THE IMPACT OF SOCIAL MEDIA ACTIVITIES ON BRAND EQUITY OF HIJAB BRANDS IN MALAYSIA

BY

SITI MAIZALAIZZAH AKMA BINTI ADNAN

A dissertation submitted in fulfilment of the requirement for
the Master of Science (Marketing)

Kulliyyah of Economic and Management Sciences
International Islamic University Malaysia

NOVEMBER 2019

ABSTRACT

The objective of this study is to examine the relationships between social media activities and brand equity of hijab brand in Malaysia. Using the consumer-based brand equity (CBBE) model as the theoretical framework, the present study examined five predictor variables namely entertainment, interaction, trendiness, customisation, and perceived risk to explain brand equity as a dependent variable. The primary data was collected using questionnaires, and the questionnaires were administered online through social media channels. Data was analysed using descriptive analysis by SPSS and presented in form of tables. Partial Least Squares (PLS) method in SmartPLS 3.0 was used to conduct an analysis on a sample of 300 respondents. The findings demonstrated that the characteristics of social media activities have an impact on brand equity of hijab brands in Malaysia. Accordingly, entertainment, interaction, trendiness, and customisation positively influenced brand equity of hijab brands, whereas perceived risk has a negative influence on brand equity of hijab brands. Therefore, all the hypotheses in this study are supported.

خلاصة البحث

يهدف هـذا البحث إلى فحص العلاقـة بين أنشـطة وسـائل التواصـل الاجتمـاعي وقيمـة الوسم لتجارة الخمار في ماليزيا. باستعمال نموذج استناد الزبائن لقيمة وسـم(CBBE) كالإطـار النّظـري، يفحص هـذا البحث الحـالي خمسـة المتغـير المتوقّـع أي الترفيـه، والتفاعـل، والعصرية، والتخصـيص، والمخـاطر المتصـوّرة لشـرح قيمـة الوسـم كمتغـير مشروط. قد تمّ جمع البيانات الأولية باستخدام الاستبيانات، كما تمّت إدارة الاستبيانات عـبر الإنـترنت من خلال قنـوات التّواصـل الاجتمـاعي. وتمّ تحليـل البيانـات باسـتخدام التحليل الوصفي بواسطة SPSS التي يقدّم من خلال الجـداول. وتمّ اسـتخدام البرنـامج التحليلي (PLS) في SmartPLS 3.0 لإجراء التحليل على عينة وهي من 300 مستجيب. وأظهرت النتائج أنّ أنشطة وسائل التواصل الاجتماعي بخصائصها لهـا تـأثير على قيمـة الوسـم لتجارة الخمار في ماليزيا. ووفقًا لذلك، هناك أثر الترفيه، والتفاعـل، والعصـرية، والتخصيص، بشـكل إيجـابي على قيمـة وسـم لتجارة الخمـار، وفي حين أنّ المخـاطر المتصورة لها تأثير سلبي على قيمة وسم لتجارة الخمار. وبهذه النتائج، يتم دعم جميـع الفرضيات في هذا البحث.

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 thesis for the degree of Master of Science (Marketing).

………………………………..
Wan Jamaliah binti Wan Jusoh
Supervisor

I certify that I have 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).

………………………………..
Nur Kamariah binti Abdul Wahid
Examiner

………………………………..
Zaireena binti Wan Nasir
Examiner

This dissertation was submitted to the Department of Business Administration and is accepted as a fulfilment of the requirement for the degree of Master of Science (Marketing).

………………………………..
Noor Hazilah binti Abd Manaf
Head, Department of Business Administration

This dissertation was submitted to the Kulliyyah of Economics and Management Sciences and is accepted as a fulfilment of the requirement for the degree of Master of Science (Marketing).

………………………………..
Hassanuddeen Abd. Aziz
Dean, Kulliyyah of Economics and Management Sciences

DECLARATION

I hereby declare that this dissertation is the result 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.

Siti Maizalaizzah Akma binti Adnan

Signature .... Date ....

INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA

DECLARATION OF COPYRIGHT AND AFFIRMATION OF FAIR USE OF UNPUBLISHED RESEARCH

THE IMPACT OF SOCIAL MEDIA ACTIVITIES ON BRAND EQUITY OF HIJAB BRANDS IN MALAYSIA

I declare that the copyright holders of this dissertation are jointly owned by the student and IIUM.

Affirmed by Siti Maizalaizzah Akma binti Adnan

………..………………….. ……….……………..
Signature   Date

ACKNOWLEDGEMENTS

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

CHAPTER ONE

INTRODUCTION

1.1 INTRODUCTION

Chapter One provides an overview of social media and hijab brands in Malaysia. The chapter also describes relevant studies on social media activities. The problem statement and the objectives of the study are defined together with the research questions. The significance of the study is also discussed. The definition of the key terms used and structure throughout this thesis is highlighted in the last part of the chapter.

1.2 BACKGROUND OF THE STUDY

There are several researches on the impact of social media activities on brand equity (Naveed, 2012; Kim & Ko, 2012; Seo & Park, 2018). Based on those findings, it is identified that social media activities have a control on brand equity. In addition, as one of the elements in the communication mix, social media activities have a significant impact on brand equity (Godey et al., 2016), therefore the relationship between those two has been tested. Also, the studies on brand equity have been carried out in numerous business sectors (Kim & Ko, 2012).

Many studies have been carried out on Muslim fashion industry and community of women wearing hijab (veil) (Zarith & Shahira, 2016). However, there are not yet many researches done on how social media activities affected brand equity in hijab industry (Zarith & Shahira, 2016). As the number of Muslim women and hijab users are increasing, the quantity of hijab brands and hijab company has also increase.

Examples of some famous Malaysian hijab brands are; Bella Ammara, Naelofar Hijab, Aidijuma Scarf, dUCk Scarves and many more.

The definition of hijab is veil (Abdullah, 1946), and the word veiling commonly refers to dress; act of adorning a person's hair, neck and chest with a scarf (Fadila & Munazza, 2015). In the Qur'an, there is a verse represents the reference to hijab:

> And tell the believing women to lower their gaze and be modest, and to display of their adornment only that which is apparent, and to draw their veils over their bosoms, and not to reveal their adornment save to their own husbands or fathers or husbands' fathers, or their sons or their husbands' sons, or their brothers or their brothers' sons or sisters' sons, or their women, or their slaves, or male attendants who lack vigour, or children who know naught of women's nakedness. And let them not stamp their feet so as to reveal what they hide of their adornment. And turn unto Allah together, O believers, in order that ye may succeed. (24:31).[1]

In Islam, it is compulsory for women to cover their aurah which include covering their hair with a piece of cloth (Zarith & Shahira, 2016). As Malaysia consists of more than 61.3 percent Muslim, it is normal to see Malaysian women wearing hijab in Malaysia (Index Mundi, 2018). However, nowadays women wear and style their hijab in a more fashionable way to present a modern outlook for Muslim women (Zarith & Shahira, 2016). Zarith and Shahira (2016) said that as the request for a more stylish hijab has increased extensively in Malaysia, this would therefore generate an opportunity for hijab brands to fulfil the need of the consumers, especially women. Ahmed (2012) also stated that as the demands for hijabs have been increasing rapidly in the fashion industry, Muslim women have the tendency to purchase many brands of hijab to complement their attires. Yet with more than hundreds of hijab brands in the Malaysian market, there are competitive competitions

---

[1] The Qur'an 24:31 (Translated by Abdullah Yusuf Ali)

among hijab companies and this will create conflicts in order for them to stay in the market (Zarith & Shahira, 2016). Consumers have many choices to choose from a large product assortment. Hijab companies should know a variety of hijab fashion and study about the consumers' preferences so that they can create products that are different from other companies. Molina, Martin and Santos (2009) stated that brand name is one of the vital elements used for product differentiation (Li, 2010) and that can help companies to build brand loyalty among consumers which would enhance its brand equity (Reisenwitz and Gupta, 2011).

Social media marketing is more honest in its communication with the consumers, as it shows what the brand is instead of its image (Ajanthan, 2017). Ajanthan (2017) stated that subsequently, there are more brands that integrated social media marketing (SMM) into their marketing techniques in order to gain the benefits of the digital phenomenon. Erdogmus and Cicek (2012) stated that social media is linked to make connection with both present and prospective consumers. Kim and Ko (2012) found that the aim of social media activities are to create content generation, to allow interaction in order to increase web traffic, and also to create the awareness and recognition of brands. Furthermore, the increasing usage of social media and the development of social search is playing a primary part in the interactions and engagement between consumer and brand (Kim & Ko, 2012; Laroche et al., 2013). Parent, Plangger and Bal (2011) as well as Schultz and Peltier (2013) stated that companies as well as brands have to find out how social media activities influence consumers and also to better comprehend the limit of social media ability in playing a role in the interaction between consumer and brand.

Santiago et al. (2013) claimed that with the e-commerce stores increasing rapidly, traditional stores are no longer the only outlet that attracts customer spending.

With the advancement of the new digital wave, social media shifts from in-store shopping to online shopping (Santiago et al., 2013). Besides that, the internet has become an integral part for people in their daily life (Polychronidou et al., 2014). The statistics in 2014 mentioned that the number of internet users worldwide has risen up to 3.33 billion (Polychronidou et al., 2014). According to the new 2018 Global Digital reports from We Are Social and Hootsuite, the internet users have increased to 4 billion people. In addition, it is normal for online users to do online shopping as it is fitting for those who has a busy lifestyle (Santiago et al., 2013). As a result, marketers need to learn better about the consumer behaviour and the purpose of the online consumers because it is not the same from traditional in-store purchase.

Petra (2016) stated that the first generation to recognize about technology and internet from a very young age is Generation Y. Therefore, this makes Generation Y as individuals who are knowledgable about new technology usage and they are taking part in online behaviour, for example on social media sites or in online shopping at high volume of social networks (Petra, 2016). Nusair et al. (2013) stated that these social media sites have a major influence on their lives because social media enfold the characteristics of interactive media online. Bergh and Behrer (2011) claimed that Generation Y converse every so often about brands in their discussions as compared to other generations. Higher interest and expenditure of outstanding goods and services is normal for them, and they utilize the products not just because of the great quality, but also because of the social status (Phau & Cheong, 2009; O'Cass & Siahtiri, 2013).

Ferreira (2017) claimed that top famous products to sell on social media in 2018 are products like cosmetics (make-up and skincare), clothing (maternity wear and leisurewear), phone accessories and backpacks. In Malaysia, fashion items are the

most purchased products through online sites (Ferreira, 2017). 54 percent of them are clothing, another 53 percent of all purchases include bags and accessories (Ferreira, 2017). It was also reported in the Malaysian E-Commerce Index of 2018, top products sold are fashion items like apparel (for women, men and children), shoes and shoes care products (cleaning products), accessories and bags, include scarves, gloves and leather bags, suitcases, purses, and briefcases. Fashion revenue reported by Malaysian E-Commerce Index of 2018 reached up to US$155 million. As the Malaysian e-commerce market is growing fast, sales volumes and numbers of online shoppers also increases as well as categories of products being bought online (ASEAN *UP*, 2018). Among the top e-commerce sites in Malaysia for 2018 are: Lazada Malaysia with monthly traffic estimate of 45,000,000 followed by 11Street Malaysia with 13,000,000 monthly traffic estimate, and Shopee Malaysia with monthly traffic estimate of 12,500,000 (ASEAN *UP*, 2018).

Table 1.1 Number of Internet, Social Media and Mobile Users in Malaysia for 2018

Digital Malaysia – January 2018	
Population	31.83 M
Internet Users	25.08 M
Social Media Users	24.00 M
Unique Mobile Users	21.62 M
Mobile Social Users	22.00 M

Source: We Are Social, Hootsuite, Jan 2018

Table 1.1 shows the number of internet, social media and mobile users in Malaysia as of January 2018. Based on the Table 1.1, the population of people in Malaysia is 31.83 million. There are 25.08 million internet users, 24 million social media users, 21.62 million unique mobile users and 22 million mobile social users. The data clearly shows that almost 80% of population in Malaysia are internet users.

Table 1.2 Social Media Statistics in Malaysia for July 2018

Statcounter GlobalStats – Social Media Stats in Malaysia (July 2018)		
Facebook - 79.93%	Twitter – 5.6%	YouTube – 4.8%
Pinterest – 4.64%	Instagram – 3.38%	Tumblr – 1.09%

Source: GlobalStats, July 2018

Table 1.2 shows the social media statistics in Malaysia on July 2018. According to the data shown, the statistics for social media sites as reported by GlobalStats for July 2018 showed that Facebook is the most favourite social media sites used by consumers with 79.93 percent followed by Twitter (5.6%), YouTube (4.8%), Pinterest (4.64%), Instagram (3.388%) and Tumblr (1.09%) respectively. This clearly shows that most Malaysian consumers buy products through social media. In addition, the high percentage of users in those social media shows that most consumers use social media to purchase hijab brands. Social media has shift consumers from in-store shopping to online shopping (Santiago et al., 2013). Ferreira (2017) stated that fashion items, which includes hijabs, are the most purchased products through online sites.

In addition, Vivy Yusof and Neelofa, who are the Malaysian female entrepreneurs as well as founders of dUCk Scarves and Naelofar Hijab respectively, are chosen for Forbes 30 Under 30 Asia 2017 list in Retail and E-Commerce (Ellia, 2017). Neelofa identified a gap in the modest wear market and she launched a handful of lifestyle brands including Naelofar Hijab, which now sells in over 38 countries (Ellia, 2017). Vivy Yusof who run her own retail company named as Fashion Valet also landed a spot on Forbes 30 Under 30 Asia 2017. Her own hijab brand named dUCk Scarves always makes her to be a hot topic among Malaysian women because

of its exclusivity and luxury (Ellia, 2017). One of her biggest accomplishments is the sale of the special limited-edition Swarovski crystal dUCk scarves of Kuala Lumpur skyline in collaboration with the Miss Universe 2016 pageant which was sold out in five minutes (Ellia, 2017). This shows a growth in hijab market among Malaysian women consumers as majority of the population here are Muslims.

Table 1.3 Social Media Channels for Hijab Brands in Malaysia (2018)

Hijab Brands in Malaysia	Instagram (Likes)	Facebook (Likes)	YouTube (Subscribers)
Bella Ammara	871,000	526,000	4,256
Naelofar Hijab	612,000	180,579	21,196
dUCk Scarves	375,000	20,040	3,839
Tudung People	286,000	197,177	30,213
Galeri Ariani	435,000	1,319,953	12,516
Aidijuma Scarf	510,000	1,051,291	311
Tudung Ruffle	370,000	177,000	1,718

Source: Instagram, Facebook and YouTube of Hijab Brands in Malaysia (2018)

Among famous hijab brands in Malaysia are Bella Ammara, Naelofar Hijab, dUCk Scarves, Tudung People, Galeri Ariani, Aidijuma Scarf and Tudung Ruffle. Table 1.3 above shows the numbers of likes and subscribers from the brands' social media like Instagram, Facebook and YouTube. The huge numbers of likes and subscribers from those social media shows a growth of consumers purchasing hijab brands in Malaysia. Therefore, many hijab companies and brands are using social media marketing to expose their brands to the market (Zarith & Shahira, 2016).

Social Media Sites of Hijab Brands in Malaysia 2018

■ Facebook ■ Instagram ■ YouTube
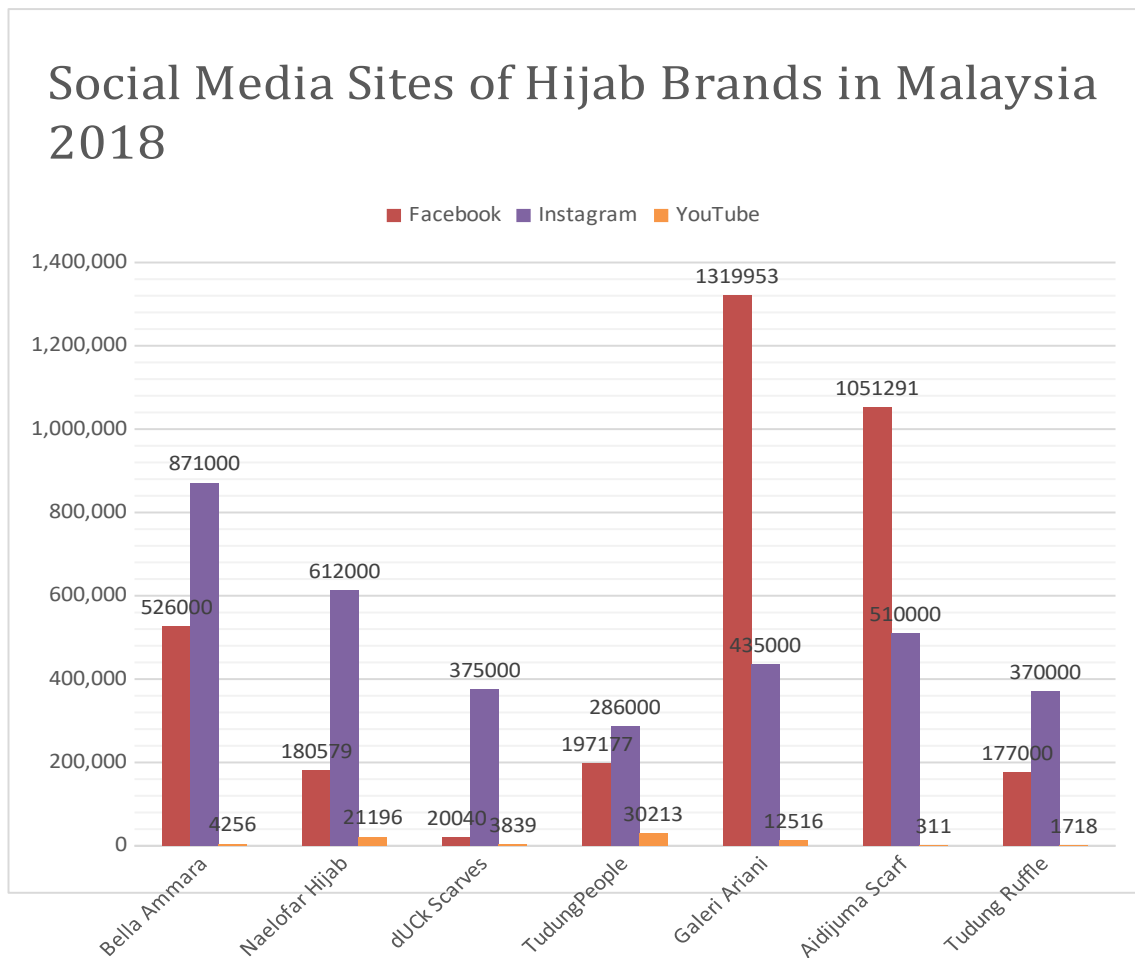
Figure 1.1 2018 Data for Social Media Sites of Malaysian Hijab Brands

Figure 1.1 shows the data for social media sites (Facebook, Instagram and YouTube) of hijab brands in Malaysia on 2018. Based on that data above, these hijab brands can be seen as most popular hijab brands among consumers in Malaysia (Social Media Sites, 2018). Social media channels normally used by Malaysian hijab brands are Facebook, Instagram and YouTube. Some hijab brands are more famous than others in different social media sites according to the ways how they market their products. For instance, Tudung People has the most subscribers (30,213) on YouTube channel as compared to other brands. Galeri Ariani has the most likes on Facebook with 1,319,953 followed by Aidijuma Scarf with 1,051,291 likes, and Bella Ammara

with 526,000 likes. On Instagram, Bella Ammara has over 871,000 followers, Naelofar Hijab with 612,000 followers, Aidijuma Scarf with 510,000 followers, Galeri Ariani with 435, 000 followers, dUCk Scarves with 375,000 followers, Tudung Ruffle with 370,000 followers and Tudung People with 286,000 followers. This shows that each hijab brands use social media to promote their products and brands to the consumers.

1.3 PROBLEM STATEMENT

In the past decade, women purchased hijab based on their needs as wearing hijab is compulsory in their daily life and it is an Islamic requirement based on the Qur'anic teachings (Nurzihan, 2014). However, in these past years, hijab became a high trend and the industry is on in upward trends (Zarith & Shahira, 2016). Thus, the increase of hijab trends has enhanced the effects on the demand for hijab brands. Nowadays, Muslim women not only wear hijab merely as an obligation to religion, but also as a fashion trend (Zarith & Shahira, 2016). At present, many hijab brands emerged to cater to the demand of Muslim women. Such a situation has exposed the consumers with a wide selection of hijab brands and multiplies the freedom of choices for the consumers (Zahira & Shahira, 2016). As the hijab market grows rapidly, it is very important for hijab companies to focus on product differentiation to adapt to customer preferences, for instance brand names and fashion styles.

The ways the companies promote their products as well as the communication channels between them and their consumers have changed a lot because of the rise of technology and Internet (Rudloff and Frey, 2010). Social media not only used by the companies to market their products to the customers but also to create a two-way communications between them. The development of Internet has caused a shift in the

control of communication and promotion from the companies to the customers (Rudloff and Frey, 2010). This will lead the customers to be more aware of the products and the brands as they enter into a relationship with the companies. Among famous hijab brands in Malaysia like Bella Ammara, Naelofar Hijab, dUCk Scarves, Tudung People, Galeri Ariani, Aidijuma Scarf and Tudung Ruffle used social media marketing to promote their brands to the market (Social Media Sites, 2018). Social media channels used by those hijab brands are Facebook, Instagram and YouTube.

There are several previous studies on Muslim fashion industry or hijab industry related to brand equity. For instance, Safwati (2018) did a study on the influence of brand equity on customer responses to the dUCk scarves hijab. Buil, Martinez and de Chernatony (2013) claimed that building a strong brand with a positive influence on company's performance can affect consumers' responses toward brands. It is very important for companies to focus on their product differentiation in order to differentiate their products from other competitors (Buil, Martinez & de Chernatony, 2013). As social media has become an essential need and part of life, we cannot ignore the significance of the social media activities on promoting and improving brand equity of products. How exactly social media activities help to improve brand equity of Malaysian hijab brands?

Hijab brands striving hard to make their brand becoming known hence making them to adapt the advancement of technology through social media to brand value on that note, studies supported that such platform role to improvise value of brands to consumers for ideas and info exchange (Kim & Ko, 2012). Therefore, based on the above mentioned matters, social media activities toward brand equity of Malaysian hijab brands become the focus of interest in this study. It is useful to take a closer look at the impact of social media activities toward brand equity of Malaysia hijab brands

among consumers in Malaysia. Most social media activities studies relevant to the brand equity fashion brands have been conducted, however there are not many studies done on social media activities toward brand equity of hijab brands in Malaysia (Safwati, 2018). Thus, it is interesting to identify the impact of social media activities toward brand equity of Malaysian hijab brands among consumers in Malaysia. Hence, this study is to identify how social media activities namely entertainment, interaction, trendiness, customisation, and perceived risk affect brand equity of Malaysian hijab brands in Malaysia.

1.4 SIGNIFICANCE OF THE STUDY

This study is conducted to understand social media activities toward brand equity of Malaysian hijab brands in Malaysia. It also discusses about the hijab industry in Malaysia and famous Malaysian hijab brands in Malaysia.

This study applied the customer based brand equity model. Generally, a theory-driven research provides a better understanding about social media activities and brand equity, thus would be able to fill the gap in the existing body of literature associated with the topic. This study contributes to the understanding of social media activities toward brand equity of Malaysian hijab brands in Malaysia by applying the Customer Based Brand Equity Model. The modification of the model is expected to maximize its predictive efficiency.

In addition, the results of this study are expected to contribute to the managerial perspectives. It provides further knowledge for policy makers with insight into the social media activities (entertainment, interaction, trendiness, customisation and perceived risk) that influence the most on brand equity of Malaysian hijab brands in Malaysia. This insight therefore can be considered by policy makers to adjust to