

Analyzing the key factors that improve the local cosmetic in Thailand's market

This paper want to study how Thai cosmetic product can compete with the international brand and how the industry achieve the changes. In the past, Thai cosmetic seem to has negative brand image such as low quality and low technology compare with European ,Korean and Japanese cosmetic brand so that Thai cosmetic company's performance and profitability was low. In the past, the brand segmentation between international brand and Thai cosmetic brand are completely different by selling in different location. International brand has better image by selling in department store while Thai cosmetic selling in small local shop However, It seem to be improve with increasing demand in the past 5 years. The rising demand in "Made in Thailand" product also the factor that enhanced Thai local cosmetic performances.

To answer the research question, this paper use 3 types of data sources to analyze : case studies, documentary and questionnaires. Furthermore, SCP analysis also used to analyze the supply side. Thai cosmetic marketing has steady growth by demand increasing. The perspective toward Thai cosmetic has changes from cheap to affordable which is positive sign. Moreover, Thai people start to use make up in younger age so that the demographic changes leads to demand expansion. Technology also play important role to expand the distribution channel by e-commerce. The offline channel has change from small store to specialize store with decoration and tester which attract the customer. In supply side, the firm capture the opportunities by lower the cost and invest in marketing leads to positive changes in Thai cosmetic market. However, People still satisfied with international brand more than Thai cosmetic brand by the answer of survey. So, Thai cosmetic brand has better

brand images and widely use, but international brand reputation still dominated the market.

In my opinion, I agree that Thai cosmetic brand become more popular and widely use than before. Thai cosmetic company has improved in many sides such as quality, packaging and advertising. So, Thai cosmetic seem to be acceptable and widely use in local market now. However, International cosmetic brand still dominate the global markets. I think that reputation and marketing effect the customer purchasing behavior a lot. International cosmetic brand has higher market share and more investment in marketing than Thai cosmetic brand. International cosmetic brands have wider target market than Thai cosmetic brand. There are variety of product and price range such as drug store and high-end brand in international brand. High income people in Thailand prefer use high-end international cosmetic brand than Thai local brand cosmetic brand. So, Thai cosmetic brand can compete with international brand only in low to middle price product level. Furthermore, It's still popular only in Thai market, but international brand is very popular in global market. In conclusion, It may take lot of time for Thai cosmetic brand to compete and improve to fight with international brand. Quality may not enough compete with other brands. The company has to build brand image and customer royalty to sustain the brand and it need a lot of investment and time.