

Customer Intention to Use AI Technology on Beauty Industry

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Abstract. *Artificial intelligence (AI) has emerged as one of the biggest disruptive technologies of the new era and will continue to evolve in the future. AI takes an important role in marketing processes, and the use of AI in marketing is massively increasing and can be easily found. Beauty industry is one of the industries where most companies develop their AI technology to attract customers. This innovation utilizes AI technology in providing solutions to problems related to makeup and/or skincare as experienced by the customers. This study aims to analyze the relationship between technology readiness, technology acceptance model and subjective norm as potential factors in encouraging the customer to use AI technology in the beauty industry. The data was collected using a google form questionnaire. The sampling technique for this research was purposive random sampling. A total of 155 responses were collated and only 127 responses are qualified with the criteria 'ever using AI Technology in the beauty industry'. The results showed that while perceived usefulness had no significant impact on the intention to utilize AI technology, perceived comfort and subjective standards did. Additionally, the perceived advantages and ease of use are affected differently by each element of technology readiness.*

Keywords: *AI technology, intention to use, technology acceptance model, technology readiness, subjective norm*

1. Introduction

Artificial intelligence (AI) is a rapidly evolving disruptive technology that will continue to advance. There's a lot of information and definition about AI, one of which defines that AI is a machine that process algorithm and or statistical model to perform functions as a human-like (Longoni et al., 2019). AI is a computer's ability to engage in a human-like (Kok et al., 2009), for instance physical or mechanical work, thoughts and feelings, etc. (Huang & Rust, 2021), and AI provides automated solutions to issues that call for human action. (Negnevitsky, 2005). AI can simulate the human mind to continue learning and problem-solving (Verma et al., 2021) in the cognitive and affective functions (Russell & Norvig, 2016). So basically, AI is a

technology where machines/computers can do things like humans and do things for humans, but without the need for humans operating it. AI needs huge investment because of the resource of technology and big data requirement (Nagy & Hajdu, 2021).

The use of AI in marketing is massively increasing and can be easily found, as the data from McKinsey in 2018 exhibiting more than 400 feature of AI has been used by the company with the marketing section as the dominant session (Bughin et al., 2018). AI implementation in the beauty industry is not only beneficial for the business but also adds value to the customer (Vrublevskaia, 2021). AI technology brings a new buying experience for customers where they can get special personalized services and products without

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putting much effort into them (Ameen et al., 2021). This technology is shifting how the beauty industry produces products from product-centric to customer-centric. Beauty applications with AI technology have improved customer convenience, access to information and their satisfaction (J.-W. Kim, 2023). Implementing AI Technology was an effective marketing strategies for product promotion (Yuan et al., 2022).

There are at least three types of AI applications in the beauty industry: virtual try-ons, facial tracking, and skin analysis (Tseng & Tzou, 2022). This technology was developed to be easily used by mobile or web applications. Virtual try-on and facial tracking technology are used to choose makeup products with product visualization and pre-purchase information (Marelli et al., 2022). One of the pioneers of this technology is Estee Lauder's "30 Lipstick Shades in 30 Seconds" program. Shade matching, as part of AI technology, helps customers identify and find the most suitable makeup product for their skin and face (Koltun, 2017). Skin analysis focuses on identifying the skin type and selecting products to minimize the side effects or allergies for customers (Kavitha et al., 2023).

Each company's AI technology has its uniqueness. Various features in technology may deliver different perceived usefulness and ease of use to the customers. Moreover, customer readiness to use the technology also impacts their perceived value and intention to use it (Sher et al., 2007). Some research also confirmed that customers' perceived ease of use, perceived usefulness (Zhong et al., 2021), and intention to use the technology are positively influenced by their subjective norm (Kim et al., 2009; Zhuang et al., 2021).

The various amenities and benefits promised by the using AI technology in the beauty industry have led many companies to race to implement it. By 2030, the global market size of AI technology in the beauty industry will US\$ 13.34 billion, with a CAGR of 19.7%

from 2021 to 2030 (Swift, 2023). In order to support these figures and internal factors of the company, it needs to be seen how willing and intentional the customer is to use AI technology. This research seeks to explore customers' willingness to adopt AI technology in the beauty industry. The research will examine various factors that may influence customers' attitudes towards using AI technology, including their readiness to embrace technology, perceived ease of use and usefulness, and subjective norm. By assessing these variables, the study aims to provide insights that could help foster customer acceptance of AI technology in the beauty industry. Ultimately, the research has the potential to contribute to the development of AI technology in the beauty industry by providing valuable feedback from the customer's perspective.

2. Literature Study / Hypotheses Development

Technology Readiness

Technology ready refers to a person's capacity to adapt and use new technology to further both their personal and professional goals (A., 2000). Four sub-dimensions of technology readiness are established: optimism, innovativeness, discomfort, and insecurity. Each of the which is fairly independent and makes a remarkable contribution to someone's technology readiness (Godoe & Johansen, 2012). Prior research concluded that each technology readiness influences customer acceptance to innovative technologies, since customers with greater technology readiness led to improved acceptance and perception related to new technology (Sher et al., 2007; Tsikriktsis, 2004). Other studies also found that customer intention is positively and strongly impacted by Customer technology readiness (Lin & Hsieh, 2006).

Four sub-dimensions of technology readiness. can be classified into two categories:

motivators and inhibitors. Optimism and innovativeness were drivers promoting technology preparedness, while unease and insecurity acted as a deterrent impeding it (Blut & Wang, 2020). Optimism as what individuals believe in a positive view (A., 2000), they could reach efficiency, control, and flexibility by adopting technology on a daily basis (Chen et al., 2014). Innovativeness is associated with the propensity to accept technology early, inventive applications, and technology leaders (A., 2000). Optimism and innovativeness became enablers providing a positive effect on technology's perceived value (Godoe & Johansen, 2012). Thus, we hypothesize:

Hypothesis 1: Consumers' optimism about AI technology in the beauty industry is positively correlated with perceived usefulness.

Hypothesis 2: Consumers' optimism about AI technology in the beauty industry is positively correlated with perceived ease of use.

Hypothesis 3: Consumers' innovativeness of AI technology in the beauty industry is positively correlated with perceived usefulness.

Hypothesis 4: Consumers' innovativeness of AI technology in the beauty industry is positively correlated with perceived ease of use.

Meanwhile, discomfort refers people's feeling that technology was out of their control (Chen et al., 2014), and feeling devastated by it (A., 2000). High levels of discomfort tend to find technology less handy (Walczuch et al., 2007) and became inhibitors because it increases their fear and anxiety while using technology (Kamble et al., 2019).

Hypothesis 5: Consumers' discomfort with AI technology in the beauty industry is negatively correlated with perceived usefulness.

Hypothesis 6: Consumers' discomfort with AI technology in the beauty industry is negatively correlated with perceived ease of use.

Lastly, insecurity resulted from people's mistrust of technology and doubts about its efficacy (Chen et al., 2014). Insecurity makes users doubtful about new features of the technology (Kamble et al., 2019). Studies have shown that uncertainty has a detrimental effect on how usefulness is viewed (Godoe & Johansen, 2012; Walczuch et al., 2007) and lowers the levels on perceived ease of use (Kamble et al., 2019).

Hypothesis 7: Consumers' insecurity of AI technology in the beauty industry is negatively correlated with perceived usefulness.

Hypothesis 8: Consumers' insecurity of AI technology in the beauty industry is negatively correlated with perceived ease of use.

Technology Acceptance Model

The technology acceptance model (TAM) was designed as a specific framework for predicting and explaining the adoption of new information related to technology specifically in work settings (Davis, 1989). TAM was used to identify whether the user is able to understand and use the technology with all of the related factors. According to numerous ideas, technology adoption occurs when users are exposed to a new feature while having a variety of circumstances influence when and how they utilize it (Ardiansah et al., 2020). TAM consists of two main constructs: perceived usefulness and perceived ease of use. It have an impact on a user's intentions to use innovative technologies features (Tahar et al., 2020).

Perceived ease of use is associated with easiness to access technology including all embedded features. Based on the TAM model, perceived ease of use is free from effort from users by using specific technology, which becomes the most critical factor in their acceptance (Davis, 1989). Several research studies have indicated that the perceived usefulness significantly boosts the inclination to adopt technology (Davis, 1989; Hansen et al., 2018; Joo et al., 2021; Tahar et al., 2020). Users' intentions to utilize technology will improve if they believe it is simple to use and

that doing so would result in immediate benefits. Perceived usefulness and perceived ease of use are related (Hansen et al., 2018). Increase in degree of easiness in using technology may increase users' perception that technology provides high level of benefit.

Hypothesis 9: *Consumers' perceptions of the ease of use of AI technology in the beauty and cosmetic industry are positively correlated with perceived usefulness*

Hypothesis 10: *Consumers' perceptions of the ease of use of AI technology in the beauty and cosmetic industry are positively correlated with their intention to use it.*

The degree to which an individual believes that using a system would improve their performance is referred to as perceived usefulness (Davis, 1989). Technology's perceived usefulness is linked to efficiency and productivity as a benefit to boost user performance (Tahar et al., 2020). One of the key factors in predicting whether consumers will accept a technology is its perceived usefulness (Jeyaraj et al., 2006). Several research analysis have indicated that the perceived usefulness plays a crucial role and positively influences individuals' readiness to adopt technology (Davis, 1989; Hamid et al., 2016; Joo et al., 2021).

Hypothesis 11: *Consumers' perceptions of the usefulness of AI technology in the beauty and cosmetic industry are positively correlated with their intention to use it.*

Theory of Planned Behavior

The concept of planned behavior deals with the circumstance in which people lack full control over their behavior (Kamble et al., 2019). This theory stated that individual intention is influenced by three things: behaviors, subjective standards, and perceived behavior control attitudes. From the three constructs, subjective norms give a strong perception of individual adoption decisions sourced from social pressures (Ajzen, 2020).

Subjective norms refer to an individual's perception of the importance of their social surroundings when they intend to behave in a specific manner (Bilgihan et al., 2016). In other terms, subjective norms refer to individual reactions based on their social environment (Cheng, 2019). According to certain studies, subjective norms significantly influence people's behavioral intentions when using technology (Hasbullah et al., 2016; Nugroho et al., 2018; Teo et al., 2012). Recommendations and pressure from the environment as family, friends and other social communities motivates users to use the technology.

Subjective norms are also related to the original technology acceptance model. Subjective norms are directly related to the perceived usefulness (Aji et al., 2021; Schepers & Wetzels, 2007; Teo, 2009). Therefore, the hypotheses are:

Hypothesis 12: Consumers' subjective norm is positively correlated with their perceptions of the usefulness of AI Technology in the beauty industry.

Hypothesis 13: *Consumers' subjective norm is positively correlated with their intention to use AI Technology in the beauty industry.*

Table 1
Operational Definition

Variables		Operational Definition	Reference
Technology Readiness	Optimism	Optimism as individuals believed in a positive view. They could reach efficiency, control, and flexibility by adopting technology on daily basis.	(Chen et al., 2014; Par. 2000)
	Innovativeness	Innovativeness is associated with the propensity to accept technology early, inventive applications, and technology leaders.	(A., 2000)
	Discomfort	Discomfort is the result of people feeling powerless over technology, which makes them feel overwhelmed.	(Chen et al., 2014; Parasuraman, 2000)
	Insecurity	Insecurity resulted from people's mistrust of technology and doubts about its capabilities.	(Chen et al., 2014)
Technology Acceptance	Perceived Usefulness	The level of assurance that utilizing a technique will boost their performance	(Davis, 1989)
	Perceived Ease of Use	Perceived ease of use is associated with easiness to access technology including all the features in it.	(Davis, 1989)
	Intention to Use	Willingness to use technology.	(Davis, 1989)
Theory Planned Behavior	Subjective Norm	Subjective norms are a person's perspective on the significance of their social environment when they want to act in a particular way.	(Bilgihan et al., 2016)

Source: Processed by the writer, 2024

3. Methodology

This research employs a quantitative research approach, concentrating on delineating the connections between variables through hypothesis testing. This research aimed to gather responses from AI technology in beauty industry users. The users referred to the customer or potential customer who uses one of the AI technology websites from any brand

in the beauty industry. The research model consists of four constructs: technology readiness, technology acceptance, subjective norms, and intention to use (Fig. 1). Technology readiness contains optimism, innovativeness, discomfort, and insecurity. Technology acceptance includes perceived usefulness and perceived ease of use. The operational definition of variables is summarized in Table 1.

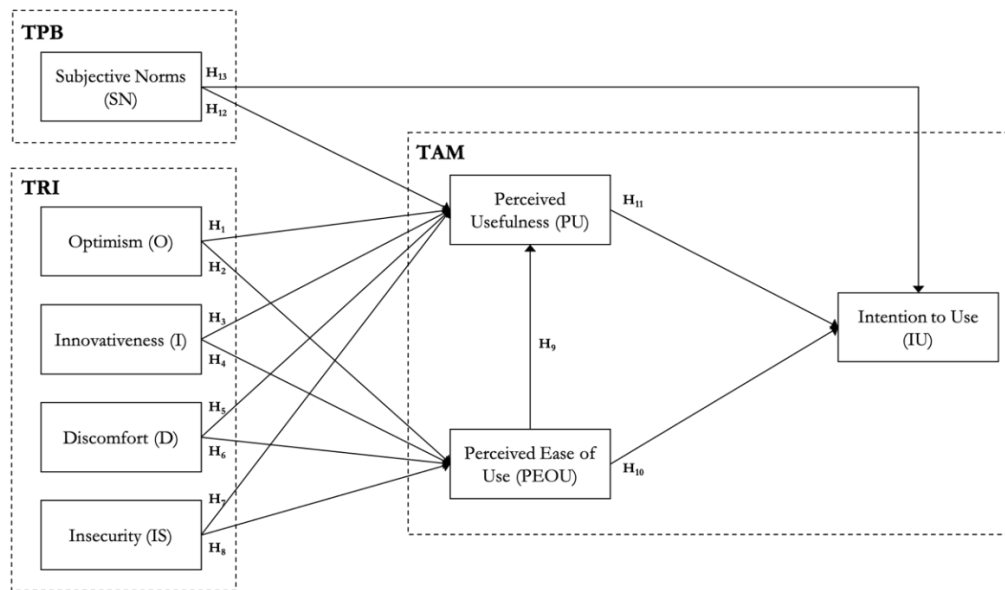


Figure 1
Research Model

A google form questionnaire was used to obtain the data. The questions were split into three sections, Filter Section, Respondent Data Section, and Main Section. The filter section contains one question to verify whether respondents ever use AI Technology. The respondent data section comprises of eight questions to collate respondents' demographic information and the AI technology website that they use. Last section, the main section with 32 questions, is a section for respondents to reveal their agreement. The responses were measured with a Likert scale with five points, from

strongly disagree (1) to strongly agree (5). The social media networks were used to distribute the questionnaires, such as Instagram, Twitter, WhatsApp, and Telegram from June to August 2022. The sample technique for this study was purposive random sampling. A total of 155 responses were collated and only 127 responses are qualified with the criteria 'ever using AI Technology in the beauty industry'. This number of respondents meets the minimum sample size recommendation in PLS-SEM for statistical power with seventy-five samples (Hair, 2014).

Table 2
Questionnaire Design

Construct	Measurement items
Optimism	O1: The Virtual Try On feature gives people more control over the process of selecting products. O2: The Virtual Try On feature makes me more efficient in selecting products. O3: The Virtual Try On feature gives me more freedom in my mobility.
Innovativeness	I1: If I hear about a new feature from the website, I will find a way to try using it. I2: Among my colleagues, I am usually the first one to try out the newest features of the website. I3: In general I'm hesitant to try the latest features of the website. I4: I like trying to use the latest features of the website. I5: Usually I can discover new products and features without the help of others.

Table 3
Questionnaire Design

Construct	Measurement items
Discomfort	D1: Supporting features like the Virtual Try On feature are not helpful as they don't explain in terms I can understand. D2: Sometimes I think that this Virtual Try On feature is not designed to be used by ordinary people. D3: There is no guide for using the Virtual Try On Feature written in simple language.
Insecurity	IS1: I don't feel safe trying the Virtual Try On feature through my device. IS2: I feel unsafe trying to record myself on the Virtual Try On feature through my device IS3: I am concerned that information I transmit via the Internet may be accessed by others.
Perceived Usefulness	PU1: The Virtual Try On feature is useful for me in obtaining products with profitable promotional offers. PU2: Using the Virtual Try On feature can save me money. PU3: Using this Virtual Try On feature improves the quality of my shopping. PU4: Using the Virtual Try On feature makes the shopping process faster. PU5: The Virtual Try On feature removes barriers in space and time to buy products.
Perceived Ease of Use	PEOU1: I find that I can easily use the Virtual Try On feature. PEOU2: I can use the Virtual Try On feature clearly and understandably. PEOU3: I can use the Virtual Try On feature without assistance. PEOU4: I do not need more effort to understand the process of using the Virtual Try On feature. PEOU5: This Virtual Try On feature is user friendly.
Intention to Use	IU1: I plan to continue using the Virtual Try On feature. IU2: I will recommend others to use the Virtual Try On feature. IU3: I will continue to use the Virtual Try On feature for future purchases.
Subjective Norm	SN1: I always thought of using the Virtual Try On feature to select products and shop. SN2: Using the Virtual Try On feature elevates my social status. SN3: Using the Virtual Try On feature, my friends see me more around. SN4: I will be trendier by using the Virtual Try On feature. SN5: There are people around me who also use the Virtual Try On feature continuously.

Source: Processed by the writer, 2024

The analysis of the data for this study will involve using PLS-SEM, and smartPLS will be utilized as the tool for processing the data. The validity and reliability of the model utilized in this study were evaluated. This test is performed to make sure the structural model meets the required criteria (Hair et al., 2019). The measurement model looks at the following recommendations:

- a. The measuring items' loading factors (LF) must be 0.70 or above. This number shows that the constructs can explain more than 50% of the variation of the indicator.
- b. The overall reliability must be more than 0.70. Greater values denote a greater construct reliability level.

- c. A construct must explain 50% or more of the variation that makes up the construct in order for the average Variance Extracted (AVE) to be greater than 0.50.
- d. Discriminant validity should be lower or equal to 0.90, it is aims to see the differences between structures.

4. Findings and Discussion

It can be seen on Table 3, from 127 respondents, there are dominated by females

(88.2%) over the male (11.8%) with the majority aged between 21 and 30 years (74.8%). This study captures most college students (70.1%) in bachelor study (61.4%). Table 3 displays all of the data.

Table 4
Demographic Information

Characteristic	Type	n	%
Gender	Female	112	88.2
	Male	15	11.8
Age	Under 20	32	25.2
	21 - 30	95	74.8
Education	High School	33	26.0
	Diploma	5	3.9
	Bachelor	78	61.4
	Master	11	8.7
Job	Private company employee	16	12.6
	Civil Servant	11	8.7
	Student / College Student	89	70.1
	Entrepreneur	4	3.1
	Housewife	3	2.4
	Freelancer	3	2.4
	Medical Doctor	1	0.8

Source: Processed by the writer, 2024

Measurement Model

The test was conducted using Smart-PLS. From the first test resulted in that several measurement items need to be taken out. Measurement items I₃ and PU₄ were taken out because the LF value was lower than 0.70. The second test was conducted after dropping the measurement items.

As a result, measurement items I₄, PEOU₃, and IU₂ were taken out due to a discriminant value of more than 0.90. After dropping all the unqualified measurement items and rerunning the test on Smart-PLS, the final result is presented in Table 4 and Table 5.

Table 5
The Descriptive Statistics

Constructs	Variables	Factor Loading	Composite Reliability	AVE
Optimism	O1	0.821	0.848	0.651
	O2	0.799		
	O3	0.799		
Innovativeness	I1	0.804	0.857	0.667
	I2	0.820		
	I5	0.826		
Insecurity	IN1	0.936	0.949	0.861
	IN2	0.935		
	IN3	0.913		
Discomfort	D1	0.903	0.866	0.684
	D2	0.758		
	D3	0.814		
Perceived Usefulness	PU1	0.786	0.860	0.606
	PU2	0.785		
	PU3	0.717		
	PU5	0.823		
Perceived Ease of Use	PEOU1	0.822	0.883	0.654
	PEOU2	0.800		
	PEOU4	0.854		
	PEOU5	0.755		
Intention to Use	IU1	0.936	0.931	0.872
	IU3	0.931		
Subjective Norm	SN1	0.831	0.932	0.733
	SN2	0.856		
	SN3	0.874		
	SN4	0.875		
	SN5	0.843		

Source: Processed by the writer, 2024

Table 6
Correlation Coefficient Matrix and Square Root Of AVE

	O	I	IN	D	PU	PEOU	IU	SN
O								
I	0.897							
IN	0.124	0.069						
D	0.305	0.261	0.492					
PU	0.660	0.493	0.236	0.429				
PEOU	0.885	0.769	0.249	0.333	0.638			
IU	0.796	0.785	0.174	0.260	0.565	0.872		
SN	0.654	0.783	0.265	0.283	0.457	0.887	0.860	

Note: O=Optimism; I=Innovativeness; IN=Insecure; D=Discomfort; PU=Perceived Usefulness; PEOU=Perceived Ease Of Use; IU=Intention to Use; SN=Subjective Norms

Source: Processed by the writer, 2024

Subsequently, the structural model fit test is conducted with the aim of assessing the model's quality and precision employed in the test. The Standardized Root Mean Square Residual (SRMR) is used to fit the model with

a maximum acceptable value of 0.01 and NFI that shows the closer a value to 1, the better (Hair et al., 2019). Table 6's findings indicate that the research model had a strong model fit.

Table 7
Goodness-of-fit indices of Measurement and Structural Model

	Saturated Model	Estimated Model
SRMR	0.075	0.091
NFI	0.714	0.706

Note: SRMR=Standardized Root mean square residual; NFI= Normed Fit Index
Source: Processed by the writer, 2024

Result

From all thirteen hypotheses, eight of them were supported (H₁, H₂, H₄, H₅, H₈, H₉, H₁₀, and H₁₃), while H₃, H₆, H₇, H₁₁, and H₁₂ were not. The result of the hypotheses testing is presented in Table 7. This study proves that not all constructs from TRI supported the TAM concept as well as the concept of TPB to TAM. Perceived usefulness and perceived usability are strongly influenced by optimism (H₁ and H₂). The findings from earlier studies support this outcome, optimism has a strong impact because customers are more open and positive about the technology (Godoe &

Johansen, 2012; Pillai et al., 2020; Walczuch et al., 2007). When customers possess a favorable disposition towards its use, they are more inclined to perceive AI technology as beneficial and easy to use. When companies in the beauty industry introduce AI technology as part of promotional media, customers with positive reception will more easily gain the perception of utility and convenience. The context of positive acceptance here is that customers openly accept new technology, such as virtual try-ons, when selecting makeup products.

Table 8
Test Results of Research Hypotheses

Hypothesis	Path Direction	P-Value	Result
H ₁	O → PU	0.025	Supported
H ₂	O → PEOU	0.000	Supported
H ₃	I → PU	0.492	Not Supported
H ₄	I → PEOU	0.001	Supported
H ₅	D → PU	0.016	Supported
H ₆	D → PEOU	0.159	Not Supported
H ₇	IN → PU	0.347	Not Supported
H ₈	IN → PEOU	0.028	Supported
H ₉	PEOU → PU	0.029	Supported
H ₁₀	PEOU → IU	0.008	Supported
H ₁₁	PU → IU	0.115	Not Supported
H ₁₂	SN → PU	0.488	Not Supported
H ₁₃	SN → IU	0.000	Supported

Note: p-value <0.05
Source: Processed by the writer, 2024

On the other hand, beauty industry management must be mindful when deciding to apply their innovations specifically in AI technology. Contradictory with perceived ease of use, usefulness is negatively related (H₃). This result is contradictive to the most of the studies, but some of them find the same result (Bakirtaş & Akkaş, 2020; Koivisto et al., 2016; Walczuch et al., 2007). Innovative people value the most recent technological advancements with the highest demand and anticipation since they are more critical than other people. As expected and based on other studies, Innovation and perceived ease of use are positively correlated (H₄) (Acheampong et al., 2017; Erdoğan & Esen, 2011; Shin & Lee, 2014). Innovative people find the easiest way to use AI technology by simply taking pictures on their mobile phones compared to the conservative ones. The innovation of using AI technology to select beauty products from the customer side provides convenience regarding the freshness of the shopping process but has yet to result in usefulness. Innovations in virtual product selection and skin analysis have yet to be deemed capable of improving the quality of product selection and shopping.

From inhibitor of TRI, discomfort has two consequences for considerations in the management of the beauty industry. If the users are uncomfortable with the technology, it escalates their anxiety so that they unable to gain the benefits from it (H₅). As a result, from this study, discomfort exposes negative influence to perceived usefulness. The more uncomfortable the user, the less perceived usefulness will take place (Acheampong et al., 2017; Chotijah & Retrialisca, 2020; Purba, 2018). Unlike perceived usefulness, discomfort did not have significant relation with perceived ease of use (H₆). Despite the fact that they are inconvenient in using technology, they still have the convenience of technology. This finding supported by other studies, the ease of using technology can still be felt regardless of the level of discomfort when using it (Chotijah & Retrialisca, 2020; Erdoğan & Esen, 2011; Nugroho & Fajar, 2017; Purba, 2018). So, companies in the

beauty industry need to ensure that the AI technology used is kept from exposing customers to a lot of data or visuals to provide comfort in using it.

Insecurity like other inhibitors gets the opposite result. Insecurity revealed no significant relationship with perceived usefulness (H₇). However, it reveals a negative relationship with perceived ease of use (H₈). Customers' insecurity about technology makes them think that technology is not convenient for them for security reasons, as well as the security of their data. This finding is supported by former studies, insecurity will decrease trust in new technology (Acheampong et al., 2017; Nugroho & Fajar, 2017; Purba, 2018). However, despite feeling insecure, the perceived usefulness does not decrease. So, they can still feel the good things from technology. Even customers feel insecure about their data, they know that AI technology helps them when selecting products remotely (Bakirtaş & Akkaş, 2020; Erdoğan & Esen, 2011; Purba, 2018). With the perception of usefulness that has arisen among customers amidst perceived insecurity, it is essential for beauty industry companies to provide and state direct guarantees of customer data security to increase trust further.

Furthermore, Perceived ease of use significantly affects how useful something is perceived. (H₉) and is supported by the findings from the previous studies (Chi, 2018; Chotijah & Retrialisca, 2020; Nugroho & Fajar, 2017; Purba, 2018). When customers rate AI technology as user-friendly, they can relate to it in everyday use with high level of usability. In addition, the convenience offered by AI technology allows customers to work faster, more effectively, and more efficiently. Perceived ease of use also has a positive correlation with the intention to use (H₁₀). As customers feel AI technology is easy for them to use, it increases their intention to use (Kamal et al., 2020; Nugroho & Fajar, 2017; Purba, 2018; Tahar et al., 2020). As a consequence, the beauty industry should consider designing AI technology as easy as

possible to motivate customers to use it. One form of convenience that can be provided with just one photo is that the customer can get the expected results. It would be better if customers directly choose the product and purchase it. Another thing that can be done is to design a user interface that is simpler and easier to understand without using symbols or unfamiliar language.

In other ways, perceived usefulness does not positively correlate with the intention to use (H₁₁). AI technology in the beauty industry is designed with broad functions that are expected to help the users in choosing the products. Unfortunately, a number of functions does not have a significant effect on the customer's intention to use. This finding is contradictory to the technology acceptance model which states that perceived usefulness has a significant influence on intention to use technology (Davis, 1989). However, perceived usefulness is a subjective assessment, the possible reasons for this is that usefulness do not make them decide to use AI technology because it only provides a visual image of the products, but it lacks of feelings over the products when they try and buy it offline. This finding is also supported by several other studies, because the technology has not completely replaced offline methods (Danurdoro & Wulandari, 2016; Tahar et al., 2020). Touch and feel are still difficult to implement using current AI technology. However, it can be overcome by providing recommendations for the nearest store from the customer if they want to see the product directly. So, it will make it easier to search for products offline.

The subjective norm showed that it did not positively correlate to perceived usefulness (H₁₂). Meanwhile subjective norm significantly influenced intention to use (H₁₃). These findings imply that people's intentions to adopt AI technology will increase as a result of all the social pressure, but it does not make them gain more value from it. This result was also found by other studies. The possible reason is between subjective norms and perceived usefulness need for additional

moderating variable such as experience. With this moderating variable, customer can get more time to enjoy and feel the use of technology (Schepers & Wetzels, 2007); Teo et al., 2012). Contrast to the relationship with intention to use, social pressure strongly encourages trying to use the technology. Subjective norm become effective word-of-mouth marketing for beauty industry to promote their AI technology (Aji et al., 2021; Hasbullah et al., 2016; Kim et al., 2009; Teo, 2009). These results clearly state that the role of influencers will be very significant in increasing customers' desire to use AI technology. Beauty industry companies must utilize the large number of beauty influencers on various social media platforms such as Instagram and Twitter to promote products through AI technology. Influencers can directly promote the stages of using AI technology to get products online and attract many customers.

5. Conclusion

This research provides a number of insights for beauty industry management in developing marketing activities through AI technology.

Theoretical Implications

Some of the hypothesis results obtained from this research differ from previously existing theories. This is a sign that customer behavior patterns continue to change and develop. Specifically, the existence of AI technology in the beauty industry has brought a shift to previously existing theories. Hence, the findings of this study contribute to understanding the phases of alterations in customer intention and technology. In the future, much room can be analyzed for this phenomenon in more detail.

Managerial Implication

Initially, given that both the intention to use and the ease of use are notably positive, the beauty industry should prioritize enhancing the user experience of the app or website to make it more user= User experience for AI

technology must be designed as usable as possible, yet it needs to be kept simple. Plus, customers agree that innovation increases perceived ease of use. Developing marketing activities through AI technology also needs to pay attention to the security factor. Insecurity can change customer perceived value about technology. So, users have to be reassured for the security of their data. Lastly, to promote the technology, it may use word of mouth marketing. This is consistent with research findings that show social pressure has a major impact on usage intention. One way among others is by using word-of-mouth marketing done by influencers. Influencers have a significant number of followers that can influence their followers to use.

In short, the critical factor in using AI technology in the beauty industry, which can increase customer intention, is the direct influence exerted by influencers to encourage the use of technology so that customers can easily use the technology.

Limitation

This study has some limitations due to the time constraint and other reasons. Future studies can analyze more specifically about moderation or mediation effect from the variable. In short, the critical factor in using AI technology in the beauty industry, which can increase customer intention, is the direct influence exerted by influencers to encourage the use of technology so that customers can easily use the technology.

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