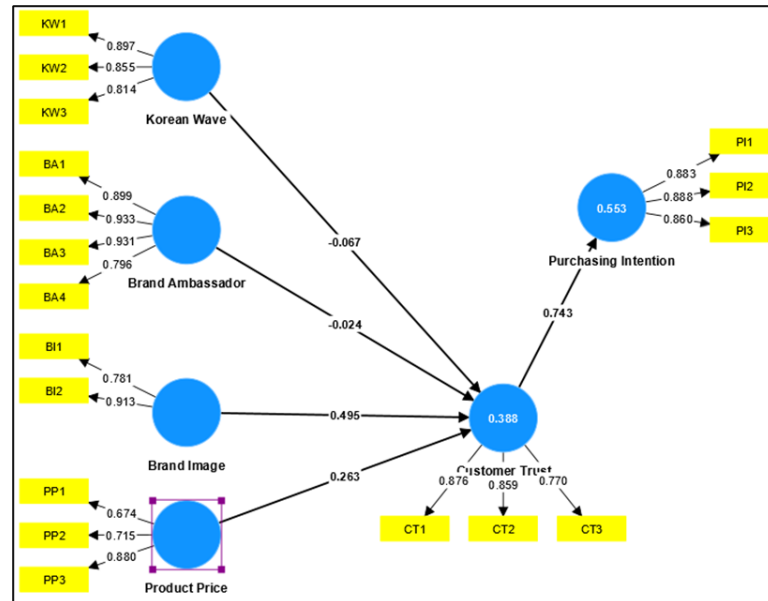


Figure 3. Modified PLS SEM model

From the results of the modified calculation of the indicators, it can be seen that all indicator loading factor values are > 0.6 , which means that all indicators have a validation value that meets the requirements.

- b. *Discriminant validity*, is the cross loading factor value which is useful for knowing whether a construct has a difference that is fulfilled by comparing the loading value on the intended construct must be greater than the loading value of other constructs.

The following is a table of cross loading values to see the results of the discriminant validity of this research model.

Table 3. Modified Cross Loading Value

	Brand Ambassador	Brand Image	Customer Trust	Korean Wave	Purchasing Intention	Product Price
BA1	0.899	0.192	0.100	0.625	0.115	0.309
BA2	0.933	0.258	0.178	0.623	0.188	0.437
BA3	0.931	0.199	0.131	0.646	0.144	0.335
BA4	0.796	0.168	0.087	0.608	0.041	0.242
BI1	0.259	0.781	0.377	0.193	0.230	0.241

BI2	0.168	0.913	0.578	0.071	0.527	0.377
CT1	0.177	0.636	0.876	0.062	0.695	0.423
CT2	0.076	0.441	0.859	0.030	0.615	0.382
CT3	0.109	0.318	0.770	0.099	0.534	0.203
KW1	0.541	0.137	0.073	0.897	0.054	0.208
KW2	0.682	0.109	0.060	0.855	0.056	0.393
KW3	0.638	0.076	0.010	0.814	0.010	0.266
PI1	0.160	0.464	0.742	0.047	0.883	0.417
PI2	0.104	0.333	0.610	0.001	0.888	0.314
PI3	0.127	0.447	0.581	0.112	0.860	0.331
PP1	0.147	0.188	0.282	0.198	0.287	0.674
PP2	0.342	0.249	0.260	0.280	0.215	0.715
PP3	0.381	0.389	0.392	0.281	0.403	0.880

From the calculation results, it is obtained that all loading values of each indicator on the construct are greater than the cross loading value, so it can be concluded that all constructs have good discriminant validity, where the indicators in the construct are higher in value with other indicators.

- c. **Average Variance Extracted.** To evaluate discriminant validity, it can be seen using the average variance extracted (AVE) method in each latent variable construct. Where the expected AVE value is > 0.5. From the calculation results, the AVE value is obtained as follows:

Table 4. Average variance Extracted

	Average variance extracted (AVE)
Brand Ambassador	0.795
Brand Image	0.722
Customer Trust	0.699
Korean Wave	0.733
Product Price	0.580
Purchasing Intention	0.769

In this study and the results of the calculation of the modified model, it was found that all AVE values for each construct were above 0.5, which means that there are no convergent validity problems in the tested model, or in other words, each indicator in the latent variable meets the requirements of the question to represent this study.

- d. **Composite Reliability.** Outer model is not only measured by assessing convergent validity and discriminant validity, but also by looking at the reliability of a construct which is known from the composite reliability value of each indicator that measures the construct. Where the requirement value for

- e. composite reliability is > 0.7 . The following are the results of the calculation of composite reliability in this study:

Table 5. Composite Reliability

	Composite reliability
Brand Ambassador	0.939
Brand Image	0.838
Customer Trust	0.874
Korean Wave	0.891
Product Price	0.803
Purchasing Intention	0.909

The calculation results show that the composite reliability value for all constructs is above 0.7. Therefore, it can be concluded that all constructs have good reliability, or in other words, the indicators in the construct are consistent to use.

- f. **Cronbach Alpha**, is the reliability test value of a construct with the value considered a construct is reliable if the value is > 0.6 . In the outer model analysis to measure construct reliability, it can also be done by looking at the Cronbach alpha value, where the construct is declared reliable if the Cronbach alpha value is > 0.6 . The following is the Cronbach alpha value obtained from the modified PLS SEM calculation.

Table 6. Cronbach alpha

	Cronbach's alpha
Brand Ambassador	0.915
Brand Image	0.630
Customer Trust	0.788
Korean Wave	0.844
Product Price	0.633
Purchasing Intention	0.851

From the calculation, it was found that all Cronbach alpha values for each construct had a value > 0.6 . Thus it can be concluded that all constructs have good reliability in accordance with the required limits.

Structural Model Analysis (Inner Model)

Evaluation of structural model analysis or commonly known as the inner model test, is done by looking at the R-square value and the results of the hypothesis test value.

- g. **Test Coefficient of determination (R-square)**. Shows the level of illumination of exogenous variables on their endogenous, the greater the value means that an endogenous variable can be explained well

by its exogenous variables. The range of R-square values according to Hair et al. (2011), an R-square value of 0.75 places it in the strong category, an R-square value of 0.50 places it in the moderate category, and an R-square value of 0 indicates that the regression model is better if the R-square value is higher.

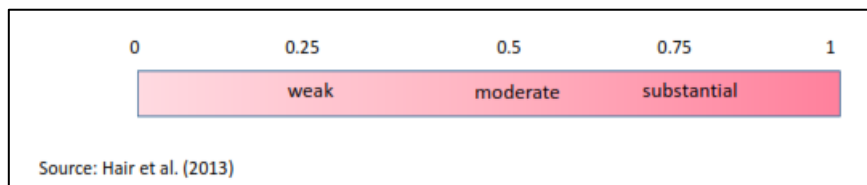


Figure 3. R-square by Hair et all

From the calculation results, the R-square value is obtained as follows:

Table 7. R-Square value

	R-square
Customer Trust	0.388
Purchasing Intention	0.553

From the calculation results, the R-square value is obtained, which is the level of determination of the oxygens variable on the endogenous. Judging from the results, the R-Square value is in the range of 0.388 to 0.553, which means weak (0.388) to moderate (0.553).

h. **Hypothesis testing** related to path coefficients and p-value is an approach used to test the complex relationship between variables in a model. In this study, path coefficients refer to coefficients that describe the strength and direction of the relationship between variables. This test serves to determine whether the hypothesis formulated can be accepted or rejected later.

In calculating the hypothesis test in PLS we use the results of the Bootstrapping calculation on the sample. This test has the aim of minimizing the problem of data abnormalities, the results of testing with this method are to be able to see the direct and indirect effects on each variable on the hypotheses formulated. To show an influence, it can be seen from the P-value, if the p-value <0.05 it can be said that the hypothesis is a good fit, which means that the variable has an influence on other variables and vice versa.

The following are the results of the direct effect bootstrapping calculation:

Table 8. Direct relationship

Hypothesis	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Brand Ambassador -> Customer Trust	-0.024	-0.014	0.105	0.233	0.816

Brand Image -> Customer Trust	0.495	0.490	0.091	5.451	0.000
Customer Trust -> Purchasing Intention	0.743	0.746	0.040	18.694	0.000
Korean Wave -> Customer Trust	-0.067	-0.062	0.123	0.545	0.586
Product Price -> Customer Trust	0.263	0.269	0.085	3.106	0.002

From the calculation of the p-value on the direct relationship, the p-value for the Brand-ambassador - customer trust relationship has a value of $0.810 > 0.05$, which means that this relationship can be concluded not good fit. Likewise, the Korean wave - customer trust relationship.

In the direct relationship, we can see the hypothesis test H.5 where Customer Trust has a positive relationship with local cosmetic purchase intention can be accepted or Good Fit.

In the indirect relationship or specifics indirect effect, the following values are obtained;

Table 9. Indirect relationship

Hypothesis	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values	Description
Brand Ambassador -> Customer Trust -> Purchasing Intention	-0.018	-0.011	0.078	0.233	0.816	Not good Fit
Brand Image -> Customer Trust -> Purchasing Intention	0.368	0.365	0.069	5.330	0.000	Good Fit
Product Price -> Customer Trust -> Purchasing Intention	0.196	0.201	0.065	2.999	0.003	Good Fit
Korean Wave -> Customer Trust -> Purchasing Intention	-0.050	-0.046	0.091	0.545	0.586	Not good Fit

From the calculation of the indirect relationship, we get :

1. The relationship between Korean wave variables - cust. Trust - purchase intention (H.1) which results in a P-value of $0.586 > 0.05$ and Tstats $0.545 < 1.96$.
2. insignificant value for the variable relationship brand ambassador - cust. Trust - Purchase intention (H.2) which shows a P-value of $0.816 > 0.05$ and Tstats $0.233 < 1.96$.

So it can be concluded that in this relationship the mediating variable cust trust does not affect the relationship between Korean wave and brand ambassador on purchase intention.

CONCLUSION

From the analysis of the inner model and outer model that has been carried out from the results of the PLS SEM calculation using SMARTPLS 4.0, several things can be concluded: H1 Customer trust does NOT mediate the positive relationship between Korean wave and Local Cosmetic purchase intention. H2 Customer trust does NOT mediate the positive relationship between Brand Ambassador and local cosmetic purchase intention. H3 Customer trust mediates the positive relationship between Product price effects and local cosmetic purchase intention. H4 Customer Trust mediates the positive relationship between Brand Image and customer trust. H5 Customer Trust has a positive relationship with local cosmetic purchase intention.

Where it can be concluded and assumed that the relationship between Korean wave and Purchasing Intention does not require customer trust as a mediating variable or even the purchasing intention of local cosmetic / skincare brands with South Korean inspiration is not influenced by the Korean wave phenomenon. Likewise for the relationship between customer trust as a mediating variable for the relationship between brand ambassadors on purchasing intention of local cosmetic / skincare products with South Korean inspiration.

From the conclusions previously described, this research can serve as a foundation for local cosmetics / skincare marketers / manufacturers to be able to determine the brand image that will be marketed or offered to the market. This can also be used as a basis for other studies to understand the most optimal marketing methods using Segmentation, Targeted and Promotion methods for local cosmetic / skincare products with South Korean inspiration.

The construct of "Koreaneseque brand image" includes an in-depth understanding of the key elements that make up a brand image with Korean cultural inspiration. This variable can be measured through the observation of product designs that incorporate traditional Korean motifs, the use of colors inspired by Korean natural scenery, and the integration of cultural elements such as language, in brand promotions. Through a deep understanding of these constructs, companies can optimize their brand image to better meet consumer expectations and achieve success in the market with Korean elements.

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