

CONSUMER AWARENESS, GREEN MARKETING,  
CULTURAL INFLUENCE, SOCIAL CLASS  
TOWARDS GREEN PRODUCT ACCEPTANCE

NUR KHAIRIENNAZ BINTI NAZMAN

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

## DECLARATION BY SUPERVISOR

I acknowledge that have read this thesis and in my opinion this project is sufficient  
In term of scope, quality for the award of Bachelor of Technology Management  
(High Technology Marketing) with honors"

Signature : .....

Name of Supervisor : Dr. ISMI RAJIANI

Date : 25 JUNE 2012

Signature : .....

Name of Panel : PN NOR AZAN ABD. GANI

Date : 25 JUNE 2015

CONSUMER AWARENESS, GREEN MARKETING, CULTURAL INFLUENCE,  
SOCIAL CLASS TOWARDS GREEN PRODUCT ACCEPTANCE

NUR KHAIRIENNAZ BINTI NAZMAN

Submitted in Partial Fulfillment of the Requirement for the Bachelor of Technology  
Management (High Technology Marketing) with Honors

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

JUNE 2015

**DECLARATION OF ORIGINAL WORK**

“I admit that this report is a product of my own work  
Except the citation for each of which I have mentioned the sources”

Signature : .....

Name : NUR KHAIRIENNAZ BINTI NAZMAN

ID Number : B061110156

Date : 25 JUNE 2015

## **DEDICATION**

This research is dedicated to my fellow friends that had accompanied me for the past 4 years of my university life and to other student for the research. Also thanks to my supervisor Dr Ismi Rajiani for his guidance and help me in order to complete this project.

## ACKNOWLEDGEMENT

Sincerely from my heart, I would like to express my appreciation to Dr. Ismi Rajiani for the guidance, have a time to assist me in preparing final year project and report. He also always gives support, encouragement and advice in order for me to do better in this final year project. Besides that, he also is willing to share his knowledge with me. I feel gratitude to have Dr. Ismi Rajiani to be my supervisor as well as mentor for my Final Year Project and Report.

I also want to say thank you to those who are involved in help me either indirectly or directly to finish my research project. Especially to my friend under Dr. Ismi Rajiani, and also my close friend Nurul Amira Ibrahim and Shazwani Mad Shah that keep accompany me to done this research. Hope this research can be helpful as reference from other student. Last but not least, I would like to thank to my parent Nazman Bin Mohd Amin and Norzamzura Bt Ismail for supporting me in terms of financial, the spirit in order for me to finish my research project.

## ABSTRACT

Nowadays, the concern about the environment is necessary for the green business. Since the awareness about green product still lack among the consumers, this research investigates the green product acceptance by determining awareness on consumer towards green product acceptance. By using simple random sampling method to generate one hundred respondents from Malacca, the respondents are assessed on Awareness, Green Marketing, Social Class, and Cultural Influence toward Green product acceptance. The Multiple Regression Analysis is used to see the relationships between independent and dependent variable. As a result, coefficient of determination is equal to 0.510, indicates that 51% of green product acceptance was determined by Consumer Awareness, Green Marketing, Cultural Influence, and Social Class. The finding also shows there is a significant effect of consumer awareness and cultural influence towards green product acceptance.

Key Words: Consumer Awareness, Green Marketing, Social Class, Cultural Influence, Green product acceptance

## ABSTRAK

Pada masa kini, kebimbangan mengenai alam sekitar adalah perlu bagi perniagaan yang hijau. Kesedaran tentang produk hijau masih kurang dalam kalangan pengguna, kajian ini mengkaji penerimaan produk hijau dengan menentukan kesedaran pengguna terhadap penerimaan produk hijau. Dengan menggunakan kaedah *simple random sampling* untuk menjana seratus responden dari Melaka, responden dinilai pada Kesedaran, Pemasaran Hijau, Kelas Sosial, Kebudayaan dan Pengaruh ke arah penerimaan produk hijau. *Multiple Regression Analysis* digunakan untuk melihat hubungan antara *independent and dependent variable*.. Akibatnya, pekali penentuan sama dengan 0,510, menunjukkan bahawa 51% daripada penerimaan produk hijau telah ditentukan oleh Kesedaran Pengguna, Pemasaran Hijau, Pengaruh Kebudayaan, dan Kelas Sosial. Dapatan kajian juga menunjukkan terdapat kesan yang ketara kesedaran pengguna dan pengaruh budaya ke arah penerimaan produk hijau.

Kata kunci: Kesedaran Pengguna, Pemasaran Hijau, Kelas Sosial, Pengaruh Kebudayaan, Penerimaan Produk Hijau.



## TABLE OF CONTENTS

<b>CHAPTER</b>	<b>ITEM</b>	<b>PAGE</b>
	DECLARATION	<b>I</b>
	DEDICATION	<b>II</b>
	ACKNOWLEDGEMENT	<b>III</b>
	ABSTRACT	<b>IV</b>
	ABSTRAK	<b>V</b>
	LIST OF TABLES	<b>VIII</b>
	LIST OF FIGURES	<b>IX</b>
	LIST OF ATTACHMENT	<b>X</b>
<b>CHAPTER 1</b>	<b>INTRODUCTION</b>	
	1.1 BACKGROUND STUDY	2
	1.2 PROBLEM STATEMENT	4
	1.3 RESEARCH QUESTIONS	4
	1.4 RESEARCH OBJECTIVES	5
	1.5 SCOPE	5
	1.6 IMPORTANTANCE OF THE STUDY	6
	1.7 SUMMARY	7
<b>CHAPTER 2</b>	<b>LITERATURE REVIEW</b>	
	2.1 CONSUMER AWARENESS	8
	2.2 GREEN MARKETING	9
	2.3 CULTURAL INFLUENCES	9
	2.4 SOCIAL CLASS	10
	2.5 THEORETICAL FRAMEWORK	11
	2.6 RESEARCH HYPOTHESIS	14
<b>CHAPTER 3</b>	<b>RESEARCH METHOD</b>	
	3.1 INTRODUCTION	15
	3.2 RESEACH DESIGN	16
	3.3 METHODOLOGY CHOICE	17
	3.4 PRIMARY DATA AND SECONDARY DATA	17
	3.4.1 Primary Data Source	17
	3.4.2 Secondary Data Source	18
	3.5 LOCATION OF THE RESEARCH	18
	3.6 RESEARCH STRATEGY	18

3.6.1	Method Of Primary Data Collection	18
3.7	TIME HORIZON	19
3.8	RESEARCH INSTRUMENT	19
3.9	SAMPLING DESIGN	19
3.10	PILOT TEST	20
3.11	SCALE OF MEASUREMENT	20
3.12	OPERATIONAL VARIABLES DEFINITION	21
3.13	QUESTIONNAIRE DESIGN	22
3.14	VALIDITY AND RELIABILITY	22
3.14.1	Validity	22
3.14.2	Reliability	23
3.15	STATISTICAL TOOL	24
3.15.1	Statistic Associated With Multiple Regression Analysis	25
3.16	SUMMARY	27
<b>CHAPTER 4</b>	<b>DATA ANALYSIS</b>	
4.1	INTRODUCTION	28
4.2	PILOT TEST	29
4.2.1	Validity Analysis	29
4.3	RELIABILITY ANALYSIS	30
4.4	DESCRIPTIVE ANALYSIS	32
4.4.1	Demographic Analysis	32
4.4.1.1	Gender	33
4.4.1.2	Age	34
4.4.1.3	Income	35
4.4.1.4	Education	36
4.4.2	Research Questions	37
4.5	INFERENTIAL ANALYSIS	45
4.5.1	Pearson Correlation Analysis	45
4.5.2	Multiple Regression Analysis	47
4.5.3	Hypothesis Testing	49
<b>CHAPTER 5</b>	<b>RECOMMENDATION AND CONCLUSION</b>	
5.1	INTRODUCTION	50
5.2	CONCLUSION	51
5.3	RECOMMENDATION	52
<b>REFERENCES</b>		53
<b>ATTACHMENT</b>		56

## LIST OF TABLES

<b>NO</b>	<b>TITLE</b>	<b>PAGE</b>
2.15	VARIABLE INDICATOR	25-26
4.1	VALIDITY	29
4.2	RELIABILITY STATISTIC	30
4.3	ITEM STATISTIC	30
4.4	ITEM-TOTAL STATISTICS	31
4.5	GENDER	33
4.6	AGE	34
4.7	INCOME	35
4.8	EDUCATION	36
4.9	THE DESCRIPTION OF ITEM ON CONSUMER AWARENESS	37
4.1	THE DESCRIPTION OF ITEM ON GREEN MARKETING	38
4.11	THE DESCRIPTION OF ITEM ON CULTURAL INFLUENCES	40
4.12	THE DESCRIPTION OF ITEM ON SOCIAL CLASS	41
4.13	THE DESCRIPTION OF ITEM ON GREEN PRODUCT ACCEPTANCE	43
4.14	PEARSON CORRELATION ANALYSIS	45
4.15	MULTIPLE REGRESSION ANALYSIS	47
4.16	ANOVA TABLE	48
4.17	COEFFICIENTS	48

**LIST OF FIGURES**

<b>NO</b>	<b>TITLE</b>	<b>PAGE</b>
FIGURE 2.5	THEREOTICAL FRAMEWORK	11
FIGURE 4.1	GENDER	33
FIGURE 4.2	AGE	34
FIGURE 4.3	INCOME	35
FIGURE 4.4	EDUCATION	36

**LIST OF ATTACHMENT**

<b>NO</b>	<b>TITLE</b>	<b>PAGE</b>
A	QUESTIONNAIRE	56
B	DATA SPSS	61

## CHAPTER 1

### INTRODUCTION

#### 1.1 BACKGROUND STUDY

In 1970, Concern for the environment first is appearing. The reason for this new focus is the greater awareness of environmental issues related to unsafe chemical in our food and bloodstream, glaciers melting, and scarcity of clean water. According to the United Nations (United Nations 2010) 884 million people worldwide still do not have access to safe drinking water. Further, the world's biodiversity is being affected by the loss of species at an alarming rate.

Referring to Chen (2010), Schwenk and Moser (2009), Environmentalists strongly suggest that people should change their living into the trend of "green" lifestyle which can reach the aim of friendly environment. Yankelovich (2008), add up that 22 percent of all consumers feel they can make a difference when it comes to the environment.

(Baker, 1986) defines ambiance as those factors that exist below the level of customers' immediate awareness, so they may be less than totally conscious of these conditions Environment. Leonard (2010), stated that each thing we buy involve all sorts of resources and labor. Someone mined the earth for the metals in your cell phone; someone unloaded the bales from the cotton gin for your t-shirt. Someone drove or flew this bouquet around the country or the world to get it to you.

(Cohen & Wolfe, 2011) said that there is a global demand for greener products. It is striking that interest in the environment and sustainability appears to be on the rise in markets all across the world. Chad Renaldo notes that consumers who engage in frequent activities involving convenience products may not hold strong environmental beliefs.

Diamantopoulos et al. (2003) have looked at issues of whether environmental orientation, awareness or knowledge makes consumers behave more responsibly. Thøgersen (2004), finding that even when concern influences one environmentally related behavior, it does not impact into it. Beside, MacKerron et al. (2009), said that opportunities to look at how consumers respond to alternative prices rather than simply voluntary environmental option.

Culture also involved in the green product acceptance. Referring to Trompenaars et al. (2004), culture bonds arise in a number of ways, some related to the consumption situations, others to product attributes. In the cultural context surrounds the product, including shopping for it, consuming it and disposing it. The consumption as disposal involves how we see the environment; nature and culture affect our perception.

## 1.2 PROBLEM STATEMENT

In review Diamantopoulos et al. (2003), it has looked at issues of whether environmental orientation, awareness or knowledge makes consumers behave more responsibly. Thus, how do we change consumer behavior toward to pay for the environment? The question is what is the underlying reason green product acceptance in market? Some authors have argued that there may be a cultural factor that explains the differences; others suggest it comes down to how consumers perceive the dominant social paradigm that they operate within. It is important to make consumer care and value the environment.

## 1.3 RESEARCH QUESTION

- Does consumer awareness affect product acceptance toward green product?
- Does cultural can influence consumer toward a green product acceptance?
- Does green marketing can be defined to green product acceptance?
- Does social class affect the consumer to green product acceptance?



## 1.4 RESEARCH OBJECTIVE

The specific objectives of this study are shown as follows:

1. To determine awareness on consumer towards green product acceptance.
2. To find out the green marketing towards green product acceptance.
3. To evaluate the cultural influence towards green product acceptance.
4. To find out the social class on consumer that affects the green product acceptance.

## 1.5 SCOPE

The scope for the research is to determine consumer awareness towards a green product. Besides that, it is to identify what had been influenced consumer towards purchasing a green product. Furthermore, the study also identifies a social class in Malacca that affects a green product purchasing. This research will be focused on consumer, which was located in Melaka.

## 1.6 IMPORTANCE OF THE STUDY (SIGNIFICANCE/CONTRIBUTION)

Since that, our awareness of green product among consumer is lack; the researcher has decided to make a survey about how far a consumer aware about the green product acceptance in the market. The study will help to find out the response of consumer towards a green product acceptance and finally a recommendation on how to solve the awareness about the green product. Furthermore, this research will discuss about green product acceptance.

## 1.7 SUMMARY

Overall in chapter one, the background of the research has been discussed, where the research on awareness of the environmental issues. This research is aim to answer the research question which are to determine the awareness on consumer toward green product acceptance in market. In addition, the research objectives are to determine awareness on consumer towards green product acceptance. Next, is to find out green marketing towards green product acceptance. Thirdly is to evaluate cultural influence towards green product acceptance. Lastly the research is to find out the social class on consumer towards the green product acceptance. Meanwhile, the scope of the research will be focused on respondent, which was located in Melaka. Furthermore, the significance of the study are to find out how far response of consumer towards our environment surrounding.

## CHAPTER 2

### LITERATURE REVIEW

Developing country such as Malaysia faced great challenges in order to ensure a balance between development and environmental sustainability. Urban air and river quality, deforestation, household waste and hazardous waste are some of the serious and worrying environmental problems faced by the country. In order to give awareness among the consumer, the researcher needs to do a research. The detailed discussion on the enablers to green product acceptance is as follows:

#### 2.1 Consumer Awareness

According to Yaacob (2011), Generally speaking awareness comprises a human's perception and cognitive reaction to a condition or event. The study conducted by Zakaria et al. (2011) on educated consumers in the East Coast of Peninsular Malaysia, they found respondents had not or little awareness of environmentally friendly products. In order to develop awareness of a green product, companies attempt to augment consumer knowledge of the product and its environmental attributes in the hope of bringing about purchase behavior. However, the exact nature of the relationship between environmental knowledge and environmentally sensitive behavior is still to be established (Zakaria et al. 2011). Consumer awareness might be useful when the manufacturers' objective is to overcome resistance to new environmentally safe packages. Advertising of the new advantages and benefits of such products helps its consumers become more aware of the damage to the environment and they tend to change their buying habits. In the other hand, referring to Chen and Chai (2010), stated that it is important for marketer to develop and implement emotional green branding

strategies effectively and strongly to encourage positive sales of green product as there is an increase demand for green product in the Malaysia market.

## **2.2 Green Marketing**

In 2009, a study conducted by the American Marketing Association revealed that over half of corporate marketers thought their companies would increase sustainability efforts throughout 2010 and 2011 (AVS Group). Although various definitions of green marketing exist, we adhere to the definition provided by Lu et al. (2003), that green marketing is defined as a strategic effort made by firms to provide customers with environment-friendly (i.e. eco-friendly or green) merchandise. Refer to author Kriedler and Mathew (2009), most of the current literature on green consumerism uses socio-demographic variables to classify the various consumer segments, while the popular press has classified green consumerism more along the lines of benefits sought. The body of work in academia on green segmentation has yielded mixed responses and although the general consensus is that the typical green consumer is an affluent, educated, liberal female who lives in a city, with children in elementary school, there is still a significant amount of debate in the literature as to characteristics of a „typical“ green consumer.

## **2.3 Cultural Influence**

According to Sonderegger (2012), culture refers to similar patterns of thinking, feeling and acting of people who belong to the same group but show differences in these patterns compared to other groups. (Lita, 2012) stated that the main constructs of the theory of reasoned actions are behavior, intention, personal attitude and subjective norms. Furthermore, (Lita and Cho, 2012) stated that a cultural wave causes the increased consumption of products of, increasing interests in the culture of, and an increase in travel to the country of origin, as shown in the media. This phenomenon has drawn the world, especially teenagers, to appreciate certain aspects of popular culture, such as TV dramas, music, and games, and to embrace everything about the country and

culture, including its products and people. Many people change their preferences due to the media.

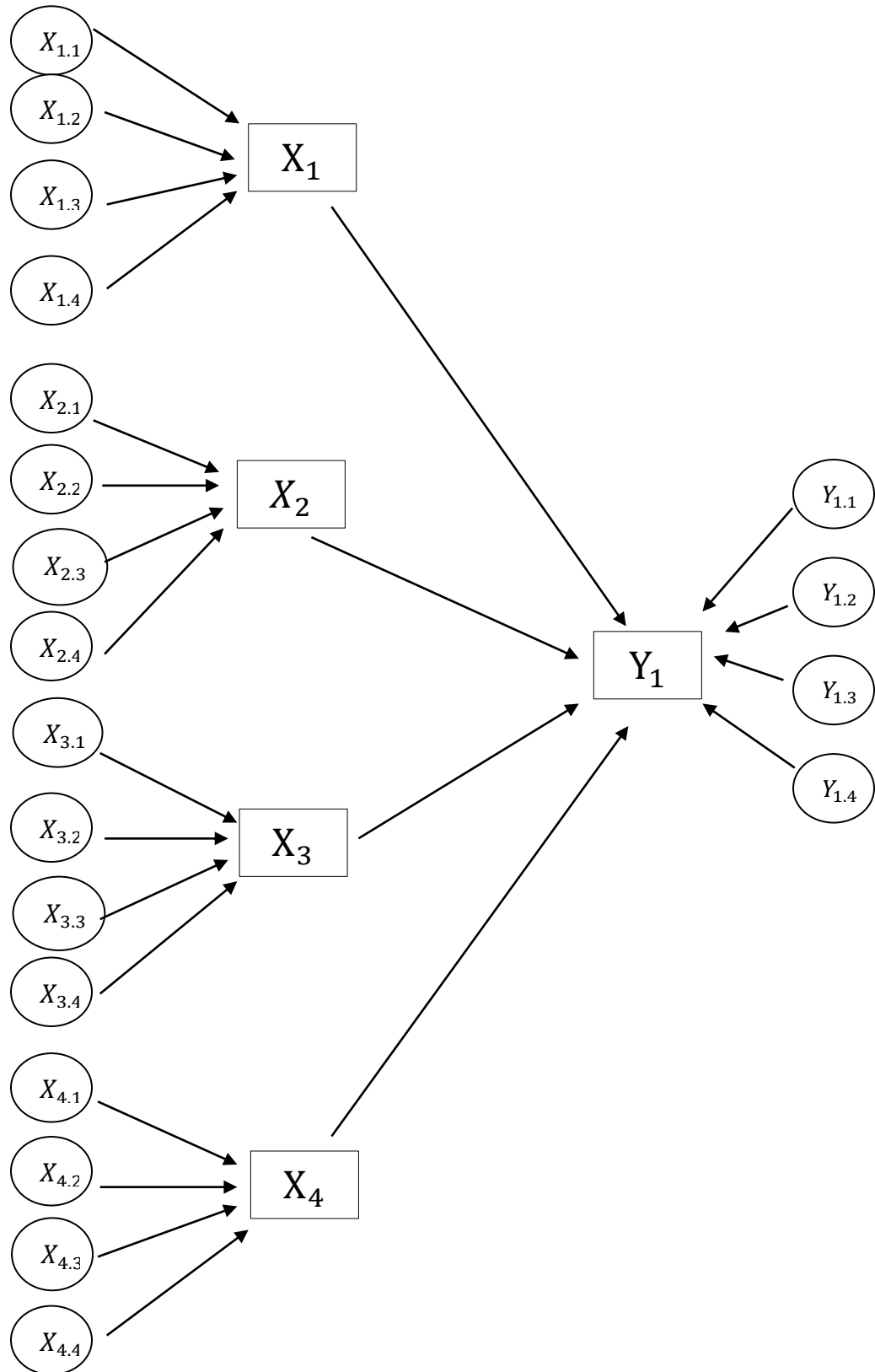
#### **2.4 Social Class**

Referring to Gherasim (2013), Social classes are, therefore, relatively homogeneous and long lasting divisions of a society which are arranged in a hierarchical order and whose members share the same common values, interests and the same behavior. Reviewing (Williams, 2002) stated that, the expected relationship between social class and the physiological process associated with decision making and information processing behaviors center on the underlying factors associated with social status level. The social class construct is fundamentally a summary surrogate for all dimensions of social prestige and power, and social status is a function of what society value. Moreover, this research indicates that, social class and buying behavior arises from the fact that children are socialized in differently across social class levels and social value.

#### **2.5 Product Acceptance**

As stated by Lemke et al. (2013), marketing managers have realized that consumer's criteria to evaluate products are changing and businesses have responded to these demands by introducing products that are marketed as being "environmentally friendly" or "green". However, most green products are having weak marketplace acceptance. As a detailed of discussion, there is several thing need to consider for product acceptance which will be a quality, convenience, performance and affordability. High product quality could gain greater product acceptance from customers as well as lead to satisfaction of retailers and wholesalers (Chang et al., 2010). The product quality had a direct impact on performance, and was closely linked to customer satisfaction, customer loyalty, and repurchase intentions (Chang et al., 2010).

## 2.5 THEORETICAL FRAMEWORK



INDEPENDENT VARIABLE

$X_1$  : Consumer Awareness

$X_{1.1}$  : Perception

$X_{1.2}$  : Purchasing Behavior

$X_{1.3}$  : Consumer Knowledge

$X_{1.4}$  : Environmental Attitude

$X_2$  : Green Marketing

$X_{2.1}$  : Green Consumer

$X_{2.2}$  : Segmentation

$X_{2.3}$  : Targeting

$X_{2.4}$  : Positioning

$X_3$  : Cultural Influence

$X_{3.1}$  : Personal attitude

$X_{3.2}$  : Intention

$X_{3.3}$  : Subjective norms

$X_{3.4}$  : Behavior

$X_4$  : Social Class

$X_{4.1}$  : Consumption Pattern

$X_{4.2}$  : Income

$X_{4.3}$  : Social Status

$X_{4.4}$  : Education