Identifying the Factors Effecting the Personal Concerns of Consumers in Accepting New Products: A Case Study on the Cosmetic Products of Payoon Trading Company

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Abstract—The success of new products is accounted as the superior factor for the accomplishment of companies. The several investigations show that the rate of the failure of new products development has been mentioned as a basic problem in many of companies. One of the reasons of this failure is the high level of concern of the consumers in accepting the new product. The purpose of this research is identifying the effect of these concerns on accepting the new products. This research is practical in terms of purpose and is exploratory survey in terms of methodology. The tool of gathering the information in the stage of identifying the components of personal concerns of consumers is interview and in the stage of testing the hypothesis of research is questionnaire. The population of this research includes consumers of cosmetic product of Payoon trading company. The sample of interview is 23 people and the model of questionnaire is determined by simple random sampling and the formula of determining the volume of Cochran sample is calculated 246 people (the consumers of the products and the expertise). For testing the hypotheses the t-test is used and for ranking these factors the Friedman rating test is used. The results of research show that the fame and reputation has no significant effect on personal concern of users in accepting the new products. Therefore, it has the lowest priority in Friedman rating test. But the other variables including credit, price, product recognition, standards, and ease of use, reliance, and easy accessibility to product have significant effect on personal concerns of consumers in accepting the new product which are mentioned based on the priority of Friedman test.

Keywords—products, cosmetic, concerns, consumers

1. Introduction

Nowadays, developing new product and creativity in product is one of the most important processes of a company for increasing the profit and making competitive advantages. Recently, the consequences of creativity and risk-taking on firms’ aims have been studies, and the main impact of novelty in reaching the goals has been found [1]. Therefore, they are spending billions of dollars for improving the products and making innovations in products. The studies show that many of these innovations fail. Although they relates many of these failures to products being bad or they think their weak point is their inappropriate advertising, inconvenient targeting, the goods the consumers reject to use them usually are better than existing products, but the reality is not as simple as this and only these are not the all of the factors of accepting or rejecting of using the products. The companies after innovation will face with this killing wary that if the consumers buy this product or not? Or it can be said that the consumers want the new goods and products simultaneously by the time of the innovation they resist again the new products and goods [2]. The purpose of this research is finding that why the consumers behave in this way and why they do not buy the new products. This research aims to identify the factors of personal concerns of consumers about the accepting the new products to companies to be able to enter their new products on the market and reach to their expecting profits considering these factors. Because of high degree of uncertainty of needs of the costumers, only a small part of ideas of new products which are selected for improvement of market, satisfy the expectation of the consumers and are successful in terms of trading. Therefore, more information in this case leads to planning and marketing and managing sale costs and opportunity in the industry of new products [3]. Ujen and FishbYn define the normative beliefs of consumers as the others
tendency about this case that do the person must engage in a manner or not. They define these beliefs as a role of mental possibility which opposite person think that the person must apply that personal behaviour and motivation to satisfy the expectation of reference cases.

2. Theoretical bases of research

Ujen and Fishbyn (1975) mentioned that this theory is used extensively for investigating the different types of social behaviours of human including buying manner [4]. But it is long time that in behaviour literature of costumer it is concluded that the behaviours of costumer rarely is based on the economic theory principle and most of the costumers move based on a demand or a spiritual condition or a filling. In fact the costumers purchase because of any reason (like getting released of a negative spiritual and psychological condition or expressing a characteristic) except satisfying a need [5].

3. Mental Involvement

One of the important topics in consumers’ behavior is information processing by them. Information processing by consumers’ means the process by which the consumers face to information, pay attention to it, understand it, memorize it, and retrieve it for future use. One of the important factors in information processing is the mental involvement of the consumer [6].

The types of mental involvement

A. Product mental involvement: the studies have shown that this kind of involvement can affect the decision making process about the product, the amount which consumer research about the information of products, the type of attitudes and preferences of consumer in relation with product, the perceptions of consumer about the alternatives in the level of similar product and the loyalty to the brand [7].

B. Purchase mental involvement: the degree of attention that is form in order to buy a level of activity is called purchase mental involvement. The purchase mental involvement occur when the consumer consider the opportunity of buy or use as the personal relationship or importance [8].

C. Advertisement mental involvement: the interest of consumer for getting involved in marketing relationships is called advertisement mental involvement. By focusing on the mental involvement of the audience, the four levels of advertisement mental involvement is identified form the lowest level to highest level.

D. Locational mental involvement: locational mental involvement indicates a temporary interest or relationship with a goal which is stimulated by an especial reason like an understood risk. The main characteristic of this kind of mental involvement is the show of a mental state and not having cognitive elements like values and needs [9].

E. Permanent mental involvement: the permanent mental involvement indicates the more stable involvement with product level. Bloch and Richins believe that the permanent mental involvement points to a high level of mental involvement, since it shows the amount of daily motivation or interest of consumer toward the product.

F. Reaction mental involvement: based on a combination of locational and permanent involvements the reaction mental involvement occurs. Houstone and Rothschild (1985) have defined this type of mental involvement as [10]: the complexity or extent of cognitive and behavioral processes which plots general process of consumer decision making [11].

4. Acceptance of New Product

Ref. [12] believe that there are three type of consumer knowledge: 1-mental knowledge (non-objective) 2- objective knowledge and 3- experimental knowledge [12] which is associated with education [13]. The mental or non-objective knowledge is the information that a consumer thinks that have about a trading company or its products. The objective knowledge is the information that a consumer really has about a trading company or its products. The experimental knowledge is the knowledge that a consumer has earn by real interaction with a trading company or its products. Ref. [12] expressed that the managers must evaluate how mental knowledge affect the consumer’s perception of new products. The previous knowledge and involvement are two factors which have effect on cognitive process of consumers which make the costumer busy to it. It is inferred from the studies that if there is a new product like the existing product by matching with consumers’ expectations, the product will be
categorized as a member of existing level in objective pervious knowledge.

A. Domestic literature

Nowadays, engaging in various forms of social media is a routine activity that research has shown to benefit children and adolescents by enhancing communication, social connection, and even technical skills [14]. A research is done by Amirshahi et al in the year 2011 with title of “investigating the effect of purchase involvement factors on accepting the brand extensions in products with low and high involvement in management faculty of Tehran University [15]. The results of this research shows that: 1. The consumers convey the variables of purchase involvement (previous experiment, interest, risk taking, location, price, and social representation) in both state of low and high involvement from the product with the main brand to imaginary product in new level and 2. The perceived quality of product which have main brand only in the condition of low involvement is transferred to imaginary product in new level. A research is done by Mahdiyeh and choobtarash in the year 2013 with title of “mental involvement of consumer and purchase decision making” in Islamic Azad University [16]. Findings show that there is significant relationship between dimensions of mental involvement of consumer containing being interested in product, the value based on joy, symbolic value, the importance of risk, and probability of risk with purchasing decision.

B. Foreign literature

A research is done by Ocass with title of “clothes industry, reasons and results of involvement in fashion industry” in Australia. This research investigates the effect of materialism and the correlation of image of product of itself image with consumers in clothes of fashion. Moreover, it investigates purchasing decision making, mental knowledge of fashion and reliance of consumer. The results show that the knowledge of fashion of clothes affects the reliance of consumer about the fashion in making decision for purchasing. Moreover, it illustrated that female consumers show more mental involvement in fashion of clothes, purchase, its advertising relating to the men. Taking this fact to the consideration that the women are the responsible of 83% of all of purchases of consumers and growing market of women is an important financial part, it can be inferred that the group of women consumers which are wealthy tremendously will have fashion mental involvement. A research is done by Chieh et al. with the title of “the effect of innovation of consumer on accepting the new product” in the year 2012 in Australia [17]. This research investigates the relationship between natural innovation of consumer, the innovation unique to environment, prophet innovation, and accepting the really new consuming electronic products. Using the modelling of the structural equation we found that the innovation unique to environment has more effect on accepting this kind of products in comparison with innovation of consumer. Moreover, we found that although the relationship between unique to environment innovation and really new products is positive, it is still very weak. The result of research indicates that for better understanding that what are the stimulators or for expressing the acceptance of “really new products” either in Australian or in international domain more researches are needed.

5. Research Methodology

This research is practical in terms of purpose since its results will be used by managers and sellers and in terms of methodology it is case study and exploration type. Moreover, this research is surveying research type because, the researcher investigate the research variables and causality relationship between them by choosing the samples which reveals the community [18]. The population of this research is divided to two parts, the first part includes the experts of this domain and the second part includes the persons which uses the cosmetic products of Pooyan trading company in Mashad branch in which the population is infinite. This research has two statistic samples. In The first sample for doing the interview the theoretical saturation method is used which includes 23 person of experts of this domain (containing: the persons who have used the products for several years, the persons who was the distributer of these products, the persons who have expert in this topic, the persons who was marketer of these products) and consumers of cosmetic products of Payoon. The second sample for doing the questionnaire which is calculated by simple random sampling and Cochran
The formula is consist of 346 persons. Here \( z=0.96 \), \( p=0.8 \), \( q=0.2 \), and \( d=0.05 \)

\[
n = \frac{Z^2 \times pq}{d^2}
\]

The data of this research is gathered based on Library studies, interviews and then questionnaires (considering the resulting components). The data resulted from this research is analyzed using the Spss and Lisrel software. For identifying the factors affecting the personal concerns of consumers in accepting the new product the T-test is used and for rating these factors the Friedman rating test is used.

6. Data Analyzing

Thematic content analysis method is used for analyzing the interviews. Eleven steps got done for extracting the variables from the interview. Finally, this process got used in a similar way for naming all of the components. The findings resulted from analysis include nine counted components as following: credit, social prestige, fame, being standard, being accessible, ease of use and complete package, price, product recognition, reliance. By attention to obtained components from the interview the following conceptual model is drown.

![Figure 1- the conceptual model of research based on results](image)

A. First hypothesis

Based on obtained results since the significance level for the amount of the effect of the credit on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is positive and the mean value of effect of credit on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the credit has significant effect on personal concern of consumers in accepting new product.

B. Second hypothesis

Based on obtained results since the significance level for the amount of the effect of the social prestige on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is negative and the mean value of effect of social prestige on personal concerns of consumers in
accepting the new product is less than the average limit of 3, with 95% confidence it can be said that: the social prestige has no significant effect on personal concern of consumers in accepting new product.

C. Third hypothesis

Based on obtained results since the significance level for the amount of the effect of the fame on personal concerns of consumers in accepting the new product is equal to 0.080 and it is more than 0.05, with 95% confidence it can be said that: the fame has no significant effect on personal concern of consumers in accepting new product.

D. Forth hypothesis

Based on obtained results since the significance level for the amount of the effect of the standards on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is positive and the mean value of effect of standard on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the standard has significant effect on personal concern of consumers in accepting new product.

E. Fifth hypothesis

Based on obtained results since the significance level for the amount of the effect of the accessibility on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is positive and the mean value of effect of accessibility on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the accessibility has significant effect on personal concern of consumers in accepting new product.

F. Sixth hypothesis

Based on obtained results since the significance level for the amount of the effect of the ease of use and complete package on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the ease of use and complete package has significant effect on personal concern of consumers in accepting new product.

G. Seventh hypothesis

Based on obtained results since the significance level for the amount of the effect of the price on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is positive and the mean value of effect of price on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the price has significant effect on personal concern of consumers in accepting new product.

H. Eighth hypothesis

Based on obtained results, since the significance level for the amount of the effect of the product being unknown on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is positive and the mean value of effect of product being unknown on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the product being unknown has significant effect on personal concern of consumers in accepting new product.

I. Ninth hypothesis

Based on obtained results, since the significance level for the amount of the effect of the reliance on personal concerns of consumers in accepting the new product is equal to 0.000 and it is less than 0.05 also the amount of T statistics is positive and the mean value of effect of reliance on personal concerns of consumers in accepting the new product is more than the average limit of 3, with 95% confidence it can be said that: the reliance has significant effect on personal concern of consumers in accepting new product.
investigated. The results of rating in provided in following table:

<table>
<thead>
<tr>
<th>the effective factors on personal concerns of consumers in accepting new products</th>
<th>Mean of rates</th>
<th>priority</th>
</tr>
</thead>
<tbody>
<tr>
<td>credit</td>
<td>7.54</td>
<td>first</td>
</tr>
<tr>
<td>Social prestige</td>
<td>2.43</td>
<td>ninth</td>
</tr>
<tr>
<td>fame</td>
<td>2.71</td>
<td>eighth</td>
</tr>
<tr>
<td>standard</td>
<td>5.67</td>
<td>forth</td>
</tr>
<tr>
<td>accessibility</td>
<td>4.58</td>
<td>seventh</td>
</tr>
<tr>
<td>Ease of use and complete package</td>
<td>4.90</td>
<td>fifth</td>
</tr>
<tr>
<td>price</td>
<td>6.49</td>
<td>second</td>
</tr>
<tr>
<td>Product being unknown</td>
<td>5.90</td>
<td>third</td>
</tr>
<tr>
<td>reliance</td>
<td>4.78</td>
<td>sixth</td>
</tr>
</tbody>
</table>

7. Summary and Conclusions and Suggestions

A. Credit

The credit has significant effect on concerns of consumers in accepting new product. Jonson (1989) expresses that the image of an origin of production country can be used as guide for speeding up the process of evaluating the products which consumers know them. In this way when the costumers have previous experiments relating to performance and efficiency of the similar products with the same origin of production country use the image of origin production country as the representative of product performance [20]. It is suggested that foreign companies first should be aware of positive mental imagination relating to their countries for presence in domestic market [21] and by the time of lack of this situation it is better to first provide such situation. Moreover, the companies should try to make this image positive as much as possible by communication tools to improve the sense of the costumers relating to themselves.

B. Social prestige

The Social prestige has no significant effect on concerns of consumers in accepting new product. The findings of this research is against the other researches since the case study in this research is cosmetic products and because of the relationship of these products with health and sanitation, the consumer paid less attention to social prestige. Health promoting lifestyle is a multi-causal and multi-dimensional phenomenon which is related to collective patterns of behavior and control, and consistency in doing a series of health-related behaviors is its essence [22]. However, Wiedmann et al. in the year 2009 pointed that the social effects especially in concept of the luxury consumption are highlighted, in the case that the consumers are affected by their inner motive which create an appropriate social image as a result of their purchase behaviour [23]. Therefore, it can be thought that this consumption may be very influenced by norms and interpersonal information effects. The consumption decisions of people get effected from their culture and values and norms systematically. It is suggested that the products be presented which show the social identity of people including social class in a way that be used to influence the image that who are they and what is the position of them? And lead to improvement of the standards of person’s life. Moreover, it is suggested that the products with high quality be supplied since the perfectionist costumers pay more attention to higher quality and reassurance.

C. Fame

The fame has no significant effect on concerns of consumers in accepting new product. The findings of this research are against the other researches. Since the cosmetic products are related with health of consumers, they pay more attention to this dimension in comparison with social prestige. Based on theory of McCracken the famous people by giving their desirable image to the product lead to increase of the sale. The results of the researches claims that success and effectiveness of famous testimonies in advertising is based on three axes including: reference credit, attraction, and the characteristics and concepts transferred by individuals to products [24]. Therefore it is suggested that the owners of industries and the production and services institutions should pay attention to this case that they should use the celebrities in designing the advertising programs as a tool and motivation with other programs not as the purpose of marketing.
D. Standard

The topic of health has always been important from the very beginning of humanity [25] and gets more important in older ages because the old age is normally associated with stereotypical structural and physiological changes in the brain. [26] Effective health promotion is considered as one of the fundamental requirements. [27] The product being standard has significant effect on concerns of consumers in terms of accepting the new product. The importance of choose of main cosmetic products is because of direct contact of cosmetic products with your skin, eye, and lips which are very sensitive and using counterfeit cosmetic products will have harmful effects which can lead to irreparable damage. In our country the ministry of health is responsible of it. This institution sticks some labels with health license number over the goods which represent the factory and country of production also the year and production series of good.

It is suggested that the high quality cosmetic products be produced inside the country and importing them be prevented to be sure of their standards and being healthy. Moreover, producing the required row materials for producing organic cosmetic products in country can make it possible. In addition, the companies can import the products which have the labels that are the sign of confirmation of Accredited American and European doctors.

E. Accessibility

The accessibility has significant effect on concerns of consumers in terms of accepting the new product. The marketing must determine the most appropriate way for transferring the goods and services from producer to potential consumer. The convenient decision in this domain will lead to increase of the velocity of conveying the product, consumer convenience, and less cost. This can lead to repeat of purchase. A channel is innovative when it is made of need of market for being cheap, better, and faster. One of the suggestions is holding the exhibition of cosmetic products. The purpose is filling the gap between the suppliers, producers, and distributors and consumers also trade facilitation and learning opportunities which finally will inspire the emergence of new products. Nowadays, because of saving the time and expense and increasing the diversity in cosmetic products the consumer prefer to buy the products which are more accessible.

F. Ease of use

The ease of use and complete package has significant effect on concerns of consumers in terms of accepting the new product. Ming Chiah et al. concluded that if the practical abilities and ease of use of a new brand be better than the other competing products the mental value of that product increase with probabilistic receiver and gives more pleasant feel to receiver. It is suggested the managers of marketing and institutions which present services to consumers, in addition to use of innovative methods in their products should know that the consumers use their product by the time they feel that by using this product their work will be easier and they can use the product by consuming less time and faster and without having any especial expert. The products must be presented in complete packages in which there are several items in one package in a way that complementary cosmetic products are in one package. This lead to costumer reach to several purpose and results in satisfaction of costumer.

G. Price

A market where the prices fully reflect all the available/possible information is called an efficient market [28]. The price has significant effect on concerns of consumers in terms of accepting the new product. Lichtenstein et al. in the year 1993 tested the seven elements relating to price and separated them based on their positive and negative effects on purchase behavior of consumer [29]. These elements are: value consciousness, price mavenism (the person is considered as source of information about the price of the goods for others), price consciousness, sale proneness (increase in reaction to suggested purchase because of the form of the sale in which the suggested price affects the evaluation of sale positively), and coupon proneness which shows the negative role of the price and the curve of price-quality, and prestige sensitivity which represented the positive role of the price in their research. It is suggested that if the product does not enter to the market with high quality do not increase its price since this can lead to creation of negative image in consumer.
Because of high sensitivity of cosmetic products which are related with the health of the consumers they are ready to buy high quality but expensive product therefore, in marketing of the products the quality of them must be highlighted to price is justifiable.

H. Product recognition

The Product recognition has significant effect on concerns of consumers in terms of accepting the new product. Consumers’ familiarity with the main brand can help to entering new product and its fast development in the new formed parts in market [30]. It is suggested that the company enter the new products to the market that the consumers have previous mentality toward them. Moreover, before entering the product to the markets they can have extended advertising to mind of consumers have a background about the product. Sometimes, they can have review advertisement about their past brands to review the previous experiment of purchase. In some cases, the way of use or used materials in new product is like other product that for better understanding they can remind the experiment of using it. Moreover, the trade companies by considering catalog of product can help to more recognition of product by consumers.

I. Reliance

The reliance has significant effect on concerns of consumers in terms of accepting the new product. Terawatanavong et al. in the year 2007 investigated the effect of foundations of relational marketing, depending, and reliance, and obligation, norms based on cooperation and conflict management on costumers’ satisfaction across relationship life cycle [31]. The results of this research show that the variables of reliance and depending are in relation to relationship satisfaction in making and relationship maturity stages while the variable of obligation in maturity stage is in relation to relationship satisfaction. Moreover, the conflict management variable has no effect on relationship satisfaction in the stage of decline. The first foundation of relationship marketing is reliance. From the looking of Morgan and Haunt success in relationship marketing need to reliance and obligation [32]. It is suggested that sellers and companies avoid suggesting the solutions which has no profit for costumers. It is suggested they create appropriate environment for catching the trust of them. Companies and stores if have obligation to their products implement it to catch the trust. If the properties of product do not match the advertisement it lead to mistrust in individuals that marketers should decrease it by honesty.

8. Future Research Suggestions

It is suggested that in future more researches be done about the effect of each of these concerns on three period of before purchase, by the time of purchase, after purchase on consumers. In This research it has done about the time of the purchase. Moreover, the concerns of consumers can be investigated in other domains and industries except cosmetic products. It is recommended that other concerns that consumers may face them be researched by more investigation of the behavior of consumers.

References


