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Consumer Preference Characteristics Towards Green Product: A Case of
Naturemill Bin

By

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I hereby acknowledge that this project has been accepted as part fulfillment for the
Bachelor of Technology Management (Innovation Technology) with Honours

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CONSUMER PREFERENCE CHARACTERISTICS TOWARDS GREEN
PRODUCT: A CASE OF NATUREMILL BIN

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Report submitted in fulfilment of the requirement for the degree of Bachelor of
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DECLARATION OF ORIGINAL WORK

I, SITI KHAIRUNISA BINTI MUSTAFA

"I hereby declare that the work of this exercise is mine except for the quotations and summaries that have been duly acknowledged."

Signature   : …………………………………………...

Name   : SITI KHAIRUNISA BINTI MUSTAFA

Date   : …………………………………………

DEDICATION

This research paper is lovingly and sincerely dedicated to my lovely mother, Puan Teh Binti Ab Rahman and my lovely aunty Cik Fauziah Binti Ab Rahman, who constantly support and always give constant source of inspiration in my studies. I am honoured to have both of them as my beloved family and also to all of my family, that always support me in any condition, thank you for your understanding and support to me.

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ABSTRACT

In the past years, too many pollution had been occur in over the world. So there were many assortment kind of technologies that had been produce as the effort to reduce this condition. In this study the researcher discover one of the technologies that can help the Malacca government in ways to transform Malacca as the 'Green State'. In this research , the researcher use theory Technology Acceptance model (TAM) as to study about the level of consumer acceptance about the green product that the researcher want to recommend. This research will used three main factor, Perceived ease to use (PEU), Perceived Usefulness (PU) and also Perceived Trust (PT). Those factor that the researcher think will be the major factor that will affects the consumer decision and behaviour. This research will be use survey questionnaire as the method to measure the level of acceptance green product among the population. Usually the questionnaire will be in the bilingual language because to make the respondent easy to understand what usually this research purpose. This research is will use the descriptive method because the technology that the researcher want to recommend is already have been sole in the international market in 13 years. So the researcher discovers this product good as the one of the tools of the government green project.

ABSTRAK

Dalam beberapa tahun kebelakangan ini, masalah pencemaran semakin meningkat di seluruh dunia. Di sebabkan kemaslahatan ini pelbagai pihak bertanggungjawab telah mencipta pelbagai jenis teknologi sebagai usaha untuk mengurangi gejala ini dari terus membelengu penduduk di bumi. Kajian ini menggunakan teori dari Davis iaitu "Technology Acceptance Model (TAM)" sebagai kayu ukur untuk mengetahui sejauh manakah tahap penerimaan penduduk di sekitar Melaka untu menerima produk yang berasaskan teknologi hijau. Kajian ini menggunakan tiga factor utama sebagai kayu ukur untuk meneruskan kaji selidik ini. Antaranya ialah, Merasakan kesenangan ketika menggunakannya, Merasakan kebergunaanya,serta kepercayaan yang dirasai ketika menggunakannya. Kajian ini bagi mengenalpasti adakah ketiga-tiga faktor tersebut merupakan faktor yang mempengaruhi keputusan pengguna untuk menerima atau tidak.Kaji selidik ini dibuat di sekitar Melaka. Kajian ini akan menggunakan soal selidik sebagai kaedah untuk mengukur tahap produk hijau penerimaan di kalangan penduduk. Biasanya soal selidik akan dipaparkan dalam bahasa dwibahasa kerana untuk membuat responden mudah untuk memahami apa yang biasanya ini tujuan penyelidikan. Kajian ini akan menggunakan kaedah deskriptif kerana teknologi ini telah wujud didalam pasaran antarabangsa, poduk ini juga tekah 13 tahun berada dipasaran luar dan sangat berpotesi membantu negara dalam menangani masalh pencemaran ini.Maka kajian ini dilakukan untuk melihat kadar penerimaan mereka terhadap produk yang berkongsepkan hijau dan membawa masuk produk ini untuk digunakan kerajaan negeri Melaka sebgai inisiatif utuk memartabatkan teknologi hijau. Kajian ini di jalankan di Melaka kerana, Melaka sedang bertukar kepada negeri yang

berkonsepkan ' Hijau'. Oleh itu banyak perkara yang telah digubal kembali bagi menepati konsep hijau yang telah disarankan. Kajian ini menggunakan.

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Introduction

1.0 Introduction

Pollution and disease go hand in hand. In fact, about 40 percent of deaths around the world can be attributed to air, water and soil pollution. The Blacksmith Institute and Green Cross Switzerland ranked the planet's most severe pollution threats and the health problems associated with them (R. Boyd, chief; 2009). Nowadays, this phenomena of the pollution that's been infected in the whole world. As the fact above, Malaysia is one of the countries that has infect by this phenomena. According to (Numbeo, 2015) in the latest reading that of the rate pollution in the world, Malaysia is one of the countries that had high readings of the pollution with readings 67.37 percent.

Malaysia is one of the developing countries; usually this developing country will construct and build in big amount. The aim of constructing this building to improve the country's economy. However, it will make the negative impact when the forestry needs to

be sacrificed in shock to achieve the developed country. According to Oluwasola Omoju (2014), developed countries have the resources and technologies to combat pollution. As the result, the impact of these developments countries will produce pollution and it will lead to the ill health, death of the living things when too much pollution will be a rise. As an example, Malacca in the small country that had only 160,000 hectors. The researcher finds out that if all the resources are not managed properly will give the bad impact to the state.

In the history, containers for packaging were not required, as food was immediately consumed and human waste was just left in the ground to biodegrade naturally. (Vaughn, 2009). The researchers, manages to find out the solution by using green product will gives to remain used the theory above. The trash that could not be able to dispose eventually will produce the bad odors, which could attract the maggots and worms. Besides that, it also will produce the highest concentration of the Carbon dioxide (CO2). When the concentrated of the Carbon Dioxide was too high it produced such as Global warming, greenhouse effect, acid raining. These phenomena will destroy the balancing. The probability will affect the living things ecosystem. It can be doing not have any living things on earth if this situation is ongoing. This situation happens when human race do not aware there are too many ways to control this condition. Such an example, as we can see the food left over will produce high concentrations of gas of carbon dioxide (CO2). The leftover food had a big impact when it will generate the greenhouse effect if it allowed the heat-trapped, released to the environment (Williams, 2014). According to U.S. Environmental Protection Agency (EPA), more than a third of the waste generated in the United States comprises papers and product packaging (Vaughn, 2009). So the conclusion, there are too many cases will produce the pollution of the country.

1.1 Background of the study

The aim of this study is to research the customer acceptance towards green products. In this study, the researcher will measure the acceptance of the green products by the public. The researcher finds out the needed of this research to expose more about the green product to the public consumers.

This is because, nowadays the world becoming more sick by the developing technology. From longstanding to emerging hazards, environmental factors are a root cause of a significant burden of death, disease and disability - particularly in developing countries. The resulting impacts are estimated to cause about 25% of death and disease globally, reaching nearly 35% in regions such as sub-Saharan Africa (HOLI, 2015). So, this is the main factor to accept the green product as the way to cure our world. As the from the researcher eyesight, this world had a critical pollution problem, it is about in the peak stage. If this condition will continue it will affect the ecosystem. So, these worlds need the antidote to recover from the pollution. The researcher found that the green product that most suitable to cure this illness. Nowadays, there are many things that had been produced to reduce the loading of the human, but at the end it harms the human when the product will cause the pollution. However the researcher finds that human like to purchase products without thinking about the environment. Almost of the majority of consumers do not purchase products based on the environmental concern alone and they will not trade-off other product attributes for a better environment.

From that shown, if the knowledge about the green products was already implemented in the customer's, they more easily to accept the green products in their daily life. This research is important to make sure the customer's understands the aim of this research for. If the green products were implemented, it will give the biggest benefit to the population because green product helps the mother earth. All of the human consciousness the bad side if the Mother Nature collapsed, it will affect all the living things and at the same of time it will destroy the world.

In Budget 2016, the government extends the funding in green technology until 31 December 2017 with the 1.2 billion Ringgit amounts of the funding that had been

given by the government. So this is an opportunity for the green product to be implemented in our country especially Malacca. But before it got be implemented, the social must be acknowledged first about those technologies, about the benefit of using these things. As the researcher finds out, the product that's based on the green technology will give many advantages to the social, political also environmental. It also gives the best impact to help the Mother Nature, because it will decrease the amount of the pollution and at the same time it will help to create the healthier environment also save costs. Imagine that the things that cannot be disposing but it can be used for the long term such an example the bottle of mineral water.

And at the lastly, the main reason for using the green products is to reduce the degree of pollution of the Malacca state which implemented with the green product will help for in the progress to improve towards to be clean as the new green city for the second phase.

1.2 Problem Statement

The application of the green technology had been used for the longest time in another country. According to Brazil-Asia Cooperation in Agriculture Research (2012) There are 10 countries that used the green concept as the solution to insure have the clean future, from the survey of "Global Cleantech Innovation Index" has shown 77% of investment only focus of the green sector, as an example in 2010 Brazil in ranking 25 as the corporate business culture, but low investment in innovation of research and development. Therefore other countries that had been already applied this technology to control this environmental issue. Such as Denmark was the number one in the world ranking that already used the green technology as the ways they prevent the environmental problem. They use the wind energy as their electrical resources. It also a sector to reduce the emission of the carbon dioxide, so this is the effort of Denmark use as the effort to get the clean future (Brazil-Asia Cooperation in Agriculture Research, 2012).

Recently, Malacca is starting to make the transformation to become "Green City", according to Utusan Online (2011), in order to become the 'Green City' in 2020, the former ministry of Malacca, Datuk Seri Mohd. Ali Rustam had been aiming to make Malacca as the first states of Malaysia that had fully used the green technology in 2020 (Utusan online, 2011). Now Malacca was in phase two to transform as a green city. However the researcher notice that almost of the Malacca people not aware with green technology especially in using green products. In the easy words in their daily lifestyle, they do not use the green concept. Such an example, in each weekend each of the shopping center at Malacca does not provide the bag plastics, but some of the people still insist to still want to use the plastic bags even though they will get the charge in each of the bag plastics. This one of the perception user in Malacca, "Usually it's hard to the users because by hook or by crooks we needed the plastic bags and obliged to pay in each charge that had been fixed"- Mohr Fayyaz Farouk, 40, Government sector (Sinar Harian, 2013).The researcher finds out the effort that the government makes an effort to transform Malacca city to become a green city, but as the researcher thought, the public not concern enough about the using of the product or support this campaign. The problems of solid waste disposal have become more significant lately. The latest statistics show that the average solid waste per resident in Malaysia is 250 kg per year (Majlis Bandaraya Melaka Bersejarah (MBMB), 2015). Other than that, the amount of trash will be doubled in at weekends. In each day 1500 ton of trash, but it will more increase when in the weekends and it is the trash was doubled (Nanyang Siang Pau, 2013).

1.2 Research question

- What are the factors the influence of consumer preference characteristics towards green product (Naturemill bin)?
- What are the impacts of consumer preference characteristics towards green product (Naturemill bin)?
- What is the most influencing factor of consumer preference characteristics towards green product (Naturemill bin)?

1.4 Research Objective

The main objective is to examine the acceptance of green product towards the customer. In order to achieve my real objective, these balance objective are to support my research.

- To identify the factors that influence of consumer preference characteristics towards green product (Naturemill bin).
- To determine the impact of the consumer preference characteristics that influence consumer acceptance towards green product (Naturemill bin).
- To analyze the most influencing factor of consumer preference characteristics towards green product (Naturemill bin).

1.5 Scope and Limitation

1.5.1 Scope

Go green should be applicants to the whole of Malaysia as the step to control the pollution, global warming and all the issue could be link with the environment. This uses the green product is one of the ways of reducing this pollution.

However, this report only discusses about the characteristics of consumer preference to accept green product. The location that will become the researcher place to make this research is at entire Malacca. Usually the green products (Naturemill bin) that the researcher proposed is more towards the all of the citizens at Malacca and also at the all about institutional in Malacca.

1.5.2 Limitation

The limitation that will be my barriers to achieve the accurate data is, sometimes not at all respondents only know the basic knowledge about the green product sometimes they do not know what is the green product. From that, it shows difficult to find the suitable person to this research. The cooperation of the respondents also one of the researcher limitation because not of all respondents easy to approach or easier to tolerate when want to get feedbacks. Other than that, some of the respondents.

1.6 Research Significant

This research is important to the Malacca government to improve the state of the Malacca in the phase two towards formation of the green cities. This new technology of the green product should be implanted in the one of meditate to make this Malacca city to be truly to become the greenest city. Our governments have already had the allotment about the green technology so used to make the truly green city. This research is also important to the society because they should aware about the important to practice green in a life. Green city cannot be built if the people in the state aren't supporting this plan.

1.7 Summary

This research is about the found out the characteristics that consumers prefers towards accepting the technology of green product. This research is important towards consumer to accept, to implement and to support this product. This is because the aim to adopt this technology as one of the methods to achieve the aim of Malacca as a green city in 2020. The main purpose of this research is to examine the relationship between the acceptances of consumer toward green products

Chapter 2

Literature Review

2.0 Introduction

This chapter will described review of the relevance of the literature review from the past about the acceptance of the consumer towards the new technology of green product namely as Naturemill bin. The aim of this literature review are 1) to figure out the acceptance of the adopting new green product among the users, 2) to establish the theoretical framework by examining the relationship between customer acceptance with the characteristic of the consumer.