

Customer Delight Measurement in Halal Cosmetics Industry in Malaysia: The Relationship between Functional Values, Epistemic Values and Customer Emotions towards Customer Delight

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ABSTRACT- Providing and maintaining customer emotion experience and satisfaction are the biggest contemporary challenges of management in Halal cosmetics industry. While customer satisfaction measures the perception of the customers, customer delight is the measure to success. Delighted customers are loyal and more valuable as they will help the organisation to compete with the competitors. The objective of this article is to present a conceptual framework to examine the role of functional values (Halal product attributes and reference price), epistemic values (Halal visual packaging design) in establishing positive customer emotion experience in the customer's mind for Halal cosmetics products and ultimately achieving customer delight. The well-established Holbrook consumer value model was applied to test its validity and robustness in the Halal cosmetics products context. A self-administered, 5-points Likert scale questionnaire was distributed to selected retail outlets throughout the states in Malaysia. The findings indicated that functional values and epistemic values are insignificant in creating positive customer emotion experience, but customer emotion experience shows significant relationship with customer delight for Halal cosmetics products. In view of the relationship between these variables can assist the providers to improve their product offerings and competitive strategies.

Keywords: Functional values; epistemic values; customer emotion experience; customer delight, Halal cosmetics

1. INTRODUCTION

Metropolitan customers have sophisticated demands and expendable earnings, making them the targeted niche market allowing the beauty and personal care industry to grow. In 2015, Islam is the fastest growing religion worldwide while its followers are now the second largest population; this targeted market poses a wide range of opportunities for associated companies and corporatisation by 2030 as it reaches 26% global

population count [21]. Such unprecedented development has caught the interest for various key players of the industry towards understanding the religion and its followers' consumerism behaviour better [9].

Worldwide increasing number of Muslims and their rising awareness for health and beauty are the reasons why changing behaviours can be seen among these customers, resulting in demands for innovative health and beauty products. Astute consumers are now specifying their requirements for value-added products, which includes Halal-certified products, plant-based items, and environmentally-beneficial products [19]. Now conceptually universal, the phenomenon of Halal-certified products have spurred production lines and promotional bodies to achieve the certification and entire such niche market [1].

Firstly, this study aims to test the well-established Holbrook consumer value model validity and its robustness, not only within the social psychology field but also in applying it to Halal cosmetics products context. In this context, to fully understand the various functions of experiential value in service settings, it is necessary to find the relationship between experiential value and other variables, such as predictors and outcomes. This study presents a conceptualisation of the predictors and scales for measuring of customer emotion experiences specifically for Halal cosmetics products market in Malaysia. Secondly, customer's consumption behaviour has been described to be influenced by functional and epistemic values [18]. With regards of this study, functional value measures the consumer's perception of Halal cosmetics products in the context of the reference price and features. Meanwhile, epistemic value measures consumer inclinations to Halal visual packaging design.

Therefore, the relationship between customer emotion experience and customer delight is in need of deeper investigation, whereby the results can assist in strategising effectual marketing ploys.

2. LITERATURE REVIEW

2.1 Halal Cosmetics

Cosmetics and personal care product is used daily and by many people regardless their age and races. The demand for Halal, safe product and hygiene has increased. This has been reported by Organic Monitor, November 2012, that Halal cosmetics has been gaining popularity after the Malaysian government introduced the Halal Cosmetic standard (MS 2200:2008) in June 2010. In Malaysia, the top three high growth cosmetics products are hair care, skin care and colour cosmetics. International brands have dominated the category as Malaysian customers are more confident and assured of their quality compared to domestic brandings.

2.2 Functional Value

Functional value is the primary force behind consumer choice and is closely related to various [18]. It is the main factor is the primary driver of consumer's choice and is connected with utilitarian and physical elements like reliability, stability, and product price.

2.2.1 Halal Product Attributes

Evaluating cosmetics attributes is a common construct that requires assessment of both the subjective and objective elements that surface during cosmetics purchase. The items being evaluated in cosmetics attributes studies generally include: quality, skin fitness, side effects, colour, fragrance, manufacturing date, service, and premiums. Research has found that most consumers perceive assured quality and security of Halal-certified products compared to those that are not [11]. Such perceptions are deeply rooted and have resulted in the rise of Halal product consumption by both Muslim and non-Muslim consumers in UK. Hence, such fact supplements previous evidence indicating that quality products will influence the perceived value and satisfaction one expects from Halal cosmetic products.

2.2.2 Halal Reference Price

Consumer perception for price can be described as the sum an individual pays to obtain a product [22]. Reference prices are described as the standardised judgement of a product's purchase price and it influences consumer choice and has been extended to other stimuli like price promotion and product quality. Reference price concepts are developed based on normative and aspirational standards [10]. In this study, it has been speculated that price-quality relationship can influence subjective consumer judgement regarding perceived values for Halal cosmetics. Therefore, this work is aiming to explore such possibilities for any existing links within the scope of the study setting.

2.3 Epistemic Value

Epistemic value is the perceived utility that has been generated from the substituted capability for the

stimulation of interest, instigate freshness or soothe the need for knowledge [18]. Researches have chosen the value as the most influential predictor for consumer choice behaviour [12] [13]. It has been suggested that consumers possessing the interest for knowledge may show preference for Halal cosmetics products compared to others. Furthermore, motivation theories have described interest and innovation as benefits that are present in the human nature [3].

2.3.1 Halal Visual Packaging Design

Packaging is the wrapper or container for a product, serving a variety of purposes like for content protection and description, theft prevention, and promotion. The visual presentations are noted to be significant due to it being the first feature that consumer comes in contact with [17]. Researches have specifically suggested that an attractive and effectual design may influence repeated consumer purchase behaviour [2]. It has highlighted that a Halal product's packaging must be Shariah-compliant; the images should be pure, pleasant, and not violate any Islamic concepts, while relevant information like Halal logo must be displayed clearly [7]. However, Halal packaging has not been investigated much.

2.4 Customer Emotion Experience

Holbrook's typology has been recently subjected to a review, with the conclusion that it is the most comprehensive model of customer-perceived values [16]. Customer value may be positive or negative (valence), personal, situational and context-dependent, which indicates that the nature is dynamic. It must also be seen as an ongoing assessment within an evolving consumer relationship. This study has applied Holbrook's intrinsic customer value (i.e. status, esteem, play and aesthetics) in the questionnaire to investigate customer emotion experience towards Halal cosmetics products.

2.5 Customer Delight

Instead of satisfaction as primary business goal, now the marketing emphasis is shifting to customer delight [20]. Delight determines the amount of extra efforts taken by the firms. Customer delight involves going beyond satisfaction to delivering what can be best described as a pleasurable experience for the client. Delight therefore entails a stronger emotion and a different physiological state than satisfaction.

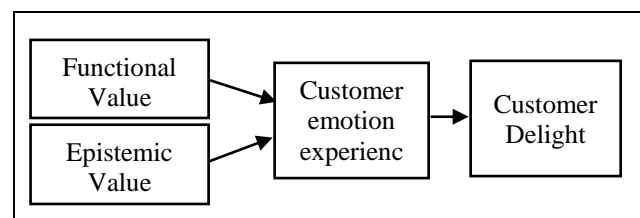


Figure 1. Conceptual Model

3. RESEARCH METHODOLOGY

This study has focused on customer's emotion experience value with Halal cosmetics products, with emphasis on the dominant distribution of mass products in Malaysia. Guardian is the leading retailer brands among chemists/parapharmacies that have displayed

comprehensive network and extensive product and brand offerings that can cater to various consumer demands. For the purpose of this study, the targeted population are: 1) adult consumers aged more than 16 years, 2) those who made Halal cosmetics product purchases within one month prior to the data collection interval (November 2015 – February 2016), 3) and those who reside or work in the urban Malaysian districts, specifically in Wilayah Persekutuan, Northern states, Southern states, Western states, East Coast, also Sabah and Sarawak. Muslims and non-Muslims consumers both have been accepted as samples. Structured questionnaires were sent to 359 respondents.

4. DATA ANALYSIS

PLS-SEM covariance-based method has been employed to perform data analysis. The first step has required the collection of respondent response rates, followed by their demographic data profiling. By using SPSS version 23, descriptive statistics have generated a respondent profile, whereby further goodness-of-measure has been assessed by subjecting the data to validity and reliability tests.

4.1 Demographic Profile of Respondents

The sample in this study has shown to be largely made up of females, are aged between 25-34 years, Malays, unmarried, in possession of SPM secondary education level, is working in the private sector, is earning between RM1001 to RM3000 monthly, is living in the Western states of Malaysia and have made Halal cosmetics product purchases within the last one month. Such observation are similar with past findings that have shown that the usual consumers are young adult [14], who are from of middle-income categories.

4.2 Descriptive Analysis for Respective Constructs

In this study, it has been conducted to describe and summarise the characteristics of each construct through mean and standard deviation. Table 1 has illustrated the minimum and maximum value represents the Likert scale used in this study. The minimum value of all the constructs is 1.00 and maximum value is 5.00. Most of the variables have the mean near to the average range from 3.8389 to 4.0746; and the standard deviation ranges from 0.5728 to 0.7146. The score of standard deviation implies that there is variability in answering the questions among the respondents. All the constructs are on the acceptance level of implementation and are at a satisfactory level.

Table 1. Descriptive Statistics of the Constructs

Construct	Min	Max	Mean	Standard Deviation
Customer delight	1.33	5.00	3.8389	0.7146
Customer emotion experience	1.53	5.00	4.0746	0.5728
Functional value	1.00	5.00	3.9701	0.5950
Epistemic value	1.75	5.00	4.0565	0.6962

4.3 Descriptive Analysis for Customer Emotion Experience

The customer emotion experience constructs have been drawn out from using a fifteen item measurement with bipolar phrases on a 5-point Likert scale, as adapted from Holbrook [8]. The subsequent development of an existing scale and its resulting findings has been exhibited in Table 2, revealing response frequencies and descriptive statistics for each items measuring customer emotion experience constructs.

Table 2. Descriptive Statistics of Customer Emotion Experience Constructs

Items	Mean	Standard Deviation
Unhappy/happy	4.17	0.476
Dissatisfying/satisfying	4.19	0.745
Unpleasant/pleasant	4.13	0.784
Bad/Good	4.17	0.819
Disappointed/contented	4.04	0.833
Unmemorable/memorable	4.04	0.886
Worthless/valuable	4.10	0.881
Unrespectable/respectable	4.08	0.883
Not problem-solving/problem-solving	3.96	0.930
Dull/fascinating	4.09	0.795
Unlively/lively	4.11	0.801
Boring/interesting	4.09	0.909
Unappealing/appealing	4.01	0.842
Unaroused/aroused	3.97	0.920
Unlovable/lovable	3.97	0.895

4.4 Multicollinearity Test

The structural model's multicollinearity has to be examined as it is generally recommended to be done prior to the proposed model testing. Two measures can be assessed to test multicollinearity among independent variables, which are VIF and tolerance value. They are reflective of the extent to which each independent variable is explained by other independent variables. For VIF, it can justify the variability of the chosen independent variable as explained by other independent variables, whereas tolerance is the opposite of VIF [5]. The cut-off values are 10 for VIF and 0.10 for tolerance. Therefore, little or no multicollinearity problem can be anticipated if the VIF value is less than 10 or closer to 1.0, while the tolerance value is above 0.10. In Table 3, the two models have been highlighted with respective collinearity statistics for all independent variables, showing tolerance values ranging between 0.409 and 0.637 and VIF values between 1.571 and 2.446. This has indicated that multicollinearity issue does not exist.

Table 3. Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
Customer emotion experience	0.637	1.571
Customer delight	0.576	1.736
Functional value	0.409	2.446
Epistemic value		

4.5 Structural Model Path Coefficient

The path coefficient has represented the hypothesised relationship between the constructs, with standardised value between -1 and +1 [6]. If the estimated path coefficient is close to +1, it is reflective of a strong positive relationship between the construct and vice versa. A total of 3 hypothesis have been tested, but only 1 hypothesis is supported whereas the other 2 hypothesis are not supported (see Table 4). The results have shown that customers' emotion experience towards Halal cosmetics product has a positive and significant impact on customers' delight to purchase a Halal cosmetic product ($\beta=0.471$, $t=12.592$, $p<0.01$). In addition, functional value ($\beta=0.088$, $t=1.671$, $p>0.05$) and epistemic value ($\beta=0.058$, $t=0.902$, $p>0.1$) have exhibited no effect on customers' emotional experience to purchase a Halal cosmetics product.

Table 4. Path Coefficients and Hypothesis Testing

Relationship	β	t-value	p-value	Decision
Customer emotion experience -> Customer delight to purchase a Halal cosmetics product	0.471	12.592 **	0.000	Supported
Functional value -> Customer emotion experience to purchase a Halal cosmetics product	0.088	1.671	0.095	Not supported
Epistemic value -> Customer emotion experience to purchase a Halal cosmetics product	0.058	0.902	0.367	Not supported

Note: ** $p<.01$, * $p<.05$

5. CONCLUSION

In this study, it has been theorised that consumer's perception of functional values and epistemic values will not form the emotion experience of Halal cosmetics products. Besides, this study has also examined customers' emotion experience towards Halal cosmetics product as the mediator between consumption values and Halal cosmetics product purchase delight. Customers' emotion experience towards Halal cosmetics product has been acknowledged as the most significant predictor, which is identifiable through positive or favourable feelings towards the product. As customer emotion

experience has been identified as an important aspect towards ensuring customer delight, managers or marketers should generate positive experiences for their customers. This will directly influence customer delight and leads to repurchase intention or retention, as customer delight is a good predictor for actual purchase behaviour.

One of the limitations of this research is that no specific conclusions can be drawn in this research regarding the causality of constructs relationships as the research design is cross-sectional, necessitating integration of construct in the hypothesised model to be assessed at one point of time [4]. Even though it is relatively expensive and time-consuming, a longitudinal research design can yield stronger conclusions regarding the causality. It can also further enhance the present knowledge of consumption process dynamics and cumulative effects among the hypothesised links [15]. Additionally, it can also justify any changes that occur over time in terms of satisfaction judgement and any resulting behavioural outcomes. Hence, future research should opt to adopt the longitudinal research design.

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