

## **SUPERVISOR'S APPROVAL**

“I hereby declare that this research project has been approved as part fulfilment for Bachelor Degree of Technology Management (High Technology Marketing)”

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THE IMPACT OF STORYTELLING MARKETING IN COSMETIC PRODUCT  
TOWARDS CONSUMER PURCHASE DECISION

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This Report Submitted In Partial Fulfilment of The Requirements For The Award  
Bachelor of Technology Management (High Tech Marketing) With Honors

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## DECLARATION

“I would like to declared that this project is the result of my own research except as cited in the references. This research project has not been for any degree and is not concurrently submitted in candidature of any other degree”

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Date :

## DEDICATION

First of all, I feel grateful because able to complete my research project. I would like to say thank you to my family who always give me a motivation during my journey to complete my research project. Not to forget my favourite supervisor and panel that always guide me. Lastly, I would like to dedicate the gratitude to my friends that always give me a moral support and helped me.

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## ABSTRACT

In this era of modernization, it is important to have a knowledge and strategies in order to make the consumer attract which the company product or service. If the company does not have enough knowledge regarding the strategies to engage with the consumer, hence it can give a bad effect to the business. By using another alternative, this research project will suggest to use a storytelling marketing, in order to create an effective relationship with consumer through advertising or marketing. The storytelling element will be categorized in term of attractive model, product packaging and consumer originated stories. Those elements might be having an effect towards consumer purchase decision. Hence, this research is conducted to get an information or data regarding the effect of the storytelling marketing in cosmetic product towards consumer purchase decision. Throughout the year, the sale of cosmetic product keeps on increasing. This is because nowadays, not only female is using cosmetic product, male also is buying cosmetic product, therefore the sale increasing year by year. For this research project, the questionnaire had been distributed to 300 respondent that using cosmetic product in their daily life and it is conducted around the Melaka Tengah. The objective to do this research project is to determine the most influential elements in the storytelling marketing on cosmetic product towards consumer purchase decision. To determine the impact of storytelling marketing towards consumer purchase decision, the researcher using descriptive analysis, reliability analysis Pearson's correlation analysis and multiple regression analysis, in order to gather the data or result from the respondent.

*Key Words: Cosmetic Product, Consumer Purchase Decision, Storytelling marketing*

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## CHAPTER 1

### INTRODUCTION

#### 1.1 Background of the study

Nowadays, the effectiveness of advertising and direct marketing continues to be on the decline, as consumers less trust of companies than they have ever been. Jelizaveta Dōljova & Natalia Vavilina (2017) state that, businesses have to make the most of the effort to engage and inspire potential customers in order to build trust, strong relationships, and achieve better results between these two parties. However, there is one tactic that will never stop impress the consumer which is storytelling marketing. Storytelling is one of the important elements in a content marketing approach. Stories can be used to engage with the audiences and deliver the information of the product or service. The story can be told in kind of photography, illustration, video and can be enhanced with graphics, music, voice and other audio.

As stated by Schank (1999), the first principle of storytelling behaviour is “Human memory is story based”. Marketers people can illustrate all the information needed for the product or service in the form of stories, (Arch George Woodside, 2010) this is because a story is one of the useful marketing to use since it is come with many indices. (i.e emphasizes to the lives of listener/viewers or to others that cause awareness and emotional connection or understanding in the minds of listener/viewers). This is shows that story play important role in order to deliver the information about the product or service. Moreover, by using storytelling for the marketing, we be able to create an emotional connection between audience, in order to convince them to buy the goods.

By using storytelling as a tool in the marketing, it will help to connect people and influence them to buy the product. A good story will make consumer think and feel, and speak to them in ways the number and presentation slides simply cannot. According to (Lunndqvist et al.,2013), good stories are able to create positive association and can embrace the core values of a company better than traditional communication vehicles. This is shows that, storytelling marketing can help to engage a relationship with the consumer and make them aware about the existence of the company in the market.

According to Arch George Woodside (2010), if we look or focus at consumer behaviour as a story, then we will realize all their behaviour is about experience which is just not based on good experienced but including a targeted one. Moreover, the experience should be delivering the outcome that seller people promise to the consumer if they buy the goods. This is shows that, the story is not just about a product itself for example product feature or the advantage of the product but inside the story, it should be include the experience of using the product, hence it can convince the consumer to buy the goods.

Nowadays, most of the cosmetic brand using storytelling marketing to sell their product. This is because storytelling and marketing have always been related to each other. According to Aiste Juozapontye (2015), beauty brands have been telling stories as early as from the 1920s, such as Nivea which was associated with young, sporty people enjoying their leisure time in the sun. This shows that since past, most of the companies adopting storytelling marketing in order to introduce their brand or to engage with the audience.

## 1.2 Problem Statement

Nowadays, most of the cosmetic brand using storytelling marketing to sell their product. This is because storytelling and marketing have always been related to each other. According to Aiste Juozapontye (2015), beauty brands have been telling stories as early as from the 1920s, such as Nivea which was associated with young, sporty people enjoying their leisure time in the sun. This shows that since past, most of the companies adopting storytelling marketing in order to introduce their brand.

By using storytelling as a tool in the marketing, it will help to connect people and influence them to buy the product. A good story will make consumer think and feel, and speak to them in ways the number and presentation slides simply cannot do. According to Lunndqvist (2013), good stories are able to create positive association and can embrace the core values of a company better than traditional communication vehicles. This is shows that, storytelling marketing can help to engage a relationship with the consumer and make them aware about the existence of the company in the market.

An inadequate understanding of the role of affect in advertising has probably been the cause of more wasted advertising money than any other single reason. Marcus Sheridan (2015), explains that the content in the story marketing is important because there is might be a problem regarding the stories if, it is only emphasizing on entertain the audience but does not give a lesson to them, usually do not sell. According to (Padgett and Allen, 1997), by using storytelling in the advertising it can be considered as a suitable tool to create a promotion in the ads for the service, because it be able to communicate to the audience in experiential components. However, according to Veronica Liljander, Allard Van Riel and Johana Gummerus (2013), there is still lack of empirical research regarding the studies on goods, therefore we cannot make a conclusion regarding the different of effectiveness between goods and service. Hence, this research would like to make a research regarding to the effectiveness of using storytelling marketing to the goods which is cosmetic product that be able to influence consumer purchase decision.



According to John Rugh (2017), there are several brands create stories regarding to the product features or technical product specification only, instead of using emotional appeal in the stories. Emotional appeal is one of the important elements in the storytelling marketing because if there is no emotional appeal in the advertising, the information that the firm would likely to deliver, might be failed. Hence, storytelling marketing need to emphasize emotional appeal, in order to convince consumer to purchase the product. According to Pulizzi, (2012) nowadays the biggest obstacle that most of the company facing is not to create a great or unique content in the ads but to create engaging content in the advertising with the audience. Hence. This research study would like to suggest the storytelling as a tool to create engagement content in the ads, in order to create an emotional experience towards consumer that be able to make consumer decided to purchase the product.

### **1.3 Research question**

For this research study, there are several questions that had been stated in order to achieve objective of this research study that coincides with the tittle of this review. The main question of this research study is:

1. What are the elements in storytelling marketing that influences consumer purchase decision?
2. What is the most influential element in the storytelling marketing that influences consumer purchase decision?
3. How storytelling marketing can influence consumer purchase decision?

#### **1.4 Research objective**

The main objective of this research is to conduct a study on the impact of storytelling marketing towards the consumer purchase decision. Henceforth, the particular objectives for this research are:

1. To identify the elements of storytelling marketing that influences consumer purchase decision
2. To determine the most influential elements in the storytelling marketing that influences consumer purchase decision
3. To suggest storytelling marketing framework to influence consumer purchase decision

#### **1.5 Scope, Limitation and Key assumptions of the Study Scope.**

This sub topic will explain more about the scope, limitation and key assumptions of the study scope.

##### **1.5.1 Scope of the study**

The scope for this research, it will focus on the impact of storytelling marketing towards consumer purchase decision. However, this research will emphasize the consumer purchase decision towards cosmetic product only. The research will be conducted in urban area at Malacca because at the chosen area, there will be a consumer that using cosmetic product in their daily life. For this research, the respondent will be selected based on the person who are using or purchase cosmetic product. Example of the cosmetic brand is Maybelline, Silky Girl or Loreal. Cosmetic product can be in term of lipstick, lip mate, foundation, mascara and etc.

### 1.5.2 Limitation

There is limitation regarding this research study, which is there are influences that researcher cannot control. Limitation is weakness in the research and it is out of control by the researcher. To be more specifics, it is shortcomings, conditions or influences that cannot be controlled by the researcher that place restrictions on the research methodology and conclusions. There are several limitations that occur during the research study. First limitation is the research cannot cover all the population in Malaysia, because this research will be conducted at Melaka Tengah only, hence the researcher cannot cover for all the population in Malaysia. Second limitation there will be people that do not familiar with “storytelling marketing”, which is there might be people might think storytelling is about the activity of telling or writing stories and do not related to the marketing purpose. There will be people who do not familiar for the “Storytelling marketing” term or have a different perception about it. Therefore, there will be limitation regarding the knowledge of respondent towards the “storytelling marketing” term. Lastly, the researcher cannot measure the honesty of respondent answering the questionnaire that have been given.

### 1.5.3 Key assumption

Before conducting this research, the researcher had assumed a several assumptions regarding the research study which is all the respondent will answer the questionnaire honestly and be able to understand the questionnaire that had been given. This research is focus on consumer purchase decision towards cosmetic product by using a storytelling marketing.

## **1.6 Summary**

For chapter 1 there will be introduction, problem statement, research question, research objective and the scope of study. For this chapter there will be background of study about the topic that researcher will be conducted which is the impact of storytelling marketing in cosmetic product towards consumer purchase decision. The basic information about the storytelling marketing and the purpose of doing this research also had been discussed in this chapter.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

For this chapter, there will be a discussion about the literature review of independent variable and dependent variable that related to the research study. Moreover, in this chapter there are also a relationship of storytelling marketing with consumer purchase decision towards cosmetic product, in order to achieve the objective of research study. Lastly, the theoretical framework of the research study will be provided in the last section of the literature review.

#### **2.2 Storytelling as a marketing strategy**

##### **2.2.1 Storytelling in the marketing context**

Storytelling is one of the important strategies that help companies to create an emotional connection that will lead customer to remain loyal to the company. According to Yong-sook Lee and Woo-jin Shin (2015), storytelling can be defined as a “telling a story”, however it is not only in verbal forms and it is referring to a communication which is takes various depending on the medium. To put it plainly, storytelling is a fundamental way for humans to see the world and a device emotional utterance regarding the world as individual see it.

According to Yevseytseva O (2016), at this modern era, the height of quantity and quality of content aimed at the promotion of a product and services, led to a change in attitude of the audience to conventional methods of marketing. Therefore, it is important to create a high quality of promotion or advertising, in order to captured audience heart. Stories always make a point that is valued either in positively or negatively ways by the audience (Shankar et al, 2001), and include a message, a conflict, a role distribution and action (Stern et al, 1998). This is shows that, a good storytelling it is not easy to achieve, however it can be success if the company focus on the core elements of the storytelling.

According to Yevseytseva O (2016), in a wide sense, storytelling is the process of transfer information through interesting instructive stories, which is had been used in ancient times such as used to transfer tales and myths. However, in 21th century storytelling gets popular in pedagogical practice, film making, journalism, and marketing as stated by Yevseytseva O (2016). This is shows that, storytelling had been widely used at this modern era, and the most important thing is in term of marketing practice.

Nowadays, by using marketing storytelling it will give an opportunity to create a story about or around the brand, product or service, in order to promote them to target market as stated by Yevseytseva O (2016). By using marketing storytelling, it will help to deliver as much as possible about the benefit or information about the product in a good manner (Yevseytseva O, 2016). Therefore, the company can use a storytelling marketing in a correct way to presenting an information about the product or service, in order to sets the emotional interaction between producer and consumer and lead them to action.

### 2.2.2 The effect of storytelling

Nowadays, storytelling is one of the important tools in marketing, in order to make the brand of the product to come alive in the mind of the target market or current consumer as stated by Lucy Rendler-Kaplan (2017). According to Milly Youngs (2013), most of the people will be more understand and remember if the information regarding the goods or service is communicated in story form. People be able to create a emotion, in terms of happiness, empathy, believe or anger by relate it to the story Milly Youngs (2013), but most importantly in order to form a personal connection with the company brand, the stories must be honest, inspirational and connect on a real level (Lucy Rendler-Kaplan, 2017).

As indicated by (Lucy Rendler-Kaplan, 2017), Stories be able to make our brains to works, for example if one of the people said “I ate a steak only for today” it is does not make his/her friend to bring much in his/her brain, however if they said “ I ate a steak just now, and it is taste so good with a little pink in the centre, and moreover it is come with BBQ grill, hence it is taste juicy” his/her friend will make their brain to works and gave a picture of that steak. Therefore, by making a good storytelling it is be able to create an emotional or imagination that related with the story and make people attract to the goods or service.

According to Yong-sook Lee and Woo-jin Shin (2015), the power of storytelling is valuable in history of cultural heritage and be able to experience through it, hence historical facts can be experienced in the genuine of the past environment. As stated by March (1995), person behaviour can be affected through the value of storytelling, when there is experience that can be related with that person life, and this statement is referred through Yong-sook Lee and Woo-jin Shin (2015).

Storytelling can be categorised as effective when it is creating an emotional reaction between audience. A good story can make audience illustrate what kind of benefit or advantage they can get when use some product or service, and make them feel they are the same with the character in the story (Milly Youngs, 2013). Elis and Brewster (1991) explain that the impact of storytelling is be able to create imagination and success to make the audience feel related with characters in the story and immerse

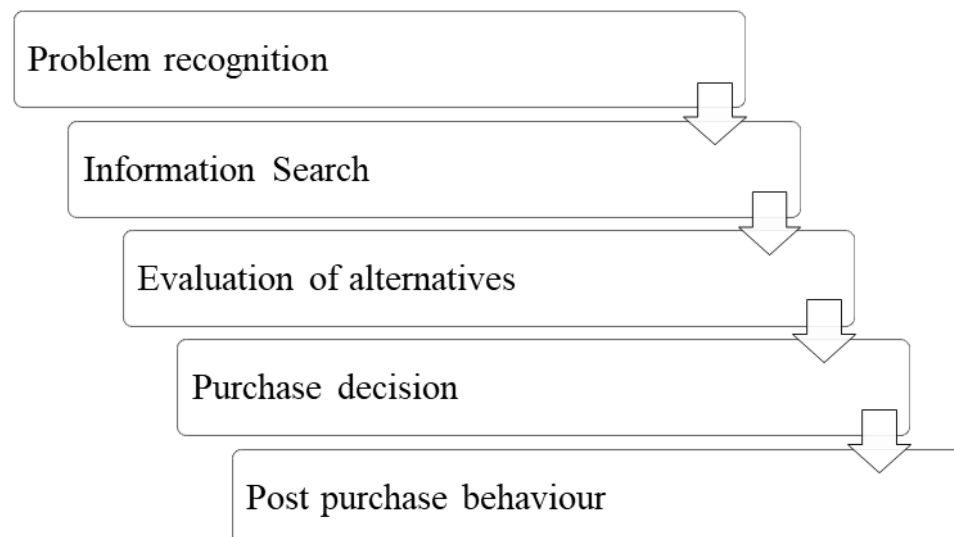
into the story by create an effort to interpret stories, and this statement is referred through the Yong-sook Lee and Woo-jin Shin (2015).

### 2.3 Consumer buying behaviour

Kotler and Keller (2011) explain that consumer buying behaviour is related to the behaviour of consumer buying or purchasing of product for personal use or household, in order to satisfied their needs and wants. According to William M. (2010), the consumer buyers' behaviour can be understanding when there is involving of purchasing or using the product and there will be some factors that influence them to buy the product. Based on the figure below, there are five-stage model in consumer behaviour' Kotler that can influence the consumer buying behaviour.

Figure 2.1: The five-stage model in consumer behaviour' Kotler

Source: Adapted from Kotler & Keller (2006, p. 189)



Based on the figure 2.1 it is showing the five-stage model in consumer behaviour by Kotler & Keller. It is involving five stages which is problem recognition, information research, evaluation of alternatives, purchase decision and post purchase behaviour. However, for this research, the researcher will be **emphasized towards the**