'I/We hereby declared that I/We had read through this thesis and in my/our opinion that this thesis is adequate in terms of scope and quality which fulfill the requirements for the award of Bachelor of Technology Management (High Technology Marketing)'

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THE CONSUMER ATTITUDES TOWARD GREEN ADVERTISING

COMMUNICATION IN MELAKA, MALAYSIA

NAM JAE NING

The thesis is submitted in partial fulfillment of the requirements for the award of
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DECLARATION

"I admit that this report is the result of my own, except certain explanations and passages where every of it is cited with sources clearly."

Signature :……………………
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Date : ....

DEDICATION

I would like to dedicate the appreciation to my beloved family especially my parents who always provide the support and encouragement to me when I faced the challenges in university life. Next, I would also like to dedicate to my supervisor and panel who offered valuable suggestion to me throughout the research, friends and course mates for the assistance during the completing of research.

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ABSTRACT

The increasing of consumer awareness towards environmental issues has made many organizations adopted environmental element in their advertising. Green advertising is the advertising that addresses the relationship between products or service with the biophysical environment, encourages a green lifestyle to public with or without highlighting a product or service, or presents a corporate image of environmental responsibility. This research aims to investigate the factors that influence consumer attitudes toward green advertising communication in Melaka, Malaysia. This study had been mainly adopted from Ducoffe Extended Model (DEM). Entertainment, informativeness, irritation, credibility and media types were the focused factors. Quantitative data had been collected through the questionnaire. A total of 315 respondents who live in Melaka City area were participated in this research by using simple random sampling techniques. Software Package for Social Science (SPSS) was used to analyze the collected data. The data analysis techniques that conducted in study were descriptive analysis, pearson correlation and multiple regression analysis to describe the variables numerically and found out the relationship between independent variables and dependent variable. The results showed that all the factors had significantly influenced consumer attitudes toward green advertising. Informativeness was the most influencing factor and all the research objectives had been achieved in this study. The findings would contribute for practitioners to have a clear understanding and become more consumer-sensitive to create positive attitude from consumers. Marketers and advertisers should include entertainment, informativeness, credibility elements and avoid irritation tactics into green advertisements by using new media to disseminate the advertising messages. Implications and recommendations for further research were also mentioned in this study.

Keywords: Green advertising, consumer attitudes, DEM model, Melaka, Malaysia.

ABSTRAK

Peningkatan kesedaran pengguna tentang isu alam sekitar menyebabkan kebanyakan organisasi menerima elemen hijiau dalam pengiklanannya. Pengiklanan hijau merupakan pengiklan yang menekankan hubungan antara produk atau perkhidmatan dan persekitaran biofizik, menggalakkan gaya hidup hijau kepada orang ramai dengan atau tanpa menonjolkan produk atau perkhidmatan , atau membentangkan imej tentang korporat tanggungjawab terhadap alam sekitar. Kajian ini bertujuan untuk mengaji faktor-faktor yang mempengaruhi sikap pengguna menuju pengiklanan hijau di Melaka, Malaysia. Kajian ini meggunakan theori daripada Ducoffe Extended Model (DEM). Hiburan, informasi, kerengsaan, kredibiliti dan jenis media adalah faktor-faktor fokus dalam kajian ini. Data kuantitatif telah dikumpulkan melalui soal selidik. Sejumlah 315 responden yang tinggal di kawasan Bandar Melaka telah menyumbang dalam kajian ini dengan melalui teknik persampelan rawak mudah. Kajian ini menggunakan analisis deskriptif, korelasi pearson dan analisis regresi berganda sebagai teknik-teknik menganalisi data. Teknik ini digunakan untuk menerangkan pembolehubah berangka dan mengetahui hubungan antara pembolehubah bebas dan pembolehubah bersandar. Hasil kajian menunjukkan bahawa semua faktor mempengaruhi sikap pengguna ke arah pengiklanan hijau. Faktor yang paling mempengaruhi sikap pengguna adalah informasi dan semua kajian objektif telah dicapai dalam kajian ini. Hasil kajian menyumbang kepada pemasar dan pengiklan supaya mereka mempunyai kefahaman yang jelas dan lebih pengguna-sensitif untuk mewujudkan sikap positif daripada pengguna. Pemasar dan pengiklan harus mempertimbangkan unsur-unsur hiburan, informasi, kredibiliti dan mengelakkan taktik kerengsaan dalam iklan hijau dan menggunakan media baru untuk menyebarkan mesej iklan. Implikasi dan cadangan kajian lanjutan juga disebut dalam kajian ini.

Kata Kunci: Pengiklanan hijau, sikap pengguna, model DEM, Melaka, Malaysia.

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LIST OF ABBREVIATION

CA   = Consumer Attitudes

CR   = Credibility

DEM   = Ducoffe Extended Model

DV   = Dependent Variable

EN   = Entertainment

IN   = Informativeness

IR   = Irritation

IV   = Independent Variables

MP   = Media Preferences

MRA   = Multiple Regression Analysis

MT   = Media Types

OECD   = Organization for Economic Cooperation and Development

SPSS   = Statistical Package for Social Sciences

UNESCO   = United Nations Educational, Scientific and Cultural Organization

USD   = United States Dollar

WWF   = World Wide Fund for Nature

YTD   = Year to Date

LIST OF SYMBOL

H_0 = Null Hypothesis

H_1 = Alternative Hypothesis

β   = Beta

α   = Constant

LIST OF APPENDICES

CHAPTER 1

INTRODUCTION

1.1   Background of Study

In recent years, the environmental issues such as climate change, pollution, ecosystem degradation, ozone layer depletion has been significant increasing and threatening our limited natural resources. People who concerned about this crisis were trying to reduce their impact on the environment. Consumers' awareness on environmental issues has risen since the 1970's (Alwitt and Pitts, 1996); (Loureiro et al., 2001) which led to the infancy of the green revolution so as to discontinue the activities which cause further damage to the environment (Vaccaro, 2009).

Organizations have seen this change in consumer attitudes and trying to differentiate themselves in the competitive market by utilize the green market potential (Cherian and Jacob, 2012). Hence, a lot of 'green' initiatives and policies were implemented by organizations in order to gain competitive advantage and satisfied public demand. Green advertising has emerged to draw attention of consumers with the features of green communication for sustainable development (Shilpi and Khan, 2015). Advertising always appeared in consumers' daily life, it was a communication channel which companies utilized it to inform, remind and persuade consumers for their products and services. Banerjee et al. (1995) indicate that there are various aspects in green advertising. First is education focused with the purpose of enhance consumers environment understanding; second is

commercialize focused which emphasize to increase the sales volume of products or services; third is enhance the level of corporate's green image in order to foster long term customer loyalty. Hence, green advertising was perceived to be an effective tool in disseminated green message and encouraged public to adopt the green lifestyle or made the buying decision for green products.

Consumer attitudes and perception might change to more eco-friendly behavior after exposed to different type of green advertising. According to Mehta (2000), one of the factors influence on advertising effectiveness is consumer attitudes. It meant that advertising was reflected in their minds and feelings then afterward affected their attitudes toward advertising. Consumers who has high involvement level on environmental concern shown a better attitude towards green advertisement (Haytko and Matulich, 2008).

The trends of 'going green' were expanding to Asian region. Based on the survey of WWF-Malaysia in 2007, only 45% of citizens understood the causes of environmental problems and most of the Malaysian lack of commitment to participate in environmental activities (Ahmad et al., 2012). Thus, Malaysia government showed the efforts in promoting green marketing initiatives in order to cultivate the positive attitude of consumers toward environmental aspects. Marketers and advertisers identified the potential of green advertisement and discovered that it played a crucial role in disseminate the information for promote green practice as a way of life to organizations and consumers. Due to the green movements worldwide, green advertising becomes an important part of successful business strategy. Therefore, it was essential to comprehend the factors that influenced consumer attitudes toward green advertising in order to create satisfactory communication result.

1.2   Problem Statements

According to Saabar et al. (2012), advertising has been criticized as encouraging materialism, giving false claims, very deceptive and manipulative. The

content of green advertising always seems misleading and ambiguous and caused it easily lost in grey area. Consumers feel difficult to capture the message in advertisement and suspect for its reliability (Ekstrom and Gustafsson, 2012). It might influence the attitudes of consumers toward green advertisements.

Furthermore, the previous researches were more focus on perception or attitudes of consumers toward green products and corporate green claims (Cox, 2008; Haytko and Matulich, 2008; D'Souza and Taghian, 2005). Hence, there was inadequate research in the field of green advertising. It would become the barrier for marketers and advertisers to understand about consumers' response while developed the green advertisement.

In addition, advertising is always viewed as an unwelcomed intrusion by consumers and often considered to be a source of irritation (Ahmad et al., 2010). It is because consumers consider the content of advertisement excess usage of exaggeration and overdramatized (Liu et al., 2009). Hence, it was necessary for researcher to have an in-depth finding on consumer attitudes in order to create effective green advertisements. This study aims to investigate the factors that affected on consumer attitudes toward green advertising in Melaka, Malaysia.

1.3 Research Questions

The following were the research questions which were important in this study:

1. What are the factors that influence consumer attitudes toward green advertising in Melaka, Malaysia?
2. Is there any relationship between media types and consumer attitudes toward green advertising in Melaka, Malaysia?
3. Which factor influence the most on consumer attitudes toward green advertising in Melaka, Malaysia?

1.4   Research Objectives

The green advertising acted as an effective marketing communication tool for promote green products or services and encouraged the green living concept to public. This study focused on examined the consumer attitudes toward green advertising communication in Melaka, Malaysia. In order to achieve the goal and gained better understanding of this study, specific research objectives were set up as below:

1.   To determine the factors that influence consumer attitudes toward green advertising in Melaka, Malaysia.
2.   To identify the relationship between media types and consumer attitudes toward green advertising in Melaka, Malaysia.
3.   To investigate the most influencing factor on consumer attitudes toward green advertising in Melaka, Malaysia.

1.5   Scope and Limitation of Study

This research mainly focused on the factors that affected consumer attitudes toward green advertising in Melaka, Malaysia. Moreover, this research would identify the relationship between media types and consumer attitudes toward green advertising. The research was conducted in Melaka. Melaka has 3 districts which were Melaka City, Alor Gajah and Jasin. In this research, the scope of survey only focused in Melaka City area such as Bukit Beruang, Melaka Raya and Batu Berendam. The respondents who stayed in Melaka City area were selected in order to obtain the adequate and comprehensive information. Others aspects such as consumer purchasing behavior would not be covered in this research.

There were few limitations in this research. First, it might hardly to acquire the accurate and valid data. Researcher felt difficult to identify whether the data in questionnaire was answer honestly by respondents. Hence, researcher just can assume that all the data received through questionnaire was answer sincerely by

target respondents. Secondly, the limitation was knowledge of public regards to green issue. Some respondents might not really understood or familiar with the green advertising concept. Respondents might confuse with the meaning of questions. Hence, researcher had to explain the concept and meaning of questions to respondents by using their familiar language.

1.6   Importance of Research

Leonidou et al. (2011) state that green image of organization can be communicated through green advertising. It also was the driving force for nurture the consumers' environmental awareness and behavior of environmentally friendly. Hence, it was a win-win situation for both of the corporate and consumers. To achieve the desired result, marketers and advertisers must understand clearly which factors would influence on consumer attitudes toward green advertising. Therefore, they can make efforts to improve the consumers' exposure to green advertisements.

Green advertising in Malaysia was considered still new and undergo the initial development. This study was important since the previous studies for green advertising were still limited in Malaysia (Rahim et al., 2012). In other words, this study would significantly provide the new vision to local marketers and advertisers in order to design an effective green advertising. To ensure and improve the favorable level of consumers toward green advertising, marketers and advertisers can consider the result of study in order to avoid the repulsive problem. Lastly, this research can also enhanced the public awareness on environment issues and encourage public to change their lifestyle for less negative impact on our Mother Earth.

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1.7   Summary

In this study, researcher was emphasized on the consumer attitudes toward green advertising in Melaka. Besides, researcher would identify the relationship between media types and consumer attitudes toward green advertising. This chapter provided an introduction for the research topic. It had introduced the background of study, problem statements, research questions and research objective. Scope, limitations and importance of research were covered by this chapter. Researcher would base on these introductions and carried on to second chapter which discussed about the part of literature review.

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CHAPTER 2

LITERATURE REVIEW

2.1   Introduction

This chapter was discussed about the definition and relevant theories of green advertising and consumer attitudes. This part increased the understanding of study that carried out by researcher through the support of the existing secondary data such as journals, articles and reference books. The relevant terms, concepts and theories for this research topic would explain in detail to provide a clear understanding. Firstly, the section of 2.2 described about the background of marketing communication. In section 2.3 would brief about the overview of green advertising. Section 2.4 explained the information about consumer attitudes toward green advertising. Section 2.5 and 2.6 discussed the factors influencing consumer attitudes toward green advertising and relationship of media type. Researcher also developed the theoretical framework in section 2.7. Hypothesis had been developed in section 2.8 in order to test in the study. Lastly, the summary for chapter two was presented in section 2.9.