Hirao School of Management Review

CUBE 西宮 マネジメント創造学部
Hirao School of Management

本文情報

出版物タイトル:	Hirao School of Management Review
巻:	第 5 巻
開始ページ：	112
終了ページ：	123
原稿種別：	論文(Article)
論文タイトル：	Influence of Attitude on Consumers' Awareness toward Halal Cosmetics in Malaysia
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Hirao School of Management Review (2015), Vol.5, pp.112-123.
原稿種別：論文(Article)

Hirao School of Management Review 第 5 巻

INFLUENCE OF ATTITUDE ON CONSUMERS' AWARENESS TOWARD HALAL COSMETICS IN MALAYSIA

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【Abstract】

The cosmetics industry in Malaysia is rapidly growing at a rate of 15% annually. This industry is expected to grow steadily in the future due to great demand from working women, increasing self-awareness, and urbanization. Even though government efforts began in 2006, however there is still a lot to do in making Muslim consumers aware of what they use in relation to halal and 'shariah' compliance. The study proposed four variables which may contribute to consumers' awareness of halal cosmetics. Although all four variables indicated a significant relationship toward consumer awareness of halal cosmetic products, this may not be transformed into actual buying behavior. Therefore it is crucial for the respective authority like JAKIM in Malaysia to provide more exposure on the importance of halal certification for cosmetics products, because halal does not only mean permitted to use but also carries the meaning of clean and safe to use. The information is circulated not only through proper and formal channels but also through interactions with the religious community. Overall the success of the halal cosmetics industry requires coordination and participation of various parties and strategic marketing strategies in addition to other several contributing factors in making "halal" one of the attributes that consumers should consider in purchasing cosmetics products.

【Keywords】

Consumer awareness, Halal branding, Cosmetic products, Halal exposure, Women

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1. Introduction

The cosmetics industry in Malaysia is growing rapidly at an annual rate of 15%. This industry is expected to grow steadily in the future due to great demand for premium products. In line with the Malaysian government's effort in making the country a halal hub, it has pushed the cosmetics industry to move in the same direction. Halal cosmetics and toiletries have great potential to drive the halal economy. Even though government efforts began in 2006, however, there is still a lot to do in making Muslim consumers aware of what they use in relation to halal and shariah compliance. The focus of this paper is to identify the factors that contribute to consumer awareness of halal cosmetics and toiletries in Malaysia. Malaysia is currently on track towards becoming a developed country by the year 2020. To achieve such a vision, Malaysia is not only depending on a single sector but has various economic drivers that can contribute to the country's economic growth. In this context, one of the most important sectors is the halal product sector that is no longer merely an industry that complies with religious requirements but is becoming an economic force in itself, both domestically and globally. Hence, Malaysia's government is tasked in making the halal hub a reality in few years to come. However, there is still a lot to do in making Muslims consumers aware of what they eat, drink and use in relation to halal and shariah compliance. When we discuss halal products, people will always associate the halal issue with food and drinks, as this is the most common issue that is being talked about. However, the demand in halal today is not just focusing on food products but also capturing other non-product categories, such as cosmetics. Halal is not only about a brand element, but also part of a belief system and moral code of conduct in our daily living (Aziz, A. et al, 2010).

The Halal Market

Principally, the word halal is derived from an Arabic word that means "permissible" or "lawful" under Islamic law (Syara'). Halal practices are referred to in Al-Quran and Sunnah. It explains that the use of halal is when the object or action is according to Islamic law. The opposite of halal is known as haram, which means "forbidden". It refers to anything that is prohibited under Islamic law (Syara's) (Roland, 1996) but this is not only restricted to food products. The Halal Industry Development Corporation in Malaysia also defined halal as the way of life which promotes a healthy and Shari'ah compliant life style by recommending how to eat, live, and conduct business and all other life activities (Abdullah, et al., 2008). As the halal industry has grown all over the world at an estimated 20 percent a year, it is becoming the fastest growing consumer market in the world. The halal market does not only focus on Islamic countries but also non-muslim environments (Ibrahim A. K., 2010).

The halal label on a product is not just a guarantee that the product is permitted for Muslims but has also become a global symbol for quality assurance and lifestyle choice (NASDAQ, 2013). A study on American Muslim consumers indicated that 86% of them believe American companies need to do more and make an effort to understand products for Muslims and do more to promote Muslim values (Hussin, N, 2010). Thus the issue of halal ingredients in cosmetics products today poses serious challenges. In the context of the current study, cosmetics and personal care products are part and parcel of our daily lives. These include baby products, bath products, oral care products, skin care products, personal hygiene products, fragrances and colored and non-colored cosmetics. Like many other emerging economies, Malaysia is not spared from the global marketing onslaught wielded by majority cosmetics manufacturers. By rights, all cosmetics products must comply with government safety regulations, but how many actually follow the requirements is yet to be confirmed. In reality, it is difficult to find ethical cosmetics products that are not just free of animal by-products, harmful chemicals, or alcohol, but are also halal. Halal in cosmetics products is not only about being permissible but also carries the meaning of safe, clean, and not harming the users. Therefore, the primary motivation for the study is the desire to fill the gap in knowledge about the awareness of, and consumer's attitudes toward, halal cosmetics in Malaysia. Most other traditional research reflects the global concern about halal food amongst Muslim consumers, which is confined to the usage of meat products (Aziz and NyenVui, 2012; Omar and Jaafar, 2011; Rezai and Shamsudin, 2012; Talib et. Al, 2010).

2. Literature Review

Malaysian Cosmetics Industry

The cosmetics industry in Malaysia has contributed billion of Ringgit Malaysia in annual sales and growing rapidly at 15% annually due to great demand for premium products (Matrade, 2012). Malaysia people annually spend an estimated amount of US $500 million on cosmetics and their spending on these products grew at the rate of more than 40% during the last few years due to the increased number of women who have entered the labor force and the increase of urbanization. In addition the increase in consumers' satisfaction affect sales of the product, which leads to the estimated worth of Malaysia's cosmetics and toiletries industries is approximately RM3.6 billion with a health projected annual growth of 13% (Matrade, 2012). This is an upward trend from previous years, and reflects an increasing trend among Malaysian consumers to purchase beauty products.

Cosmetic products in Malaysia comprise both local and foreign brands. Generally the brands

in Malaysia can be categorized into several groups. Some production of cosmetics is from local brands that are owned and manufactured by local companies; there are also some local brands owned by local companies but manufactured abroad; a few other brands are foreign brands owned by international companies but the products are manufactured locally; and finally there are foreign brands which are owned by international companies and manufactured abroad. With plenty of brand choices, it has led to the total value of Malaysian local brands reaching US$7 billion in the year 2010, with 15 to 20 percent in annual growth (Amalia, Giovanni, & Kankamon, 2011). At the same time, imports of cosmetic brands from overseas to the local market is also increasing, as these companies are seeking a good market opportunity, and this trend is expected to continue into the future. This relatively high market value is due to people now placing greater emphasis on beauty and personal appearance (Market-research, 2013).

It is undeniable that beauty products and women are inseparable. Indeed the sales of beauty products are increasing in Malaysia. However, with the majority concerned about various issues regarding cosmetics and their impact on users, consumers are careful when making their choices, especially new users. With many new brands of cosmetics in the market competing for attention from consumers' eyes and minds, consumers are even more concerned with their choices.

As mentioned before, the certification body that is in charge of granting halal certification is JAKIM (Malaysian Department of Islamic Development). For the cosmetics and personal care products to require halal certification, the product must comply with the Malaysian standard MS 2200:2008 requirements. According to this standard cosmetics products must be safe and has no chemical side effects to the users. In another way to explain, halal cosmetics products must not have any human parts or ingredients that contain any animal forbidden to Muslims or are not slaughtered according to shariah law, no contamination from 'najis' during the process and manufacturing and safe for usage (MOSTI, 2008). It also means that the products have certain qualities that have met the requirements of consumers in terms of its usage and efficacy.

Attitudes and Perception of Halal Cosmetics

Consumers put trust in information received from the sources especially when they are from the authorities or religious leaders. With a vast array of beauty products available in the market, some of which mislead consumers, consumers may not be aware of what they have taken or applied on their skin. Patnood (2001) suggests that one of the best ways of making people aware of what they are consuming is through education. Education would empower consumers with the wisdom to make the right choice about what they apply on their body. The major responsibility of the government or agency in charge of halal products lies in education. This is

supported by a study done by Ahmad et al. (2013) that stated people's exposure to halal consumption is accomplished through the media.

Halal certification is one of the indicators of purchasing decisions among Muslim consumers. In reality, consumers are forced into selecting from a broad selection of consumer products when some of them are somewhat doubtful. In case of Muslim consumers in Malaysia, looking for authentic halal certification such as the one issued by JAKIM is considered a must to ensure the product's use is permissible. The introduction of the halal logo by JAKIM has generated more awareness among Muslims as the purchase of manufactured products or engaging in services that follow Islamic guidelines and principles. Malaysia's determination to set standards for halal products according to Islamic principles is anticipated as a new effort by JAKIM to bring the credibility of the halal logo to cosmetics as well. However, how does this issue capture consumers' awareness, especially female Muslim users in Malaysia? According to Baker (2010), although branding to Muslims could use branding methods adapted from western experts, it has to take into consideration the spiritual needs of the targeted Muslim consumers. Previous studies conducted in some Muslim countries such as Egypt, Saudi Arabia, and Pakistan, share similar findings in consumer behavior, especially when it comes to personal values and beliefs that would affect modern consumption (Hussain, N., 2010).

Despite having JAKIM to monitor and to ensure the product available in the market is safe and permissible for usage, there are still many alarming news regarding unsafe cosmetics product. Reason being, the cosmetic company itself did not go through the process of getting JAKIM approval before making the products available in the market. An incident in 2012, when most Malaysian were shocked with what appeared to be well-known brand of skin solutions product of local brands is actually a killing time-bomb (The Star, 2012). This skin solution product contained a harmful amount of toxic chemical, in which if it is applied on skin for quite sometimes will result in skin cancer problem. In addition the Health Ministry has warned the public's against the use of six cosmetics products including one from a French manufacturer, found to contain proscribed poisons and some other products were afraid to contain tretinoin (Ministry of Health, 2012). These prolong use of topical steroid may result in systemic side effect such as suppression of the adrenal glands, metabolic disturbances and immune response impairment (The Star, 2012). Moreover, issues regarding harmful cosmetic products catch the attention of people when the users themselves make an official report due to their concern on its side effect.

3. Methodology

For this study, 250 questionnaires were distributed and only 216 can be used for further analysis. The participants were from Kuala Lumpur, mostly aged 18 and above, and came from various institutions and organizations. Among the participants, some were self-employed and some also were retirees who seemed to have decent income and purchasing power. In order to obtain quick and efficient data, the convenience sampling method was chosen. The respondents were from the members of population who were conveniently available to the researchers. This study also took into consideration the participants or consumers from various age groups, education level, occupations and income level which are described under the demographic background of the participants in Table 1. The questionnaire was designed based on prior related literature (Tan, Kwan, and Eze, 2009; Lee, 2009; Kwan and Eze, 2012). Section A of the questionnaire concerns the demographic profile while section B solicits responses on the key constructs for the conceptual framework. The constructs were operationalized with multiple elements as follows: exposure to halal cosmetics (7 questions), attitude towards halal products (6 questions), availability of halal label (6 questions), sharing information (6 questions), attitude regarding beauty products (7 questions), and consumer awareness of halal cosmetics (11 questions). We used a 5-pint Likert scale to measure the variables where 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, and 5=Strongly Agree. The Likert scale is used to measure how strongly subjects agree and disagree with statements.

4. Findings

Hair et al. (2009), defined reliability as an assessment of the degree of consistency between multiple measurements of a variable. According to Sekaran (2003), Cronbach alpha is a reliability coefficient that indicates how well the items are positively correlated to one another. Pallant (2005) has contended that Cronbach's coefficient alpha, which determines reliability based on internal consistency, provides a good estimate of reliability in most situations.

This study assesses the consistency of the entire scale with Cronbach's alpha and its overall reliability of each factor of productivity values. Table 1.0 showed that all values yielded by Cronbach's alpha coefficient exceeded the values of 0.70, as suggested by Hair et al. (2009). From this result of Cronbach's alpha coefficient value, this questionnaire was accepted and admissible.

Table 1.0: Reliability Statistics

Variables	Cronbach's Alpha	N of Items
Exposure to halal cosmetics (IV)	0.857	7
Attitude towards halal products (IV)	0.934	6
Availability of halal label (IV)	0.788	8
Attitude on beauty products (IV)	0.750	11
Consumer awareness of halal cosmetics (DV)	0.850	7
Cronbach alpha (Overall)	**0.866**	**39**

Descriptive Analysis

The findings on the general background of the study are summarized in the following table.

Table 2.0: General Background

Demographic Factor	Frequency	Percentage
Gender		
Male	40	18.5
Female	176	81.5
Age		
18 – 24	47	21.8
25 – 34	73	33.8
35 – 44	81	37.5
45 – 54	15	6.9
Marital Status		
Single	97	44.9
Married	111	51.4
Divorced	8	3.7
Race		
Malay	202	93.5
Chinese	8	3.7
Indian	5	2.3
Others	1	0.5
Highest Education Level		
Less than high school	1	0.5
High School	73	33.8
College Diploma	67	31.0
Bachelor Degree	60	27.8
Graduate	15	6.9
Average Monthly Income (RM)		
Less than 2500	97	44.9
2500 – 5000	80	37.0
5001 – 10000	28	13.0
10001 – 15000	5	2.3
15001 – 20000	2	0.9
More than 20000	2	0.9

As shown in Table 2.0 above, the female respondents far outnumbered their male counterparts where there were 176 (81.5%) female respondents and 40 (18.5%) male respondents. This finding is expected since women are the major customers of cosmetic products. In terms of age, the majority of the respondents were under 44 years old where 81 (37.5%) of them were in the age bracket of 35 to 44 years old, 73 (33.8%) were in the age bracket of 25 to 34 years old, 47 (21.8%) were in the age bracket of 18 to 24 years old, and the remaining 15 (6.9%) were in the age bracket of 45 to 54 years old. With regard to marital status, the majority of the respondents were married with 111 (51.4%) respondents, followed by single with 97 (44.9%) respondents and the remaining 8 (3.7%) respondents were divorced. In terms of race, Malays dominated the study with 202 (93.5%) respondents, followed by Chinese with 8 (3.7%) respondents, Indian with 5 (2.3%) respondents and others with 1 (0.5%) respondent. When asked on their highest education levels, 73 (33.8%) respondents specified that they have high school qualification, 67 (31.0%) have college diploma qualification, 60 (27.8%) have bachelor degree qualification and 15 (6.9%) respondents specified graduate qualification. With regards to average monthly income, the majority of the respondents have incomes of less than RM5000 where 97 (44.9%) respondents indicated their incomes were less than RM2500 and 80 (37.0%) indicated that their incomes were between RM2500 to RM5000. The other respondents stated their income levels as RM5001 to RM10000 with 28 (13.0%) respondents, RM10001 to RM15000 with 5 (2.3%) respondents, RM15001 to RM20000 with 2 (0.9%) respondents and more than RM20000 with 2 (0.9%) respondents.

Brand Preference

The respondents were asked on the brands of beauty products that they usually purchased. They were asked to state the brands for both colored and non-colored cosmetics. The following tables highlight the five most preferred brands of colored and non-colored beauty products.

Table 3.0: Colored Cosmetics

Brand	Frequency	Percentage
Body Shop	50	23.1
Loreal	15	6.9
Mac	15	6.9
Maybeline	13	6.0
SKII	6	2.8

Table 4.0: Non-Colored Cosmetics

Brand	Frequency	Percentage
Avon	18	8.3
Safi	17	7.9
Olay	14	6.5
Nivea	11	5.1
Garnier	11	5.1

As highlighted in the tables above, Body Shop Avon, Loreal, Mac, Maybeline and SKII were the five most preferred brands of colored cosmetic products. As for the non-colored cosmetic products, the five most preferred brands were Avon, Safi, Olay, Nivea and Garnier. Avon was the most preferred brand for both colored and non-colored cosmetic products. The respondents were asked to state whether products (colored and non-colored) have halal labels. Majority of the respondents indicated that they were not sure about the labels. For colored cosmetic products, 115 (53.2%) respondents stated they were not sure of the existence such label, 66 (30.6%) respondents indicated they were aware on the existence of halal labels and 11 (5.1%) respondents stated they did not see such labels on the products. When asked similar question for the non-colored cosmetics products, 135 (62.5%) stated not sure, 75 (34.7%) stated yes and 2 (0.9%) stated no. The findings indicate that majority of the respondents were not looking at the existence of halal labels in choosing their preferred brands for both colored and non-colored cosmetics. The responses given by respondents during focus group further confirmed these findings. To most respondents, the issue of halal is only applicable to foods and beverages but not on cosmetics.

Statistical analysis

Multiple regression analysis was utilized to determine the relationships between the independent variables and dependent variable. As shown in table 6.0, the F-value of 28.268 with p=0.000 showed that the overall model is statistically significant. Moreover, the R-square value of 0.557 indicates that the combined variables explained 56 % variance in consumer awareness on halal cosmetics. The following tables summarized the findings of the multiple regression analysis.

Table 5.0: R Square Value for Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.746	.557	.548	6.09163

Table 6.0: F Value for Multiple Regression Analysis

	Model	Sum of Squares	df	Mean Square	F	Sig
1	Regression	7432.834	7	1048.976	28.268	.000
	Residual	6864.979	185	37.108		
	Total	14207.813	192			

Table 7.0: Beta and T Values for Multiple Regression Analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.143	.318		.449	.654
	Exposure on Halal Cosmetics	.217	.087	.178	2.485	.014
	Attitude toward Halal Product	.185	.058	.212	3.163	.002
	Availability of Halal Label	.249	.070	.230	3.577	.000
	Attitude on Beauty Product	.369	.076	.293	4.833	.000

As shown in table 7.0, four variables namely exposure to halal cosmetics, attitude toward halal product, perceived availability of halal label, and attitude on beauty product have unique contributions to variance in consumer awareness on halal cosmetics. Attitude to beauty products with $\beta = 0.369$ and $p = 0.000$, has the highest unique contribution to variance in consumer awareness on halal cosmetics. This is followed by perceived availability of halal label, $\beta = 0.249$ and $p = 0.000$. Exposure on halal cosmetics is the third variable with unique contribution to consumer awareness on halal cosmetics with $\beta = 0.217$ and $p = 0.014$. Perceived attitude of halal has a minimal unique contribution to moral reasoning with $\beta = 0.1853$ and $p = 0.002$.

5. Conclusion and Recommendation

Based on the results in previous discussion, involvement of cosmetics companies to take a new step ahead in providing quality and eco-friendly products is most welcome by many stakeholders. Consumers views on companies participation in ensuring that consumers have enough knowledge on halal cosmetics, issues on safe and unharmed should be the main discussion before buying decision are made (Smith, 2000; Dawkins and Lewis, 2003; Auger, Devinney, and Louviere, 2004). It is also crucial for the respective authority like JAKIM in Malaysia to assist in providing more exposure on the importance of halal certification for cosmetics products, because halal does not only means permitted but also carry the meaning of clean and safe to use. The successfulness of halal certified product also relies on how well the

consumer understands the principles of halal and its benefits to the consumers. Educating the consumer is essential to highlight the significance of consuming halal product not only for the Muslim but to the non-Muslim as well. Based on this current study although consumers understand there are some exposure of halal cosmetics done by the government, and they also aware of some halal cosmetics availability in the market but that might not be enough to influence further their attitude of buying halal cosmetics product. The results of the study also mentioned that consumers need to be updated on the latest information of halal product especially cosmetics brands in the market. The information dispersed not only through appropriate and formal channels but also through interactions with religious community as evident in Mukhtar and Butt (2012). Overall the successfulness of Halal cosmetics industry requires coordination and participation of various parties and strategic marketing strategies in addition to other various contributing factors in putting Halal as one of the attributes that consumer consider in purchasing cosmetics products.

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