



GREEN PRODUCTS PURCHASING AMONG MALAYSIAN CONSUMERS

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ABSTRACT

The world is facing with the environmental degradation. Mainly human behaviour is the responsible of this matter. Malaysian government as a part of the world tries to protect the environment. Along with this way, government aims to encourage the public to change their behaviour towards the environment. Therefore, government has been promoted green products for the desired consumers. This study as a primary one aims to discover the awareness of Malaysian people about the green products in the market. In addition, it is aimed to measure the likelihood of intention of consumers to purchase green products. Chi-square analysis and binary logistic regression were applied.

Keywords: Green product, Green consumerism, Environment, Intention, TPB, Chi-Square.

Contribution/ Originality

This study contributes in the existing literature on green consumerism and the influential factors on this behaviour which uses new estimation methodology applying the Theory of Planned Behaviour (TPB). Moreover, the study is one of very few studies which have investigated in Malaysia in terms of measuring the intention of Malaysian consumers to purchase green products. The paper contributes the first logical analysis by employment of chi-square analysis and the logistic regression. Additionally, the paper documents for both local and international green product market to clear the potential green product consumers.

1. INTRODUCTION

A set of environmental problems including rising sea levels, air pollution, water pollution and climate change are occurring worldwide. Consumers are thereby becoming more concerned with

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environmental issues and are applying more practices to reduce environmental degradation (Mahalingam, 2011). As a result, green movement and environmental protection practices have found place among businesses and markets (Kassaye, 2001).

Malaysia is also on the receiving end of environmental degradation challenges such as air and water pollution (DOE (Department of Environment), 2010). Understanding the situation, Malaysian government has been making strong commitments towards environmental protection. For instance, the Ministry of Energy, Green Technology and Water (KeTHA) was established in 2009 with intention to promote and encourage public utilization of green technology and consumption of eco-friendly products. In addition, market availability of green and environmentally friendly products for desired consumers is being ensured (KeTHA, 2009). For example, Green foods are authorized under the Ministry of Agriculture through schemes and certifications like SALM (Malaysian Farm Accreditation), GAP (Good Agricultural Practice) (MOA, 2009). Moreover, green companies like the Body Shop, Starbucks also push forward green products into the market.

2. LITERATURE REVIEW

Green consumerism is defined as a concept which includes environmental protection, pollution minimization, responsiveness to non-renewable resources and animal welfare (McEachern and McClean, 2002). Green consumers are increasingly aware of environmental problems and concerned with consequences of human actions (Soonthonsmai, 2007).

Green or environment friendly products are products which reduce the negative effects on environment, are recyclable and reusable (IFIC (International Food Information Council), 2002). According to Mei *et al.* (2012) attitude towards the environment and peer pressure are influential factors to green purchase intention in Malaysia. Moreover, Cheah and Phau (2011) assert a strong correlation between eco-literacy, interpersonal influence and value orientation with attitude towards environmentally friendly products. The psychology studies on green purchase behaviour including (Robinson *et al.*, 2002; Han *et al.*, 2009) indicate that the socio-demographic characteristics of age, gender, income, marital status, income level, and educational level are influential factors on green products purchasing. For instance, in a study on green purchasing in Malaysia (Rezai *et al.*, 2011) it was observed that the socio demographic variables of educational level, income level, age and marital status significantly affect the respondents' intention towards green purchasing. Furthermore, in terms of gender, the majority of studies such as Olivová (2011) find that female carry higher intention to perform green behaviour. Moreover, in the study by Bryunina and Khodadad Safaei (2011) it was observed that respondents with higher educational level carry higher intention to purchase organic food. In addition, the literature on green products purchasing conclude that factors of animal welfare, human health and protecting the environment

affect the behavioural intention of purchasing environmentally friendly product (Williams and Hammit, 2001).

In Malaysia, the concept of environmentally friendly is new. The Malaysian government has invested to protection of the environment. However, the knowledge on consumers' attitude towards the green products is not high. More important, the issues are whether or not the Malaysian consumers are aware of the green products, and how they perceive these products. Moreover, there is a need to determine the extent, to which Malaysian consumers have intention to purchase green products.

3. METHODOLOGY

In the present study the Theory of Planned Behaviour (TPB) (Ajzen, 2002) is applied. Based on this theory the intention of performing the specific behaviour (in this study purchasing green product) is influenced by three main components of attitude, subjective norm, and perceived behavioural control. The attitude of consumers towards the environment or healthy life style could affect their intention to purchase green products. Moreover, in the present study subjective norms could be in conjunction with the parents, friends or even being in an environmentally friendly society which put pressure on a person to purchase green products. The perceived behavioural controls could be availability of these products, being healthy by purchasing the green product and also the knowledge or recognising of green product from non-green products which facilitate or prohibit the person of performing this behaviour. The conceptual framework is presented in Figure 1.

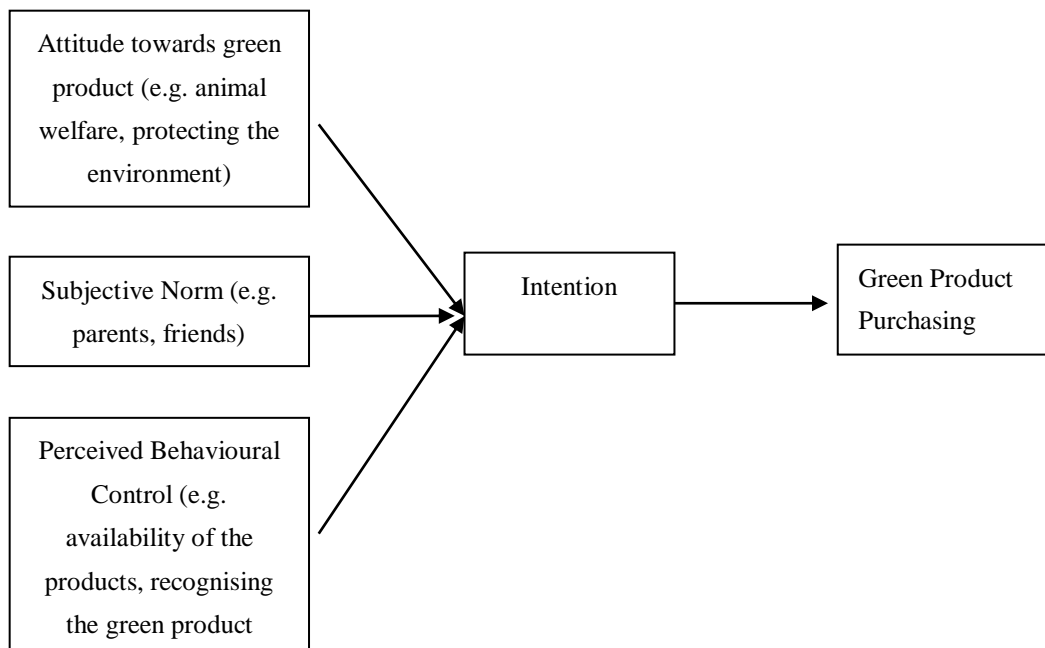


Figure-1. Conceptual framework of theory of planned behaviour with application to purchase green products

Simple random sampling technique is applied in this study and respondents are interviewed via structured questionnaire to test their attitude towards green concept, green products and intention of purchasing these products. Supermarkets are the places for collecting data, since people from all social life style shop in those places. These supermarkets are the ones such as Tesco, Giant, AEON, and Carrefour which are located in Malaysia. The questionnaire of the study is divided into four parts. Seven Likert point scale of 1 to 7 (1 represents strongly disagree, 7 represents strongly agree) are used. The first part measures the respondents' attitude towards the green concept and the sources by which consumers gain knowledge about it. The second part is in conjunction of the consumers' attitude towards the green products. The third part measures the intention of consumers to purchase the green products. The final part of the questionnaire is related to the socio-demographic characteristics of the consumers.

4. STATISTICAL ANALYSIS

Descriptive analysis, chi-square and binary logistic regression are the selected analysis tools of the present study to accomplish the study objectives. Descriptive analysis is applied to simplify the quantitative to be easy to be realised. Consumers are asked questions such as 'are you familiar with the green concept' and 'are you aware of the green products in Malaysia'. The Cronbach's alpha is used to measure the internal reliability. Chi-square analysis is employed to test the significant difference between the selected socio-demographic characteristics of the consumers and their attitude towards green products. The following hypotheses are presented as below:

HYPOTHESIS 1

There is a significant impact of particular socio-economic characteristics of consumers on consumption of green products with concern about the environmental problems.

HYPOTHESIS 2

There is a significant impact of particular socio-economic characteristics of consumers on consumption of green products with concern about the human's health

Binary logistic regression model is applied to estimate the influence of categorical explanatory variables on consumers' intention to purchase green products. The dependent variable Y is consumers' intention to purchase green products which is categorised into two categories of 'intention to purchase green products' which is coded as one and the second category 'no intention to purchase green product' which is coded as zero. The selected independent variables are following by gender, marital status, educational level and concern about the environment, and concern about the human's health. Gender is divided into two groups (female=1, male=0), marital status is divided into two groups (married=1, single=0), educational level contains two groups (tertiary=1, primary & secondary=0). Furthermore, the respondents

who believe that by green products consumption they can protect the environment are coded as 1; otherwise, they are coded as 0, and the consumers who believe that green products can save the human's health are coded as 1 or else they are coded as 0.

5. DISCUSSION

Concept of green in Malaysia is new. This study aims to uncover the level of consumers' knowledge about this concept as well as the level of awareness of green products. The result can show after the all effort that has been done with Malaysian government, whether people are highly aware of the green concept.

Furthermore, the study aims to find out whether there is any significant difference between the socio-economic characteristics of the respondents with their concern about the environment and human's health. Eventually as the final of goal of this study, the likelihood of having intention to purchase green products is measured. The result will clear whether green purchasing is gender influenced. Furthermore, it will be clear the likelihood of having intention is more among the younger persons, married or single ones.

The result of the study can be helpful for both local and international green product market. The result will clear the potential green product consumers. Therefore, both local and international market can target their target group.

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