

THE KNOWLEDGE, SKILLS AND CONSUMER BEHAVIORS AS INFLUENCERS OF  
GREEN ENTREPRENEURSHIP DEVELOPMENT

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## APPROVAL

‘I/ We hereby declared that i/ we had read through this thesis and in my/ our opinion that this thesis is acceptable in terms of scope and quality which fulfill the requirements for the award of Bachelor of Technopreneurship (Hons)’

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**DECLARATION/CONFESSION**

I declare this project is the resulted of my own research except the citation in the references.

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## **DEDICATION**

I dedicate this to my beloved families who educated me and motivate me to study until this level. Besides, I also dedicate this research to the lecturers and friends who give me endless support and advice throughout the research. Without their blessing and encouragement, this research is impossible to complete within limited period of time.

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## ABSTRACT

Nowadays, the issue of environmental awareness is critical issue among the organizations. Therefore, the entrepreneur and consumers are looking for the better ways to reduce waste, wisely utilize the natural material and minimize our impact on the environment. The aim of this study is to investigate the knowledge, skills and consumer behaviors as influencers of green entrepreneurship development. In this study, the independent variables are knowledge, skills and consumer behaviors while the dependent variable is green entrepreneurship development. This study will be conducted by using the descriptive studies and use quantitative research to collect the respective data. Furthermore, the researcher will collect the primary data from private service sector at Malacca. Meanwhile, secondary data also will collect from reading materials such as journals, articles and some relevant academic books. Besides that, this study is selected cross sectional studies to gather the data at periods of time. The research consists of reliability and validity to make the research become more valuable and accurate. The researcher design is to apply self-administered questionnaires as the research instruments and the sample size of this research was designed to 100 respondents. The data is analyzed by using IBM Statistical Package for Social Sciences (SPSS) Statistics 22. The result from this research shown that, there were two positive relation between green entrepreneurship development which is skills and consumer behaviors.

**Keywords:** Green Entrepreneurship, Knowledge, Skills, Consumer Behaviors, Influencing.

## ABSTRAK

Pada masa kini, isu kesedaran alam sekitar adalah isu kritikal di kalangan organisasi. Oleh itu, usahawan dan pengguna sedang mencari cara yang lebih baik untuk mengurangkan sisa, bijak menggunakan bahan semula jadi dan meminimumkan kesan terhadap alam sekitar. Tujuan kajian ini adalah untuk mengkaji pengetahuan, kemahiran dan tingkah laku pengguna yang mempengaruhi pembangunan keusahawanan hijau. Dalam kajian ini, pembolehubah bebas adalah pengetahuan, kemahiran dan tingkah laku pengguna manakala pembolehubah bersandar adalah pembangunan keusahawanan hijau. Kajian ini akan dijalankan dengan menggunakan kajian deskriptif dan menggunakan penyelidikan kuantitatif untuk mengumpul data masing-masing. Tambahan pula, penyelidik akan mengumpul data primer daripada sektor perkhidmatan swasta di Melaka. Sementara itu, data sekunder juga akan dapati daripada bahan-bahan seperti jurnal, artikel dan buku-buku akademik yang berkaitan membaca. Selain daripada itu, kajian ini dipilih kajian keratan rentas untuk mengumpul data pada tempoh masa. penyelidikan ini terdiri daripada kebolehpercayaan dan kesahihan untuk membuat penyelidikan menjadi lebih berharga dan tepat. Reka bentuk penyelidik adalah untuk memohon soal selidik yang ditadbir sendiri sebagai instrumen kajian dan saiz sampel kajian ini telah direka untuk 100 responden. Data dianalisis dengan menggunakan IBM Statistical Package for Social Science (SPSS) Statistik 22. Hasil dari kajian ini menunjukkan bahawa, terdapat dua hubungan positif antara pembangunan keusahawanan hijau yang iaitu kemahiran dan tingkah laku pengguna.

**Kata Kunci:** Keusahawanan Hijau, Pengetahuan, Kemahiran, Kelakuan Pengguna, Mempengaruhi.

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## CHAPTER 1

### INTRODUCTION

#### 1.0 Introduction

This chapter had been discussed towards the overview of the research. It will consists of introduction, background of study, problem statement, research objectives, research objectives, scope, limitation and key assumption, importance of study and summary.

#### 1.1 Background of study

Nowadays, the issue of environmental awareness is critical issue among the organizations. Therefore, the entrepreneur and consumers are looking for the better ways to reduce waste, wisely utilize the natural material and minimize our impact on the environment. Entrepreneurs also construct new rules by delivering new products, establishing more efficient and effective processes, innovating in ways that lead to the development of new markets, and shaping new norms and beliefs (Chiasson &Saunders, 2005).

According to Nikolaou et al. (2011), green entrepreneurship or eco-preneurship constitutes a modern form of business activity which corresponds to the needs of firms for profitability and development, but simultaneously takes under consideration the environmental dimension, dealing with it rather as an opportunity than an obstacle. Green entrepreneurial is an emerging meaning,

which is intimately related to the emerging green depend as long as to the entrepreneurial perspective and innovation in fields that have not been highlighted yet (Hamdouch & Depret, 2011; N.C.D., 2008; Zisis, 2003; Schaper, 2005).

According to Weigel (1983) and Diekmann & Preisendorfer (1998), in the past few decades, the belief that economic and social development can no longer be achieved other way around to the nature has got base now. Whereas, results indicated increase in environment concerns conflict in part with behavioral changes occurred actually. Scores of people perceive in environmental friendly way but act environmental unfriendly way. Averagely, correlation is not higher than  $r = 35$  (Hines et al. 1986). It total up as; change in given values does not guarantee of change in actual behavior.

This study seeks to investigate that the green entrepreneurship development are influences by knowledge, skills and consumer behavior.

## 1.2 Problem Statement

According to Pearce & Barbier (2000), green is a term used showing moving towards environmental or ecological sustainability. These was insufficient clear definition of entrepreneurship especially with regard to the degree of innovation and size of a particular activity that as entrepreneurial.

According to Nonaka & Toyama (2002), knowledge creation occurs physically, mentally and/or virtually interaction and/or in place, which is Ba in the Japanese meaning. However, the work of Nonaka & Toyama (2002) and Nonaka & Takeuchi (1995) is based on the Japanese context, mainly the Japanese technology industry, with a growing emphasis on knowledge creation and transfer in key case company such as Toyota (Ichijo & Kohlbacher, 2008). Meanwhile, an increasing number of firms are pursuing knowledge management strategies in emerging countries. Thus, influence factors exist regarding research knowledge management in these countries, which challenges researchers to adapt western and Japanese methods to distinctive or non-western contexts.

In this research, the researcher will carry out the influencers of green entrepreneurship development as knowledge, skills and consumer behaviors. Furthermore, describes more detailed regarding green entrepreneurship.

### 1.3 Research Question

This research is aims to answer the following research questions:

- 1.3.1 How does the knowledge influences of green entrepreneurship development.
- 1.3.2 How the skills does influences of green entrepreneurship development.
- 1.3.3 How the consumer behaviors does influences of green entrepreneurship development.

### 1.4 Research Objectives

Objectives are aims by the statement of research that are need to be answered for the research questions mentioned. The following are some of the research objective for this study:

- 1.4.1 To identify if knowledge as affects of green entrepreneurship development.
- 1.4.2 To identify if skills as affects of green entrepreneurship development.
- 1.4.3 To identify if consumer behaviors as affects of green entrepreneurship development.

## 1.5 Scope, limitation and key assumption

### 1.5.1 Scope

In this research, the scope of the research is focused on the influencers of green entrepreneurship development such as knowledge, skills and consumer behavior. The researcher was targeting the respondents which are green corporate. This research is conducted in Malacca, Malaysia.

### 1.5.2 Limitation

Throughout these studies, researcher had highlighted several limitations. Firstly, the researcher is lack of experience and knowledge to do the research. The researcher faced a very difficulties problem at the beginning which is choosing the suitable and quality title.

Second, the researcher faced a problem in collection information, journals and articles due to the “green entrepreneurship” are still new.

Lastly, the researcher is difficult to collect data from respondents especially for the outsides respondents due to the financial limitation.

### 1.5.3 Key assumption

The researcher intended to find out the actual of green entrepreneurship development within the knowledge, skills and consumer behaviors will affects the successful of green entrepreneurship development.

## 1.6 Importance of study

Throughout this study, the research intended to show the knowledge, skills and consumer behaviors as influencers the green entrepreneurship development. Therefore, this research is able to know how these factors affect the successful of green entrepreneurship development which is able to explore the relationship of knowledge, skills and consumer behaviors towards entrepreneur in green entrepreneurship development for increase the successful green entrepreneurship.

## 1.7 Summary

Overall, this chapter 1 was briefly described about the framework of this research. The introduction is clarified the overview of the research and the definition of the green entrepreneurship.

The problem statement for this research was how entrepreneur can turn their business green providing that there is a possibility to achieve a sustainable competitive advantage with environmental friendly products.

Research objective also covered in this research as well as research questions. The importance of study this research will show the knowledge, skills and consumer behavior as influencers the green entrepreneurship development. Therefore, this research is able to know how the knowledge, skills and consumer behavior will affect the successful of green entrepreneurship development.

## CHAPTER 2

### LITERATURE REVIEW

#### 2.0 Introduction

In this chapter, the researcher will be described the theories and theoretical framework. A literature review is an objective, thorough summary and critical analysis of the relevant available research and non-research literature on the topic being studied (Hart 1998).

#### 2.1 Green entrepreneur

The term green entrepreneur stems from Berle's (1991) book. The green entrepreneur is means that business opportunities that can save the earth and make you money.

Green Entrepreneurs are the entrepreneurs making use of opportunities and starting business for sustainable development which is structure transforming, socially devoted and technologically advanced generally based on eco-friendly process and environmental product (Walley & Taylor, 2002). In additional, green entrepreneurs are embracing environmental values as a core component of their identity and seeing them as a competitive advantage of their company in the market place (Allen & Malin, 2008). According to Sharper M. (2010), green entrepreneurs also can contribute substantially to the acceleration of environmental progress by replacing products, existing market structures and

consumption patterns with high environmental products and services. Their own mindset and conscious decision to run their business in a green way (Blue, 1990) serves as a motivational factor and influences their business activities. Business owners clearly integrate their own personal values regarding environmental integrity, social justice, fair trade, living wages and high quality of services and products into their professional lives (Allen & Malin, 2008). Meanwhile, according to Parrish (2010), states that green entrepreneurs make fewer decisions based on 'more' and more decisions based on 'better', and therefore operate on the logic of quality rather than quantity.

According to Isaak (1998), uses the expression ecopreneur to mean individuals who setup green-green businesses and suggests that ecopreneurs pursue social and ecological goals by means of profit orientated businesses. Developing this theme, we suggest that one can then logically distinguish ecopreneurs from other types of green entrepreneurs who pursue profit goals by means of ecological or socially orientated businesses. The Body Shop and Ben & Jerry's are presented by Isaak (1998) as the epitomy of successful green-green businesses, that is, they start up green from scratch and are system-transforming, socially committed and technologically up-to-date breakthrough ventures.

## 2.2 Green entrepreneurship

Green entrepreneurship has been defined as introducing new business that belongs to develop environmental friendly products or services or to use renewable resources or for the benefit of the society (Allen & Malin, 2006). According to Schaltegger (2002), green entrepreneurship provides the basis of new any green growth models such as innovation companies in the form of environmental solutions and high quality environmentally-friendly products, who substantially influences the national market. Meanwhile, green entrepreneurship also can be defined as a new company start-up in the environmental services or production industry, focused on natural resources or natural conditions such as

eco-tourism, recycling, waste water- treatment, and biodiversity (Nikolaou et al.2011).

### 2.3 Knowledge management towards green entrepreneurship

Knowledge management is the deliberate and systematic coordination of an organization's people, processes, technology, and organizational structure in order to create more value through innovation (Dalkir, 2007).

According to Wiig (1993), considers knowledge management in organizations from three perspectives such as business perspective, management perspective and hands-on perspective, each with different horizons and purposes. Business perspective was focusing on why, where, and to what extent the organization must invest in or exploit knowledge. Strategies, products and services, alliances, acquisitions, or divestments should be considered from knowledge-related points of view. Meanwhile, management perspective was focusing on determining, organizing, directing, facilitating, and monitoring knowledge-related practices and activities required to achieve the desired business strategies and objectives. Hands-on perspective is focusing on applying the expertise to conduct explicit knowledge-related work and tasks.

#### 2.3.1 The relationship between knowledge and green entrepreneurship development

Within the green sector, in some cases many critical business factors are new technology, markets, regulation, policy etc. There is therefore a very significant need for technology and knowledge diffusion to occur in a way that is efficient for entrepreneurs (Thomson R, 2013).

According to Foucault (1991), asserts that there is constant articulation 'of power on knowledge and of knowledge on power. In addition, Foucault's