

TITLE: ADOPTION OF ECO-FASHION IN KUALA LUMPUR

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Report submitted in fulfilment of the requirement for the degree of Bachelor of
Technology Management (Hons) In High Technology Marketing

Faculty of Technology Management and Technopreneurship
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JUNE 2016

SUPERVISOR CONFIRMATION

I/We, hereby declared that I/We had read through this thesis and in my/our opinion that this thesis is adequate in terms of scope and quality which fulfil the requirements for the award of Bachelor of Technology Management

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DECLARATION

“I admit that this report is the result of my own, except certain explanations and passages where every of it is cited with sources clearly.”

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DEDICATION

I would like to dedicate the appreciation to my family members who gave me mentally and financially support, respected supervisor Madam Adilah and panel Dr Hariri who guided me throughout the research. Also not to forget my housemates and course mates that assisted me throughout my research.

ACKNOWLEDGEMENT

First of all, I would like to take this opportunity to express my deepest sincere of appreciation to my parents that had supported throughout my entire journey. Without them, I would not able to achieve where I am right now. Besides that, I would also like to express thanks to my supervisor Madam Adilah Binti Mohd Din and Dr Mohammed Hariri Bin Bakri for guiding encouragement and pointing out my mistakes by giving genuine comments throughout my one-year journey to complete this final year thesis. Not to forget also my housemates and course mates, Tan Tian Seng, Lim Juin Shyen and Lim Wannu for their help in assisting me during my hard time upon completing this thesis. Other than that, I would also like to thank my university and faculty for providing electronic library (e-library) for me to access on full published papers for free that had reduced my financial burden. Last but not least, I would also like to thank all the respondents that had took part and willing to spend their time on answering the questionnaires and also to those who I might missed out mentioning their names that had also contributed directly or indirectly to this research paper.

ABSTRACT

Nowadays, there are more and more fashion producers start to concern about the environment aspects. Eco-fashion has been implemented to generate or facilitate any exchanges intended to satisfy the consumer needs and at the same time minimize the negative impact towards environment and also human. However, there were also some challenges when implementing eco-fashion as fashion consumer is more and more demanding on sustainable supply and production process. Thus, this research aims to increase the understanding the factors that will affect consumers' behaviour buying decision and the focused area is in Kuala Lumpur. There were two main objectives in this research. Firstly, to find out the most influential factor in consumer buying decision towards Eco-Fashion in Kuala Lumpur. Secondly, to identify the relationship of influential factors and consumer buying decision towards Eco-fashion in Kuala Lumpur. The data were collected by using questionnaires and the participated respondents were 250. The researcher was then used descriptive analysis, correlation analysis and multiple regression analysis to analyse the data. The result of the study had concluded that out of the four variables, marketing mix is the most influential factor in consumer buying decision towards Eco-Fashion in Kuala Lumpur. This had answered the objective one, whereas all the variables have positive relationship with consumer buying decision towards Eco-Fashion in Kuala Lumpur which had also answered objective two. The researcher recommended future researcher to focus on other part of the big cities in Malaysia to provide more useful and accurate data for the Eco-Fashion industries.

ABSTRAK

Pada masa kini, terdapat banyak pengeluar fesyen mula bimbang mengenai aspek-aspek alam sekitar. Eco-fesyen telah dilaksanakan untuk menjana atau memudahkan apa-apa pertukaran bertujuan untuk memenuhi keperluan pengguna dan pada masa yang sama mengurangkan kesan negatif terhadap alam sekitar dan juga manusia. Walau bagaimanapun, terdapat juga beberapa cabaran dalam melaksanakan eko-fesyen kerana permintaan daripada pengguna fesyen lebih cerewet pada bekalan yang berterusan dan proses pengeluaran. Oleh itu, kajian ini bertujuan untuk meningkatkan perfahaman faktor-faktor yang akan memberi kesan kepada tingkah laku keputusan pembelian pengguna dan kawasan yang ditumpuan ialah di Kuala Lumpur. Terdapat dua objektif utama dalam kajian ini. Pertama, untuk mengetahui faktor yang paling berpengaruh dalam keputusan pengguna membeli terhadap Eco-Fesyen di Kuala Lumpur. Kedua, untuk mengenal pasti hubungan faktor – faktor pembelian pengguna yang berpengaruh keputusan terhadap Eco-fesyen di Kuala Lumpur. Data telah dikumpulkan dengan menggunakan soal selidik dan responden mengambil bahagian adalah seramai 250 orang. Penyelidik kemudiannya menggunakan analisis deskriptif, analisis korelasi dan analisis pelbagai regresi untuk menganalisis data. Kesimpulan hasil kajian ini adalah bahawa daripada empat pembolehubah, campuran pemasaran adalah faktor yang paling berpengaruh dalam pengguna keputusan membeli terhadap eko- fesyen di Kuala Lumpur. Ini telah menjawab objektif satu, manakala semua pembolehubah mempunyai hubungan positif dengan keputusan pembelian pengguna terhadap eko- fesyen di Kuala Lumpur yang turut menjawab objektif kedua. Pengkaji mencadangkan penyelidikan masa depan untuk memberi lebih tumpuan kepada bahagian lain bandar-bandar besar di Malaysia untuk menyediakan data yang lebih berguna dan tepat untuk bergerak industri-industri eko-fesyen .

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CHAPTER 1

INTRODUCTION

1.1 Background of study

The condition of the environment is badly deteriorating as can be seen from the spreading of air and water pollution, global warming, and unpredictable climate changes. Consumers have generally been found to respond more favorably to environmental claims made by green brands (Phau and Ong, 2007). This has lead consumers' awareness on environmental impact to increase and at the same time eco-friendly products are also growing in the marketplace such as Malaysia. A recent survey by Stern and Ander (2008) also supported these two findings by revealing that participants actively (12 percent) or occasionally (47 percent) consider purchasing green products. Noted that climatic change has been considered of strategic importance to most managers and about 60 percent of them are seeing it in the process of developing and marketing new products. Environmental procedures like Kyoto Protocol, the Waste Electronics and Electrical Equipment and Montreal Convention and the consumers' environmental consciousness will highly impact the world's business (Chen et al., 2006).

In the recent years, eco-fashion has become a trend in the western countries such as United States and Australia. However, in Malaysia this trend is not famous even though they are aware of the environmental impact. In fact, eco-fashions such as Bamboomo, BastetNoir, and Zady are hardly heard of. More current research has shown that there is a significant intent to buy sustainable clothing, but consumers seldom do so as the awareness levels of these eco-fashion brands are weak, partially owing to limitations in branding and marketing strategies (Coleman and D'Souza 2013). In the past few decades sustainability has changed the way businesses think, gaining prominence in politics, media, investment and with the public (Jones et al. 2011). The demand for sustainability has been driven by consumers indicating that environmental problems are the foremost among business issues (D'Souza, 2007). Environmental sustainability is not just about guarding the environment; it is also about restoring the environment for future generations and has found its roots in every constituency of the functioning of a business. Eco-fashion is defined as a style that is popular at a particular time in related to clothing and other goods made from recycle material or produced by methods that are not harm to the environment (Ochoa, 2011). Besides, this environmentally prudent consumption has not yet extended to apparel purchasing behaviour. The Malaysians environmental knowledge and consciousness influence their purchase towards other products, such as food because it directly relates to health concern. Thus, it is important to promote the benefits of eco-fashion so that they can adopt this as part of their lifestyle.

1.2 Problem Statement

The alarming issues of environmental impact on earth has bring awareness to the public. As a result, manufacturers from different industries and sectors are now going to pro-environment movement trying to produce greener products and minimizing the harm to the environment. However, the environment awareness among

Malaysian is still low (Ali, 2015). According to the Eco Fashion Forum (2011), Eco Fashion “represents an approach to the design, sourcing and manufacture of fashion wear that maximizes profits to people and communities and at the same time minimizing impact on the environment.” The eco-fashion industry has created social and environmental value. It has developed from a niche in the fashion industry to a stand-alone industry, with a particular market structure. Relatively, it has share in the fashion market, with 0.4 percent in UK, one of the strongest markets for green fashion in Europe. Over the last five years, British eco-fashion sales have increased by 500 percent, reaching in US\$294 million (Mintel, 2009). It is forecast by most professionals that future growth of green food and eco-fashion products will be parallel (Mintel, 2009). Nowadays, the fashion consumer is more demanding on the implementation of sustainable supply and production processes, to the point that ethical and green fashion is becoming mainstream (Cervellon and Carey, 2011). Moreover, the increase of traditional fashion houses involved into sustainable strategies under the pressure of their clientele and the media. Therefore, environmental knowledge influenced their buying decision on eco-fashion products.

1.3 Research Questions

The research questions that asked in this study were:

- i) What is the most influential factor in consumer buying decision towards Eco-Fashion in Kuala Lumpur?

- ii) What is the relationship of the influential factors and consumer buying decision towards Eco-Fashion in Kuala Lumpur?

1.4 Research Objectives

The research objectives that fulfilled in this study were:

- i) To find out the most influential factor in consumer buying decision towards Eco-Fashion in Kuala Lumpur.
- ii) To identify the relationship of the influential factors and consumer buying decision towards Eco-fashion in Kuala Lumpur.

1.5 Scope and Limitation of the Study

This study aimed to identify what consumer behaviour elements that can affect fashion consumer buying decisions. Consumer behaviour that covered in this study are: fashion orientation, shopping orientation, environmental concern and marketing mix.

This study will focus on all fashion consumers that ever bought eco-clothing or eco-fashion as respondents. The respondents vary in different gender, races, gender, status, education, age, employment status and income. The information was all collected from online survey where these respondents stay in Kuala Lumpur.

1.5.1 Scope

This whole research is mainly focus on fashion consumers in Kuala Lumpur area who spends on fashion products. This includes male and female, teens and adults, age range from 18 to 58 years old.

1.5.2 Limitation

The understanding on what is eco-fashion is the first limitation of this study. Most of the respondents do not really understand what is eco-fashion when they received the questionnaire. Most of them had asked about this and the researcher need to explain what is Eco-Fashion before they start to answer the survey given.

Besides, the second limitation of this study is that there were limited outlets that sell eco-fashion products and because of that, a lot of people in Kuala Lumpur were not exposed to eco products and thus relates to this, most of them have less knowledge and understanding on what is Eco-Fashion.

1.6 Importance of the Study

The contribution of this research has increase the understanding on factors that affect Kuala Lumpur fashion consumers' buying decision. The information collected will become useful for the eco-fashion industry especially those who likely developed or extend eco-fashion in Kuala Lumpur. Other than that, the information collected will also become useful reference for the future researchers who are interested on the same topic.

1.7 Summary

In this chapter, the researcher has briefly go through and explained about the background of study. The main contents in this chapter are the research objectives and research questions. Besides, this chapter had also explained about the limitation that were faced while conducting this research. Other than that, the researcher had also explained about the importance of study about this report and the contribution of this research report towards the publics.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The purpose of conducting a literature review is to prove an author's knowledge about a specific field of study that includes vocabulary, theories, key variables and phenomena, methods and history. Besides, a literature review also informs the student of the influential researchers and research groups in the field. A literature review also define as "genuine and publishable scholarly document" (LeCompte and colleagues, 2003). Another function for the researcher to write a literature review is that it provides a framework for relating new discoveries to previous findings in the discussion section of a study. Without establishing the state of the previous research, it is almost impossible to establish how to improve the previous research.

From the statement above, the theories that have used in this research has included evidence to improve the dependability of the research. The information that obtained from these resources is useful for the study with the support of strong evidence.

2.2 Eco – Fashion

Eco- Fashion refers to stylized clothing that uses environmentally sensitive fabrics and responsible production techniques. It is also called sustainable fashion. The non-profit Sustainable Technology Education Project (STEP) defines eco-fashions as clothes “that take into account the environment, the health of consumers and the working conditions of people in the fashion industry.” Clothes and accessories that meet such criteria are usually made using organic raw materials, such as cotton grown without pesticides, bamboo, silk, or re-used materials such as recycled plastic from old soda bottles. Eco-fashions do not involve the use of harmful chemicals and bleaches to colour fabrics. Fabric patterns are designed to minimize cutting waste. Sustainable fashion also needs to be made by people earning fair wages in healthy working conditions. With more inspired key players in the eco fashion industry improving both the creation as well as the production of apparel, eco fashion is rapidly growing movement. Some of the biggest fashion houses, in the world are already gearing new eco-initiatives last couple of years. Nowadays, eco fashion no longer attached to the hippy tie-dyed stereotype of the past. It had now been adopted by clothing distributors for the masses as well the high fashion couture of the runways. (“ECO FASHION GREEN FASHION TO SAVE THE WORLD”, 2011)

2.3 Consumer Buying Behaviour

Buying behaviour according to Dawson et al (2006), are set of attitudes that characterize the patterns of consumers' choices. Apart from the essential internal factors, which are recognized as influential to buying behaviour, there are a number of external situational contexts that affect consumer choices. Consumer behaviour is a combination of customers' buying consciousness and external incentives which are likely to result in behaviour remodeling. The society's culture such as norms,

convention, customs religion, festivity, class, lifestyle and other subculture influence how individual consumers buy and use products, and help explain how groups of consumers behave.

2.4 Model of Consumer Behaviour

Consumers make many buying decisions every day. The consumer purchasing decision answers questions about what consumers buy, where they buy, how and how much they buy, when they buy, and why they buy (Armstrong & Kotler, 2003). Past decisions, time-related events, such as ageing, and external events, such as an illness of job change, lead to lifestyle changes that pose additional consumption problems and result in new purchases (Neal, Quester, & Hawkins, 2002).

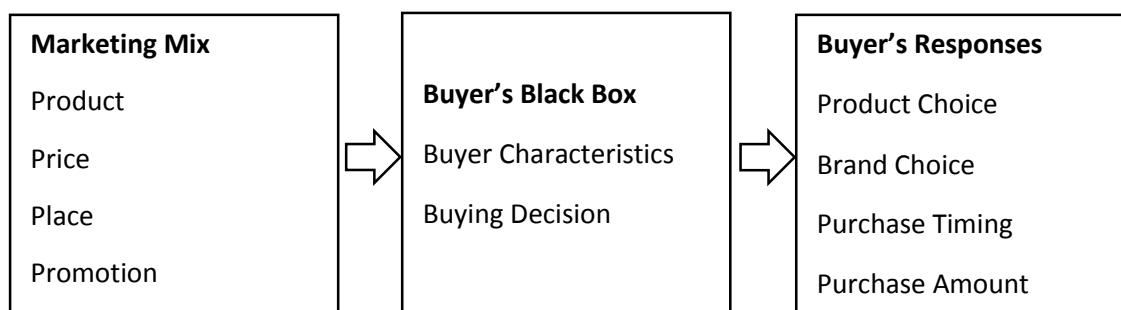


Figure 2.1 Model of Consumer Behaviour

Figure 2.1 presents that marketing and other stimuli enter the consumer's black box and produce certain responses. Marketing stimuli consists of the four Ps; product, price, place, and promotion. These inputs enter the buyer's black box, where they are turned into a set of observable buyer responses: product choice, brand choice, dealer choice, purchasing timing, and purchasing amount. The market wants to understand

how the stimuli are changed into responses inside the consumer's black box, which has two parts. First, the buyer's characteristics influence how they perceive and react to the stimuli. Second, the buyer's decision process itself affects the buyer's behaviour (Armstrong & Kotler, 2003).

2.5 Factors

2.5.1 Fashion and Shopping Orientation

According to Solomon and Rabolt (2004), the adoption of innovative products is based on a consumer's knowledge of and experience with those products. Fashion and shopping orientation have been utilized in a variety of studies, especially those that tested how consumers adopt new apparel products. Fashion orientation explains an individual's attitude toward, interest in, and opinions about fashion products, while shopping orientation explains dimensions of variety, frequency, and motivation (Belleau, 2001). Fashion leaders are highly engaged in fashion, and these consumers use fashion to differentiate themselves from others (Beaudoin, 2000). Fashion leaders tend to spend more money on apparel products (Bertrandias and Goldsmith, 2006), and fashion leadership is also related to fashion impulse buying and compulsive buying (Park and Burns, 2005). Park and Burns (2005) examined the relationship between fashion orientation and the use of credit cards and found that participants who have high interest in fashion use more credit cards. This result confirmed previous studies' findings that fashion leaders spend more money on apparel. Belleau et al. (2001) employed fashion and shopping orientation to understand whether fashion leaders have a more positive attitude toward exotic leather apparel products and, therefore, an amplified purchase intention, than fashion followers. They found that fashion leaders demonstrated a more favorable attitude and a heightened purchase intention regarding

exotic leather apparel products. Beaudoin et al. (2000) tested the relationship between fashion leadership and attitude toward imported apparel and found that fashion leaders had a more positive attitude toward imported clothing because imported clothing generally means a larger selection. In addition, fashion leaders purchase an apparel product because of its symbolic value, such as fashionableness or attractiveness, rather than for its functional values, such as durability, ease of care, or comfort. These results revealed that consumers who are interested in fashion demonstrate their interest by purchasing new apparel products and that their reasons for shopping differ from those who are not interested in fashion. Shopping orientations are effective factors for describing the needs and preferences of multiple consumer groups (Moye and Kincade, 2003). Consumers who have different shopping orientations have different lifestyle activities and patronage behaviours (Shim and Kotsiopulos, 1993). Consumers who enjoy shopping spend more time on shopping activities, including information searching (Moye and Kincade, 2003). Park and Burns (2005) also stated that consumer demand and information sources differ depending on shopping orientation. If consumers read fashion magazines and fashion-related books, they experience increased exposure to information about EFC. Several articles have described top designers, such as Philip Lim, Stella McCartney, and Calvin Klein, who use eco-friendly processes to create their collections, and this information may cause young consumers to consider EFC as more innovative and exciting (Vartan, 2008). Consumers with different shopping orientations demonstrated different consumer characteristics, a preference for different types of products, and a different motivation for shopping (Gutman and Mills, 1982). These researchers' use of shopping orientation suggests that the decisions to purchase EFC could be approached based on a motivation for fun and enjoyment through shopping for apparel.

Gutman and Mills (1982) suggested four factors associated with fashion orientation: (1) fashion leadership; (2) fashion interest; (3) importance of being well dressed; and (4) anti-fashion attitude. The authors used the criteria of fashion adoption priority, time frame, and initiative to determine the four factors. The psychographic dimension of fashion perception also influences how quickly consumers adopt new