

**THE INFLUENCE OF CONSUMER PERCEPTION TOWARDS PURCHASE
INTENTION FOR GREEN ECO LIGHTING PRODUCTS**

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SUPERVISOR'S APPROVAL

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 fulfil the requirements for the award of Bachelor of Technology Management with Honours

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**The thesis is submitted in partial fulfilment of the requirements for the award of
Bachelor of Technology Management with Honours
(High Technology Marketing)**

**Faculty of Technology Management and Technopreneurship
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JUNE 2019

DECLARATION OF ORIGINAL WORK

“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.”

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DEDICATION

I would like to dedicate the appreciation to my family members who motivate and provide me financially support in completing this research. They continuously give me encouragement and support in fulfilling the requirement of the research.

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First of all, I would like to express my deep gratitude to my supervisor, Dr. Mohd Fazli Bin Mohd Sam for sharing his expertise and knowledge throughout my research. Without his guidance, patience and motivation, I would not have completed this research on time. Thanks for spending his precious time and being patient in answering my questions.

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Abstract

In recent years, green marketing has been evolved and many companies practice to embrace green marketing. Companies develop new or improved products such as green eco lighting products that contribute to protect the environment by reducing energy consumption and meet consumer's environmental needs. Green eco lighting products are energy efficiency lighting products which contributed in reducing energy consumption and it is harmless products to the environment. The growing concern of companies and consumers towards the natural environment indicates the important of consumer perception towards green products. Hence, it is vital for companies to understand consumer perception towards green products in order to comprehend their needs and wants. Thus, this research is aimed to study the influence of consumer perception towards purchase intention for green eco lighting products. There are two research objectives which are to understand the effect of demographic characteristics towards awareness of green eco lighting products and to investigate the relationship between consumer perception and purchase intention towards green eco lighting products. In this study, the researcher has selected 384 respondents as sample to answer questionnaire. For finding analysis, the researcher has used descriptive statistics, cross tabulation, cronbach's alpha, pearson's correlation coefficient analysis, and multiple regression analysis by SPSS software to analyze the data. The finding indicates that there is significant positive relationship between eco-labels, green price, green advertisement, perceived environmental responsibility, and environmental knowledge towards green purchase intention for green eco lighting products. The researcher recommends marketers to put more efforts on eco-labels and green advertisement to encourage consumers on green purchasing. Besides, the future researcher should study other factors that may influence on green purchase intention such as demographic and psychological factors.

Keywords: consumer perception, green purchase intention, green eco lighting products

Abstrak

Dalam tahun-tahun kebelakangan ini, pemasaran hijau telah berkembang dan banyak syarikat mengamalkan pemasaran hijau. Syarikat-syarikat menghasilkan produk baru atau yang lebih baik seperti produk pencahayaan eko hijau yang menyumbang untuk melindungi alam sekitar dengan mengurangkan penggunaan tenaga dan memenuhi keperluan alam sekitar pengguna. Produk pencahayaan eko hijau adalah produk kecekapan tenaga lampu yang menyumbang dalam mengurangkan penggunaan tenaga dan ia adalah produk yang tidak berbahaya kepada alam sekitar. Kebimbangan syarikat and pengguna terhadap alam sekitar semula semakin meningkat dan ia menunjukkan kepentingan persepsi pengguna terhadap produk hijau. Oleh itu, ini adalah penting bagi syarikat-syarikat untuk memahami persepsi pengguna terhadap produk hijau demi memahami keperluan dan kehendak mereka. Kajian ini bertujuan untuk mengkaji pengaruh persepsi pengguna terhadap niat pembelian untuk produk pencahayaan eko hijau. Terdapat dua objektif dalam kajian ini iaitu untuk memahami kesan ciri-ciri demografi terhadap kesedaran produk pencahayaan eko hijau dan untuk mengkaji hubungan antara persepsi pengguna dan niat pembelian terhadap produk pencahayaan eko hijau. Dalam kajian ini, pengkaji telah memilih 384 responden sebagai sampel untuk menjawab soal selidik. Pengkaji menggunakan statistic deskriptif, cross penjadualan, alpha cronbach, analisis pekali korelasi pearson, dan analisis regresi berganda oleh perisian SPSS untuk menganalisis data. Dapatan kajian menunjukkan bahawa terdapat hubungan yang signifikan positif antara eko-label, harga hijau, pengiklanan hijau, tanggungjawab terhadap alam sekitar, dan pengetahuan alam sekitar terhadap niat pembelian hijau untuk produk pencahayaan eko hijau. Pengkaji mencadangkan pemasar untuk meletakkan usaha dalam eko-label dan pengiklanan hijau untuk mengalakkan pengguna mengenai pembelian hijau. Selain itu, kajian yang akan datang hendaklah mengkaji faktor-faktor lain yang akan mempengaruhi hasrat pembelian hijau seperti factor demografi dan psikologi.

Kata kunci: persepsi pengguna, niat pembelian hijau, produk pencahayaan eko hijau

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LIST OF ABBREVIATIONS

Association of Water and Energy Research Malaysia	AWER
Malaysia Green Building Confederation	MGBC
International Organization for Standardization	ISO
The Theory of Planned Behaviour	TPB

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CHAPTER 1

INTRODUCTION

1.1 Introduction

This chapter explains about the introduction of the research. The introduction of this research includes the elements of background of study, problem statement, research objectives, research questions, scope and limitation of study, and significance of the research.

1.2 Background of Study

The appearance of green marketing is driven by the crucial environmental problems and the demand of consumer for green products. Green marketing concerns about business activities that promotes imperishable development (Jeevarathnam et al., 2016). The purpose of green marketing is to preserve the natural environment in a sustainable process by promoting goods and services which are deliberated to be green. According to Ansar (2013), green marketing is same as traditional marketing but the differences between it is green marketing activities encompass differentiating, manufacturing, promoting and pricing goods or services which are safe to the environment that able to meet consumers' environmental needs and satisfy them.

The term of green marketing also named as ecological marketing, sustainable marketing, or environmental marketing. Stern & Ander (2008) stated that the objective of green marketing is selling goods which are friendly to the environment and concurrently encouraging consumers protect and preserve the environment. Green marketing is focusing on produce and promote goods which are advantageous to the environment and consumers. The firm that implements green marketing by developing the product not only absolutely green in various aspects but also to satisfy customers' needs and wants.

According to Singh (2012), the keys that motivate the firms to embrace green marketing include government pressure, corporate social responsibility, opportunity, stakeholder and competitive pressure. The company that develops new or improved products and services with lowest negative effect on the global environment will allow themselves access to new markets. It acts as the competitive advantages of the company over those marketing no environmentally responsible alternatives.

Green products is described as an item that is produced with environmentally conscious, minimum negative impacts on the natural environment, goods or goods packaging made up of recycled components, sustains natural resources as well as manufactured locally (Diglel & Yazdanifard, 2014). In Malaysia, green products categories include palm oil products, household products, building construction materials and hardware, electrical and electronic parts and components, packaging and containers as well as wood products. However, green related services include engineering services, architectural services, and printing and publishing services.

Today, consumers are becoming increasingly environmentally conscious. They are worried about the natural environment as well as they would like to contribute to environmental sustainability and well-being. As a result, companies and consumers are more concerned about green marketing now (Paettie & Crane, 2005). Chen & Chang (2012) stated that green marketing makes effort on improve consumer purchase intention. Companies need to focus on consumer perception towards green products and then improve their marketing strategies in order to improve the purchase intentions of consumer on purchasing green products.

1.3 Problem Statement

The change in the global climate causes the environmental issues continuously arising in our daily life and this has become critical social issues (Karna et al., 2002). The economic progress and development give a negative impact on the environment like acid rain, global warming, exhaustion of natural resources and so on. The rapid industry growth has resulted in increasing the environmental pollution level and exhaustion of natural resources.

As worldwide concern about the negative impacts of human and industrial activities on the natural environment rises, the importance of being environmental and social responsibility enforces aggressive plans to preserve the environment. According to Liu et al. (2012), the growing trend of businesses to consider their corporate social responsibility has increasing and they being produce environmentally friendly products. Therefore, current marketplace is cumulatively attractive for marketers of environmentally friendly products.

The continuous increase of worldwide worried about the environmental quality leads to the emergence of green marketing. Polonsky (1994) defined green marketing as involving various practices for instance modifying goods, transformation process in production and packaging as well as altering advertising. In Malaysia, the demand of green products is increasingly (Chen & Chai, 2010). Besides, the level of consumer awareness towards environmental and social issues is increasing and looking for responsible products (Chen & Chang, 2013) such as recycled products and green products.

According to Oyewole (2001) and Wong (2008), green marketing is providing products or services based on environmental benefits. Environmentally friendly products are described as the products which are purposely reduce negative effects on the natural environment and these products life cycle are enhanced for long lasting (Pujari & Wright, 1996; Shrivastava, 1995; Hindle et al., 1993). In the current market, green products are progressively developed from small niche markets of consumer goods and services to large markets (Roberts, 1996).