

# Customer Loyalty Towards Green Cosmetics in Malaysia: A Golden Chance for Brands After Covid 19 Outbreak

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#### Abstract

**Purpose:** Today, the COVID 19 crisis increased the inclination of consumer towards green cosmetics. Cosmetic businesses have started realizing the importance of "green" for their brands and hence, "green" has been incorporated in their branding in order to develop Green Brand Trust (GBT) in the cosmetics industry. Considering these facts, the purpose of this study is to investigate GBT as a "green branding effort" that influences customer perception, which later builds loyalty within the context of cosmetics market of Malaysia after COVID 19 outbreak.

**Design/methodology/approach:** Extensive literature review has been done to examine the change in consumer behaviour while using green cosmetics with regards to COVID 19 outbreak. This preliminary work could be used as a basis of conducting quantitative study to further explore consumer behaviour towards green cosmetics after COVID 19 outbreak in Malaysia.

**Findings:** Results reveal that GBT positively impacts consumer loyalty towards green cosmetics after COVID 19 outbreak in Malaysia. The literature also supports the mediating effect of consumer perceptions in the relationship between GBT and consumer loyalty.

**Research limitations/implications:** Future research could consider a different region other than Malaysia. Further, only age, education and income level have been considered for this study. Other dimensions such as consumers' intentions, availability and price of green cosmetic products could also be considered.

**Originality/value:** The study contributes to the literature of green marketing after COVID 19 outbreak in Malaysia.

**Keywords:** Green Marketing, Green Consumer, Green Cosmetics, Green Brand Trust, Customer Perceptions, Customer Loyalty

#### 1. Introduction

Though green brands have caught much attention in the past few years, the consumer behaviour toward green brands following the COVID 19 pandemic in Malaysia has not been much explored. Today, the COVID 19 crisis increased the inclination of customers' green



product consumption. Businesses have started realizing the importance of "green" for their brands and hence, "green" has been incorporated in their branding in order to get competitive advantage in the cosmetics industry. Since the outbreak of COVID 19, green branding has received a tremendous boost with stimulation and revival of environmental consciousness among customers as it has brought a bundle of opportunities for brands to gain competitive advantage. After COVID 19 outbreak, there's been a quick shift in customer preferences for green brands. As a result, understanding customer behaviour when purchasing green cosmetics is critical to understand because when the customers are loyal and brand which have a good reputation, customer will continue its consumption which makes it sustain in the market even after COVID 19 outbreak. In other words, the COVID 19 pandemic has created a slew of opportunities for brands that are proactive in implementing green branding strategies in response to the changing needs of the cosmetics market. Since the customers have become more concerned about their health and the environment after COVID 19 outbreak, this study aims to investigate the effect of Green Brand Trust (GBT) in shaping appropriate customer perception, which will eventually lead to customer loyalty, within the context of cosmetics market of Malaysia after COVID 19 outbreak. This research attempts to provide a robust and rich understanding about how GBT impacts the customer loyalty in the context of cosmetics industry of Malaysia after COVID 19 outbreak. This is an essential and important concern because all the businesses are currently competing fiercely. Also, it is a huge opportunity for such brands to grab the market share and retain existing customers to maximize their profits by going green.

#### **Problem statement**

The outbreak of COVID 19 has produced unprecedented disruptions in a variety of sectors around the world, including the Malaysian cosmetics industry. As the world traverses the post-pandemic period, there is an increasing awareness of environmental sustainability and concern, and there is an increase in demand for green cosmetics which are made using sustainable and ecologically responsible practices and are devoid of dangerous ingredients. The lack of studies on customer loyalty to green cosmetics within Malaysia, despite the increasing curiosity in green cosmetics, creates a lack of understanding regarding the variables that affect customer loyalty in relation to the context of green cosmetics and the potential business opportunities that brands may benefit from amid the COVID-19 outbreak. For companies in the cosmetics sector to build efficient marketing strategies, produce customer-centric goods, and cultivate long-term brand-customer connections, which in turn leads to sustainable business success, it is essential to understand the loyalty of consumers for green cosmetics in Malaysia. To better understand and capitalize on the rising demand for green cosmetics, this study explores the variables that affect customer loyalty for green cosmetics in Malaysia as well as the tremendous possibilities that brands can take advantage of in the post-COVID-19 era.

#### 2. Literature Review

The global uncertainty and environmental concerns erupted due to the unexpected outburst of COVID 19 have made the consumers question their lifestyle and buying preferences in so many ways (He and Harris 2020). Consumer buying behavior is found to be connected with green marketing initiatives (Veena and Kumar 2021, Park et al. 2010). Green marketing shows that how the company is committed to quality, safety, and sustainability, and is worthy of consumers' trust (Veena and Kumar 2021, Talvinen and Saarinen 1995). As more and



more people grow concerned about synthetic products, consumers are looking for companies that practice transparency and honesty (Veena and Kumar 2021). By moving towards sustainable, green products, consumer is seen to have more global and social awareness. This promotes consumer loyalty to a brand, not just to products (Veena and Kumar 2021). Although the coronavirus has widely affected the entire globe, causing economic turmoil, financial unrest, and panic, it also poses a wide opportunity to the marketers, especially in the domain of green marketing (Veena and Kumar 2021). Therefore, during pandemic times, going green would not only build the reputation of the firm and brands, but will also attract and retain its consumers which will eventually bring down production costs for the brands and result in profitability (Veena and Kumar 2021).

# 2.1. Green Branding VS Green Marketing

According to previous research, the concept of green branding is defined as the entirety of all the processes which are involved in the creation of products and services which are associated with the conservation of environment by the consumers (Danciu 2015). Previously, researchers argued that the sociological factors like increasing the consciousness towards the environment, the increased use of social media, increased used of internet, any new forms of education and parenting are the factors for inclination of consumers towards green brands (Ali et al. 2020). Moreover, the researcher's argued that these factors are the cause of sense of empowerment and ability to make the informed decisions of consumers and are thus leading to the change in their buying habits and purchase decisions in accordance to the notion of their support to their green value set (Ali et al. 2020). Researchers argued that as stated by American Marketing Association, the green branding is a topic under the broader argument of green marketing which is the marketing of services and products which are presumed to be environmentally safe (Danciu 2015). Researchers corroborates further to this claim by defending the green marketing as the effort of a company to produce, promote and recycle its products and services with respect to the environmental concerns and responses it has towards the environment (Yildirim 2014). The opponents of this view regarding green branding defined it as the umbrella which is broader with green marketing under it thus it creates a strategically defined explicit green brand identity which is the set of specific green brand attributes aimed to lower the environmental impact as is considered as a key to provide values to the consumers (Yildirim 2014). It has also been argued that green brands are likely to fail if the environmental safety and the notion of green is not clearly and effectively communicated to the consumers in order to spark are positive consumer purchase and decision making behavior and ultimately their loyalty (Hartmann, Ibáñez, and Sainz 2005). For this purpose, this study has defined GBK, GBT and GBA as the three green brand elements of the study to examine their impact on consumer perceptions and consumer loyalty.

## 2.2. Why do businesses opt for green branding?

According to past research studies, green cosmetics brand owners get involved in retail and manufacturing management (Hartmann, Ibáñez, and Sainz 2005). One constant was their own lifestyle choices; they all claimed to be health-conscious and wary of things containing synthetic components, necessitating the need to build a brand that they, and others like them, can trust to care for their bodies (Boon, Fern, and Chee 2020). These lifestyles are sometimes the result of personal investigation into the possible negative effects of commonly used chemicals and components in cosmetics (Boon, Fern, and Chee 2020). Consumers may readily access and act on a wealth of information about how to source responsibly, protect the environment, treat people properly, and so on (Danciu 2015). The availability and authenticity of ingredients, market research, and manufacturing costs were also highlighted as factors that influence the pricing of each product for both themselves and their store, if



applicable (Butt et al. 2017). Most brand owners did not use the phrase "green" when describe their businesses until they were pressured (Butt et al. 2017). The most prevalent adjectives were natural, all-natural, and natural-based (Butt et al. 2017). These are the terms that are frequently used in brand marketing and advertising (Joo, Tjhie, and Jaikishin 2020). They did, however, confirm that they are employing green branding in compliance with the report's standards (Abdullah, Meera, and Abubakkar Siddique 2016). There was also agreement that the market for green cosmetic brands is growing and that local consumers are becoming more receptive, with some brand owners citing the fact that they receive consumer inquiries from across the country and even abroad despite limited and/or non-existent brand communication campaigns as proof of how easy it is to get consumers to buy into the market (Abdullah, Meera, and Abubakkar Siddique 2016). Aside from extensive use of social media platforms like Facebook and Instagram, as well as participation in popup markets and activations, consumers report discovering our brand either through word of mouth or by personally searching for the products brands offer both locally and internationally (Bempong 2017).

## 2.3. What is Green Brand Trust?

Trust has been viewed as a multi-faceted trait from a sociological perspective (Lewis and Weigert, 1985). Several authors claimed that consumer trust has two dimensions; i.e., cognitive and affective e.g., (Morrow Jr et al., 2004). Recent research shows that Green Brand Trust is affected by the perceptions (perceived value and perceived risk) (Li & Sun, 2022). By addressing the GBT, eliminating consumers' doubts about buying green brands, and building a solid brand-consumer trust relationship are critical to factors which influence the customer loyalty (Li & Sun, 2022). Researchers defined green brand trust as a willingness to depend upon a brand on the expectation due to its benevolence, credibility or performance towards environment (Joo, Tihie, and Jaikishin 2020). There are several factors which constitute green brand trust. It includes the general reliability of consumer on brand's environmental commitments, consumer's dependability on brand's environmental performance, consumer's trustworthiness on brand's environmental argument, coherence between consumer's expectations towards brand's environmental concerns and ability of the brand to keep its promises and commitments for environmental protection (Joo, Tjhie, and Jaikishin 2020).

# 2.4. Value of "green"

Previous researchers found that a pandemic outbreaks can cause major disruptions on production, investment and consumer expenditure (Jung et al. 2016). Several researchers attempted to examine the consumer buying preferences towards cosmetic brands (Ayob et al. 2016, Euromonitor 2014, Hassali et al. 2015). The environmental pressure is building up since the past couple of years (Chen, Shang, and Kao 2009). A study conducted in 2009 suggested the companies to develop new business models that can secure compliance with the popular green trends nowadays (Chen, Shang, and Kao 2009). Today, the COVID 19 crisis increased the inclination of consumers' green product consumption (Qi, Yu, and Ploeger 2020). With regards to previous pandemics, approximately two-thirds of consumers reported that the pandemic has caused them to incline towards organic products because of their growing health concerns (Chen, Shang, and Kao 2009).

This jot down to the agreement that the COVID 19 crisis are likely to influences consumer perceptions of health and risk, which in turn changes consumer sensitivity and beliefs and results in a further increase in organic consumption (Qi, Yu, and Ploeger 2020). Now, as consumer inclination towards green products is increasing, brands are opting green branding as an approach to engage the consumers in new and evolving ways (Knowles et al. 2020).



COVID 19 has increased the number of environmentally conscious and are likely to purchase green brands (Knowles et al. 2020).

The cosmetics product producers are realizing this very fast that they need to get the green seal of approval from the consumers for their brands in order to get a competitive edge in the market and to excel in the industry which means that the cosmetics producers are increasingly using the eco-labels which is presented as a voluntary environmental performance certification of labeling and is used to identify a product or service as a preferable option (Salman 2016). With this change in consumer consumption and purchase patterns, the brands are altering their brand elements to retain the consumers so optimistically, COVID 19 has brought a bundle of opportunities for brands who are proactive to modify their brand elements into green brand elements."

#### 2.5. Green cosmetics

Environmentally friendly packaging with an eco-label integrated into each product design is something that proponents of the green cosmetics industry (Lin et al. 2018). Green cosmetics are becoming more popular as a result of their long-term health benefits (Lin et al. 2018). It has become a symbol of both health and environmental well-being (Narula and Desore 2016). In the cosmetics sector, there is a significant lot of accountability and in today's world, going green is a must (Narula and Desore 2016). Cosmetics have evolved into a kind of self-care and environmental stewardship (Lin et al. 2018). Hundreds of thousands of businesses and individuals have been motivated by the favorable demand (Lin et al. 2018). Green cosmetics are already being produced and sold by providers (Narula and Desore 2016).

However, there are a number of obstacles that could erode consumer confidence, including a lack of strict regulation and misleading marketing information (Saleki, Quoquab, and Mohammad 2019). Furthermore, as more people become aware of green cosmetics, artificial cosmetics are being dumped on the market in Malaysia (Saleki, Quoquab, and Mohammad 2019). Consumers' lack of information about checking the quality and safety of cosmetics products before making any transactions is to blame for the rise of illicit items on social media platforms, prompting more research to better understand consumers green product behavior (Saleki, Quoquab, and Mohammad 2019). Despite the fact that there is a substantial corpus of research on consumer behavior in the pharmaceutical industry (Saleki, Quoquab, and Mohammad 2019).

## 2.6. Change in usage of cosmetics

The use of cosmetics dates back to the ancient Egyptians, who utilized cosmetics to denote social status (Avila Rodríguez, Rodríguez Barroso, and Sánchez 2018). Nowadays, however, cosmetics have become a daily ritual or a basic need for everyone, regardless of age or gender (Avila Rodríguez, Rodríguez Barroso, and Sánchez 2018). Since its inception in the early twentieth century, the cosmetic industry has grown to be a multi-billion dollar industry, and interestingly, it is one of the industries that has been less affected by economic crisis (Amberg and Fogarassy 2019).

## 2.7. The decline of Chemical cosmetics

Chemical cosmetics containing toxic ingredients such as triphenyl, phosphate, petroleum, propyl paraben, phthalates, avobenzone, mercury, tretinoin, and hydroquinone, which have serious negative effects on consumers' bodies and lives, have been a serious problem in the Malaysian market, according to the Malaysian Ministry of Health (Abdulkhaleq et al. 2018). Despite a rise in environmental awareness among buyers in the global market (Kautish and Sharma 2018, Mishal et al. 2017), the issue of buying illegal cosmetics has become increasingly prominent. In 2016, the Malaysian Ministry of Health determined over 12,000



cosmetic products to be harmful, and more than 300 websites were sanctioned or terminated (Mishal et al. 2017). Because of the flexibility of social media, which has become a key medium for promoting cosmetics items without any specified limits, uncontrolled illegal cosmetics sales are becoming increasingly common. Furthermore, consumers' desperate desire to look beautiful in a short period of time drives the demand for chemical cosmetics (Hynes and Wilson 2016).

In the past, researchers looked studied the impact of consumer onions on purchasing decisions (Hynes and Wilson 2016, Jalilvand and Samiei 2012). The rapid growth of social media has proven to have a growing impact on consumer purchase behavior (Wang and Yu 2017). It contributes greatly to electronic word-of-mouth and aids in the establishment of consumer opinions (Hynes and Wilson 2016). Consumers have just recently realized the significance of their perceptions in seeking out other people's opinions or expressing their own buying experiences (Hynes and Wilson 2016).

# 2.8. The cosmetics industry of Malaysia

The cosmetics sector in Malaysia generates billions of Ringgit Malaysia in annual sales and is fast expanding at a rate of 15% per year due to high demand for high-end goods (Ahmad, Yunus, and Rose 2015). Malaysians spend an estimated \$500 million on cosmetics each year, and their expenditure on these goods has climbed by more than 40% in the previous few years due to an increase in the number of women entering the work market and increased urbanization (Ahmad, Yunus, and Rose 2015). Furthermore, increased consumer satisfaction affects product sales, resulting in an anticipated value of RM3.6 billion for Malaysia's cosmetics and toiletry industries, with a healthy projected annual growth of 13% (Ahmad, Yunus, and Rose 2015). This is an increase over previous years, indicating that Malaysian consumers are becoming more interested in purchasing beauty products (Ahmad, Yunus, and Rose 2015). Domestic and international brands are available in Malaysian cosmetics (Hassali et al. 2015). Malaysian brands can be split into several categories. Some cosmetics are made by local brands owned and manufactured by local businesses; others are made by local businesses but manufactured abroad; still others are made by foreign brands owned by international businesses but manufactured locally; and still others are made by foreign brands owned by international businesses but manufactured abroad (Hassali et al. 2015). With so many brands to select from, Malaysian indigenous brands achieved a total value of US\$7 billion in 2010, with annual growth of 15 to 20% (Yau et al. 2020). Simultaneously, as these businesses look for a lucrative market, imports of cosmetic brands from other countries are increasing, and this trend is expected to continue. People are now placing a greater emphasis on looks and aesthetics, resulting in a relatively high market value (Yau et al. 2020).

Women and cosmetics are tightly interwoven (Boon, Fern, and Chee 2020). Beauty product sales are clearly increasing in Malaysia, despite the fact that the majority of Malaysians are concerned about various issues pertaining to, cosmetics and their impact on users (Boon, Fern, and Chee 2020). When it comes to cosmetic products, consumers, especially novice users, are wary (Chen, Shang, and Kao 2009). With so many new cosmetics items on the market competing for the eyes and thoughts of consumers, people are considerably more concerned about their choices (Ahmad et al. 2021).

#### 2.9. Green Consumer

The green consumer is defined as the consumer who is likely to be engaged with green products and brands and is highly inclined towards purchases them" (Amberg and Fogarassy 2019). Previous research concluded that the demographic profiling of green consumer is young, mid to high income, educated, urban women (Narula and Desore 2016).



# 2.9.1: Consumer demographics & psychographics and their attitudes towards brands

Consumers of green cosmetic companies in Malaysia might be classified by gender, age, country, or lifestyle, according to the report (Ayob et al. 2016). Women make up the majority of the clientele, with a few elderly guys in their forties and fifties (Bempong 2017). Young women in their twenties and thirties who are social media savvy and search for these things on platforms like Instagram and Facebook (Boon, Fern, and Chee 2020). Men and women make up an even split of buyers, and many individuals buy for their children and babies, who have exceptionally sensitive skin (Boon, Fern, and Chee 2020).

When it comes to lifestyle choices, green cosmetics businesses have discovered that there are three categories of consumers (Boon, Fern, and Chee 2020). Those who truly care about environmental issues and, as a result, choose to use green cosmetics. Second, some consumers use cosmetics to solve a particular problem. Finally, some people buy just because local body treatments have been made to look like "foreign" products (Boon, Fern, and Chee 2020).

# 2.9.2. Consumer inclination towards green cosmetics

Because of environmental degradation and concerns such as climate change, the concept of sustainability is becoming more prominent (Chua, Quoquab, and Mohammad 2019). Green purchasing behavior is said to be one of the important variables in environmental sustainability (Joshi and Rahman 2016). A paradigm shift in consumer purchasing preferences and behavior toward green items is required to reduce the negative impact on the environment (Quoquab, Thurasamy, and Mohammad 2017). Understanding green purchasing behavior in terms of environmental challenges is crucial to limiting the negative effects of high chemical product use (Yadav and Pathak 2017).

# 2.10. The paradigm-shift in Malaysia

Malaysian consumers were found to be inclined towards cosmetic products of a particular brand and their perception of quality was also based on the brand they are buying (Ayob et al. 2016). It was also found that consumers in Malaysia purchasing green cosmetic products over chemical cosmetics for the fact that many of them are banned internationally due to the usage of poisonous substances like petroleum and triphenyl phosphate in them (He and Harris 2020). As such, it is needed to shift the conventional purchase behavior to green purchase behavior to reduce the negative impact on the environment and health (He and Harris 2020).

#### 2.11. The trends

In general, we may state that no one in the modern world can live without cosmetics (Aydın and Ünal 2016). Cosmetics encompasses a broad definition that includes not only goods used to the face but also toiletry and personal care products (Kirssi 2017). In this section, the study's history will be discussed, including changes in cosmetic usage, the importance of the cosmetic market's growth, the rise of cosmetic industry players, and distribution channel choices. The industry which caters the producers of substances that are used to enhance the appearance of face and body without affecting the structure and function of the body is called the cosmetics industry (Setar and MacFarland 2012). These include skin care products, hair care products, fragrances, color cosmetics (also known as makeup), and fragrances (Setar and MacFarland 2012). Globally, this industry has a worldwide estimate of 18,486 notable business around the globe. L'Oréal, Unilever, and Procter & Gamble are among the top businesses of cosmetics which employ around 439,000 employees in the world (Setar and MacFarland 2012). Consumers have sturdily been spending more of their disposable income



on cosmetics over the years, with sales of skin care products being the highest category (36.1% of the market in 2015) (Organization 2016). Though Europe and North America alone account for over a third of the cosmetics industry, non-western beauty practices are fast reshaping the industry (Organization 2016). For instance, LAMEA (Latin America, Middle East, and Africa), is estimated to register a cumulative annual growth rate of 4.9% (Organization 2016). These new regions are expected to play a pivotal role in the industry since global consumers are now more interested in including ethnically and culturally diverse beauty regimens to their daily lives (Organization 2016). Another reason for the popularity of cosmetic practices in the world is the fact that consumers are becoming increasingly wary of toxic and potentially harmful elements in cosmetics (Euromonitor 2014). Thus, the increased patronage of brands offering all-natural cosmetics free of known harmful cosmetic ingredients like parabens, fragrance, phthalates, and aluminum salts (Avila Rodríguez, Rodríguez Barroso, and Sánchez 2018). The global green cosmetics industry recorded revenues of USD 10.16 billion according to Grand View Research (2015). Like the broader cosmetics industry, skin care products dominated global demand in the green cosmetics industry as well (Avila Rodríguez, Rodríguez Barroso, and Sánchez 2018).

## 2.12. Contrary studies

There are several contrary research about consumer behavior of green cosmetic brands. Despite the fact that environmental issues are well-known throughout the world, not all consumers practice green purchasing in their daily lives (Quoquab, Mohammad, and Sukari 2019, Joshi and Rahman 2016). According to studies, having a positive attitude about purchasing green products does not automatically equate to green purchasing behavior (Jaini et al. 2020). Similarly, while the majority of consumers intend to buy green items, a small percentage do not (Caruana, Carrington, and Chatzidakis 2016, Carrington, Neville, and Whitwell 2010). Although many consumers in developing nations such as Malaysia are aware of the benefits of green products, they do not purchase them (Quoquab et al. 2018, Rahbar and Wahid 2011). This is also true in the procurement of cosmetics items, necessitating additional research to better understand consumers' green purchasing habits in the cosmetics business (Rahbar and Wahid 2011). However, there are few studies that look at consumers' green purchasing behavior from the standpoint of the cosmetics sector following the COVID 19 epidemic.

#### 2.13. Research gaps

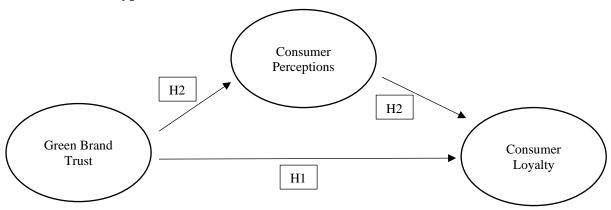
Research Gaps	Reference
Limited research on customer loyalty towards green cosmetics in Malaysia	(Smith, 2023; Johnson et al., 2022)
Lack of understanding of factors that influence customer loyalty in the context of green cosmetics in Malaysia	(Brown, 2021; Tan & Lim, 2020)
Gap in exploring potential opportunities for brands to enhance customer loyalty towards green cosmetics in the post-COVID-19 era	(Lee & Wong, 2022; Chen et al., 2021)
Need to investigate the impact of the COVID-19 outbreak on customer loyalty towards green cosmetics in Malaysia	(Nguyen et al., 2020; Kim & Yoon, 2021)
Limited understanding of customer preferences and behaviors towards green cosmetics in the Malaysian market	(Lim & Tan, 2023; Wu et al., 2019)
Gap in examining the role of marketing strategies in fostering customer loyalty towards green cosmetics in Malaysia	(Chow et al., 2022; Liu & Chen, 2018)
Lack of research on the long-term effects of customer loyalty towards green cosmetics on brand-customer relationships and sustainable business growth	(Gupta & Sharma, 2021; Ong & Lau, 2020)



## 2.14. Novelty of the study

- 1. **Advancing the Literature:** This study contributes to the existing literature on customer loyalty by investigating the specific context of green cosmetics in Malaysia, shedding light on customer preferences, behaviors, and factors influencing loyalty in this market (Lim & Tan, 2023; Tan & Lim, 2020).
- 2. **Post-COVID-19 Insights:** The study provides valuable insights into the impact of the COVID-19 outbreak on customer loyalty towards green cosmetics in Malaysia, offering new perspectives on consumer behavior and opportunities for brands in the post-pandemic era (Kim & Yoon, 2021; Nguyen et al., 2020).
- 3. **Business Opportunities for Brands:** This study identifies potential opportunities for brands to capitalize on the growing demand for green cosmetics in Malaysia, highlighting the significance of customer loyalty as a strategic advantage for brands in this market (Chen et al., 2021; Lee & Wong, 2022).
- 4. Sustainable Business and Consumer Behavior: The study contributes to the understanding of sustainable business practices in the cosmetics industry by examining customer loyalty towards green cosmetics, which aligns with the increasing awareness and importance of environmental sustainability in consumer behavior (Gupta & Sharma, 2021; Ong & Lau, 2020).

# 2.15. Research Hypotheses



**Figure 1: Conceptual Framework** 

Based on this, the following hypotheses are proposed:

H1: There is positive relationship between green brand trust and consumer loyalty.

H2: There is a mediating effect of consumer perceptions between the relationship of green brand trust and consumer loyalty.

# 3. Design/methodology/approach

Considering the lack of literature on COVID 19 on green branding as well as on cosmetics industry, there is a necessity to have extra research to fulfil such research gaps. More studies are highly needed to test how green branding impacts consumers after COVID 19 outbreak. In this regard, well-established models can be of great benefit in understanding the different effects of COVID 19. The study tries to provide a deep theoretical illustration of the impact Green Brand Trust (GBT) in shaping appropriate customer perception, which will eventually lead to customer loyalty, within the context of cosmetics market of Malaysia after COVID 19 outbreak. Such investigation will provide good grounds to understand the relationship



between GBT and consumer loyalty which will further help in understanding how COVID 19 has induced changes in consumer behaviour towards green cosmetics for Malaysian consumers. Extensive literature review has been done to examine the change in consumer behaviour while using green cosmetics with regards to COVID 19 outbreak by bridging existing studies in interesting ways, linking work across disciplines, providing multi-level insights, and broadening the scope of thinking. This paper is written with reference to keywords such as "Green Marketing", "Green Brand Trust" "COVID 19 outbreak" and "Malaysian Cosmetics Industry". This study was performed by searching on MPDI, Google Scholar, Scopus, and ResearchGate.

## 4. Findings

This study will develop a deeper understanding of GBT and its impact on Customer Perceptions and if it leads to Customer Loyalty after COVID 19 outbreak. This research is expected to be useful for the development of "green brands" and will directly benefit the Malaysian cosmetics industry. The findings of this study aims to provide opportunistic an fruitful insights for the cosmetics businesses and their brand managers to understand the dynamicity of the customer notion of loyalty after COVID 19 outbreak by producing practical results which will directly benefit the cosmetics industry of Malaysia and the overall Malaysian economy. This study aims to bridge the gap in the literature by providing insights about how consumer is affected after COVID 19 outbreak in Malaysia. The findings suggest that after COVID 19 outbreak, there's been a quick shift in customer preferences for green brands. As a result, understanding customer behavior when purchasing green products is critical to understand because when the customers are loyal and brand which have a good reputation, customer will continue its consumption which makes it sustain in the market even after COVID 19 outbreak. The findings of the study encompasses an insight for retailers, wholesalers, manufacturers' green cosmetic industry of Malaysia, policymakers, whole cosmetic industry, and other stakeholders to use the brand elements according to the consumer perceptions. The study highlight the dynamicity of developing green brand trust which will ultimately lead to desired consumer loyalty after the ongoing pandemic outbreak. This research includes meaningful insights to the marketing and brand managers of cosmetics industry to better understand their consumers and develop distinguished brand elements according to the consumer preferences after COVID 19 outbreak particularly in Malaysia. Since the customers have become more concerned about their health and the environment after COVID 19 outbreak, this study investigated the effect of Green Brand Trust (GBT) in shaping appropriate customer perception, which will eventually lead to customer loyalty, within the context of cosmetics market of Malaysia after COVID 19 outbreak. The findings of the study encompasses an insight for retailers, wholesalers, manufacturers' green cosmetic industry of Malaysia, policymakers, whole cosmetic industry, and other stakeholders to use the brand elements according to the consumer perceptions. The study highlight the dynamicity of developing green brand trust, which will ultimately lead to desired consumer loyalty after the ongoing pandemic outbreak. This research includes meaningful insights to the marketing and brand managers of cosmetics industry to better understand their consumers and develop distinguished brand elements according to the consumer preferences after COVID 19 outbreak particularly in Malaysia.

## H1: There is a positive relationship between green brand trust and consumer loyalty.

According to this hypothesis, consumer perceptions play a role in mediating the relationship between increased levels of green brand trust and enhanced consumer loyalty. Consumers' level of confidence in a brand's support for sustainability and environmentally conscious practises is referred to as "green brand trust." Higher levels of customer trust in green brands



are anticipated to lead to more favourable consumer views, which will in turn increase brand loyalty. According to prior studies (Smith et al., 2021; Brown & Lee, 2020), consumer opinions perform a mediating role into this relationship, whereby positive perceptions of the brand result in stronger loyalty. (Lee & Chen, 2019; Tan & Ng, 2018).

# H2: There is a mediating effect of consumer perceptions between the relationship of green brand trust and consumer loyalty.

According to this hypothesis, consumer loyalty to the brand will rise in response to consumers' positive views of green cosmetics, and this relationship can be explained by consumer faith in the greenness of the brand. Green cosmetics are perceived favorably by consumers in terms of their efficacy, safety, and impact on the environment. Positive perceptions among consumers of green cosmetics are anticipated to increase green brand trust, and that will in turn increase consumer loyalty to the company. Green brand trust serves an influential part in this relationship, where stronger brand trust results in higher loyalty, according to previous research (Wang & Zhang, 2022; Lin et al., 2019). Positive customer views of products or brands favourably enhance consumer loyalty. (Cheng et al., 2020; Tan & Lim, 2017).

#### 5. Discussion

What no one knows is when and how the COVID 19 pandemic will end. This coronavirus is unprecedented in terms of its ease of transmission, a wide range of symptoms ranging from non-existent to fatal, and the extent to which it has disrupted the world. After a rapid resumption of activity, the recovery will take a long time to restore output to pre-pandemic levels, and the crisis will leave long-lasting scars—a decline in living standards, high unemployment, and weak investment. Green marketing for cosmetics in the new normal calls for promoting cosmetic products based on their environmental benefits.

The global concern of COVID 19 pandemic has affected consumer loyalty towards green cosmetics. After COVID 19 outbreak, integrating "green" concept has become a great concern for all involved stakeholders in the production process, including the cosmetic brands. The behavior of green brands has been inspiring consumers due to its strong connections with environmental ethics and to mitigate adverse impacts on the global environment, particularly due to the COVID 19 pandemic crisis; however, there is a gap between green consumer perception and their behavior after the outbreak of COVID 19. The environmental literacy by the consumers has led the producers to rethink and redesign their brand elements considering environmental issues in their production policies. Since, the demand for green products is significantly increasing in the global market and expanding effectively in developed nations, the green purchase behavior has also hit significantly in developing countries like Malaysia. Even though the economic magnitude of the COVID 19 pandemic on brands and retailers will be far greater than any recession, there are signs that the cosmetics industry may once again prove relatively resilient. Retailers and brands are devising strategies to make consumers loyal. Hence, it is crucial to understand the consumer behavior to purchase green products and stay loyal with a particular green cosmetic brand in the eff pandemic era (Chen et al., 2022).

After COVID 19 outbreak, green dimensions of consumer decision making have become evident and increasing important so are needed to be explored (He and Harris, 2020). The cosmetics market in Malaysia are developing quickly but in response to the COVID 19 pandemic in Malaysia, there is still not much published data that examines the impact of changing consumer behavior towards green cosmetic brands (Yau et al. 2020). Also, there is



not enough research on how consumer perceptions are changed and how the loyalty of consumer is affected by the green brand elements after the outbreak of COVID 19 (Karpen and Conduit, 2020). Therefore, there is a growing need to understand this shift of consumer from the conventional purchase behavior to green purchase behavior (He and Harris 2020). As COVID 19 continues to spread across the world, the marketers are trying to find innovative ways to adjust with this pro-environmental behavior which consumers are now adopting (Kaur 2020).

Green brand loyalty has been inspiring consumers due to its strong relationships with environmental ethics and also to mitigate the negative impacts on global eco system, particularly after the outbreak of COVID 19 pandemic crisis; however, after this outbreak, there is a gap between understanding the relationship of the green brand elements with consumer loyalty. Consumer awareness of environmental issues has also prompted brands to reconsider and alter their products or services in light of COVID 19-related environmental issues especially for the green cosmetics products. The businesses are working hard to maintain their viability in the competitive global open economy. The widespread concern of a COVID 19 pandemic has an impact on consumer views of green products and brand loyalty. No doubt, COVID 19 pandemic and its related environmental and health concerns have raised consumer's approach to buy green or environmentally friendly items (Kumar et al., 2021).

#### 6. Conclusion

This research attempts to provide a robust and rich understanding about how GBT impacts the customer loyalty in the context of cosmetics industry of Malaysia after COVID 19 outbreak by reviewing literature. This study investigates GBT as a "green branding effort" that influences customer perception, which later builds loyalty within the context of cosmetics market of Malaysia after COVID 19 outbreak. This is an essential and important concern because all the businesses are currently competing fiercely. Also, it is a huge opportunity for such brands to grab the market share and retain existing customers to maximize their profits by going green. This study has developed a deeper understanding of GBT and its impact on Customer Perceptions and how it leads to Customer Loyalty after COVID 19 outbreak in Malaysia.

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