

# Cosmeceutical Products on Social Media

Warawut Narkbunnum  
Technopreneurship and Innovation Management Program  
Graduate School, Chulalongkorn University  
Bangkok, Thailand  
warawut.n@acc.msu.ac.th

Asst. Prof. Tanom Bunaprasert, M.D  
Faculty of Medicine  
Chulalongkorn University  
Bangkok, Thailand  
drtanom@yahoo.com

Tippakorn Rungkasiri, Ph.D.  
Faculty of Commerce and Accountancy  
Chulalongkorn University  
Bangkok, Thailand  
tippakorn@acc.chula.ac.th

## **Abstract**

*Cosmeceutical products are products which have continuous growing rate. However, it is considered to be in the Grey Market because it still has not been approved by FDA. It is only in some countries, for example: Japan that it is already accepted as Quasi Drugs. As resulted from the advancement of biotechnology, Cosmeceutical products are effective within the short period of time; therefore, many products of this kind have been launched to the market. The components of cosmeceutical products originated from different sources, e.g. plants, animals or humans; some of them are safe, but some are not. Nevertheless, cosmeceutical products still receive a good response from the market. Particularly from online sources, surveys and literature reviews affirmed that Social media takes part in the development of innovation, which derived from participation of people. It plays an important role as a virtual meeting room for consumers around the globe. They are able to exchange information as consumers are actually allowed to convert any piece of*

*word as they wish. Therefore, social media is regarded as a tool which stimulates Market pull for cosmeceutical products with the efforts of Push Up Demand, Change Consumer as Channel and Create Value.*

*Keywords- Cosmeceutical product, Social media, Push up demand*

## **I. Introduction**

The FD&C Act does not recognize any such category as “cosmeceuticals.” A product can be a drug, a cosmetic, or a combination of both, but the term “cosmeceutical” has no meaning under the law.[1] Cosmeceutical products or cosmetic products, which contain substances that cause drug effect, are products that enabling the effect promptly. They are not just supplements of beauty. Anyhow, it is necessary that the ingredients in Cosmeceutical products have to deliver the effect as same as what manufacturers have mentioned.[2] For example, wrinkle revitalization products should be contained of wrinkle reduction substance. Normally, cosmeceutical products will be used only in

dermatological or esthetics-related clinics, under the supervision of specialists only. Nevertheless, the popularity, loophole in the market as well as the need of consumers for faster result reflects in emergence of many cosmetic products. Most of them focus on the remedy more than only healing. This is obviously resulted in the increase in awareness of products as well as the import of products from countries, such as Korea and Japan, for instance. In fact, Thailand has a restriction in importing and selling of cosmeceutical products, according to Thai Food and Drug Administration (Thai FDA). The bureau has prohibited cosmetic companies from including some certain substances in the products. Even though Thai FDA has announced the list of forbidding materials and the law enforcement, there are still many sellers and buyers of illegal cosmetics.

The development in Biotechnology has proved as modern innovations. To illustrate, Stem cell is one of those recently-introduced technology in medicine, with the hope to overcome many severe diseases. Even technically Stem cell can be found in other sources, but it could also be found in Umbilical cord blood and Fetus as well. Scientists have discovered Stem cell from Human placenta, which has almost the same characteristics as the one from Foetus that links the developing foetus to the uterine wall to allow nutrient uptake, waste elimination, and gas exchange via the mother's blood supply. As a matter of fact, Human placenta is generally used in medicine,[3] for example, as a treatment for patients with burn injury or eyes surgery.[4] Not only listed in many medical researches on the benefits of placenta, popular drugs products are include human placenta. Some of them are produced up to the standard, while some of them are not.

While the first generation of cosmetic and drug brand sites allowed marketers to showcase, promote and sell products

directly, missing was the essential word-of-mouth authenticity that provided that extra assurance that a certain shade of powder really was “your” color. The absence of this important dimension to personalized selling was soon corrected with consumer-created content. Blogs, profile pages on social networks (such as Facebook and MySpace) containing consumer’s recommended brands and favorites. The aim of article provide to understanding impact of Social Media on cosmeceutical product.

## **2. Social Media and Communication**

Andreas Kaplan and Michael Haenlein (2010) described social media as “a group of internet-based applications that build on the ideological and technological foundations of web 2.0 and that allow the creation and exchange of user-generated content.[5] Furthermore, MySpace, Hi5 or Facebook are some evidences of Social media or Virtual Communities, which is continuously multiplied. People joining a social media usually create a profile and then build a network by connecting to friends and contacts in the network, or by inviting real-world contacts and friends to join the social network. To illustrate, if we become friends with a friend, we will also be in common of another friend (whom we know thorough the previous friend) instantly. And that would make us more friends, from friends, from friends for sure. We name this type of acquaintance expansion as “World Wide Web”. Peter Kollock (2003) described that introduced the definition of motivation to participate in Social media. He explained it as the behaviour of a person who frequently shares information online because that person wants to receive other information in return.[6] This explanation is considered true for most of webboard users as when someone posts a question or doubt in webboard, many will jump in with answers or comments.

Social media is a source of information for business.[7] That isn't a one-way advertising medium but a channel for two-way (or more) dialog.[8] Therefore, the person who always posts questions or doubts will become famous among other users and will always get attention from others. The society of experience exchanging is formed and later influenced the understanding or belief in information or products.

### 3. Social Media and Economic Effects

“Building social media that build revenue and profits”

Kotler (2000), also stated Word of Mouth is the only marketing method spreading from one consumer to others and very low-cost.[9] Consequently, most companies have shifted to advertise through social media because it is time-saving, yet still generates good result. Some examples are as launching a Facebook page for public relations purpose, receiving consumer feedbacks, or posting advertising on Youtube as it attracts more reaches than other channels.

Social media is not just Website that provides one way of communication. Moreover, it has been upgraded as shopping guide, shopping venue or even Collaborative Shopping Communities. Members of Social media may share information (e.g. fashion trend.) According to the survey from Global Shopping Insight of TNS on March 2008, Social media shopping is very popular among teenagers and women, while most of purchased items are fashion-related goods.[10]

Today, many businesses that overall success will be partly owed to its success within social media that apply as a tool to implement consumer relationship Management programs, as well as for marketing communications[11-13] and using proactive social media to help consumers

and create goodwill. Social media enables the target to expresses their feedback through website, by spending less time and budget. Moreover, the sharing of ideas also inspires different perspectives, which ultimately leads to innovation.[14]

### 4. Consumer need

Rothwell (1994) described Coupling model was the result of a growing recognition derived from an increasing body of empirical studies of the innovation process that showed the technology-push and demand-pull models of innovation as standing at the opposite ends of a continuum. [15] (Figure 1)

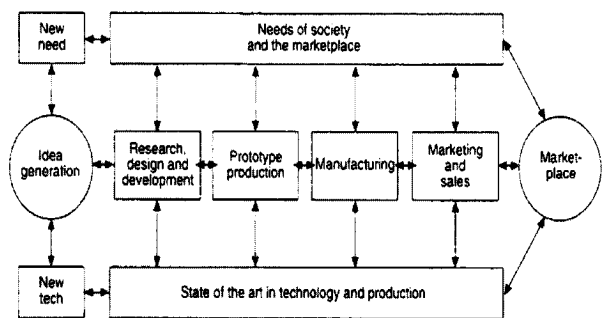


Figure 1: Coupling Model of Innovation

The first site is needs of society works to express wider consumer needs and expectations. On the other hand, technology enhances the state of knowledge within the broader scientific and technological community. Furthermore, technology and the demand were met that makes it easily to push new products to market more easily.

In Side of Technology how to building value with social media? When you bring a product to market, you are directly competing with the other businesses in your space that produce products that solve comparable needs. What you build is either an improvement of an existing product or something that solves a need in a whole new way. In either case, you are bringing something outstanding to the table that surpasses the competition in social media it

become true, businesses inform about themselves, provide your community with something more valuable and win the social media market share.

On the other hand, Social media stimulates the need of consumer for cosmeceutical industry, referring to effective result of cosmeceutical products. The characteristics of these particular products are much sought after by health lovers as well as for those who are still reluctant. Social media could encourage the need for cosmeceutical products, for people who are still hesitate. People who take place in social media will exchange information and result from users of different products. As they feel that they are a part of this virtual community, it is likely that they are conformed and trust in the products. Of the existing studies word-of-mouth (WOM) is the most important communication channel for products to consumer.[16-19] Hence, new products will be launched for Cosmeceutical industry to offer the need of market, regardless to what kind of substances contained in the products.

In addition, it is revealed from an informal survey among women and men who concern on skin beauty that, persuasion via television receives less credibility than social media, particularly from pantip.com and jeban.com

## **5. Change Consumer as Channel**

Social Medias give a consumer the ability to review other consumer's recommendations on products, read reviews and ratings, and then purchase the product directly from the site via links to the product's landing page on its original site. While the social shopping site provides the description, information, reviews, rating and links, the brand's own site or e-retail partners are responsible for the actual fulfilment and shipping of the product, for examples, social media sites for beauty include Pantip.com and Jeban.com, where consumers can read

what cosmetics are popular through recommendations from like-minded peers. If they like what they see, consumers can buy their own product instantly. This concept has been further advanced with the development of shopping widgets, fully-functional social shopping applications that can live on any site and dispense reviews, content and commerce. Consumer experience or behavior are key factor in internet marketing occurs in a computer-mediated environment if it is accepted that parts of the determinant of consumer satisfaction are word of mouth, past experience of usage, and marketing communications[20] then in a cyber-environment this is facilitated not just by interaction between the user and the business, but also interaction with the web site.[21]

In Social media, consumers are as though the channel of distribution to the chain of industry. For Cosmeceutical products industry, consumers are a component of distribution channel of industry chain. Consumers act like retailers for the industry (not just like business). For example, facial cream brand A and B mentioned that their products contain substance G. In consequence, facial cream brand A and B are considered the channel of distribution for Company of substance G. This event will bring about new research studies and development of new substances as well as resulted in Cosmeceutical products industry. It has a duty as a drive for Cosmeceutical products to expand the market share from the ability to develop products that meet consumers' needs.

As an example from the interview of consumers: consumers bought product A because it contains substance G. They were informed that substance G helps the recovering from pimple. On the other hand, consumers bought product B because they believe that it helps whitening their face as it contains substance G. For the latter case, consumers have no idea about substance G at

all but someone in Social media mentioned that it would help whitening face. Such phenomena will occur when consumer society acknowledges that substance G can lead to the satisfaction. Therefore, consumers are as same as the channel of distribution of substance G.

## 6. Conclusion

Cosmeceutical products are considered to be in Grey market because they have not been certified by FDA. According to the development of biotechnology, many cosmeceutical products have been launched to the market; they contain with substances from plants, animals and humans, some are dangerous, but some are not. Regardless to any issue, Cosmeceutical products are still widely famous in the market.

This article provides concept of social media that impact on cosmeceutical product. In summary, social media drives the development of innovation form participation of people. It has an important role as a virtual meeting venue for consumers around the world, in order to share information. Social media is a system which allows consumers to exchange any piece of information, for example cosmetics. Thus, social media works as a tool that stimulates market pull of cosmeceutical products. Social media drives Cosmeceutical industry at a high growing level, as it is well accepted by consumers with disregard to the announcement of danger in some products. All in all, the rapid growth of Cosmeceutical product came from the effort from Social media; in order to market pull (consumer need), Change Consumer as Channel for this industry. It also motivates for the need in multiply and brings technology to market, according to the characteristics of Social media itself. Social media sends messages about products directly to consumers by arousing the demand of consumers as “I want to be like that guy.” As a consequence, the consumers use a product as it is referred

by someone else; as well as the trend to express via social media, so that other consumers feel the same “I want to be like that guy” feeling. This event causes continuous reaction, or in other word: Market pull, as in multiple networks like it always does. Thus, new cosmeceutical products are constantly introduced to the market, regardless to the concern on substances used within products.

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