

**FACTORS THAT INFLUENCE PURCHASING
BEHAVIOUR TOWARDS ORGANIC PERSONAL
CARE PRODUCT AMONG GENERATION Y IN
MALACCA**

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ORGANIC PERSONAL CARE PRODUCT AMONG GENERATION Y IN
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DECLARATION

“I declare that this project is the result of my own research except as cited in the references. The research project has not been for any degree and is not concurrently submitted in candidature of any other degree.”

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DEDICATION

This research paper is lovingly dedicated to my parents, Encik Mohd Fouzan Bin Arshad and Puan Zalina Binti Abu Salam, who have been my constant source of inspirations and they have given unconditional support with my studies. I am honoured to have them as my parents. Thank you for giving me a chance to prove and improve myself through all my walk of life. To my siblings and family, thank you for your endless love, prayers and encouragement towards me. Not forgetting, to those who indirectly contributed in this research, your kindness means a lot to me. Thank you very much.

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ABSTRACT

Green buying behaviour is known for the consumption of goods and products that are recyclable/reusable, beneficial to the environment, and/or being responsible to the environmental concern. As green products have gained popularity in the market, more consumers have looked for greener products. Personal care products containing organic ingredients is the American National Standard that defines labelling and marketing requirements for contains organic ingredients claim for products with a minimum organic content of 70 percent. Products in the standard include cosmetic products, rinse-off and leave-on personal care products, oral care products and personal hygiene products. The objective of this research is to determine the factors that influence the intention of Generation Y in purchasing of organic personal care product. Besides that, this research adopted Theory of Planned Behaviour (TPB) to test the relationship of the factors towards the purchasing behaviour of organic personal care product among Generation Y in Malacca. The research is based on explanatory research which is to identify the relationship between independent variable and dependent variable. The researcher used quantitative method by conducting a survey through the questionnaire and took a sample of 210 people age 15-33 years at Malacca City. The data gathered were analyzed by using descriptive analysis. The finding shows that there is a significant relationship between the purchasing behaviour intention (dependent variable) and the attitude towards behaviour, consumer's subjective norms and perceived behavioural control (independent variables).

ABSTRAK

Tingkah laku pembelian hijau terkenal dengan penggunaan barangan dan produk yang boleh dikitar semula / guna semula, memberi manfaat kepada alam sekitar, dan / atau bertanggungjawab untuk kesejahteraan alam sekitar. Disebabkan produk hijau telah mendapat populariti di pasaran, lebih ramai pengguna telah mencari produk hijau. Produk penjagaan peribadi mengandungi bahan-bahan organik merupakan Standard Nasional Amerika yang mentakrifkan pelabelan dan syarat pemasaran mengandungi bahan-bahan organik pada produk dengan kandungan organik sekurang-kurangnya 70 peratus. Produk dalam standard ini termasuklah produk kosmetik, produk tanpa bilas pada produk penjagaan diri, produk penjagaan mulut dan produk penjagaan kebersihan diri. Objektif kajian ini adalah untuk menentukan faktor-faktor yang mempengaruhi niat Generasi Y untuk membeli produk penjagaan peribadi yang berasaskan organik. Selain itu, kajian ini menerima pakai Teori Tingkahlaku Dirancang (TPB) untuk menguji hubungan antara faktor-faktor ke arah tingkah- laku pembelian produk penjagaan diri organik dalam kalangan Generasi Y di Melaka. Kajian ini adalah berdasarkan kepada penyelidikan untuk mengenal pasti hubungan antara pembolehubah bebas dan pembolehubah bersandar. Penyelidik menggunakan kaedah kuantitatif dengan menjalankan kajian melalui soal selidik dan mengambil sampel seramai 210 orang yang berusia 15-33 tahun di Bandar Melaka. Data yang dikumpul dianalisis dengan menggunakan analisis deskriptif. Dapatan kajian menunjukkan bahawa terdapat hubungan yang signifikan antara tingkah laku niat pembelian (pembolehubah bersandar) dan sikap terhadap tingkah laku, norma subjektif pelanggan dan kawalan tingkahlaku yang dilihat (pembolehubah bebas).

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LIST OF SYMBOLS

SYMBOL		MEANING
t	=	t value
p	=	significant
β	=	Beta

LIST OF ABBREVIATIONS

NAME	ABBREVIATION
National Science Foundation	NSF
American National Standard International	ANSI
Diethanolamine	DEA
United States Department of Agriculture	USDA
Centre for Environmental Health	CEH
Theory of Planned Behaviour	TPB
Lifestyles of Health and Sustainability	LOHAS
Perceived Behavioural Control	PBC
Statistical Package for the Social Sciences	SPSS
Multiple Regression Analysis	MRA
Pearson's Product Moment Correlation Coefficient	PMCC
Universiti Teknikal Malaysia Melaka	UTeM
Universiti Teknologi MARA	UITM
Urban Transformation Centre	UTC

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CHAPTER 1

INTRODUCTION

1.1 Introduction

Malaysia is one of the earliest countries in the world that have taken a serious consideration regarding the environment by enacting the Environment Quality Act way back in 1974 (Nurul et al., 2014). According to Khwaja (2008), the story about the environment is not new, as indeed, destructing the environment has always been a part of human life, which has influenced human life at both individual and community level. Activities such as production, logistic, sourcing, marketing and branding has shown a huge negative impact on the environment; even to be known as the major source of environmental problems (Eltayeb, et al., 2010). This matter did not only have an effect on consumer health and wellbeing globally, but also on their choices, purchases, perception, and preferences (Sarigoll, 2009).

As cited by Zeinab and Maryam (2012), Schlegelmilch et al. (1996) emphasize that environmental concerned consumers' needs have led companies and businesses to opt for green marketing. Green buying (purchasing) is a significant tool in the change to sustainable green and environmentally friendly consumption and production and can include a broad spectrum of environmental issues consisting of cutting down carbon dioxide emissions. To reach a sustainable future, the world's society, public, and private sector are commanded to perform green purchasing (IGPN, 2009).

Green buying behaviour is known for the consumption of goods and products that are recyclable/reusable, beneficial to the environment, and/or being responsible to the environmental concern (Lee, 2009). Green products usually exist in many categories such as food, energy saving electronics, buildings and vehicles. According to Zeinab and Maryam (2012), green products are usually indicated by their packaging, which contains wordings such as natural, recyclable, organic, environmentally friendly, and biodegradable.

1.2 Background Of The Study

As green products have gained popularity in the market, more consumers have looked for greener products (Nimse *et al.*, 2007). Following the food sector, the personal care sector accounted for the second largest portion of sales in the US organic industry (Organic Trade Association, 2006). D'Souza *et al.* (2006) as cited by Hee and Jae (2011) claim that consumers' ecological concerns may be key factors in the marketing of cosmetic products.

According to NSF/ANSI 305 (n.d.), personal care products containing organic ingredients is the American National Standard that defines labelling and marketing requirements for contains organic ingredients claim for products with a minimum organic content of 70 percent. The products that included in the standard are cosmetic products, rinse-off and leave-on personal care products, oral care products and personal hygiene products. These products may be applied to or used externally on any part of the body such as hair, face, hands and feet. For the purposes of this Standard, cosmetics are considered personal care products.

Although the fast growth in sales of organic and natural care products has intrigued researchers' interests, most existing research on the organic personal care industry has dealt with marketing strategies rather consumer behaviour. Without in-depth understanding of consumer behaviour for this product category, it is difficult to devise effective marketing strategies (Hee and Jae, 2011).

1.3 Problem Statement

Abundance of personal care products and pharmaceuticals in the market caused many users, especially the generation Y increasingly obsessed with taking care of oneself regardless of the ingredients in these products. Many personal care products currently made up of chemicals that affect rapidly as early as three days as a bleaching agent. Does Generation Y today do not afraid about the side effect if they taking too much of personal care that contain more chemicals?

This is because levity in choosing personal product care without really concern about the ingredients especially with all those chemical substances will indirectly give a negative impact on the long term as these chemicals can cause cancer and skin allergies. According to International Agency for Research on Cancer (n.d.), Diethanolamine (DEA) that usually found in creamy and foaming products such as moisturizer and shampoo can react to form cancer causing nitrosamines such as liver cancers and precancerous changes in skin and thyroid.

Therefore, the researcher believes that personal care products based on organic materials or natural materials are much better because organic matter can preserve the health of the skin in a more safe without side effects. Examples of natural ingredients used are of plant extracts such as aloe vera, betel leaves, tea tree oil and fruits extract. With a smooth skin texture, generation Y should choose for organic personal care products for treating skin health from the inside thereby making our skin more charming and eternal youth throughout the ages in a more secure and confident.

1.4 Research Question

Iron triangle consists of 3 main elements which are the research topic, research question and research objective. To form research question, the researcher need to understand the topic first and how to achieve it. In order to make this research, the researcher would like clarify more in the research question and research objective. Based on the above problem statement, the research question is:

- i. What are the factors that influence the intention of Generation Y in purchasing of organic personal care product?

1.5 Research Objective

After the identification of the research question, research objective need to be built to help in answering the research question and also as a guide for this research. Thus, the research objective of this research is:

- i. To identify the factors that influences the intention of Generation Y in purchasing of organic personal care product.

1.6 Scope, Limitation and Key Assumption of the Study

1.6.1 Scope of the Study

This research will emphasize on knowledge acquisition of organic product care among Generation Y and their behaviour. When they have started to adopt it, the researcher will states whether they have realized the importance of taking organic-based personal care product to them and the environment or simply just choosing the products because of other factors without knowing the green technology embedded in the personal care products they have bought. Aside from determining the factors, this research will also stretching on how far the intention of Generation Y will influence purchasing behaviour of organic personal care product in their daily life.

1.6.2 Limitation of the Study

There are always limitations that will be faced by researchers while doing their research. Some of the limitation on this research are the researcher makes a research on organic products and focused only in organic personal care product which gives a limitation to find more references from previously researcher.

Other than that, the limitation also occurs for generalizability issue. This research cannot be applied to all states in Malaysia since the research is conducted in Malacca focused in Malacca City only. Thus, the results obtained later may not be suitable to be applied in other states and can only be a reference for Malacca area.

Besides that, the researcher only focused to the purchasing behaviour towards organic personal care product among Generation Y. Therefore, the results will not be suitable to be applied to study the attitudes and intention of purchase for all age groups.

1.6.3 Key Assumption of the Study

The researcher assumes that Generation Y in Malacca City is really concern about their health, appearance and surrounding environment. Therefore, they are using organic personal care product such as body wash, shampoo, body lotion and moisturizer in their daily life without taking into consideration about the price and so on.

The sample of this study is the Generation Y which is in the age range 15 to 33 in Malacca City. The respondents will give the best answer and honest to answer the questionnaire. Besides, the researcher will get a good cooperative from the respondents which are their willing and interested to answer the question.

1.7 Significance Of The Study

i. Significance for future entrepreneur

Since the organic knowledge is well spread to consumers, hence the total of entrepreneur who is involve in production of organic products especially in organic personal care product is also increase. When this entrepreneur really understand the consumer behaviour especially their perception and attitude towards organic personal care product, so it is easier for the entrepreneurs to predict and produce products that will fulfil the demand of consumer. This situation can create healthy competition among entrepreneurs to be the best in the hearts of consumers.

ii. Significance of emerging the new field for researcher

As we know, green technology is still new in Malaysia. Therefore, by doing research in green products especially in organic personal care product, it will emerge the new field for researcher. Moreover, this research will enhance the importance and advantages of organic products in production of personal care product and also strengthens the research with other theories studied in accordance with other researchers.

1.8 Summary

As a conclusion, the research title, research objective and research question must be interconnected between each other. It is important to conduct the research without contradicting between the research title, research objective and research question in choosing the right methodology in the next chapter. Furthermore, the researcher had described the importance of this research which the researcher has to achieve at the end of this research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The aim of this chapter is to discuss about the overview of all keyword that researcher use and the main point to complete this study. This chapter will identify the factors that influencing the purchasing behaviour of organic personal care product among Generation Y in Malacca City. Other than that, the researcher also has proposed a theoretical framework based on the objective that the researcher wants to achieve in order to complete this study.

2.2 Organic Product

To live a healthy life despite the popularity of preservative-filled products, one need to be a wise consumer and one way to do this is to strive to buy organic. According to United States Department of Agriculture (USDA), (n.d.) an organic product in the United States is considered truly organic when a product bears the USDA organic seal, when a product has been certified organic and when a product contains 95% or more organic ingredients. Organic goods are products made without using pesticides or any artificial chemicals and substances. (Jennifer, 2014).