## **UNIVERSITI TEKNOLOGI MARA**

# ESTABLISHING THE RELATIONSHIP BETWEEN HALAL BRAND PERSONALITY AND BRAND LOYALTY: THE MODERATING EFFECT OF SOCIAL MEDIA AMONG MILLENNIALS' MODEST FASHION CONSUMERS IN MALAYSIA

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#### ABSTRACT

This research analyzed Malaysia Millennials modest fashion consumers' brand loyalty. Two issues highlighted in this research are the challenges face by modest fashion brands in Malaysia to survive in the market and creating consumers' brand loyalty and the effectiveness of social media as a platform of communication between modest fashion brands and their consumers in creating brand loyalty. In order to address both of the first issue, the concept of Halal brand personality which consists of five dimensions (purity, excitement, safety, sophistication and righteousness) was introduced as independent variables to attract consumers' brand loyalty. Next, social media was taken as the moderating variable to measure its effectiveness as a communication platform in strengthening the relationship of *Halal* brand personality and brand loyalty. Quantitative approach using self-administered questionnaires with 5-point Likert scale was distributed to 400 respondents who were female Malaysian Millennials modest fashion consumers. Purposive sampling was chosen because probability sampling criteria cannot meet. Statistical analysis was conducted using Statistical Package for Social Sciences (SPSS) version 24 to test the reliability, validity leading to hypothesis testing. Multiple regression analysis (MRA) was conducted to examine the direct relationship between Halal brand personality as independent variables and brand loyalty as the dependent variable. Hierarchical multiple regression (HRA) was then conducted to check the interactive effects and moderating effects of social media on the equation. This study revealed that three out of five Halal brand personality dimensions namely excitement, sophistication and righteousness have significant relationship with brand loyalty. However, social media was found to be insignificant moderator to Halal brand personality and brand loyalty. As a conclusion, the researcher suggested for modest fashion marketers to include three significant Halal brand personality dimensions as part of their marketing strategy and shift their focus to other traditional media or combination of both traditional and new media in order to attract their consumers' brand loyalty. This research contributes to both practical and theoretical implications by identifying new framework to be used by the marketers in creating Millennials modest fashion consumers' brand loyalty and to academician by adding new body of knowledge to Islamic marketing and branding field.

Keywords: *Halal* Brand Personality, Social Media, Brand Loyalty, Millennials, Modest Fashion

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# CHAPTER ONE INTRODUCTION

#### **1.1 Background of the Study**

The study of brand loyalty has been one of the most important discussions among academic scholars and marketers over the years. Although, brand loyalty studies are not new to the marketing field, but it is an old concept that need to be refined with new perspectives for the benefit of managing change with time (Chai, Malhotra & Alpert, 2015). About 95 years ago, the concept of brand loyalty was introduced by Copeland (1923) and his study had contributed to numerous studies in understanding the benefits of ever-changing business scenario (Jang, Kim & Lee, 2015). In the recent years, the concept of brand loyalty had gone tremendous development in an effort to understand consumers' loyalty behavior in various industry.

Building brand loyalty has become more significant especially for fashion business to ensure that their brand is relevant in the industry, create a positive image, retaining customers' repeat purchase, generating greater sales for increase profitability and lessen consumers brand switching behavior to ensure sustainable growth (Tansey, 2017; Dawes, Meyer-Waarden & Driesener, 2015). However, building brand loyalty among Millennials fashion consumers are proven to be challenging to most of the marketers all around the globe. According to Vajunic (2017), based on the Accenture research of 10, 000 Millennials consumers globally, only 26 percent of them shop at a single store or brand for clothing and fashion items. This means that 74 percent of the Millennials consumers are not loyal to their fashion brand. Therefore, the concept of brand loyalty among Millennials fashion consumers is worth to be explored.

Due to the development of technology, majority of the business has shifted their focus from brick-and-mortar business to e-commerce. According to Krasniac (2017), Accenture reported that Millennials shoppers spend estimately 600 billion US dollars each year and expected to grow to 1.4 trillion US dollars in 2020. She further elaborated that in another research conducted by PricewaterhouseCoopers (PwC) on 23, 000 shoppers around the world, 73% of the respondents said they shop online although in brick-and-mortar location and 43% of the respondents are Millennials. Majority of the e-commerce business use social media as a platform for them to promote and market