

The Factors Influencing Green Purchase Intention on Green Product among Malaysian Consumers

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Abstract

Nowadays, the environment has increasingly turned into a vital issue for all people. Protecting and preserving the resources and environment existing around the world can be regarded as one of the biggest challenges most businesses and consumers are facing. Consumer behaviour changes to be more aware of the environment and interested in buying green products. Therefore, this study aims to determine the factors between environmental knowledge, environmental attitude, government initiative and eco-label that influencing the green purchase intention on green products among consumers in Malaysia. This study was quantitative in the form and questionnaires distributed to collect information from respondents based on the sample size of 145 respondents and use convenient sampling method. The data obtained through questionnaires is analyzed and evaluated by correlation and regression testing. Most of the results show low and moderate relationship on green purchase intention. Finally, limitation of study was also recognized and identified after the research is done. There are recommendations to the industry practitioner and the correspondent for future research to be conducted for better understanding in future.

Keywords: Green Purchase Intention, Green Product, Environmental Knowledge, Environmental Attitude, Government Initiative, Eco-Label.

Introduction

Environmental protection issues have been receiving the attention of society as well as many countries around the world (Ho et al., 2020). Nowadays, Asian countries become the primary target market by international marketers due to the increase of environmental awareness and the purchasing power of Asian consumers (Noor et al., 2012). Besides that, behaviour of consumers as well as industry in production and marketplace has also been changed due to the increasing awareness on environmental issues (Barber et al., 2012). However, the local and international marketers are facing difficulties in developing adequate and effective marketing strategies caused by lacking information related to the green purchase intention of the consumers in that country (Aman et al., 2012).

In Malaysia, green products are difficult to get, and they might be costly in some supermarkets. Evidence reveals that customers ignore the benefits of green products due to the difficulty in finding stores that sell them, as well as the products' comparatively high prices (Al'azmi, 2017). Therefore, marketers have begun to develop green marketing tactics to assist consumers in finding environmentally friendly products and delivering product at reasonable price. This method is likely to increase consumers' desire to buy green products, since consumer will be motivated to acquire green products that are easy to find and obtain at a reasonable price. According to Latip et al (2021) a lack of consumer confidence in green products poses a problem for shoppers buying these goods. In Malaysia, majority consumers do not use green products. This situation provides an opportunity for the government, marketers, and the mass media to attempt to make people aware of the advantages of green products through promotions and campaigns (Rezai et al., 2013). This situation shows that an additional effort is required to increase the Malaysian consumers' consumption on green products. The increase in public concern and awareness regarding the environment's well-being and safety has led the consumers to consider environmental issues in their purchases and pay attention to green products has increased the demand for these products. Therefore, this study highlighted the factors influencing green purchase intention on green product among Malaysian consumers.

Literature Review

Purchase Intention on Green Product in Malaysia

Nowadays, people are more interested to buy green products due to the increase in environmental awareness. Studies performed by Cheah (2009); Chen and Chai (2010) found that there is an increase demand for green products in Malaysia. This is supported by a previous study as increased awareness will generally contribute to organic food purchase intention (Wang et al., 2019). Furthermore, Ayub et al (2018) showed that environmental consciousness is the most significant factor to influence consumer purchase intention towards organic food product in Malaysia.

Norazah and Norbayah (2019) revealed that awareness of green marketing, corporate social responsibility, product image, and corporate reputation are significantly associated with consumer purchase intentions of green products. Meanwhile, study by Abdullah et al (2020) on green skincare products among Malaysian consumer, revealed that environmental concern and attitude towards green skincare product displayed a significant effect on the intention among Malaysians to purchase green skincare products. In facts, the study indicate that purchase intention exhibited a significantly positive effects on the purchase of the green skincare.

Razmi and Harun (2019) revealed that attitude towards green purchase in Malaysia is the key determinant that influences consumers' purchase intention, followed by perceived consumer effectiveness, health consciousness, attitude toward environment and lastly social influence. While Moka et al (2018), based on their study among Malaysian Consumer in Johor, found that knowledge, eco-label and social influences were positively significant with consumer purchase intention on green products.

Theory of Reasoned Action (TRA)

The conceptual model for this research was adopted from (Mei et al.,2012). This model was partly based on the Theory of Reasoned Action (TRA). TRA is used to argue that consumer's attitudes and subjective norms towards environment issues can influence their behavior and action towards green purchase (Fishbein and Ajzen, 1975).

Environmental Knowledge

According to Zsoka et al (2013), environmental knowledge is a term which is used to signify knowledge and awareness regarding environmental issues and solutions. It is also the knowledge of facts and relationships that affect the environment, which may lead to environmental concern of an individual (Maichum et al., 2016).

Past studies have demonstrated clashing outcomes regarding the impacts of environmental knowledge on green purchase intention. Mostafa (2009); Jaiswal and Kant (2018) found that environmental knowledge has a significant influence on the purchase intention of the eco-friendly product. Another research discovered that environmental knowledge and awareness has a significant direct effect on managers' green behaviour (Safari et al., 2018). In contrast, other literature showed that environmental knowledge does not significantly impact on green purchase intention (Ahmad & Ariffin, 2018). A similar study by Yogananda and Nair (2019), found that environmental knowledge had an insignificant relationship to intent to purchase green food products.

Environmental Attitude

Environmental attitude is one of the variable that should be considered in determining the intention of consumer in purchasing green product. Environmental attitude is defined as learned predisposition to respond consistently favorable or unfavorable manner with respect to the environment (Rashid, 2009).

In recent years, customers have had positive attitudes about green consumption (Xu et al.,2020, Yadav and Pathak, 2017). In order to understand the behavior of ecologically conscious consumers, environmental attitude has been identified as one of the primary and most important antecedent variable that determine subsequent purchase intention and behavioral action of green consumer (Chen and Tung, 2014, Perrea et al., 2014, Prete et al., 2017). Based on Khoiriyah (2018), health consciousness, environmental attitude and value orientation have significant and positive effect on attitude toward green product and then attitude toward green product affects the willingness to pay. Putria et al. (2014) also discovered that environmental attitude has a positive and significant effect on the willingness to buy.

In terms of green product purchasing intention, Ebru (2018) determined that, environmental concern has a meaningful impact on environmental attitude and green product purchasing intention, and environmental attitude has a meaningful impact on green product purchasing intention. Verma and Chandra (2018) found Indian consumers' environmental attitude to be most important determinant of green hotel visit intention. Meanwhile, Singh and Verma (2017) reported that Indian consumers' favorable environmental attitude has significantly positive effect on purchase intention for organic food product.

Government Initiative

Government initiative refer to initiative taken by the national government or the support given by the national government (Diekmeyer, 2008). Recently, the role of government or policy maker in encouraging people to consume green product is undeniable. The study of Tummers (2019) have highlighted how governments can influence in changing the citizen's behavior and suggest that government can employ policy instruments such as incentives, information campaigns, bans, mandates and nudges can change the individual behavior. Based on Jaiswal and Kant (2018), Indian consumers' attitude to sustainable and green products is significantly positive, driving their purchase intention; however, policy makers' intervention is required to make consumers more aware about green product.

A study has emphasized the role of external factors such as the role of government and media exposure to shape consumer's environmental attitude and product attitude (Chen et al., 2018). The study also find that the role of government has positively influenced the attitude for the green products in the belt and road countries of Asia. Similarly, Hiller Connel (2011) held the view that government policies are instrumental in predicting the environmental attitude of consumers.

Eco-label

According to Tang et al (2004), eco-label can be defined as a mean of information tool that usually utilized logo to convey information to consumers on the environment implications of buying such product.

A study by Rashid (2009) found that awareness of eco-label has a positive effect between knowledge of green product and consumer's intention to purchase. Another study by Kong et al (2014) reported that eco-label had positive significant influences on green purchase intention. The findings also revealed that eco-label and green product value made the largest contribution in influencing green purchase intention among consumers. In a more recent study, Waris and Hameed (2020), found that knowledge of eco-labels has positive influence on purchase intention of energy-efficient home appliances. In contrast, eco-label failed to show significant relationship to green purchase intention among Malaysian consumers (Mei et al., 2012).

Research Methodology

Data had collected from the sample using the validated and reliable research instrument. After the data had collected, they had analysed using correlation and multiple regression analysis. Correlation analysis was used to determine the relationship between the independent and dependent variables, while multiple linear regression analysis was used to determine the contributions of each of the significant predictors or independent variables towards the dependent variable.

Target populations of this study are Malaysian consumers who buy green product. This population is chosen because of the significant role and impact it has on buying intention towards green product that exist in the market. From this statement, 145 respondents have been chosen to represent the total population. For this research, the sampling method that will be use by researcher is convenience sampling under non-probability technique. The

research instrument that has been use in this study is questionnaire. The questionnaires that have used in this research study will be classified into two sections and other several parts. First, Section A comprises the demographic background of the respondents. It consists of gender, age, race, occupation, income level and highest-level education of the respondents. Next, Section B is aimed to examine and evaluate the dependent variable and independent variable. The sources of the constructed instrument used on this research study were adopted from Mei et al (2012) for green purchase intention, environmental knowledge, environmental attitude, government initiative and eco-label. The data were analysed using the SPSS for reliability test and the Cronbach's Alpha coefficient of reliability was derived. The reliability index Cronbach's Alpha of the instrument for green purchase intention was 0.870 while for independent variables which consist of environmental knowledge (0.877), environmental attitude (0.580), government initiative (0.580) and eco-label (0.499).

Findings

The study identified a relationship among the factors (environmental knowledge, environmental attitude, government initiative and eco-label) with the green purchase intention. In achieving this, Pearson correlation coefficients between each pair of variables had examined. As shown in Table 1, environmental knowledge ($r = 0.300$) at the level of significance were positively with weak relationship with green purchase intention. While the environmental attitude ($r = 0.484$) and government initiative ($r = 0.494$) with ($p = 0.000$) which is less than 0.05 indicates that there was significance positively with moderate relationship. Eco-label result showed ($r = 0.181$) that there was significance with weak relationship. This result shown the independent variable of environmental knowledge, environmental attitude, government initiative and eco-label had significantly affected the dependent variable with the green purchase intention.

Table 1

Pearson Correlation Coefficient Environmental Knowledge, Environmental Attitude, Government Initiative and Eco-Label

Variables	R-value	Result
Environmental knowledge	0.300	Weak Relationship
Environmental attitude	0.484	Moderate Relationship
Government initiative	0.494	Moderate Relationship
Eco-label	0.181	Weak Relationship

As shown in Table 2, the results of regression analysis of the four independent variables which are environmental knowledge, environmental attitude, government initiative and eco-label regressed against dependent variable which is green purchase intention. Based on the table, the value for environmental knowledge is ($\beta = 0.130$) with ($p = 0.078$) and eco-label is ($\beta = 0.119$) with ($p = 0.090$) which are more than 0.05. It indicated that there was no significant relationship between environmental knowledge and eco-label with green purchase intention. While, the value for environmental attitude is ($\beta = 0.267$) with ($p = 0.003$) and government initiative is ($\beta = 0.285$) with ($p = 0.001$) which are less than 0.05. It shown that there was significant relationship between environmental attitude and government initiative with green purchase intention.

Based on Table 2, the value of $R^2 = 0.331$ that indicates that 33.1% of the variance determinants of the green purchase intention is influenced by independent variables of this study which are environmental knowledge, environmental attitude, government initiative and eco-label. Consequently, 66.9% of the variance is influenced by another variable. From this table, government initiatives were the most significant predictor variable that contribute to the green purchase intention with the value of Beta Coefficient (0.285) or 28.5% and significant at 0.000. Followed by environmental attitude with the value of Beta Coefficient (0.267), environmental knowledge (0.130) and eco-label (0.119). From this result, Malaysian consumers prefer government initiative to preserve and safe the environment, decrease the pollution towards nature and overcome global warming effect.

Table 2

Regression Analysis Summary for Effectiveness Online Learning

Variables	Standardized Coefficient (β)	Sig.	R ²
(Constant)		0.000	0.331
Environmental knowledge	0.130	0.078	
Environmental attitude	0.267	0.003	
Government initiative	0.285	0.001	
Eco-label	0.119	0.090	

Conclusion

The outcomes of the current study and the previous study were discovered to be comparable and different throughout this research investigation. Various results can be the result of a variety of factors. This study has been conducted among Malaysian consumers to identify the factors that influencing green purchase intention on green products. According to the findings, environmental knowledge, environmental attitude, and government action are independent variables that have a significant association, however eco-label has no significant relationship with green purchase intention. These findings introduce new insights from the Malaysia landscape. It reconfirms that Malaysian still unaware about the present of eco-label and consumers who are unaware about green living will stay unconcerned about the environment. Despite of that, the government's initiative in acquiring green items has a highest correlation value. It serves a critical role in protecting our planet from environmental problems. Customers' green trust in businesses must be improved. Consumers will only trust green products if the products are truly beneficial in their daily lives. Then, the companies can hire an endorser or celebrity as a spokesperson in persuading others to raise awareness of green purchase intention can be nurtured. With these results, it is reasonable to suggest the government to do more to promote a green and healthy lifestyle through social media and advertising campaigns. To this end, It will also assist consumers in developing a good attitude toward green products to preserve the global environment for future generations.

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