

# **Brand Preference Creation Capability and Marketing Performance: an Empirical Investigation into Medical and Aesthetic Businesses in Thailand**

*Nattawut Panya\**

## **Abstract**

The objective of this study was to investigate the influence of brand preference creation capability on marketing performance. Brand preference creation capability is comprised of 4 dimensions; brand identity awareness, new idea focus, brand communication efficiency, and brand image clarity. The data used for the analysis for was derived from a survey of 282 medical and aesthetic firms in Thailand. Multiple regression analysis was used for the hypothesis testing. The results show that the 4 dimensions of brand preference creation capability that were significantly positive were related to value creation success, customer satisfaction, brand loyalty, marketing advantage, and marketing performance. Moreover, theoretical and managerial contributions, as well as suggestions for future research were also deemed worthy of future discussion.

**Keywords:** Brand Preference Creation, Marketing Performance, Medical and Aesthetic Businesses

## **Introduction**

Due to the current economic slowdown, businesses in the country face sales problems. As a result, there is increased competition for customers to buy domestic products. This change is a major driving force for businesses to maximize their capabilities

---

\* Ph.D. (Marketing) Mahasarakham University, (2015). Currently a Lecturer in Business Administration Program (Marketing), Faculty of Management Sciences, Lampang Rajabhat University.

to leverage their competitive advantage in order to survive during these fluctuating economic times. Especially in the past two years, Thailand has been affected by domestic political issues as well as by numerous global economic problems. Moreover, the progress of technology and the internet affect consumer behavior. They can seek many products that respond to their needs through multiple-channels at the low-cost level and comfortable such as mobile applications, websites and social media (Phattharakittisakul & Juntongjin, 2016). As a result, the administrators turned their attention to marketing strategy and management to improve potential and to significantly reduce costs. It is the mission of the business organization. Their interest in improving management has resulted in businesses trying to implement marketing strategies and marketing tools, including new knowledge which is always applied to improve the organization.

Implementing strategies to gain a competitive advantage is one of the most important and essential strategies for success in an organization. From the study of past research, it can be shown that the research related to the brand is often a study that focuses on branding, brand image, brand knowledge, brand awareness, brand relationship, and the branding of services (Aaker, 1996; Keller, 2003, Kapferer, 2008, De Chernatony, 2006). There are a few pieces of research into the dimensions of branding and presents empirical evidence of the studies shown the relation of such elements to marketing performance. Branding is essential to the survival of the products that businesses offer to consumers. Businesses must try and look for ways to use the strategy to achieve a competitive advantage. It can also sustain long-term survival by focusing on brand management capabilities (Nilson, 2000) to be innovative, and to impress customers continuously. Consequently, the ability to create brand loyalty is the ability that business organizations use to enhance their strengths and capabilities in today's business environment.

Medical and aesthetic businesses are ranked as the number 1 business that demonstrate strong growth trends and a good expansion in the year 2015 (Economic and Business Forecast Center, University of the Thai Chamber of Commerce, 2014, and later in the year 2015). The results of the top 10 business rankings in 2016 (based on sales, costs, coping with risk, profit, and market demand) showed that the Medical and Aesthetic Businesses also ranked No. 1 for the 5th consecutive year, because the current focus is more on health and beauty care and that Thailand is recognized both at home

and abroad in terms of quality and affordable price (Thairoongroj, 2015), and the number of entrepreneurs entering this business is increasing as the demand of consumers continues to increase. At present, there are 678 businesses registered with the Ministry of Commerce, while the demand of consumers has increased continuously. Consumers choosing to use the service and purchase from any entrepreneur will have to consider and ponder carefully to maximize the confidence that they will receive good value for money and services. So competing to win customers to shop and use the service, it requires a strategy that is different and superior to be able to win customers. The problems most businesses face are: they need to find the ability of a business to build their brand's liking. It will be able to make better earnings, whether it is profit or market share and compete in the medical and aesthetic businesses sustainably. Therefore, it is very valuable if the business organization is able to use its own capabilities to compete in the market. The study of Sansook & Ussahawanitchakit (2010) shows that brand loyalty and marketing satisfaction bring businesses to marketing performance. In order for this competitive advantage to be achieved, first, the elements and subsequent consequences must be understood.

For the reasons mentioned above, the researcher is interested in researching the ability to create brand loyalty and the marketing performance of the medical and aesthetic businesses in Thailand. In addition, this study presents 4 dimensions of the ability to create brand preference and investigates the influence on marketing performance. The results from the research can be used as a guide for planning and directing the development of the medical and aesthetic businesses for sustainable growth and development and as a means to formulate a competitive strategy to build business advantage continually.

## **Literature Review**

### **Knowledge-Based View (KBV View)**

Knowledge-Based View is used to describe a business organization by the main concept of knowledge based theory within the organization that business organizations can continue to exist because of their ability to effectively manage knowledge that is greater than their competitors under various business enterprise structures (Kogut, 1996; Conner & Praalad, 1996; Grant, 1996). The business organization is comprised of social

units that use and accumulate knowledge, potential, and capabilities within a business organization. This is of paramount importance for the survival, growth, and success of business organizations. This theory will focus on the necessity of the business organization to build cooperation and integrate knowledge beyond its competitors by employees within a business organization (Kogut & Zander, 1992; Nelson & Winter, 1982).

However, most researchers in the past have tended to focus on study of the collection of knowledge (Nelson & Winter, 1982), whilst the focus of education on the study of individual knowledge is not as apparent (Simon, 1991). Therefore, this study used the KBV View to explain the influence of brand preference creation capability on marketing performance because the knowledge of employees in this business is a key factor that reflects on a customer's confidence. The medical and aesthetic business is a business that requires highly skilled personnel. Of course, the knowledge available to each business is unequal. Therefore, businesses with different knowledge resources will not be equally proficient in producing beauty products and services. This leads to the use of different knowledge, which some businesses have applied effectively to help them realize their competitive advantage while some other businesses remain ineffective. The more knowledgeable businesses have gained a market advantage.

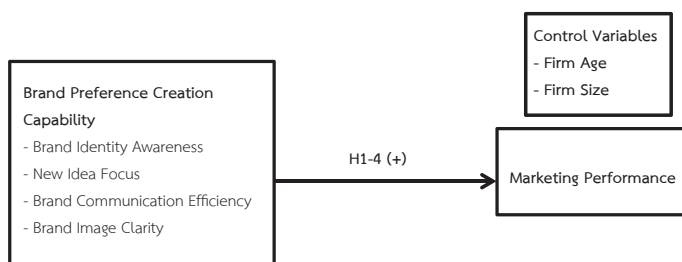
### **Medical and Aesthetic Business**

This study refers to an entrepreneur who sells products related to the beauty of the shape and the appearance of the person that includes consultants or beauty services using medical tools and procedures who have registered their business in Thailand.

Nowadays, the medical and aesthetic business is fast-growing due to the popular products that customers can choose which are gaining in popularity in the country as well as the beauty that relies on technology-based and medical advancement which is not something to be covered up or embarrassed about. There are people who are well known in society who have come out in public to promote and give correct and safe guidance which has made people who want to be beautiful, good looking, and brave to use these services even more. The present value of the market is up to 30 billion Thai Baht and the market value is expected to grow up to 20% higher than the previous year. The number of users continues to increase, especially foreign customers who come to use the service.

From the data, there are about 150,000 tourists who come to visit for health reasons. Of this number up to 50%, or about 75,000 people, use beauty and surgical services (Sukeewattana, 2015). This represents an opportunity for entrepreneurs to leverage strategies to grasp customers.

Fierce competition puts businesses at the top of their capabilities and resources. The most valuable assets of a business organization are knowledge, skills, and experience which cannot be generated in a short period of time. It gives businesses a competitive advantage in a sustainable way. The ability to create brand loyalty is a crucial dimension that enhances the business and enables it to succeed faster because whenever a business offers something that customers like, it will make customers who buy or use the service to feel satisfied with the value that that business has given which should lead to repeat purchases and spreading the positive experience to other potential customers. Even the composition of the price, the distribution, promotion of marketing, personnel, processes of service or service environment all can be improved and developed as a new value. It must have a clear brand communication and a unique communication style for each customer in each group. This will bring the admiration and loyalty of customers (Algesheimer et al., 2004). Continuous creativity has given businesses a competitive advantage and good marketing performance. The above-mentioned can be presented as a model of the influence of brand preference creation strategy and other variables on marketing performance in figure 1.



**Figure 1:** Conceptual Framework of Brand Preference Creation Capability and Marketing Performance

## **Marketing Performance**

Marketing performance is one of the measures for evaluating business success within the firm's operations (Thipsri, 2009). It is the firm's perception about achievement of certain goals such as unit volume goals, market share goals, and sale growth goals (Hsieh, Tsai & Wang, 2008). In addition, it can assess by annual revenue, growth in revenue and growth in market share (Rivard, Raymond, & Verreault (2006). Thus, in this study, marketing performance is defined as the firm's perception about the outcomes that implicate achieving the goals in terms of market share, sales growth, acquiring new customers, increasing sales to existing customers, and customer acceptance.

Firms that have a brand preference creation capability and outstanding products or services can exploit existing capabilities to achieve higher performance than rivals in the same industry. Newbert et al. (2008) indicated that the most successful firms possess the resources and unique capability to exploit opportunities in the context of the current environment, and have the capacity to implement new approaches to use those capabilities.

## **Brand Preference Creation Capability**

Brand preference creation capability means the ability of a business organization to innovate and deliver a product or service to its customers. There are four dimensions to achieving satisfaction and consistency: Brand Identity Awareness (BIA), New Idea Focus (NIF), Brand Communication Efficiency (BCE), and Brand Image Clarity (BIC).

## **Brand Identity Awareness**

Branding is what makes a difference and creates a competitive advantage of the business to the product or service as the intermediary of value and uniqueness to the functional benefits of the product or service in a competitive environment. In the intensive business environments of today (2016), making a difference to a "brand" or "brand identity" is a strategic fit for businesses; especially, to those businesses with many competitors. Similar products can be replaced. It is imperative to accelerate the marketing advantage through differentiating or creating your own products and services with unique identities. However, there are people who give the meaning of brand identity as being

the elements of words, images, ideas, and patterns that relate to consumers acquired by the brand. Given the unique brand identity, it is the strengths that offer the single most important feature. In addition, academics who study brand management also signify a set of brand identities such as ideas, methods that are interrelations, composition within a business organization (Isabel et al., 2016).

This research provides the definition of brand identity awareness by applying the meaning of the brand which is provided by The American Marketing Association (AMA) which says that recognizing a brand identity means processes in the operation of a business organization that focuses on making a difference in every process, either thinking or designing, creating a sentence or word, marking, design, or incorporating them together to create a unique product or service to be different from the competition. From the previous research, it was found that strong brand identity is an important structure that gives businesses a sustainable competitive advantage (Aaker, 1996; Kapferer, 2008). In addition, realizing brand identity not only satisfies the employees, but the unique product or service can also bring customers satisfaction (King & Grace, 2010). Due to the fact that businesses are trying to deliver superior value and differentiation, past research found that business organizations focused on creating and delivering differentiated value propositions than competitors to customers and stakeholders, it is in a position to gain market advantage and bring satisfaction, loyalty and potential repeat customers. It gives long term advantage, successful implementation in marketing and good performance (Blocker et al., 2011; Kuo et al., 2009). Thus, the relationship mentioned above can be assumed to be hypothesis 1.

**Hypothesis 1:** Brand identity awareness has a positive influence on marketing performance.

## **New Idea Focus**

The second dimension of the ability to create brand loyalty is to focus on new ideas. This is an important dimension in creating brand loyalty because customers will love the brand when businesses are creative, innovative, or superior to their competitors, which will then make customers feel good about the business since it is constantly evolving and developing according to ever-changing consumer behaviors (Masseti, 1996). Therefore, the basic business resources that must be available to differentiate from a competitor are:

The creativity of the business organization: organizations always focus on new ideas. They will have to try encourage staff to create new ideas as well as also encouraging people to constantly improve their knowledge and skills. Finally, it will eventually become a creative business enterprise. From the previous literature review, there have been many studies on the creation of new ideas. Its meaning has been defined as that of creating a new idea and finding sources of new ideas to create products (Alam, 1998). Moreover, Thipsri & Ussahawanitchakit (2009), defined the meaning of creating new ideas as being the ability of a business organization to find sources and methods to continuously create new products in order to meet the needs of their customers and to gain a competitive advantage. Therefore, this research describes the meaning of focusing on new ideas as the ability of a business organization to find resources, learning resources, and methods to continuously enhance new creativity in order to keep up with the needs of their customers and to gain a competitive advantage.

Previous research found that focusing on new ideas is a part of new product development activities or added value to products and brands. It is also a very effective resource for customer satisfaction (Corea et al., 1998). It also enables businesses to differentiate their identity from competing offerings. The result is returned - customers will be loyal and will have satisfaction (Miller, 1988). Thus, all of the above mentioned and their relationships can be defined as hypothesis 2.

**Hypothesis 2 :** New idea focus has a positive influence on marketing performance.

## **Brand Communication Efficiency**

Nowadays, internet technology has evolved so rapidly and at an ever decreasing cost. The development of communication programs through the internet has been continuously developed and is increasingly effective in communicating. According to a past study, in 2006, everyone who had an e-mail address could sign up to social networks to communicate more completely (Zarrella, 2010). It also gives unlimited access to a large number of people. Moreover, the benefits of technological progress make communication possible without geographical or time limitations. Anyone using



a smartphone can communicate with anyone instantly. Another advantage of using online media is easier segmentation. Marketing campaigns can target specific individuals more and more. As a result of this opportunity, the benefits of effective brand communication are increasingly being measured; lower cost, use time to create shorter recognition, not many personnel, and consumers have more brand awareness. A large number of advertisers target using the online media platform to engage in business negotiations with their customers because this platform can be used to bargain with customers better than using other media (Jothi et al., 2011). Nowadays, communication in branding on social networking sites is more personal, has an interesting debate and influence groups or groups that in particular are specific community users. From that evidence, it is important to study brand communication efficiency to gain knowledge and to understand the changing behavior of the target audience to develop brand communication to achieve wider and more effective recognition.

Kempf & Smith (1998) has defined the meaning of brand communication as integrating the core dimensions of brand relationship management with the customer and creating positive attitudes toward the brand. Therefore, in this research, brand communication efficiency refers to the ability of a business organization to integrate dimensions to manage brand relationships with customers and to create attitudes and positive perceptions of the brand within a specified time period by using only costs, time, and personnel as needed by that definition. That is to say, effective communication will allow the emergence of brand value recognition and a positive brand image (Keller, 2003) which can make customers satisfied and become repeat customers. According to the study of Debra & Aron (2005), it was found that both one-way and two-way brand communication had a positive impact on customer satisfaction. In addition, brand communication efficiency will affect the brand loyalty of the customer as well. The above mentioned leads to hypothesis 3.

**Hypothesis 3:** Brand communication efficiency is positively correlated with marketing performance.

## **Brand Image Clarity**

A number of researches have studied the brand image affecting consumer behavior in the service business sector (Aghekyan-Simonian et al., 2012; Ryu, et al., 2008) It was found that the brand name of a hotel was very important which consequently affected consumer behavior. It is assumed that the medical and aesthetic business is very similar to this service business. This is a business where consumers have to find a lot of information to make their decisions to use the service because beauty is very important in strengthening a person's confidence. Thus, image and reputation are the main determinants which are important in the early consequences.

In this research, clarity in brand image means the ability of a business organization to create a customer-centric position through brand awareness in the memory of the consumer that matches the position of the product or service that the manufacturer or service provider determines. The relationship of a well-defined brand is stronger if it is linked to the consumer experience (Aaker, 1991). The business that has a good brand image will give consumers confidence and trust, which in turn, reduces the risk of buying, resulting in repeat purchases and brand loyalty (Chehalis et al., 2015). Thus, hypothesis 4 can be proposed.

**Hypothesis 4 :** Brand image clarity has a positive influence on marketing performance.

## **Research Methodology**

### **Population Acquisition and Sample Selection**

The population in this study is 1,216 medical and aesthetic businesses in Thailand which have been collected from business listings in the database of “The Society of Plastic and Reconstructive Surgeons of Thailand” ([www.companyinthailand.com](http://www.companyinthailand.com)) and the lists from the database of [www.dodeden.com](http://www.dodeden.com). These are reliable sites when bringing together business listings and duplicate listings. The total number of businesses is 1,216. Therefore, for the most comprehensive feedback and distributed population, the researchers used the entire population in the study by sending 1,216 questionnaires in early February to inquire about key informants who are designated as executives or business owners.

There were 67 questionnaires returned due to changes in addresses, meaning that 1,149 questionnaires were correctly sent to the respondents. Out of those, 206 questionnaires returned. Four weeks later, a postcard was sent to ask for feedback and a thank you at the same time. 78 more questionnaires were received giving a total of 284 returned questionnaires. Two incomplete questionnaires were found. A complete questionnaire was then used to analyze the 282 sets, giving a return rate of 24.54%. Aaker et al. (2001) mentioned that the return rate of postal surveys with proper a tracking process is acceptable if higher than 20%. Therefore, one can conclude that with a return rate of 24.54%, this study's sample is good for all demographics.

### **Variables and Measurements**

The tool used to collect data was a questionnaire. The Likert scale ranging questionnaire was used from 'disagree' to 'strongly agree' by measuring all the variables that appear in the relationship structure. Each variable consists of questions for measuring 4-6 questions. The marketing performance is a dependent variable measured by sales, profit, number of customers increased from the original amount. In addition, the details of the method of measurement and control of the independent variables can be presented as follows:

#### **Independent Variables**

Brand identity awareness is measured by the policies and activities and strategies that businesses assign employees to practice.

New ideas focus is measured by the policies and activities that businesses assign employees to practice and budget allocation to train employees to increase their knowledge and creativity.

Brand communication efficiency is measured by the use of budget, time, labor, compared to the achievement that the organization aims to create awareness to its customers.

Brand image clarity is measured by the market positioning of the business and customer understanding by using the problem that the customer has, compared to the need or selection of products / services for solving problems.

### **Dependent Variable**

Marketing performance is measured by the firm's perception about unit volume, market share, growth in market share, sales growth, annual revenue and growth in revenue.

### **Control Variables**

The age of the firm: the results from various business studies in the past found that long-term business ventures had a competitive advantage because of the accumulation of knowledge, experience and resources sufficient to affect the competition (Green et al., 2007). This variable may affect the study, so in order for it not to affect the influence of other variables, it is defined as a control variable.

Company size: the size of the business is assessed by the investment and the number of employees. It is found that the business which has a higher budget or more employees (Nakata et al., 2011) will have a business advantage over a smaller business due to there being enough power to buy resources into the business to create an advantage or the larger the number of employees, the greater the number of skilled workers, less workload, the pressure is less. Thus, in order not to affect the influence of other variables, it is defined as the same control variable.

### **Research Instruments**

The research used a questionnaire as a tool to collect data. Based on the number of variables defined in the relationship model, all variables were derived from a literature review, divided into 4 phases: general data of respondents, business data, operational data, and recommendations. For the tool used to collect data, researchers have improved from the same tools used in previous studies and have developed new measurement tools for some of the variables that need to be adapted to the business context in Thailand by testing content validity by two experts and then modifying the suggestions. After that, the samples are pre-tested with similarities to the population that collected the actual data. The researchers collected the data from 30 local beauty businesses and those which are in department stores and the Construct Validity are tested by using factor analysis. This was used to examine the relationships of a great number of items and to determine the

factors, which could be reduced to a smaller set of factors. In this research, the construct validity is convergent validity. The items that are indicators of a specific construct converge or share a high proportion of variance in common. Factor loading, which must be greater than 0.4 (Nunnally & Bernstein, 1994) and the item consistency of each item must be highly correlated (Hair et al., 2010). The tool reliability test, based on the coefficient considering the Cronbach's alpha coefficient, which is greater than 0.7 (Hair et al., 2010). It was found that in this research, the Factor Loading and Cronbach's alpha values met the two appointed criteria. (Show in Table 1)

**Table 1:** Item Factor Loadings and Reliability Analyses in Pre-Test

| Constructs                           | Item<br>Mean | S.D. | Item  | Factor<br>Loadings | Reliability<br>(Alpha) |
|--------------------------------------|--------------|------|-------|--------------------|------------------------|
| Brand Identity Awareness (BIA)       | 4.09         | .182 | BIA 1 | .704               | .746                   |
|                                      |              |      | BIA 2 | .721               |                        |
|                                      |              |      | BIA 3 | .792               |                        |
|                                      |              |      | BIA 4 | .736               |                        |
|                                      |              |      | BIA 5 | .821               |                        |
|                                      |              |      | BIA 6 | .784               |                        |
| New Idea Focus (NIF)                 | 4.10         | .232 | NIF 1 | .721               | .731                   |
|                                      |              |      | NIF 2 | .760               |                        |
|                                      |              |      | NIF 3 | .805               |                        |
|                                      |              |      | NIF 4 | .810               |                        |
| Brand Communication Efficiency (BCE) | 4.08         | .347 | BCE 1 | .715               | .760                   |
|                                      |              |      | BCE 2 | .759               |                        |
|                                      |              |      | BCE 3 | .738               |                        |
|                                      |              |      | BCE 4 | .758               |                        |
|                                      |              |      | BCE 5 | .814               |                        |
| Brand Image Clarity (BIC)            | 4.09         | .224 | BIC 1 | .780               | .762                   |
|                                      |              |      | BIC 2 | .819               |                        |
|                                      |              |      | BIC 3 | .803               |                        |
|                                      |              |      | BIC 4 | .699               |                        |

## Statistics Used in Analysis.

This study used multiple regression analysis for its statistical analysis which is the appropriate analysis for hypothesis testing. Due to the limited number of questionnaires from the samples returned, there was not enough time for other statistics to be used to test the hypothesis. The data obtained is interval data. However, the statistics used in this study are considered to be appropriate for the number of returned samples. It was tested for assumptions before the data was used for the multiple regression analysis (Hair et al., 2010). The raw data was checked for the baseline data for the regression analysis before used in analysis to test the hypotheses, which are basic terms. The inspected included: normal distribution measurement, relationship problems between independent variables, relationship problems between independent variables and dependent variables, and linear relationship problems. The results of the examination found that the various values were acceptable. So, all the hypotheses have evolved from the literature review as described in the beginning. They have been converted into the form of a statistical equation as follows:

$$\text{MPF} = \alpha_{01} + \beta_1 \text{BIA} + \beta_2 \text{NIF} + \beta_3 \text{BCE} + \beta_4 \text{BIC} + \beta_5 \text{FAG} + \beta_6 \text{FSI} + \varepsilon_1$$

## Results and Discussion

**Table 2:** Descriptive Statistics and Correlation Matrix of Brand Preference Creation Capability's Constructs

|             | BIA         | NIF         | BCE         | BIC         | MPF         | FAG        |
|-------------|-------------|-------------|-------------|-------------|-------------|------------|
| <b>Mean</b> | <b>4.26</b> | <b>4.38</b> | <b>3.97</b> | <b>4.23</b> | <b>4.26</b> | <b>N/A</b> |
| <b>S.D.</b> | <b>.533</b> | <b>.519</b> | <b>.708</b> | <b>.591</b> | <b>.644</b> | <b>N/A</b> |
| NIF         | .424***     |             |             |             |             |            |
| BCE         | .214**      | .418***     |             |             |             |            |
| BIC         | .358***     | .493***     | .441***     |             |             |            |
| MPF         | .227***     | .521***     | .411***     | .408***     |             |            |
| FAG         | .212***     | .436***     | .476***     | .412***     | .417***     |            |
| FSI         | -.045       | .058        | .060        | -.013       | .044        | .032       |

\*\*\* p<0.01, \*\* p<0.05

Table 2 shows the coefficients correlation of all variables to test the relationship between independent variables (Multicollinearity) so that the independent variables are not interrelated. The coefficients correlation between individual independent variables of each pair in this study is significantly correlated but low. It is assumed that there is no correlation between independent variables. The relationship of independent variables is between 0.212 and 0.521. Moreover, the variance of the Variance Inflation Factor (VIF's) that is used to test the relationship between these independent variables is between 1.00 - 2.45 and is lower than the criterion 10 (Neter et al., 1985). It was concluded that there was no correlation between independent variables for the returned data. This will be used for further analysis.

**Table 3:** Results of the Regression Analysis (The Influence of Brand Preference Creation Capability's Dimensions on Marketing Performance <sup>a</sup>)

| Independent Variables   | Dependent Variables        |
|-------------------------|----------------------------|
|                         | MPF                        |
| BIA                     | .183 <sup>**</sup> (.066)  |
| NIF                     | .191 <sup>**</sup> (.082)  |
| BCE                     | .312 <sup>***</sup> (.067) |
| BIC                     | .286 <sup>***</sup> (.075) |
| FAG                     | .102(.142)                 |
| FSI                     | -.241(.220)                |
| Adjusted R <sup>2</sup> | .413                       |
| Maximum VIF             | 1.647                      |

<sup>\*\*</sup>p<0.05, <sup>\*\*\*</sup>p<0.01

<sup>a</sup> Beta coefficients with standard errors in parenthesis.

Table 3 shows the results of multiple regression analysis between the four dimensions of the brand preference creation capability and marketing performance.

Firstly, the results were found that Brand Identity Awareness positively influenced Marketing Performance ( $\beta_1 = 0.183$ ,  $p < 0.05$ ). This is consistent with King & Grace

(2010), who found that the product or service was unique not only to satisfy the employees, but it was also possible to make customers happy. Because employees feel good about the organization or do what they love it shows the full potential that has resulted in successful value creation that is delivered to customers via both products and services, especially within the medical and aesthetic business. Delivering good value to customers is very important because it affects the Word of Mouth (WOM). For this type of business, WOM marketing will have a big impact on decision making. KBV View explains the importance that business organizations use and accumulate knowledge, potentiality, and capabilities within a business organization. This is of paramount importance for the survival, growth, and success of business organizations. They must build cooperation and integrate knowledge beyond their competitors by employees in the business enterprise (Kogut & Zander, 1992; Nelson & Winter, 1982), as well as Blocker et al. (2011) and Kuo et al. (2009) found that business organizations focused on creating and delivering value that is different from their competitors to customers and stakeholders are in a position to gain market advantage which leads to increased customers satisfaction, loyalty and potential repeat customers. It will be a long term advantage, successful implementation marketing, and good performance. ***Hence, hypothesis 1 is supported.***

Secondly, New Idea Focus positively influenced Marketing Performance ( $\beta_2 = 0.191, p < 0.05$ ), which corresponds to the results of Corea et al. (1998) who found that the focus on new ideas is an activity that involves creating new values for products and services. Consequently, new values are so powerful that they can be used to create new values for customers at any time and it is a resource that competitors cannot imitate. This leads to customer satisfaction and it also has a high chance of making a loyal customer in the long run through the creation of unique identities, unlike competitors (Miller, 1988). The KBV View explains that business knowledge resources are tacit knowledge resources, which are a valuable resource for business organizations, especially medical and aesthetic businesses which depend on the experience and very high skills because it cannot be found. Imitation is difficult because imitation is costly. For that reason, medical and aesthetic businesses with employees within the organization can use their knowledge, potentiality, and capabilities available within the organization leading to the creation



of superiority over their competitors. It is important for marketing performance (Kogut & Zander, 1992; Nelson & Winter, 1982). **Therefore, hypothesis 2 is supported.**

Thirdly, Brand Communication Efficiency had a positive influence on Marketing Performance ( $\beta_3 = 0.312, p < 0.01$ ). This is in line with Keller (2003), which discusses effective communication that will allow for the emergence of brand value perception and positive branding. In addition, Kempf & Smith (1998) mention that brand communication is a par value of the first priority. It's about managing brand relationships with customers and also creating positive brand attitudes toward the values that business organizations create. Moreover, Smith et al. (1999) also found that customer satisfaction with what the business has to deliver will require trust because satisfaction breeds trust, and so if satisfaction is increased, it will lead to brand trust as well. Sahin et al. (2011) said that the development of trust is based on the learning process of the person's experience. In the medical and aesthetic business, there may not be customers who use the service more often than the general merchants. One customer may use the service only once and will have to wait a while before returning to use the service or to add beauty to another part. For that reason mentioned above, businesses need to make a detailed record of individual customer details and systematically make it easy to check the right needs for each customer. This will make it easy to deliver the right value for the customer's needs. Moreover, it is easier to measure customer satisfaction generated from the use of the service. Even though a business has a long way to go, it can be easier for them to satisfy their customers and it is also the reputation of the business for word of mouth (WOM). Thus, the results of this study **support the hypothesis 3.**

Finally, Brand Image Clarity positively influenced Marketing Performance ( $\beta_4 = 0.286, p < 0.01$ ). The findings interpret that clarity of information from entrepreneurs is a crucial composition for decision making. Supporting Meenaghan (1995) it is suggested that advertising has a central role to play in developing brand image at every level. It informs consumers of the efficiency of the brand and imbuing the brand with symbolic values and meanings relevant to the consumer. Consistent with the findings of Che-Hui et al. (2015) that the business which has a clear product placement will give its consumers trust. Furthermore, Whan Park, Jaworski & MacInnis (1986) described that there are

2 interrelated tasks that affect the brand image. The first is communication of the brand image. The second is to perform activities that are transaction oriented by focusing on the removal of transaction barriers. Thus, if firms can communicate information to their customers with more clarity than their competitors, firms can achieve brand image creation success. This results in repeat purchases and brand loyalty and makes a good marketing performance. *Therefore hypothesis 4 is supported.*

## **Contributions**

### **Theoretical Contributions**

The results of this research have confirmed the view of KBV that considers knowledge as the most valuable asset of the organization and it has the advantage of marketing and competition. A very knowledgeable organization can create knowledge, store and transfer knowledge in the organization better than any other organization because knowledge is something that a competitor cannot imitate. This is based on the empirical evidence derived from this study. Brand Identity Awareness is the mission statement of firms that transfer to employees. However, knowledge about creation of product was supported by leaders to make different things. Thus, firms that have strong brand identity will achieve easier marketing performance. In addition, realizing brand identity satisfies both the employee and customer. The findings of this study show that all compositions of brand preference creation capability have influence over marketing performance. The ability to create brand preference in the organization is the knowledge of the organization that can contribute to the achievement of value creation, brand loyalty, marketing advantage, and good performance statistically significant. This is the knowledge of the firms that drive their business. The owners or executives need to encourage employees to be loyal to the organization because firms that have more knowledge will achieve a successful marketing performance in a short time period.

### **Management Contributions**

Executives or those who are involved in the marketing policies of the medical and aesthetic business can apply the results of the study to the benefit of their business.

Firstly, a business's goal and vision are the definition and the declaration of a clear vision. The policy is to make everyone know and to be aware of the identity of the goods, the organizations, and the employees in the same direction, such as emphasizing the beauty on each spot, focusing on health, focusing on after care service, focusing on convenience for customers, focusing on cost that is a variety of choices, focusing on modern tools, focusing on the expertise of personnel, focusing on product quality, emphasizing on service quality, and emphasizing on the atmosphere or place, etc. Secondly, new idea focusing which the administrators should allow employees to be involved in creating or offering new ideas continually. Encouraging or supporting employees to advance their knowledge in a timely fashion within the changing environment. At the same time, brand communication should be systematic and clear in the same direction through the use of media and activities, both regular and special events, such as the use of outstanding employee uniforms, which can generate communication and perceptions, collaboration with the community in various activities, distribution gifts or souvenirs that reflects the identity of the business including the use of social networking or social online full potential etc. Finally, communication efficiency was sent to the customer. The information is clarity and timely without the ambiguous message.

### **Suggestions and Future Research Directions**

In this study, the researcher presents the dimensions of brand preference creation, which shows that the four dimensions have a significant impact on marketing performance. However, in extreme competition and during an economic slowdown, citizens or consumers are cautious about unnecessary spending. On the other hand, there is an increase in the competition among existing entrepreneurs as well as new entrepreneurs to compete in the medical and aesthetic business sector. It gives consumers more choices, especially in big cities as there are a growing number of new entrepreneurs. Thus, there is a gap in the research into how medical and aesthetic businesses will be able to compete and survive sustainably. In addition, it should be studied using different tools to collect data and compare it with this study, including population change for educational purposes. This will allow the conceptual framework to develop more generalization.

## Conclusions

The purpose of this study was to examine the influence of branding ability in brand preference creation and marketing performance. The study population was 282 medical and aesthetic businesses in Thailand. The informants were business owners or executives who were able to answer the business management approach. Most studies have found that the composition of the ability to create brand interest, which the researcher has presented all four dimensions have significant influence on marketing performance. Therefore, entrepreneurs in the medical and aesthetic business should be aware of creating a passion for the brand, especially the need for knowledge, experience, and cooperation from staff. It is business knowledge. At the same time, they need to encourage employees to learn more in order to develop their own potential. That means the organization has more knowledge, which gives the business a sustainable competitive advantage because competitors cannot copy it, according to the KBV View.

## References

- Sukeewattana, W. (2015, March 24). Beauty-Surgery of Thai market more than 30,000 Thai Million Baht. Banmuang. p7. (in Thai)
- Thairoongroj, S. (2015, December 17). 10 Outstanding-Failing Businesses in 2016. Thairath. p8. (in Thai)
- Aaker, D. A. (1991). *Managing Brand Equity*. New York: The Free Press.
- Aaker, D. A. (1996). *Building Strong Brands*. New York: The Free Press.
- Aaker, D. A., Kumar, V., & Day, G. S. (2001). *Marketing Research*. 7<sup>th</sup> ed. New York: John Wiley and Sons.
- Aghekyan-Simonian, M., Forsythe, S., Kwon, W. S., & Chattaraman, V. (2012). The Role of Product Brand Image and Online Store Image on Perceived Risks and Online Purchase Intentions for Apparel. *Journal of Retailing and Consumer Services*, 19 (3), 325–331.
- Alam, I. (1998). New Industrial Product Idea Generation. *American Marketing Association Conference Proceedings*, 9, 187-196.
- Algesheimer, R., Dholakia, U. M., & Hermann, A. (2004). Interplay between Brand and Brand Community: Evidence from European Car Clubs. Available at SSRN, 534-542.
- Blocker, C. P., Flint, D. J., Myers, M. B., & Slater, S. F. (2011). Proactive Customer Orientation and Its Role for Creating Customer Value in Global Markets. *Journal of the Academy of Marketing Science*, 39(2), 216-233.
- Che-Hui, L., Miin-Jye, W., Li-Ching, H., & Kuo-Lung, W. (2015). Online Hotel Booking: The Effects of Brand Image, Price, Trust and Value on Purchase Intentions. *Asia Pacific Management Review*, 20(4), 210–218.
- Conner, K. R., & Prahalad, C. K. (1996). A Resource-Based Theory of the Firm: Knowledge versus Opportunism. *Organization Science*. 7, 477-501.
- Corea, P., Gedge, G., Lemmons, S. Pinsky, J., Polo, N., & Swenson, C. (1998). New Product Development: A Case Study. *Engineering Management Journal*, 10(3), 29-39.
- Debra, G., & Aron, O. (2005). Examining the Effects of Service Brand Communications on Brand Evaluation. *Journal of Product and Brand Management*, 14(2), 106 -116.
- DE Chernatony, L. (2006). *From Brand Vision to Brand Evaluation: The Strategic Process of Growing and Strengthening Brands* (2<sup>nd</sup> ed). Burlington, MA, Elsevier, 77-78.
- Grant, R. (1996). Toward a Knowledge-Based Theory of the Firm. *Strategic Management Journal*, 17, 109-122.

- Green, K. M., Covin, J. G., & Slevin, D. P. (2007). Exploring the Relationship between Strategic Reactiveness and Entrepreneurial Orientation: The Role of Structure-Style Fit. *Journal of Business Venturing*, 23(3), 356-383.
- Hair, J. F., Jr., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). *Multivariate Data Analysis A Global Perspective*. (7<sup>th</sup>ed). New Jersey: Person Education, Inc.
- Hsieh, M. H., Tsai, K. H., & Wang, J. R. (2008). The Moderating Effects of Market Orientation and Launch Proficiency on the Product Advantage Performance Relationship. *Industrial Marketing Management*, 37, 580-592.
- Isabel, B., Sara, C., & Eva, M. (2016). The Importance of Corporate Brand Identity in Business Management: An Application to the UK Banking Sector. *Business Research Quarterly*, 19, 3 – 12.
- Jothi, P. S., Neelamalar, M., & Prasad, R. S. (2011). Analysis of Social Networking Sites: A Study on Effective Communication Strategy in Developing Brand Communication. *Journal of Media and Communication Studies*, 3(7), 234-242.
- Kapferer, J. N. (2008). *The New Strategic Brand Management. Creating and Sustaining Brand Equity Long Term*. (4<sup>th</sup>ed): Kogan Page, London and Philadelphia.
- Keller, K. L. (2003). *Strategic Brand Management*. Upper Saddle River, NJ: Prentice-Hall.
- Kempf, D. S., & Smith, R. E. (1998). Consumer Processing of Product Trial and the Influence of Prior Advertising. *Journal of Marketing Research*, 35(3), 325-338.
- King, C., & Grace, D. (2010). Building and Measuring Employee-Based Brand Equity. *European Journal Marketing*, 44(7), 938-971.
- Kogut, B. (1996). What Firms Do? Coordination, Identity, and Learning. *Organization Science*. 7(5), 502-518.
- Kogut, B., & Zander, U. (1992). Knowledge of the Firm, Combinative Capabilities, and the Replication of Technology. *Organization Science*, 3(3), 383-397.
- Kuo, Y. F., Wu, C. M., & Deng, W. J. (2009). The Relationships among Service Quality, Perceived Value, Customer Satisfaction, and Post-Purchase Intention in Mobile Value-Added Services. *Computers in Human Behavior*, 25(4), 887-896.
- Massetti, B. (1996). An Empirical Examination of the Value of Creativity Support Systems on Idea Generation. *MIS Quarterly*, 20(1), 83-97.
- Meenaghan, T. (1995). The Role of Advertising in Brand Image Development. *Journal of Product & Brand Management*, 4(4), 23-34.
- Miller, D. (1988). Relating Porter's Business Strategies to Environment and Structure. *Academy Management Journal*, 31, 280-308.

- Nakata, C., Zhu, Z., & Izberk-Bilgin, E. (2011). Integration Marketing and Information Services Functions: A Complementarity and Competence Perspective. *Journal of the Academic Marketing Science*, 39, 700-716.
- Thipsri, N., & Ussahawanitchakit, P. (2009). An Empirical Assessment of NPD Strategies of Thai Electronic Business: How do the Strategies Affect Market Outcomes. *International Journal of Business Strategy*, 9(2), 69-90.
- Nelson, R. R., & Winter, S. G. (1982). An Evolutionary Theory of Economic Change. Cambridge : MA : Harvard University Press.
- Newbert, S. L., Gopalakrishnan, S., & Kirchhoff, A. B. (2008). Looking beyond Resources: Exploring the Importance of Entrepreneurship to Firm-level Competitive Advantage in Technologically Intensive Industries. *Technovation*, 28(2), 6-19.
- Nilson, H. t. (2000). Competitive Branding, NY: John Wiley.
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric Theory*. (3<sup>rd</sup> ed). New York: McGraw-Hill.
- Phattharakittisakul, P., & Juntongjin, P. (2016). The Model of Loyalty in Mobile Shopping Application: An Integration of Emotion and Design. *Journal of Business Administration*, 39(151), 48-72.
- Rivard, S., Raymond, L., & Verreault, D. (2006). Resource-Based View and Competitive Strategy: An Integrated Model of the Contribution of Information Technology to Firm Performance. *Journal of Strategic Information Systems*, 15, 29-50.
- Ryu, K., Han, H., & Kim, T. H. (2008). The Relationships among Overall Quick-Causal Restaurant Image, Perceived Value, Customer Satisfaction, and Behavioral Intentions. *International Journal of Hospitality Management*, 27(3), 459–469.
- Sahin, A., Zehir, C., & Kitapci, H. (2011). The Effects of Brand Experiences, Trust and Satisfaction on Building Brand Loyalty: An Empirical Research on Global Brands. *The 7<sup>th</sup> International Strategic Management Conference*, Paris-France.
- Sansook, J., & Ussahawanitchakit, P. (2010). Strategic Customer Relationship Management Capabilities and Market Performance: An Empirical Study of Health Service Industries in Thailand. *International Journal of Business Strategy*, 10, 67-89.
- Simon, H. A. (1991). Bounded Rationality and Organizational Learning. *Organization Science*, 2, 125-134.
- Smith, A. K., Bolton, R. N., & Wagner, J. (1999). A Model of Customer Satisfaction with Service Encounters Involving Failure and Recovery. *Journal of Marketing Research*, 36(3), 356 – 372.
- Zarrella, D. (2010). *The Social Media Marketing Book*. O'Reilly Media.