

The Antecedents of Green Purchase Intention among Malaysian Consumers

Ooi Jen Mei¹, Kwek Choon Ling², Keoy Kay Hooi³

^{1,2}Faculty of Business and Information Science, UCSI University, Malaysia

³Centre of Excellence for Research, Value Innovation and Entrepreneurship, UCSI University, Malaysia

Abstract. The objective of this research is to determine the factors influence the green purchase intention of Malaysian consumers. A descriptive research was conducted to address the research objective. The research was undertaken among the Malaysian who are green products users. The adopted sampling method was convenience sampling and survey was conducted. A total of 230 usable questionnaires were analyzed by using Statistical Package for Social Science Software version 19. Five hypotheses were developed for this research and all hypotheses were tested using Pearson Correlation Analysis and Multiple Regression Analysis. The results of the study indicated that environmental knowledge, environmental attitude, governmental initiative and peer pressure have significant influences on green purchase intention of Malaysian consumer. In contrast, eco-label failed to show significant relationship to green purchase intention.

Keywords: Environmental Knowledge, Environmental Attitude, Government Initiative, Peer Pressure, Eco-Label and Green Purchase Intention.

1. Introduction

The environment deterioration caused by the over consumption and utilization of natural resources from the consumers is always a concern from the public. With an increased in the social and political pressures, many firms embraced green marketing strategies and exploited these environmental issues as a source of competitive advantage. However, some of the greatest challenges faced by these firms include changes in consumer preferences, misgiving of green advertising claim, unfavourable consumer's perception of green products and the high cost invested in developing green products. As a result, this study will try to elaborate the various key concepts in the green marketing and identify the determinants of the consumers' green purchasing behaviour.

2. Literature Review

2.1. Green marketing

According to Polonsky (1994, p.4), "green or environmental marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs with minimal detrimental impact on the natural environment". Today, consumers are paying more attention to the environmental efforts of businesses and support companies that excel with their green marketing.

2.2. Green product

Ottman (1998) defines green product as product in which typically nontoxic, made from recycled materials, or minimally packaged. Pavan (2010) characterises green product based on a few features, including original grown, recycle/reusable, contain natural ingredients, contain recycled content, do not pollute environment, contain approved chemical and not test on animals.

2.3. Green purchase behaviour

Green purchase intention is conceptualized as the probability and willingness of a person to give preference to products that having eco-friendly features over other traditional products in their purchase considerations (Nik Abdul Rashid, 2009). Chan (2001) defines green purchase as a specific kind of eco-friendly behaviour that consumers perform to express their concern to environment. Since the consumer intention has been used as a proxy for actual behaviour (Follows and Jobber, 1999), this study would like to further discuss the determinants of green purchase intention. The identified determinants of green purchase intention include environmental knowledge, environmental attitude, government initiative, peer pressure, and eco-label.

2.4. Environmental knowledge

Environmental knowledge is defined as the state of an individual's knowledge about an issue impacts significantly upon his or her decision making process (Nik Abdul Rashid, 2009). There are several studies that support empirically the assumption that consumers' environmental knowledge or eco-literacy is a significant predictor of environmentally friendly behaviour (Chan, 1999; Nabsiah Abdul Wahid, et al., 2011). However, Paco and Raposo (2009) and Tadjewski and Tsukamoto (2006) in their studies concluded that environmental knowledge did not contribute to green purchase behaviour .

2.5. Environmental attitude

Lee (2008) defines environmental attitude as the individuals' value judgement of environmental protection which taps the individuals' cognitive assessment of the value of the environmental protection. Attitude, as opposed to knowledge and behaviour, is the most significant predictor of consumers' willingness to pay more for ecologically favourable products (Laroche et. al., 2001, p.505). Follow and Jobber (2007) and Mostafa (2007) argue that the consumers' attitudes towards green purchase can influence their green purchase intention and directly affects their actual green purchase behaviour.

2.6. Government initiative

Government initiative refers to initiative taken by the national government or the support given by the national government (Diekmeyer, 2008). The role played by the government in environmental protection is undeniable. Pavan (2010) argues that government can raise a campaign to promote public awareness of eco-labels as it is proven in the study that awareness and trustfulness of eco-labels can exert a significant influence on green purchase behaviour (Nabsiah Abdul Wahid, et al. 2011). The studies from both Punitha and Rahman (2011) and Tsen, et al. (2006) indicated that government initiative is a strong predictor towards green purchasing behaviour.

Chen and Chai (2010) indicate that Malaysian government has publicized various strategies to implement sustainable consumption and development. As the role model to the people in the country, Malaysia government has initiated various polices to enhance the environmental sustainability by encouraging consumers to engage in purchasing green products as well as providing incentives to the manufacturers to product green products. To educate and foster environmental awareness and concern among the public, Malaysian government also opts for social advertising (Haron et al., 2005, p. 426).

2.7. Eco-label

Rotherham (1999) defines eco-label as synonymous descriptors that refer to information a product provides "about the environmental impacts associated with the production or use of a product". The environmental labels are increasingly being utilized by marketers to promote the identification of green products (D'Souza et al., 2006). Many of the studies on eco-labels looking for the ways to make them effective in consumers' purchase behaviour of environmental safe products (D'Souza et al., 2006).

Nik Abdul Rashid's (2009) argues that the awareness of eco-label has positive effect between knowledge of green product and consumer's intention to purchase. According to Nik Abdul Rashid (2009), eco-labels are attractive instruments informing consumers about the environmental impact of their purchasing decisions. To date, there are approximately 30 different green label schemes worldwide. Asian countries such as China, Japan, Korea, India, Thailand, Malaysia and Singapore have launched their own eco-labeling schemes (Nik Abdul Rashid, 2009). In 1996, Malaysian green label schemes were committed and started by the Standards

and Industrial Research Institute of Malaysia (SIRIM). At that time, energy conservation, agricultural products, degradable, non-toxic plastic packaging material, hazardous metal-free electrical and electronic equipment, biodegradable cleaning agents and recycled paper ware were classified and related to the eco-labeling schemes drafted by SIRIM (Elham and Wahid, 2010).

In addition to the study of Nik Abdul Rashid (2009), Grankvist, Dahlstrand and Biel (2004) also mention that women, graduate and young respondents show positive attitude toward eco-labelled products. Loureiro and Lotade (2005) argue that consumers especially in much developed countries have shown their willingness to pay higher premium for eco-labelled products. This study deals with consumer acceptance of eco-label as part of green product promotion method to influence their green purchase intention. However, some other studies indicate that although the functions of labels are recognized by some consumers but this does not automatically lead them to green purchasing decisions (Leire and Thidell, 2005, p. 62).

2.8. Research gap - green purchase intention in the context of Malaysian consumers

Beginning in the 1970s, a significant amount of research has been conducted on consumer behaviour for environmentally friendly products. Many variables including values, beliefs/knowledge, needs & motivations, attitudes, and demographics were shown to drive consumer choice in regards to purchasing environmentally friendly products (Bui, 2005).

There have been very few studies conducted on green purchasing behaviour (Tanner and Kast, 2003; Lee, 2008; Cheah, 2009). Despite, the result contrasts either due to different countries was set as the origin or different samples were used. Lee (2008) argues that the green marketing studies in Asian countries are relatively less in comparing to the Western countries. To better understand the green purchase behaviour, it is critical to know the green purchase intention. Purchase intention is a critical factor to predict consumer behaviour (Fishbein & Ajzen, 1975). Thus, it is become critical to study the green purchasing behaviour in the context of Asian countries.

2.9. Justification of this research

This study seeks to extend the understanding of the various determinants of the green purchase intention derived from the extant literature. Studies performed by Cheah (2009) and Chen and Chai (2010) found that there is an increased demand for green products in the Malaysian market. A market survey from one of the leading market survey services company, Marketsensus claims that green consumers in developing countries show the most willingness to support green consumerism in comparing to the other Asia-Pacific countries. Consumers from the emerging markets in the region are more willing to pay more for green products (Lung, 2010). Nearly 95% of Thai consumers and over 80% of Malaysian and Korean consumers are willing to pay more; less than 60% of consumers from Hong Kong and Australia show willingness to pay more (Lung, 2010). Therefore, it is interesting for researcher to find out what drives Malaysian consumer to purchase green products in which eventually would contribute to firms that want to emerge to Malaysian green market.

However, beginning in the 1970s, a significant amount of research has been conducted on consumer behaviour for environmentally friendly products and in regards to purchasing environmentally friendly products (Bui, 2005). However, green consumer behaviour does not necessary show consumer intention to purchase green product. A person that appreciated and concerned about the environment does not necessarily behave in a green way in general, or purchase green product. This is known as the value-action gap (Ohtomo and Hirose 2007).

Blake (1999) defines value-action gap as “the gap occur when the values or attitudes of an individual do not correlate with their actions”. “Value-action gap is a gap between the high value people place on the nature environment and relatively low level of action taken by individuals to counter environmental problems” (Dickson, 2001). A study finds that people who are environmentally conscious do not necessarily behave pro-environmentally (Ohtomo and Hirose 2007). It has been shown that an individual will accept and purchase green product when their pro-environmental behavior (environmental conscious) aligns with their values / self-interests (and this behaviour is also normative) (Ajzen, 1991). The above argument is aligned with the statement: behaviour drives from intention (Miller, 2005).

In conclusion, it is suggested to carry out this study empirically in the near future. The future empirical study may explore the antecedents of green purchase intention among Malaysian green consumers. Through the empirical study in the near future, perhaps the findings can provide the insights of the green consumerism and serve as a guideline for companies to formulate and implement their green and sustainable marketing strategies accurately and effectively.

2.10. Conclusion

This study presents the review of the current extant literature in related to the green concept, green marketing practices and the determinants of the green purchase intention. The study also identifies the relevant research gap and its research justification. Based on the research gap, it is proposed to conduct an empirical study to identify and evaluate the antecedents of green purchase intention among Malaysian green consumers.

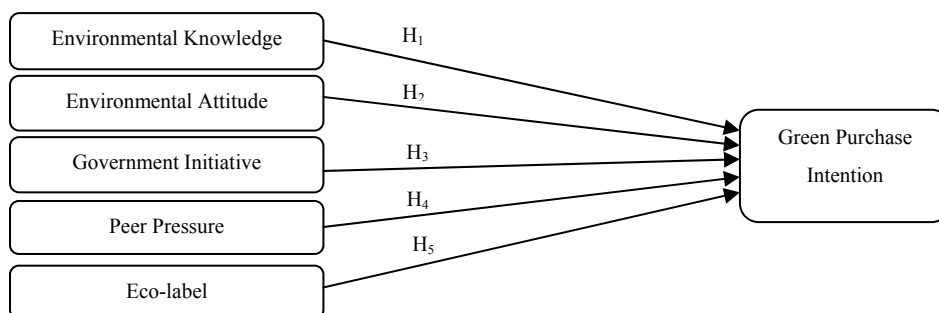


Fig 1. The Proposed Conceptual Framework for This Research

3. References

- [1] Ajzen, I (1991). The theory of planned behaviour, *Organization Behaviour and the Human Decision Process*, 50, 179.
- [2] Blake, J. (1999). 23. Overcoming the 'value-action gap' in environmental policy: Tensions between national policy and local experience. *Local Environment. The International Journal of Justice and Sustainability* 4 (3): 257–278.
- [3] Bui, My H. (2005). *Environmental marketing: a model of consumer behaviour*. US: Loyola University New Orleans
- [4] Chan, K. (1999). Market segmentation of green consumers in Hong Kong. *Journal of International Consumer Marketing*, 12(2), 7-24.
- [5] Chan, R. Y. K. (2001). Determinants of Chinese Consumers' Green Purchase Behavior. *Psychology & Marketing*, 18(4), 389-413
- [6] Cheah, C.M. (2009). A study on consumers green purchasing intention Masters Thesis, *College of Business, University Utara Malaysia*, Malaysia
- [7] Chen, T.B. and L.T. Chai (2010). Attitude towards the environment and green products: *Consumers perspective. Manage. Sci. Eng.*, 4: 27-39.
- [8] Dickson, M. (2001). "Utility of no sweat labels for apparel consumers: Profiling label users and predicting their purchases". *The Journal of Consumer Affairs* 35 (1): 96–119
- [9] Diekmeyer, P. (2008). *Bribery in public procurement: protecting your company from corruption*.
- [10] D'Souza, C., Taghian, M., & Lamb, P. (2006). An Empirical Study on the Influence of Environmental Labels on Consumers. *Corporate Communications: An International Journal* (11)2 162-173.
- [11] Follows, S.B. and D. Jobber (2000). Environmentally responsible purchase behaviour: A test of a consumer model. *European Journal Market*, 34: 723-746
- [12] Grankvist, G., Dahlstrand, U., & Biel, A. (2004). The impact of environmental labeling on consumer preference: Negative versus positive labels. *Journal of Consumer Policy*, 27, 213-230.
- [13] Haron. S. A., Paim. L. & Yahaya. N. (2005). Towards sustainable consumption: an examination of environmental knowledge among Malaysians. *International Journal of Consumer Studies*, 29 (5), 426–436.
- [14] Laroche, M., Bergeron, J., & Barbaro-Forleo, G. (2001). Targeting consumers who are willing to pay more for environmentally friendly products. *The Journal of Consumer Marketing*, 18 (6), 503-520.
- [15] Leire, C. and Thidell, A. (2005). Product-related environmental information to guide consumer purchases: a review and analysis of research on perceptions, understanding and use among Nordic consumers. *Journal of Cleaner Production*, 13(10), 61-70.

- [16] Loureiro, M. L., & Lotade, J. (2005). Do fair trade and eco-labels in coffee wake up the consumer conscience? *Ecological Economics*, 53(1), 129-138.
- [17] Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention and behavior: An introduction to theory and research reading*, MA: Addison-Wesley.
- [18] Lee, K. (2008). Opportunities for green marketing: Young consumers. *Market. Intell. Plann.*, 26: 573-586.
- [19] Lung, S. (2010). Green Consumerism - The way to effectively differentiate your products in Asia-Pacific Market.
- [20] Miller, K. (2005). *Communications theories: perspectives, processes, and contexts*. New York: McGraw-Hill.
- [21] Mostafa, M.M. (2007). Gender differences in Egyptian consumers green purchase behavior: The effects of environmental knowledge, concern and attitude. *Int. J. Consumer Stud.*, 31: 220-229.
- [22] Nabsiah Abdul Wahid, Elham Rahbar, et al. (2011). "Factors Influencing the Green Purchase Behavior of Penang Environmental Volunteers." *International Business Management* 5(1): 38-49
- [23] Nik Abdul Rashid. (2009). Awareness of Eco-label in Malaysia's Green Marketing Initiative. *International Journal of Business and Management* 4(8): 10.
- [24] Ohtomo, S. and Hirose, Y. (2007). The dual-process of reactive and intentional decision-making involved in ecofriendly behavior. *Journal of Environmental Psychology* 27(2): 117-125
- [25] Ottman, J. A., Ed. (1998). *Green Marketing: Opportunity for Innovation*, NTC Business Books
- [26] Paco, A.D. and M. Raposo (2009). Green segmentation-An application to the Portuguese consumer market, *Market Intell. Plann.*, 27: 364-379
- [27] Pavan Mishra, P. S. (2010). "Golden Rule of Green Marketing." *Green Marketing In India: Emerging Opportunities and Challenges* 3: 6
- [28] Polonsky, M. J. (1994). "An introduction to green marketing." *Electronic Green Journal*.
- [29] Punitha Sinnappan and A. A. Rahman (2011). "Antecedents of Green Purchasing Behavior among Malaysian Consumers." *International Business Management* 5(3): 129-139.
- [30] Rotherham, T. (1999). "Selling Sustainable Development: Environmental Labeling and Certification Programs, University of Miami, October 28-29", Retrieved from: www.iisd.org/standards/pdf/miami_paper_final.pdf
- [31] Tadjewski, M. and S.W. Tsukamoto (2006). Anthropology and consumer research: Qualitative insights into green consumer behavior. *Qualitative Market Res. Int. J.*, 9: 8-25
- [32] Tanner, C. and S.W. Kast (2003). Promoting Sustainable consumption: Determinants of green purchases by Swiss consumers. *Psychol. Market.*, 20: 883-902.
- [33] Tsen, C.H., G. Phang, H. Hasan and M.R. Buncha (2006). Going green: A study of consumers willingness to pay for green products in Kota Kinabalu. *Int. J. Bus. Soc.*, 7: 40-54.