

A STUDY OF INDONESIAN MUSLIM CONSUMER'S
PURCHASE INTENTION TOWARDS SUSTAINABLE
FASHION

BY

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ABSTRACT

Sustainable fashion is one of the alternatives that may overcome the environmental issues caused by fashion industry, especially fast fashion. Sustainable fashion is believed to be able to protect ethical working conditions as well as the natural resources from dangers of waste. The number of Muslim wear demand in Indonesia and awareness of sustainability are seen to continue to increase every year. This study examined the factors that influenced Indonesian Muslim consumer's purchase intention towards sustainable fashion. Quantitative method is used in this research and a specifically chosen primary data are used to get the results of the study. A total of 208 respondents were gathered and SPSS is used to analyse the data. Based on the data, the findings indicated that only perceived behavioral control have a significant positive relationship with purchase intention towards sustainable fashion while other purchase intention factors tested in this study have no significant positive relationships with purchase intention towards sustainable fashion.

خلاصة البحث

الموضة المستدامة هي أحد البدائل التي يمكنها التغلب على المشكلات البيئية التي تسببها صناعة الأزياء، وخاصة الموضة السريعة. يُعتقد أن الموضة المستدامة قادرة على حماية ظروف العمل الأخلاقية وكذلك الموارد الطبيعية من مخاطر النفايات. من المتوقع أن يزداد الطلب على الملابس الإسلامية في إندونيسيا والوعي بالاستدامة كل عام. تبحث هذه الدراسة في العوامل التي تؤثر على رغبة المستهلك المسلم الإندونيسي في شراء تجاه الموضة المستدامة. تم استخدام الأسلوب الكمي في هذا البحث وتحديد البيانات الأولية المختارة للحصول على نتائج الدراسة. كما تم جمع البيانات من مستجيبا واستخدام برنامج SPSS لتحليل البيانات. استناداً إلى البيانات، تشير إلى أن التحكم السلوكي المتصور له تأثير إيجابي على نية الشراء بطريقة مستدامة بينما يرفض الآخرون العلاقة مع نية الشراء.

APPROVAL PAGE

I certify that I have supervised and read this study and that in my opinion, it conforms to acceptable standards of scholarly presentation and is fully adequate, in scope and quality, as a dissertation for the degree of Master of Science (Marketing).

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Supervisor

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DECLARATION

I hereby declare that this dissertation is the results of my own investigations, except where otherwise stated. I also declare that it has not been previously or concurrently submitted as a whole for any other degrees at IIUM or other institutions.

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LIST OF ABBREVIATIONS

COVID	Coronavirus Disease
EFA	Evaluation Factor Analysis
GDP	Gross Domestic Product
KMO	Kaiser-Meyer-Olkin
MRA	Multiple Regression Analysis
PBC	Perceived Behavioral Control
SPSS	Statistical Package for the Social Sciences
TPB	Theory of Planed Behavior
TRA	Theory of Reason Action

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Fashion is an industry with a growing number of demand every single year (Nam, Dong, & Lee, 2017). The total number of new clothings purchased globally has reached 80 billion pieces annually, which is worth approximately US\$ 1.2 trillion (Bick, Halsey, & Ekenga, 2018). Behind the glamorous world of fashion, the fashion industry has become the second most polluted industry in the world, which every single process of the productions has adversely affected the environment (Claudio, 2007). This has portrayed how the industry has brought a lot of crucial matters towards social, environment and economic aspects of life through the concept of fast fashion, chemical usage from fabric manufacturing and uses of natural resources (Nam, Dong, & Lee, 2017). The fashion industry is known to have an unsustainable life cycle and is harmful for the environment.

The growing demand of fashion industry that focuses on offering a cheap and low quality items in which the material used is made from a synthetic and less natural fabrics has actively contributed to the global climate change (Yilmaz & Atilgan, 2010). Over the past decade, the impact of fashion industry on climate change has raised by 35% based on the production stages involved in the making of every single clothes and is expected to continue to raise (Yilmaz & Atilgan, 2010).

Climate change along with the process of global warming have direct consequences towards human beings and ecosystem which affects on the agricultural production and people's lives in general. In this regard, sustainability is seen as one of the most important aspects of lifestyle that needs to be taken into consideration in order to protect the world and the environment to build a better world for the current and future generation. Sustainable lifestyle is encouraged to be implemented among all human beings, including all types of business industries, which could potentially cause a lot of sustainability issues (Jackson, 2008).

Sustainable fashion is part of slow fashion movement, in which every single clothes are made of an eco-friendly resources that would not damage the environment and provide a fair trade to the workers (Pookulangara & Shephard, 2013). The material used is made from an eco-friendly, natural or recycled fabric, which is not harmful to the environment, ensuring its safety. On top of that, sustainable fashion has been also made with care, which means the workers are promised with prosperity (Mukherjee, 2016).

As customers become more aware and concerned about the fashion industry, the demand for eco-friendly product has been on the rise for ensuring the prosperity of current and future generations (Nam, Dong, & Lee, 2017). Numerous studies have also demonstrated that customers are willing to pay extra money for sustainable products (Pookulangara & Shephard, 2013). The material used for sustainable products are generally more expensive due to the fact that natural fabrics are usually harder to be harvested and manufactured as it requires more money to protect the resources from insects and weeds (Mukherjee, 2016).

The concept of sustainable fashion has become prominent among Indonesians, particularly this year, as some designers have adopted the concept into their collections. Indonesia is a Muslim majority country with continuous growth in fashion industry, especially the Muslim fashion industry (Sakina & Kahdar, 2013). As the demand of Muslim fashion is observed to be rapidly growing in Indonesia, hence; the potential of Muslim wear with sustainable concept is predicted to be the future generation's preference for fashion in the country (Dicken & Hassler, 2000).

One of the most crucial things that green marketers are facing to survive in the current day is to identify and determine the factors that influence and persuade Muslim consumers to purchase sustainable fashion which might be triggered by the problem of the attitude behavior gap study (Sharaf & Perumal, 2018). Three components of theory of planned behavior namely; attitude, subjective norms, and purchase behavioral control are used in the current research as the predictive factors towards the purchase intention of sustainable fashion along with perceived value and religiosity.

Theory of planned behavior is expected to predict and explain consumers' behaviors and purchase intentions towards sustainable fashion (Ajzen, 2012). Three TPB antecedents are included such as attitude, subjective norms, and perceived behavioral control. On top of that, perceived value and religiosity was used as the extended TPB in the present study as proven to be a significant indicator towards purchase intention (Alam, Ahmad, Ho, Omar, & Lin, 2020; Haque, Anwar, Tarofder, Ahmad, & Sharif, 2018).

Studying fashion is very advantageous, as fashion has always been a promising business especially in the recent era, as the percentage of fashion demand keeps on rising every year (Bick, Halsey, & Ekenka, 2018). On top of that, studying fashion,

particularly on purchase intention of Muslim towards sustainable fashion, is believed to be very beneficial to understanding whether or not this business possesses the desired potential and what are the possible factors that would influence customers to buy sustainable fashion.

1.2 PROBLEM STATEMENT

According to the data by industrial government in 2016, it is recorded that among 750 thousand small to medium industries in Indonesia, there are a total of 225 thousands that focus on selling muslim fashion and the number is expected to increase due to the popularity of muslim fashion influencers which has a direct impact on muslim consumer behaviors (Utami, Maulida, Nurbaeti, & Cholimawati, 2019). The high number of demands for Islamic fashion have led the fashion industry to be more creative and dare to plan new marketing strategies to be able to stand out from the fierce competition in the fashion industry (Sakina & Kahdar, 2013).

Sustainable fashion has offered the alternative for fast fashion as a way to wear clothes in an eco-friendly way. The “back to nature” movement has long been heard among individuals in the Indonesian society and the use of natural dyes has been widely practiced by many micro and small businesses (Suhud U. , Allan, Maulida, & Wiratama, 2020). Sustainable fashion is believed to be a new trend in the future especially in Indonesia, which can be influenced through consumer value and lifestyle (Suhud U. , Allan, Maulida, & Wiratama, 2020).

There are many of researches available that focus on sustainability and ethical, however, resources that specifically investigate consumer purchase intention to

sustainable fashion are limited (McNeill & Moore, 2015; Lundbland & Davies, 2016). It is known that many environmental and social issues are channeled by the fast fashion industry from its production as well as the consumption of fashion enthusiasts hence, the concept of sustainable fashion is a highly contested concept (Bly, Gwozdz, & Reisch, 2015). The current research will investigate the purchase intention of Indonesian youth towards sustainable fashion.

Some studies regarding sustainable fashion has discovered there are some behavior inconsistency in which, the intention does not always translate into sustainable actions among target-related consumers (Hosseinpour, Nezakati, Foong, & Sidin, 2015). The main factors were because consumers does not have a deep and strong knowledge about the attributes of sustainable fashion. Therefore, this current study is going to discover factors that would likely influence consumer purchase intention.

Razzaq et al have previously studied the relationship between religiosity and sustainable fashion consumption in Pakistan, in which it is found that Islam could help Muslim consumers to purchase and involve in sustainable lifestyle (Razzaq, Razzaq, Awan, & Ansari, 2018). The results of the study have showed positive responses from Pakistani consumers towards sustainable fashion, as it is believed that religious customers are less greedy and more compassionate (Razzaq, Razzaq, Awan, & Ansari, 2018). Therefore, this study will explore the perspective of Indonesian Muslim consumers as the biggest muslim population in the world.

Indonesia is known as world's largest muslim population where majority of the followers are following the Islamic dress code. The modern muslim fashion in Indonesia has been developed in terms of styles and designs over the last few years

which reflected on the increasing number of competition among local Muslim fashion retailers who are competing to offer the newest fashion trend (Utami, Maulida, Nurbaeti, & Cholilawati, 2019).

According to Agustina (2015) the fashion consumption of Indonesian has changed, where its consumers are prefer to purchase Islamic and local product. The growth of Islamic fashion is driven from the Muslim consumer's faith and lifestyle that lead to a tangible consumption through clothes, food, etc (Agustina, 2015). It is predicted that slow fashion will becoming a trend in the future which would be influenced by consumer's lifestyle and value (Suhud U. , Allan, Maulida, & Wiratama, 2020). Sustainable lifestyle was discussed in *Hadits* and *Qur'an* which also considered as *sunnah* (Rahman, Said, Salamun, Aziz, Adam, & Ahmad, 2018). Therefore, Islamic sustainable fashion have a possibility to overtake the current fashion trend (Agustina, 2015).

This study will particularly explore the perspective of Muslims which has shown a significant increase on the muslim fashion demand in Indonesia (Sakina & Kahdar, 2013). The growing demand of fashion industry in Indonesia has elucidated the potential for applying and shifting to sustainable concept (Suhud U. , Allan, Maulida, & Wiratama, 2020). The main objective of this research is to provide some insights and understanding for aspiring entrepreneurs, as well as established business about sustainable fashion for Muslim in particular.

1.3 RESEARCH OBJECTIVES

The objectives of this study includes five research objectives which developed belows:

1. To study the influence of attitude on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion.
2. To study the influence of subjective norms on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion.
3. To study the influence of perceived behavioral control on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion.
4. To study the influence of perceived value on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion.
5. To study the influence of religiosity on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion.

1.4 RESEARCH QUESTIONS

The study includes several research questions that can be the foundation to achieve and satisfy the research objectives. The five research questions developed are as follows:

1. What is the relationship of attitude on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion?
2. What is the relationship of subjective norms on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion?

3. What is the relationship of perceived behavioral control on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion?
4. What is the relationship of perceived value on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion?
5. What is the relationship of religiosity on purchase intention of Indonesian Muslim consumer's to purchase sustainable fashion?

1.5 SIGNIFICANCE OF THE STUDY

Several studies mentioned that there are only limited researches that focus on sustainable fashion (McNeill & Moore, 2015; Lundbland & Davies, 2016). Hence this research is conducted to study the factors that could potentially influence Indonesian consumer purchase intention towards sustainable fashion. More importantly, the focus of this research is to investigate Muslim consumers as it is believed there is a relation between sustainability and Islamic beliefs.

Fashion industry is proven to contribute to environmental pollution as well as human welfare (Claudio, 2007). Therefore, green marketing plays a very crucial role to protect the ecological environment. The current research provides some information regarding factors such as attitude, subjective norms, perceived behavioral control, perceived value, and religiosity that could influence consumers purchase behavior towards sustainable fashion.

TPB was particularly used in this study to predict consumer's behavior towards sustainable fashion. Theory of planned behavior helps to identify the level of consumer's behavioral beliefs, normative beliefs, and control beliefs. This study will

provide some data collected by Jakartan respondents which shows particular beliefs is significantly influence respondents purchase intention towards sustainable fashion.

The recent study will add value to managerial world by providing some data and results of this research. This study contributes some significant information to business and marketers especially for company focuses on sustainable fashion to better serve the need of consumers in the future. The results of this study could provide some ideas of elements that could helps company identify some approach for the potential consumers. This research could also act as a guidance for company to identify some opportunities and threats to cater and satisfy Indonesian Muslim consumer.

1.6 SCOPE OF THE STUDY

This research focuses on exploring and identifying the factors that influence consumer's purchase intention towards Muslim sustainable fashion in Indonesia. This study will be conducted in Indonesia as the focus is to obtain data based on Indonesian Muslim perspective. Indonesia has a total of 225 million Muslims all over the country (Suryadinata, Arifin, & Ananta, 2003). It is recorded that there are 34 provinces in the country hence, the current study will only focus on studying respondents based in Jakarta.

1.7 ORGANIZATION OF THE STUDY

This study is divided into five chapters. To explain, Chapter One describes the general information and summary of the topic in which it particularly highlights the purchase

intention of Indonesian Muslim towards sustainable fashion. In this chapter, the background of study and problem of the research are discussed. Furthermore, research questions and purpose of this research are developed from the background and problem statement. Chapter Two presents the literature review, which includes the reviews of available theoretical framework and analysis of literature that are related to the topic. Chapter Three outlines the methodology used in this research which explains how the research is going to be conducted, the process of data collection and data analysis procedure. In Chapter Four, the results of the data are analysed to examine whether or not the hypotheses are supported and to answer the research questions. The last chapter of this research, Chapter Five, contains the conclusion of the overall study which includes discussions, limitations of the study, as well as some recommendations for future research.

CHAPTER TWO

LITERATURE REVIEW

2.1 BACKGROUND OF FASHION INDUSTRY

Fashion is not just about clothing that simply protects human's body, but a unique concept that is portrayed by each individual, which could express consumers' identity in terms of attitudes and their preferred lifestyle (Venkatasamy, 2015). On the other hand, Bhardwaj and Fairhurst (2010) have defined fashion as an expression of individual that has been acknowledged by various people from time to time and has been recognized by marketing factors for its high amount of demand, shorter life cycle, and high impulse buying.

Fashion's life cycle is known to be small, as the consumers have adopted the temporary cyclic phenomena due to continual changes in fashion trends (Bhardwaj & Fairhurst, 2010). Social trends, individual needs and pressure from other individuals are the factors that would highly affect the extent of fashion change. In this sense, fashion trends have presented some particular styles that might be included or excluded from the seasons that have been analyzed by fashion experts (Hidayati, Hua, Cheng, & Sun, 2014). Nevertheless, fashion show is believed to be a major event that has portrayed how fashion trends are born; a platform where top designers all around the world release some new collections (Hidayati, Hua, Cheng, & Sun, 2014).