THE IMPACTS OF INNOVATIVE VIRAL VIDEO MARKETING OF CONSUMER ATTITUDES IN THE COSMETICS INDUSTRY IN MALACCA

NURUL ASYIQIN BINTI IBRAHIM

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

C Universiti Teknikal Malaysia Melaka

SUPERVISORS' APPROVAL

"I hereby acknowledge that this project has been accepted as part of fulfillment for Bachelor Degree of Technopreneurship."

Signature	:
Name of Supervisor	: Datuk Dr. Sabri Mohamad Sharif
Date	:

Signature	:
Name of Panel	: Madam Mariam Miri Binti Abdullah
Date	:

i

THE IMPACTS OF INNOVATIVE VIRAL VIDEO MARKETING OF CONSUMER ATTITUDES IN THE COSMETICS INDUSTRY IN MALACCA.

NURUL ASYIQIN BINTI IBRAHIM

This report submitted in Partial Fulfillment of the Requirements for the Bachelor of Technopreneurship with Honours

Faculty of Technology Management and Technopreneurship

Universiti Teknikal Malaysia Melaka

JANUARY 2020

C Universiti Teknikal Malaysia Melaka

DECLARATION

A research project submitted in partial fulfillment of the requirements for degree in Bachelor of Technopreneurship by the coursework Final Year Project in the Faculty of Technopreneurship, Universiti Teknikal Malaysia Melaka, 2019.

I declare that this research is the end result of my own, unaided work, in exception of citation and references, which I have explained. No portion of this research project has been submitted before for any other degree or qualification in any other or this university.

Signature:Name: NURUL ASYIQIN BINTI IBRAHIMDate:

APPRECIATION

First of foremost, a big thanks to my supervisor, Datuk Dr Sabri Bin Mohamad Sharif for his continuous support, guidance, advice in completing this research project. In addition, I would like to take this opportunity to express my deepest an utmost gratitude for my beloved parents, Mr Ibrahim Bin Yusof and Mrs Sadiah Binti Ahmad for their endless love, moral and financial support throughout this research study.

Subsequently, I would also like to thank my brothers, sisters and friends who directly and indirectly give moral support and strength in completing this research. Thank you very much for all respondents who corporation in helping me to fill up the questionnaire. A special thanks to those who helped me to distribute the questionnaires to your colleagues and friends as well.

ACKNOWLEDGEMENT

I would like to express my sincere gratitude to my final year project supervisor, Datuk Dr. Sabri Bin Mohamad Sharif for his guidance, patience, motivation and knowledge. He spent his time to guide me on the way of doing research and give advice for me to complete this project. Moreover, I would like to thanks my panel, Madam Mariam Miri Binti Abdullah for her advice, recommendation, and comments during the presentation session. Besides that, I would like to thanks to my friends who give me moral support, information sharing and motivation along the period of this research report. I would like to show my deepest appreciation to my family, especially my parents for their support in terms of both spirituality and finance. Last but not least, I was sincere thanks to the respondents who spent their precious time to answer the questionnaire. Without all this support, I would not possible to conduct this research smoothly.

ABSTRACT

Innovative viral video marketing is the part of marketing strategies by marketers to become viral by the power "Word of mouth" and buzzwords. Innovative viral video marketing are more powerful and effective than traditional marketing campaign. This research has been to investigate the impacts of innovative viral video marketing of consumer attitudes in the cosmetics industry in Malacca. The purpose of the study is to understand innovative viral video marketing of consumer attitudes in the cosmetics industry in Malacca. Besides, this research investigates informativeness, entertainment, and credibility of innovative viral video marketing of consumer attitudes in the cosmetics industry in Malacca. Pilot testing was performed before final distribution to certify the accuracy of the questions. There are a total of 400 sets of the questionnaire being distributed to cosmetic consumers in Malacca. The result of this research will be valuable for the marketers in exploring knowledge and experiences on the relationship between consumer attitudes and innovative viral video marketing. This present research will form an evaluation of the impacts of innovative viral video marketing and approaches that analyzed consumer attitudes of innovative viral video marketing. The data analysis techniques that will be used in this research are the reliability test, Pearson correlation test, and multiple regression analysis. To produced accurate and reliable research data for the research, the researcher targeted respondents 20 and below to 61 and above. The Pearson regression shows that informativeness, entertainment and credibility have a strong moderate positive relationship with consumers' attitudes. Besides, the result also showed that credibility has the most significant effect on consumers' attitudes.

Keywords: innovative viral video marketing, consumers' attitudes, cosmetics industry, informativeness, entertainment, credibility, power "Word of mouth", buzzwords, marketing strategies, traditional marketing campaign.

ABSTRAK

Pemasaran inovatif viral video adalah sebahagian daripada strategi pemasaran oleh pemasar untuk menjadi viral dengan kuasa mulut dan popular. Pemasaran inovatif viral video adalah lebih berkuasa dan berkesan berbanding pemasaran kempen tradisional. Kajian ini adalah untuk mengkaji kesan pemasaran inovatif viral video terhadap sikap pengguna dalam komestik industri di Melaka. Tujuan kajian ini adalah untuk memahami pemasaran inovatif viral video terhadap sikap pengguna dalam industri komestik di Melaka. Selain itu, kajian ini juga untuk menyiasat maklumat, hiburan dan kredibiliti pemasaran inovatif viral video terhadap sikap pengguna dalam industri komestik di Melaka. Ujian perintis dilakukan sebelum bentuk soalan akhir dan sebenar diedarkan untuk mengesahkan ketepatan soalan. Terdapat 400 set soal selidik diedarkan kepada pengguna kosmetik di Melaka. Hasil kajian ini akan menjadi sangat berharga bagi para pemasar dalam menjelajahi pengetahuan dan pengalaman mengenai hubungan antara sikap pengguna dan pemasaran inovatif viral video. Kajian ini akan membentuk penilain untuk kesan pemasaran inovatif viral video dan pendekatan dalam menganalisis sikap pengguna terhadap pemasaran inovatif viral video. Teknik analisis data yang akan digunakan dalam kajian ini adalah ujian kebolehpercayaan ujian korelasi pearson dan analisis regresi berganda. Untuk menghasilkan data penyelidikan yang tepat dan boleh dipercayai untuk penyelidikan, penyelidik menyasarkan responden 20 dan ke bawah hingga 61 dan ke atas. Regresi pearson menunjukkan bahawa maklumat, hiburan dan kredibiliti mempunyai hubungan sederhana positif yang kuat terhadap sikap pengguna. Selain itu, hasilnya juga menunjukkan bahawa kredibiliti mempunyai kesan yang paling ketara terhadap sikap pengguna.

Kata Kunci: pemasaran inovatif viral video, sikap pengguna, komestik industri, maklumat, hiburan, kredibiliti, kuasa mulut, popular, pemasaran strategik, kempen pemasaran tradisional.

TABLE OF CONTENTS

CHAPTER	CONTENT	PAGES
	DECLARATION OF ORIGINAL WORK	iii
	APPRECIATION	iv
	ACKNOWLEDGEMENT	v
	ABSTRACT	vi
	ABSTRAK	vii
	TABLE OF CONTENTS	viii
	LIST OF TABLES	xiii
	LIST OF FIGURES	XV
	LIST OF SYMBOLS	xvi
	LIST OF ABBREVIATIONS	xvii
	LIST OF APPENDICES	xviii
CHAPTER 1	INTRODUCTION	
	1.0 Introduction	1
	1.1 Background of Research	2
	1.2 Problem Statement	7
	1.3 Research Objectives	9
	1.4 Research Question	10
	1.5 Scope of Study	10
	1.6 Limitation of Study	11
	1.7 Significant of Study	12
	1.8 Summary	13

viii

CHAPTER 2 LITERATURE REVIEW

2.	0 Introduction	14
2.	1 Innovative Viral Video Marketing	15
2.	2 Consumer Attitudes	17
2.	3 Cosmetics Industry	17
2.4	4 Determinants of Consumer Attitude	19
	2.4.1 Informativeness	19
	2.4.2 Entertainment	21
	2.4.2 Credibility	23
2.	5 Research Gap	25
2.	6 Theory Utilized	26
	2.6.1 Theory Related to the Innovative Viral	26
	Video Marketing and Consumer Attitudes	
	2.6.2 Review of Literature Review	29
2.	7 Review of Relevant Theoretical Models	33
	2.7.1 Theoretical Model by Rukuni, et al (2017)	33
	2.7.2 Conceptual Model of Consumer Attitude	35
2.	8 Research Framework	37
2.	9 Hypothesis Testing	38
2.	10 Summary	39

CHAPTER 3 METHODOLOGY

3.0	Introduction	40
3.1	Research Design	41
	3.1.1 Explanatory Research	42
3.2	Methodological Choices	42
3.3	Data Sources	43
	3.3.1 Primary Data	43
	3.3.2 Secondary Data	44
3.4	Research Strategy	45
	3.4.1 Pilot Test	45

	3.4.2 Survey Research	46
	3.4.3 Questionnaires Design	47
	3.4.4 Sampling Technique	48
3.5	Sampling Frame and Sampling Location	51
3.6	Data Analysis Tool	53
3.7	Reliability	53
3.8	Validity	54
	3.8.1 Internal Validity	55
	3.8.2 Construct Validity	55
3.9	Data Analysis Technique	56
	3.9.1 Pearson's Correlation Coefficient	56
	3.9.2 Multiple Linear Regression	57
	3.9.3 Hypothesis Testing	58
	3.9.4 Descriptive Statistic	59
3.10) Time Horizon	60
3.11	l Conclusion	60

CHAPTER 4 DATA ANALYSIS

4.0	Introduction	62
4.1	Frequency Analysis on Respondent Demographic	
	Profile	63
	4.1.1 Gender	64
	4.1.2 Age	65
	4.1.3 Race	66
	4.1.4 State District	66
	4.1.5 Current Occupation	67
	4.1.6 Personal monthly average income level	68
	4.1.7 The highest level of academic qualification	69
	4.1.8 Often consumer surf internet	70
	4.1.9 Regular Consumer Cosmetic Product	71
	4.1.10 Often Buy a Cosmetic Product	71

	4.1.11 Aware of the term "innovative viral video	
	marketing."	72
	4.1.12 Social Media	73
	4.1.13 Trending viral video on social media that	73
	contain viral marketing	
	4.1.14 Noticed that social media sites contain	
	marketing messages and advertisements	
	through a viral video.	74
4.2	Descriptive Analysis	75
	4.2.1 Normality Test	76
4.3	Reliability Analysis	78
	4.3.1 Pilot Test	78
	4.3.1.1 Reliability Test of Pilot Test	79
	4.3.2 Reliability Test	80
4.4	Pearson Correlation	81
4.5	Multiple Regression Analysis	83
	4.5.1 Multiple Regression	83
	4.5.2 Hypothesis Testing	88
	4.5.2.1 Hypothesis Testing	88
4.6	Summary	91
CHAPTER 5 D	SCUSSIONS AND CONCLUSION	
5.0	Introduction	93
5.1	Review of Statistical Analysis	94
5.2	Discussion of Major Findings	95
	5.2.1 Key Findings on Hypothesis	95
	5.2.2 Key Findings on Research Questions	97
5.3	Implications	99
5.4	Limitation of Study	100
	5.4.1 Sample size	100
	5.4.2 Time Limitations	101

	5.4.3 Sampling Bias	101
	5.4.4 Insufficient Information	101
5.5	Recommendations	102
5.6	Contribution	103
5.7	Conclusion	104
REFERENCES		105

APPENDICES

xii

112

LIST OF TABLES

TABLES	TITLE	PAGES
2.1	Theory Utilized	26
2.2	Literature Review	29
3.1	Population distribution and basic demographic	
	Characteristics	50
3.2	Cronbach's Alpha Coefficient Range	54
3.3	Rules of Thumb in Pearson Correlation	57
4.1.1	Gender	64
4.1.2	Age	65
4.1.3	Race	66
4.1.4	State District	66
4.1.5	Current Occupation	67
4.1.6	Personal monthly average income level	68
4.1.7	The highest level of academic qualification	69
4.1.8 `	Often consumer surf internet	70
4.1.9	Regular Consumer Cosmetic Product	71
4.1.10	Often Buy a Cosmetic Product	71
4.1.11	Aware of the term "innovative viral video marketing."	72
4.1.12	Social Media	73
4.1.13	Trending viral video on social media that contain	
	viral marketing	73

4.1.14	Noticed that social media sites contain marketing	
	messages and advertisements through a viral video.	74
4.2	The Score of Descriptive Analysis	75
4.2.1	Normality Test	76
4.3	Cronbach's Alpha Coefficient alpha value	78
4.3.1	Reliability Statistics of Pilot Test	79
4.3.1.1	Reliability Test of Pilot Test	79
4.3.2	Reliability Statistics	80
4.3.2.1	Reliability Test	80
4.4	Pearson Correlation	81
4.5.1.1	Model Summary for Multiple Regression	83
4.5.1.2	ANOVA for Multiple Regression	84
4.5.1.3	Coefficients for Multiple Regression	85
4.6	Summary	91
5.1	Review of Statistical Analysis	94

xiv

LIST OF FIGURES

FIGURES	TITLE	PAGES
2.1	Theoretical Model by Rukuni, et al (2017)	33
2.2	Conceptual Framework by Ler Sin Wei (2014)	35
2.3	Research Framework	37
3.1	5-Point Likert Scale	48
3.2	Malaysia Location Map (Google Image, 2019)	52
3.3	Malacca Location Map (Google Image, 2019)	52

LIST OF SYMBOLS

α	=	Alpha
В	=	Unstandardized beta
SE B	=	Standard error for unstandardized beta
β	=	Standardized beta
t	=	T test statistic
p	=	Probability value

xvi

LIST OF ABBREVIATIONS

UTeM	Universiti Teknikal Malaysia Melaka
SPSS	Statistical Package for Social Science
ANOVA	Analysis of Variance
DV	Dependent Variable
IV	Independent Variable

xvii

LIST OF APPENDICES

APPENDICES	TITLE	PAGES
А	Gantt Chart FYP 1 and II	112
В	Questionnaire	115
С	Systematic Literature Review	132
D	Pilot Test Result	153
E	Descriptive Analysis Result	159
F	Pearson Correlation Coefficient Analysis Result	174
G	Multiple Regression Analysis Result	175

CHAPTER 1

INTRODUCTION

1.0 Introduction

Chapter 1 of this research provides a detailed explanation of the innovative viral video marketing and emphasizes the understanding of consumer attitudes of innovative viral video marketing in Malacca. This chapter also outlines the research's purpose to identify factors that affect consumer attitudes of innovative viral video marketing in Malacca. Moreover, the main areas to be addressed in this chapter include research background, problem statement, research objectives, and research questions as it helps the researcher to know and understand their research direction. Furthermore, in the last part of this chapter will focus on the significance of the study and the scope of the study to state the contribution of this research to the industry.

1.1 Background of Research

The Internet has extraordinarily changed marketing concepts. Innovative viral video marketing can be named as Internet power "Word of Mouth" and as buzzwords (Esmaeilpour and Aram, 2016). According to Wu and Wang (2011), word of mouth refers to the transmission of information and can be quickly spread between users. Social media platforms such as Twitter, Facebook, and Instagram are valuable, outstanding and best platforms for the innovative viral video marketing campaign (Farooq, 2019). According to Chaarlas and Rajkumar (2014), innovative viral video marketing become trendy and functionality due to the entire webspace has been dominated by social networks and can surf the internet especially the social networks at the lower cost. In Forth Industrial Revolution (IR 4.0), the internet and smartphones are widely used since marketers to utilize smartly to make innovative video marketing become viral.

The consumer willingly decides to share their opinions and review about the innovative viral video marketing message either with or without being noticed from cosmetics companies (Poorvika and Kavitha, 2014). It is necessarily important knowing the negative or positive opinions of consumers towards brands (Hamed, 2017). It could give effects for the marketers and companies about the information of the products, service or brands delivered due to the power of word of mouth (Brown et al, 2005). Innovative video marketing messages that require a positive effect can be spread rapidly and lead to a purchase in the consumer's buying act. Based on several reasons, the consumer will change their mind from a purchase intention cause of the power of negative word of mouth. Consumer information is collected as give valuable for targeted marketing purposes (Trusov, Buckin and Pauwels, 2009).

Innovative Viral Video Marketing

Innovative viral video marketing is a video marketing technique used to promote products or services which spread like a virus (Mundiyanickal et al., 2016). From that, the consumer easily receives a variety of information. According to Zernigah and Sohail (2012), innovative viral video marketing can generate brand awareness among consumers and also build a brand image for the cosmetics industry due to traction for the innovative video indirectly achieve marketing objectives. Innovative viral video marketing could be successful when the consumer decides to share for it on social media (Ler, 2014). The number of views is crucial as to be considered as viral which over a certain amount of time gains a huge amount of views (Mundiyanickal et al., 2016). Compared to traditional marketing is less interaction between the medium used and very expensive due to printing materials and advertising distribution (Trusov, Buckin, and Pauwels, 2009). According to Ler (2014), the traditional way of marketing is already an old version which is no longer effective in attracting consumers.

Innovative viral video marketing forces marketers to adopt new marketing strategies and processes of creating images, storytelling, narrative marketing, and elements of differentiation in an innovative way, then spread and become viral by the power word of mouth (Ferrari, 2015). While, viral video marketing refers only to the form of "video" that is viral on social media. According to Low and Goh (2009), the consumer receives information in two ways. First, consumers gain information about the product or service of the brands through viral marketing. Secondly, innovative video marketing consists of impressionable, humor, and catchy content that can catch in consumer's minds towards the brand of the cosmetic product (Low and Goh, 2009). Therefore, the cosmetics industry need to put their level high by present bombastic and excellent work as want to increase the number of the potential consumer. To reduce the number of barrier of entry, cosmetic companies need to be more struggle in making marketing to attract the number of consumers and increase the sale of cosmetics. Innovative viral video marketing in the cosmetics industry can be classified as a red ocean strategy. The red ocean gives a

competitive advantage to the cosmetic companies and makes it uniqueness other than a competitor. Red ocean strategy which is cosmetic companies beat the competition, accomplishment existing demand and fix strategy choice of differentiation. According to Salem (2016), the cosmetics companies making innovative viral video marketing with their creative innovation with interesting elements inside innovative video marketing while competing with other competitors. Innovative viral video marketing is a set of innovative processes and activities that market and provide a targeted group of consumers with new products and services (Farooq, 2019). The cosmetic industry also exploits existing demand and align strategy choice of differentiation in term of low cost making innovative video marketing (Farooq, 2019).

To make innovative video marketing more unique and attractive, marketers should come out with innovative video marketing that is swinging with a style, tone, and illustration (Malkanthie and Konara, 2018). Innovative viral video marketing believes in the power of spread off by the consumer to be successful in marketing. According to Drozdz and Kanerva (2014), content and motion graphics of innovative viral video marketing are the particularly effective performance for experienced viewers. Marketers tend to use innovative video marketing to launch, promote and publish new products. They normally will examine which platforms on social media that can help in generating the audiences. Marketers also identify the main cause of the dropping off the number of audiences.

Strategic approaches by a marketer are creating innovative video marketing to promote cosmetics products. Innovative viral video marketing strategies that approach by marketers can build and enhance brand awareness, build loyalty, generating leads and boosting online engagement among consumers and marketers (Zernigah and Sohail, 2012). For example, Instagram Stories or Live is fantastic platforms to connect and unique opportunity for engagement with followers or consumer around the world otherwise allow to create a broadcast. Instagram is a highly competitive network for generating targeted and valuable demographic and drive real social value. It helps marketers to answer and share direct questions from the consumer regarding the cosmetic product and show visually products in action by telling exciting stories that will motivate the consumer to adopt a beauty lifestyle (Wang, 2018). On the other hand, marketers can take the golden opportunity by showing their product that achieving standard approval from the Ministry of Health Malaysia.

According to Salem (2016), there are several ways of making innovative video marketing efforts stronger and effective. Innovative video marketing pops ups on audience feed and usually, the audience would not stick around until the end of the video (Wang, 2018). From the beginning of innovative video marketing, the content of the video should straightforward to get the messages across and captivates audience right (Ler, 2014). At the same time, the video length should make it short around two minutes as followed by general length guidelines. Besides, it can create a powerful psychological motivator by putting a sense of urgency (Salem, 2016). This helps to makes the innovative video marketing message of cosmetics products not only compelling but also actionable.

Consumer Attitudes

According to Perner (2010), consumer attitudes are about a combination of the beliefs, behavioral intentions, and feelings of consumers towards innovative viral video marketing. Informativeness, entertainment and credibility have affected consumer attitudes. To maximize consumers' satisfaction, consumers are exposed to the knowledge and information about cosmetics products through innovative viral video marketing (Waldt et al, 2009). Entertainment is clarified as the ability to satisfy the consumer's artistic that consists of elements of enjoyment, fun amusement, or expressive pleasure (Ler, 2014). In additional, credibility can be defined as consumer attitudes of loyalty and openness towards innovative viral video marketing. There are many arguments as to how a positive consumer attitude towards innovative viral video marketing of cosmetic companies or brand can influence the buying intention of consumers (Ler, 2014).