

# FACTORS AFFECTING THE SUCCESS OF THE BEAUTY CLINIC MANAGEMENT SYSTEM IN BANGKOK

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## ABSTRACT

The objectives of this research are 1) to study the success level of the management system for beauty clinics in Bangkok. 2) to study the factors affecting the success of the management system for beauty clinics in Bangkok. A questionnaire was used to collect data from 385 people who used beauty clinics in Bangkok. Statistics were used to analyze the data, including frequency, percentage, mean, standard deviation, and multiple regression analysis. The results of the research found that 1) the success of the beauty clinic management system in Bangkok overall and in each aspect was at a high level in terms of loyalty, word of mouth, and image. 2) satisfaction factor, service quality, and innovation in beauty clinics affecting the success of the beauty clinic management system in Bangkok.

**Keywords:** Success, Satisfaction, Service quality, Innovation

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## INTRODUCTION

The beauty clinic business is a business that can grow from the attitude of people nowadays, who place more importance on beauty. They want to have a good appearance, complexion, or personality to build more confidence in themselves. Currently, this business is becoming one of the rising businesses that generate quite a bit of profit for entrepreneurs. This is reflected in the circulating money in this business, worth at least 12,000 million baht per year, and from the increasing number of people who come to use the service each year, regardless of gender. There is no age limit, causing many entrepreneurs to see opportunities and have an increased desire to invest in the market. What follows is competition in the market, which is quite competitive to compete for as many customers as possible to use the service. Data from the Department of International Trade Negotiations found that in the first 2 months of 2021, Thailand exported to 18 FTA countries worth 388 million US dollars, shrinking 2 percent from the same period of 2018. In 2020, but when considering each product, it was found that many products are still growing. Especially products in the health care group, such as soap (+3%), oral hygiene products (+12 percent), hair care products (+3 percent), and products in the raw material group used to make cosmetics, such as flavorings, lubricants (+6 percent), fragrances (+21 percent), and essential oils (+11 percent). In 2021, the value of the global beauty industry is estimated to increase from US\$480 billion, or approximately 15 trillion baht, in 2020 to 510 billion US dollars, or approximately 15.9 trillion baht (Kasikorn Research Center, 2018).

Currently, beauty clinics have a variety of service formats. There are also a variety of price levels depending on the target customer group. However, if it is a group of high-end customers with high purchasing power, such as a group of celebrities/models, famous people in social circles. Including the group of business owners, the needs of this group of customers are Professional service standards by specialized doctors emphasize privacy and expect a high level of service. Most importantly, price is not the main factor in deciding to use services for this group of customers.

The middle and lower level customer group can be said to be middle-class customers, which is a large group of customers of beauty clinics (accounting for more than 50 percent of all customers who use the service). Examples of customers in this group include students, working people, etc. The lifestyle of this group of customers is that they like to provide services that give quick results at reasonable prices. Emphasis is placed on value for money, and price plays a role in deciding to use services as much as the results of treatment or service. There is also a relatively high frequency of service visits. It can be seen that there are many different needs. (Krungthep Business, 2020)

Including statistics from countries such as the United States, which has had a decrease of 8.7% in surgeries, but still has the most surgeries in the world (15.90% of the total), and there are still non-surgeries for 19.30% of the total, and injections for 77.80 percent of the total, while Brazil had the next highest number of surgeries (13.10 percent of the total), with non-surgical surgeries increasing by 28 percent. The countries with the most cosmetic surgeries Top 10 of the year 2019 include the United States, Brazil, Japan, Mexico, Italy, Germany, Turkey, France, India, and Russia.

However, the United States and Brazil are estimated to have the most plastic surgeons. They account for more than 25 percent of the global total, followed by Asian countries, with China in third place, Japan in fourth place, and South Korea in fifth place. Surgery is still performed primarily in hospitals (47.9 percent globally). In the United States, where 62.70 percent of surgeries were done in clinics, the countries with the highest proportion of foreign patients remained similar to last year, including Thailand (33.20 percent), Mexico (22.50 percent), and Turkey (100 percent). 19.20 each The situation mentioned above causes entrepreneurs to have to plan a management system to cover the needs of every target customer group. However,

the behavior of people nowadays has begun to turn to seeking knowledge and information about beauty by themselves and purchasing more cosmetics for their use, causing the opportunity to use beauty clinic services to tend to decrease. To run a beauty business successfully, it is necessary to continually study and develop innovations that are interesting and effective, and the heart of the business is to provide standard and diverse services that can satisfy the needs of consumers and have strong points, only one of which is completely different from competitors (Kannikar Khammabutra, 2022).

After the COVID-19 situation, adjustments made by medical facilities or clinics have increased screening measures for those coming to use the service according to CCSA guidelines. Keeping every square inch of the area clean and free of germs is an important concern that every hospital and clinic strictly implements. In addition, most of the service users are now accustomed to living life in a new way, or New Normal, including wearing masks and washing their hands. Data from the ASEAN Facial Plastic Surgery Association found that in the past, the market value of the Thai surgical business has grown rapidly. Continuously, in 2017, the value was approximately 30 billion baht; in 2018, it increased to 36 billion baht; in 2019, it increased another 396-43 billion baht; and in 2020, before the outbreak of COVID-19, it is estimated that the value will be as high as 45 billion baht, with foreign customers coming to receive cosmetic surgery services in Thailand. The major groups are Cambodia, Australia, Laos, and Myanmar. The overall picture of the beauty market before COVID can be said to be bustling with continuous growth because people are open about plastic surgery. And give importance to taking care of yourself, which not only Thai people but also foreigners who choose to have surgery in Thailand do because of their confidence in the standard of experience and skill of Thai surgeons that people all over the world accept. In addition, it is following the plan to establish an Asian beauty center to expand the target base of foreigners and high-end Thai people, emphasizing quality as the main focus and pushing Thailand to be a center for plastic surgery that is internationally accepted in standard-skilled surgical techniques and satisfactory results (Bangkok Business, 2020).

As for the trend of beauty treatments in the future, it is still something that will receive more attention and openness from all genders, all ages, and all over the world to correct flaws and enhance one's self-confidence. In the past, it may have been seen that most surgeries were performed on women of working age or in the LGBT group of alternative genders, but now we see cosmetic procedures on men. This is becoming more accepted, and even the elderly choose to undergo cosmetic procedures because the medical techniques are safe, do not take long to recuperate, and the results are more natural. (Krungthep Turakij, 2020) including consumer behavior that is popular Entrepreneurs prepare to adjust plans and guidelines for brand building to be in line with trends that are likely to be hot. Whatever you sell, it meets the needs of your customers, helping to create opportunities to increase sales. What trends in the beauty business are popular that meet their needs? (Marketing trends, 2020)

However, in what ways is beauty technology beneficial and worthwhile? Today's beauty technology has been developed to keep up with the times. With the skin problems of many women who want to have white skin, no dark spots, smooth, tight, radiant, and free of wrinkles, fat grafting by sucking out their fat and injecting it in the area that needs augmentation leaves no surgical scars. The facial skin looks brighter because the grafted fat has some fat stem cells attached to the fat shell that will help repair the face.

Nowadays, most people pay special attention to personality and appearance. The evolution of beauty has brought various technologies. It is used for complete beautification, making people with ordinary appearances look beautiful, stand out, and look handsome like different people. Of course, the cost may be high, but for anyone who thinks this is an investment in themselves, it will be worth it because what they get is happiness and confidence to live their life and benefit their career. Time to meet people or customers, personality, and good

appearance are more than half the battle. In an era where people are obsessed with their appearance, having a good appearance helps attract people and make money. Paying attention to this aspect is considered a worthwhile investment. As a result, the Kasikorn Research Center identified a business opportunity in beauty clinics. A beauty clinic business is a business that grows from the needs of the new generation, who want to have a better appearance, skin, or a good-looking personality to build more confidence in themselves. Currently, this business is becoming one of the rising businesses that generate quite a bit of profit for entrepreneurs. Reflected by the circulating money in this business worth at least 12,000 million baht per year, many entrepreneurs see opportunities and want to enter the market. What follows is competition. In a relatively high market, to get as many customers as possible to use the service.

From the demand in various service markets, consumer behavior continually responds and is more interested in coming to use beauty clinics. There are interesting business issues, opportunities, and obstacles that entrepreneurs must learn about. If analyzing the movements in the beauty clinic business industry. There are two main issues to keep an eye on for entrepreneurs: responding to the needs of target customers and dealing with competitors in the business. The details are as follows: Responding to the needs of target customer groups, if you observe carefully, you will see that in the period after the competition that happened in most markets, it comes down to competing for as many target customers as possible to use the service. Especially the use of price promotions, including discounts, free gifts, or lump sum prices that look more worthwhile than developments in innovation or technology. The competition in this segment will be very intense. This puts quite a bit of pressure on new entrepreneurs entering the market. Because the customer base is not very large. In addition, confidence in the clinic and its personnel is low. Therefore, it requires a relatively high marketing and public relations budget. Including traditional beauty clinic operators who have not reformulated their businesses and marketing activities to communicate with new groups of consumers, as much as they should. As a result, the customer base does not grow and tends to decrease. In addition, people's behavior today has begun to turn to seeking knowledge and information about beauty on their own and choosing to buy cosmetics and use themselves more. This makes the opportunity to use beauty clinics likely to decrease. (In the case that the customer does not have many skin problems.)

From the trends mentioned above, the researcher therefore saw the importance of studying the factors affecting the success of the beauty clinic management system in Bangkok. This research aims to study market factors and service quality from the perspective of customers to bring what customers are interested in and value into developing strategies, including using research results to improve service development to respond to the needs of customers to create satisfaction and customer loyalty to gain a competitive advantage that will lead to sustainable business operations in the future.

## **LITERATURE REVIEWS**

### **Concepts and theories about organizational success**

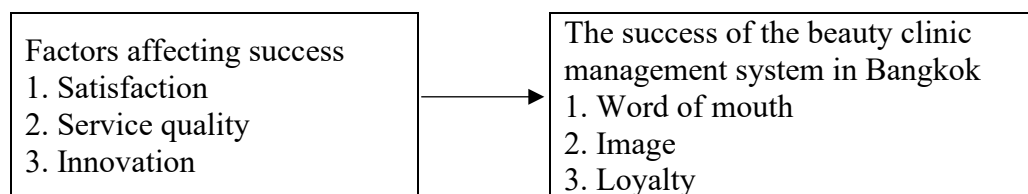
Nitt Sammaphan (2021: 10) stated that organizational success refers to the ability of the organization to set a work plan and carry out the plan efficiently until it achieves its goals. This is consistent with Puangrat Kasornphaet (2017: 10-21) who stated that the success of an organization means its ability to achieve the goals set in management by operating efficiently and effectively. Nontakorn Atwichai (2018) said that success means the ability to plan operations, set goals and objectives to achieve the results as set. In conclusion, the success of an organization means the ability to conduct business according to the management plan, effectively implementing the plan, and using resources effectively until achieving the goals effectively.

Indicators of the organization's success include the following components: 1) Word of mouth means providing information (To Inform) which is obtained from news about products and influencing (to influence (To Influence) the purchasing decisions of consumers. which is gained from giving advice and experience. 2) Image refers to the overall picture of the beauty clinic, beauty clinic management, products, services, and public relations, as well as the feelings and impressions of the person. towards beauty clinics and 3) Loyalty means that consumers have a good attitude towards the brand, whether it is from confidence, consideration, or matching the hearts of consumers resulting in repeat purchases continuously. (Wood, 2016)

Factors that affect organizational success are as follows (Thomas & Earl, 2015) 1) Satisfaction refers to feelings arising from the needs that consumers expect in terms of service, price, and safety. If consumer needs are met as expected or greater then satisfaction will occur. But if the needs are not met as expected, dissatisfaction will occur. 2) Service quality refers to the ability to meet the needs of the service business. Quality of service is the most important thing that will differentiate a business from competitors. Offering service quality that meets the expectations of service recipients is something that must be done. The recipient of the service will be satisfied if they receive what they want. When the service recipient has a need at the place where the service recipient needs it and in the desired form, and 3) Innovation means using thought processes, skills, knowledge, experience, creativity, and existing resources to improve, develop, and/or create new products, tools, or services in new ways that are beneficial to the economy and society.

From the literature review, the following research hypotheses can be formulated.

H1 Satisfaction factors, service quality, and innovation affect the success of the beauty clinic management system in Bangkok. From the literature review, the conceptual framework can be drawn as shown in Figure 1.



**Figure 1** Conceptual Framework

## RESEARCH METHODOLOGY

The population in this study included people who used beauty clinics in Bangkok. Because the population is large and the exact population number is unknown, the sample size of 385 people was obtained from Yamane's sample calculation formula (Taro Yamane, 1973). The belief value at the 95 percent level used the random sampling method. (stratified sampling)

The research tool is a questionnaire consisting of Part 1: Personal factors of the respondents, including gender, age, education level, occupation, and average monthly income. Part 2: Factors affecting success. The nature of the questionnaire is a Likert scale with 5 levels of scoring criteria, including the highest equal to 5 points, the high equal to 4 points, the moderate equal to 3 points, the slight equal to 2 points, and the least equal to 1 point. Part 3 The success of the beauty clinic management system in Bangkok. The questionnaire is a Likert scale with 5 levels of scoring criteria: extreme equal to 5 points, very equal to 4 points, moderate equal to 3 points, the slight equal to 2 points, and the least equal to 1 point.

Before using the data collection tool, objective consistency (IOC) testing and questionnaire reliability testing through Cronbach's alpha were systematically performed. From the examination, it was found that the IOC was equal to 0.953 and the Cronbach's alpha was equal to 0.895, indicating that the research tools were of sufficient quality (Polit & Beck, 2006; Hair

et al., 2012) to obtain information from this study, questionnaires were sent to those using beauty clinics in Bangkok. In data analysis, descriptive statistics were used, including frequency, percentage, mean, standard deviation, and multiple regression analysis.

## RESEARCH RESULTS

1) The majority of respondents were female, 177 people, representing 73.75 percent, aged between 36-40 years, 43 people, representing 17.92 percent, graduated with a bachelor's degree, 104 people, representing 100 percent. 43.33 were self-employed, 58 people, representing 24.17 percent and have a monthly income of more than 40,000 baht or more, 65 people, representing 27.08 percent.

2) The overall and individual success of the beauty clinic management system in Bangkok is at a high level in terms of loyalty, word of mouth, and image, respectively, as shown in Table 1.

**Table 1** Mean and standard deviation of the success of the beauty clinic management system in Bangkok

Aspect	Description	$\bar{x}$	S.D.	Result
1)	Word of mouth	3.81	0.50	Much
2)	Image	3.89	0.49	Much
3)	Loyalty	3.92	0.45	Much
<b>Total</b>		<b>3.87</b>	<b>0.48</b>	<b>Much</b>

3. The satisfaction factor has a  $\beta$  value of 0.235, service quality has a  $\beta$  value of 0.243, and innovation has a  $\beta$  value of 0.131, which indicates that it has a positive influence on the success of the beauty clinic management system in Bangkok. Statistical significance is at the 0.05 level with Sig. values equal to 0.000, 0.001 and 0.002, which is consistent with the set assumptions. When analyzing the correlation coefficient (R), the value was equal to 0.756, which indicates that the group of independent variables has a strong relationship with the dependent variable, and the prediction coefficient was equal to 0.659, which indicates that the group of independent variables affects success of the beauty clinic management system in Bangkok was 65.9%.

In order, the equation can be written as follows.

$$Y = 1.101 + 0.243X_2 + 0.235X_1 + 0.131X_3$$

From the analysis of the regression coefficients, it was found that satisfaction factors, service quality, and innovation have the ability to together predict the success of the beauty clinic management system in Bangkok. The service quality factor had the greatest effect on the forecast (Beta = 0.193), followed by satisfaction (Beta = 0.123) and innovation (Beta = 0.120), with details as shown in Table 2.

**Table 2** Multiple regression analysis of factors influencing the success of the beauty clinic management system in Bangkok

Factors	Unstandardized (b)	SE	Standardized ( $\beta$ )	t	Sig.
(Fixed value)	1.101	0.104		10.632	0.000
Satisfaction	0.123	0.020	0.235	10.662*	0.000
Service quality	0.192	0.032	0.243	4.405*	0.001
Innovation	0.120	0.101	0.131	3.632*	0.002
R = 0.756		Adjusted R <sup>2</sup> = 0.659			
R <sup>2</sup> = 0.580		SE = 0.103			

\* Statistical significance at the 0.05 level

## DISCUSSION & CONCLUSION

A study of factors affecting the success of the beauty clinic management system in Bangkok. The researcher has brought important points to discuss the results according to the research objectives as follows.

- 1) The overall and individual success of the beauty clinic management system in Bangkok is at a high level in terms of loyalty, word of mouth, and image. This is because users are satisfied with the beauty clinic. In addition, beauty clinics have good service quality, and innovations are applied in beauty clinics, thus affecting the success of beauty clinic management at a high level. Consistent with the research results of Chanutaporn Siriphon (2017), who studied integrated marketing communications that affect the success of national beauty clinics in Nakhon Ratchasima Province. The results of the study found that the success of the national beauty clinic in Nakhon Ratchasima Province is at a high level in terms of image, word of mouth, and loyalty.
- 2) Satisfaction factors, service quality, and beauty clinic innovation affect the success of the beauty clinic management system in Bangkok. This is because users are satisfied with service, price, and safety. Moreover, there is quality of service regarding care, reliability, and confidence in the service, as well as the application of innovations in beauty clinics in the areas of products, processes, and technology. This is in line with the research of Priyanka Bagde (2018), who studied the factors affecting the success of the beauty business. The results of the research found that satisfaction factors, service quality factors, and innovation factors affect the success of the beauty business.

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