

BRANDING STRATEGIES ON ENVIRONMENT SUSTAINABILITY AMONG PERSONAL CARE AND COSMETIC CUSTOMERS

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ABSTRACT

Sustainability exists from the day it was originated by the Brundtland commission in the year of 1987. The term sustainability has been vaguely defined and it created different interpretations. In line with today's current situation, organizations are increasingly perceived sustainability as an opportunity for them to gain competitive advantage. Most of the organizations only measure the business sustainability from the economic point of view without considering other factor which could lead to sustainability such as environment sustainability. Sustainability aims at merging the benefits of the environment activity with the principle of sustainable development. In the current era, most of the powerful brands are aspired to achieve the same sustainable goal, hence the business leaders and marketers are now facing a problem to maintain its environment sustainability. Most of the studies investigating environment goal from the perspective of business operation. Apart from measuring the business by looking at the tangible asset, it is important to measure it from the perspective of customers. Based on the multiple regression analysis, the result of this study showed that only brand dominant strategy and Halal strategy were proven to have significant relationship on economic sustainability. The implications of this research are, the organization needs to consider corporate dominant strategy and mixed branding strategy to ensure long-term business operation and this research also provides additional insight on environment sustainability model by investigating the branding strategies namely corporate dominant, brand dominant, mixed branding and Halal branding.

Keywords: Branding strategies, environment sustainability

INTRODUCTION

The industry of Personal care and Cosmetics have been in the market decades ago. According to Hashim and Mat Hashim (2013), the global consumption of personal care and cosmetics is gradually increasing yearly. Those days, this industry was linked to the ancient cultures and until now, these cultures are associated with today's aesthetics and appearance of an individual.

In today's globalization, there is a huge demand of Halal personal care and cosmetics and most importantly, the Halal personal care and cosmetics is highly demanded not only from the Muslims, but also the non-Muslims. For customers to distinguish between the conventional and Halal personal care and cosmetics products, the Halal cosmetics must not contain any porcine and must not contain any alcohol. In this view, the Halal cosmetics should be The Halal cosmetics should be kept, stored, packaged and most importantly it has to be based on the Islamic teaching. The Halal personal care and cosmetics is also perceived as clean, safe to be used and high in quality. Among the elite few brand of Halal personal care and cosmetics brands are Simply Siti from Malaysia and Wardah beauty from Indonesia. Halal cosmetics are acceptable for both Muslims as well as non-Muslim customers in terms of the ingredient, process, and nature of the products. The religiosity and safety concepts of Halal personal care and cosmetics are included to ensure that the organizations can gain the trust from the customers.

In this study, there are all together three (3) categories of branding strategies. Firstly, is the corporate-dominant strategy and this can be best defined as the strategy in which all the the organization is the ultimate brand and all products and services are subset to its parenting company. The second strategy is the brand-dominant strategy in which it is the branding of multiple sub-brands where the primary brand gets little attention from the customers and lastly, mixed branding strategy which involves the development of sub-brands with added credibility of the primary brand (Mann & Kaur 2013),

The concept of environment sustainability has been widely viewed by academics from various corporate disciplines including management, branding marketing, operations and this will ultimately assist the organization to achieve sustained competitive advantage (SCA). With today's environment where customers are constantly looking for eco-friendly products and services, it is crucial for organizations to look into the concept of environment sustainability in the long-term period.

According to Mattar (2016), the problem of this study arises when most of the brands in the market known for not contributing to the sustainability affairs, hence, customers tend to create a sceptical outlook and unfavourable attitude towards the brand which could trigger the customers to switch to another brand. According to Alizadeh, Moshabaki, Hoseini and Naiej (2014), organizations are having difficulties to ensure the customers to stick to their brands instead of the competitors. The fact that the customers are being exposed to the same products and services but from different service providers. Hence, it creates difficulties for the organizations to influence customers to purchase their brands instead of their competitor's brands.

For an organization to ensure that the organizations sustain its business for a longer period, it is very important for it to understand the different segments of environment sustainability

from the perspective of the customers and this can be achieved by providing eco-friendly products and services to the customers. Most of studies on environment sustainability focus and discuss on the perception of the organization. Therefore, this study is intended to measure environment sustainability form customers' perspective.

LITERATURE REVIEW

Environment sustainability

The environmental dimension emphasizes on an impact from an organization towards living and non-living natural systems include ecosystems, land, air and water. This also involves a whole range of approach to an organization operations, products, facilities and infrastructure and facilities that examine business products, processes and services; eliminate waste and emissions; boost the efficiency and productivity of all assets and resources; simplify the practices that might give an impact on the enjoyment of the planet's resources by future generations. According to Bansal (2005), the environmental element focuses on the organization's activities that do not erode or destroy the natural resources and this can be achieved via corporate environmental management. There are also a few literatures of environmental dimension of sustainability as it involves the environmental policies such as the action of the organizations to mitigate or reduce their negative impact on the environment and their objective behind them.

In the context of Business to customers (B2C), the organizations maintain its environmental sustainability by convincing their customers that the consumption or usage of eco-friendly product (in which the products do not harm or leverage on the natural resources) is far more beneficial in comparison to the conventional products (Hartmann & Apaolaza-Ibanez, 2012).

Corporate dominant

According to Kapferer (2008), corporate dominant strategy is identified by a single and one unique brand level, and it is normally associated with the corporate name, and that of the organization itself. The organization that adopts or practices this strategy must then fall into the line with the value of the brand and will continue to be the carrier of the brand. There are few industries that follow this strategy such as banking, insurance, and consultancy agencies. According to Knox and Bickerton (2003), there is a broader definition of corporate branding and this includes the visual, verbal and behavioural expression of an organization's exclusive business model.

Brand dominant

This strategy involves an independent set of stand-alone brands, where the main objective is to maximise the impact on the market it offers (Aaker & Joachimsthaler, 2000). According to Rao et al., (2004), this strategy does not leverage on its main name or corporate name for branding its products and services. Instead, the organization will choose individual brand names to position its brand in the market. In this strategy also, each brand under brand dominant strategy will operate independently to boost its market share and the financial return. In such branding strategy approach, the underlying theory is that the total sum performance of the range of independent brands will be higher as compared to the situation where the brands were managed by a single master brand.

Mixed branding

Sub-branding strategy is a transitional strategy that reaches customers with different needs and wants, yet the brand names that are in line with the product lines can be managed. In mixed branding strategy, both corporate brands and product brands are getting equal “limelight”. This is also further supported by Kim, York and Lim (2011), where in a mixed-branding strategy, the organization utilizes two (2) or more brand names and each is equally prominent. A usual form of mixed branding strategy is a corporate name with a product name, such as Kellogg’s Corn Flakes and this strategy is commonly use in any organization (Laforet & Saunders, 1999).

Halal branding

The basic understanding of Halal Branding clearly involves the commodity, products and services offered by the organization that are in line with the Islamic teachings and it is endorsed by the Halal Standard globally (Lada, Tanakinja & Amin, 2009). According to Wilson and Liu, (2010), the products and services must be in standard, and the brand must represent the brand values that will support the business objective despite how big or small the size of the organization.

The relationship between corporate dominant and environment sustainability

In corporate dominant strategy, the organization opts to adapt more eco-efficient, innovative practices that will alleviate the organization’s productivity by minimizing inputs, eliminating scrap and waste, and will boost the efficiency of the energy (Lanoie, Lucchetti, Johnstone & Ambec, 2011). A good example to showcase this concern is Wal-Mart, a renowned corporate brand. Wal-Mart has reduced their costs and environmental impacts by creating a detailed standard for its own operations and all its suppliers regarding waste management, packaging, the consumption of energy and greenhouse gas emissions.

Furthermore, in corporate branding, to ensure they meet the requirement of the environment sustainability, the organizations will enforce an environmental law and policy to reduce the customer’s health costs from the pollution exposure. By establishing a detailed environmental law and policy, the organizations would be able to bring benefit, both to the organizations and their customers. This is also further supported by Miller and Merrilees (2013) where there is a relationship between corporate branding and environment sustainability as the customers are looking into organizations that are portraying good environmental behaviour by selling environmental- friendly products and services.

The relationship between brand dominant and environment sustainability

In brand dominant strategy where there are multiple brands under one corporate name, environmental sustainability will allow the organization to create new and multiple ecological-friendly products, services, production techniques that will mitigate the environmental impacts and the consumption of the resource, hence the organization that has multiple offerings will be able to provide superior value to the customers who are buying the products and services (Esty & Charnovitz, 2013). Organization that practices Brand Dominant Strategy as part of their branding strategy, will create innovative technologies, platforms, and market offerings will find that, they can apply their breakthrough not just to their main businesses and activities, but it is also applicable to other companies and sectors. The potential for the organization to create innovative and dynamic products that are in line with environment sustainability need to be factored in the cost benefit when considering the

detailed environmental regulations and other commitments of sustainability (Porter, 1998).

The relationship between Mixed Branding and environment sustainability

In order for an organization to practice mixed branding strategy as part of their branding strategy, some of the environmental initiatives will contribute some amount of value which the organization will jumpstart to the new business categories and will provide foundation for blue ocean competitive advantage for the involved industries (Kim & Mauborgne, 2005).

The relationship between Halal Branding and environment sustainability

With an emerging number of halal products and services, halal labels have indeed become relevant and important in today's global halal market (Talib, Latif & Razak 2013). Halal labels have captured the attention of the Malaysian consumers which can be divided into Muslim and non-Muslim consumers. In view of this concept, Eco-friendly labels is now one of the sensations in promoting the halal products by manufacturers and retailers. Present environmental concerns towards global climate has impacted the purchasing intention by the customers. Eco-friendly labels are vital in determining the purchasing decision when the environmental aspects are taken into consideration. Eco-friendly labels will assist the customer by providing detailed information about the food products and indirectly enhance the knowledge on green products and will allow the organization to achieve its environmental sustainability.

RESEARCH METHODOLOGY

Research Design

This research adopted the quantitative method to address the research problem as it is proven to be most practical and cost-effective in any situations. This type of research method allows verifications to be conducted scientifically and statistically.

Research Instrument

Research instrument used for this research was questionnaire. As for the dependent variable of this study (environment sustainability), the questions were derived from Ng, Butt, Khong and Ong (2013). A sampled item for environment sustainability is "*Providing excellent environmental performances to its customers*" and the reported Cronbach's' alpha was 0.856. As for the independent variable of this study, it is divided into four (4) which were corporate dominant which was derived from Souiden, Kassim and Hong (2006). A sampled item for corporate dominant is "*The company that produces this personal care always fulfils the promises it makes to its customers*" and the reported Cronbach's' alpha was 0.81. As for brand dominant, the questions were derived from Pappu, Quester and Cooksey (2005). A sampled item for brand dominant is "*This personal care brand offers products with excellent features*" and the reported Cronbach's' alpha was 0.68. Mixed branding was adapted from Souiden et al., (2006) and a sampled item was "*Overall, the company and the brand carry the name of the company*" and reported Cronbach's' alpha is 0.74. Halal Branding was adapted from Khan and Azam (2016). A sampled item for Halal branding is "*I always look for newly launched halal-certified personal care products*" and the reported Cronbach's' alpha was 0.65. All these questions were based on 5-point Likert scale ranging from 1= Strongly disagree to 5= Strongly Agree.

Population

The population is a group of potential participants to whom the research would like to generalize the results of the study. One of the purposes of this study is to understand better of the customer's perception on branding strategies that could lead to environment sustainability. According to the Malaysia's statistical department, the current population in Kuala Lumpur is 1.79 Million as of 2017. The population of this study is the personal care and cosmetics customers at six (6) premier shopping malls namely KLCC, Starhill, Berjaya Times Square, Lot 10, Sungai Wang Plaza and Pavilion Kuala Lumpur.

RESULT AND DISCUSSION

Table 1: Cronbach's alpha results

Scale Coefficient	Reliability Coefficient (Alpha)
Corporate dominant	.718
Brand dominant	.854
Mixed branding	.818
<i>Halal</i> branding	.844
Environment sustainability	.872

Table 1 above shows the result of reliability analysis. The Cronbach's alpha ranges from .718 to .912 which are deemed acceptable for the study. the dependent variable of this study is environment sustainability with a Cronbach's alpha of .872.

Table 2: Demographic profile of respondents

Variable	Descriptive	Frequency	Percentage
Gender	Male	203	48.3
	Female	217	51.7
Age	Below 18 years old	9	2.1
	18-23 years old	49	11.7
	24-29 years old	154	36.7
	30-34 years old	120	28.6
	35-44 years old	62	14.8
	45-49 years old	21	5.0
	50 years old and above	5	1.2
Marital status	Single	167	39.8
	Married	232	55.2
	Others	21	5.0
Monthly income	RM 1000 and below	29	6.9
	RM 1001 – RM 3000	162	38.6
	RM 3001 – RM 5000	177	42.1
	RM 5001 – RM 7000	42	10.0
	RM 7000 and above	10	2.4

Preferred brand	Mary Kay	58	13.8
	Wardah Beauty	27	6.4
	Simply Siti	46	11.0
	Loreal	42	10.0
	Procter & Gamble (P&G)	34	8.1
	Unilever	48	11.4
	D'Herbs	50	11.9
	Sari Ayu	18	4.3
	Revlon	47	11.2
	Others	50	11.9
Duration of usage	Less than a year	43	10.2
	One year	71	16.9
	Two years	104	24.8
	More than two years	202	48.1

Based on the findings above, majority of the respondents were female with the total number of 217 (51.7%), 154 (36.7%) of the respondents aged 24-29 years old. As for the marital status, 232 (55.2%) respondents were single, 177 (42.1%) and respondents earned between RM 3001 to RM 5000 as their monthly income, 58 (13.8%) respondents preferred to use Mary Kay and lastly, 202 (48.1%) respondents used their personal care and cosmetics products for more than two years.

Table 3: Correlation between branding strategies and environment sustainability

No	Variables	SD	Mean	1	2	3	4
1	Corporate dominant	0.42178	3.9901				
2	Brand dominant	0.46814	4.1868	.568**			
3	Mixed branding	0.48949	4.1917	.464**	.466**		
4	Halal branding	0.48685	4.2786	.221**	.243*	.263*	
5	Economic sustainability	0.51147	4.2083	.297**	.236**	.256**	.170**

Table 3 above indicates the outcome from the relationship between branding strategies and environment sustainability. From the findings, 3 variables of branding strategies have weak positive correlation with environment sustainability in which corporate dominant ($r=.297$, $p<0.01$), brand dominant ($r=.236$, $p<0.01$), Mixed branding ($r=.293$, $p<0.01$) and lastly Halal branding has very weak relationship with environment sustainability ($r=.170$, $p<0.01$).

Table 4: Multiple regression between branding strategies and environment sustainability

Model	Standardized Coefficients Beta
Corporate dominant	.195**
Brand dominant	.048
Mixed branding	.121*
Halal branding	.084
R	.338
R ²	.114
Adjusted R ²	.106
F Change	13.406
Significance F Change	.000

Durbin Watson

1.941

The above table shows the findings of multiple regressions between branding strategies and environment sustainability. As illustrated in the table, the F value was 13.406. The F value helps to show the details of the relationship between the regression and the residuals. The R^2 of 11.4% is the variance in environment sustainability which is explained by branding strategies. Based on the findings, only corporate dominant and *mixed* branding are significant in influencing environment sustainability. Hence, the hypotheses 1 and 3 were supported.

In corporate dominant strategy, organizations will fulfil the requirement of environmental sustainability by enforcing an environmental law and policy to reduce customer's health from pollution exposure. This is further supported by Miller and Merrilees (2013), there is a strong connection between corporate dominant and environmental sustainability where the customers are currently looking into organizations that portrays good environmental behaviour by producing and selling eco-friendly products and services

For an organization that is practising mixed branding strategy, most of the environmental initiatives will contribute some amount of value in which the organization will venture into new business opportunities with different market segmentation as mixed branding is all about products that are created from its parenting brand, hence, providing guidelines to achieve sustained competitive advantage

CONCLUSION AND RECOMMENDATIONS

Taking into consideration of today's national agenda (Transformational 50), it is very important for the organization to consider environment sustainability as one of their main key issues in ensuring the sustainability of the business for a longer period. It is also crucial for the organization to reconsider its current practice of branding strategies to fit the current market demand as the market is constantly changing. As a conclusion, this study contributes to the growing body of literature on branding strategies by identifying which branding strategy that contributes to environment sustainability. To create a very strong and concrete branding strategy, the organization must be clear of its vision, goals and objectives.

Hence, it is important for organization to leverage on branding strategy that will lead to environment sustainability. For instance, corporate dominant strategy can be considered as one of the efficient branding strategies as it allows the organization to take full liberty in since it is linked to the corporate brand. Lastly, the organizations also could leverage on mixed branding as it involves the name of the organization and by using the corporate name, the organization can create multiple eco-friendly products and services

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