

**THE INFLUENCE OF ENVIRONMENTAL  
KNOWLEDGE AND CONCERN ON GREEN  
PURCHASE INTENTION. THE ROLE OF  
ATTITUDE AS MEDIATING VARIABLE**

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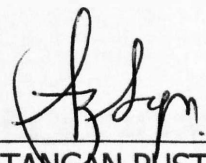
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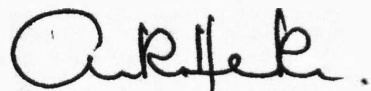
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## DECLARATION

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THE ROLE OF ATTITUDE AS MEDIATING VARIABLE**

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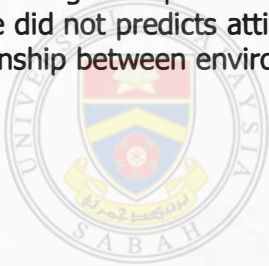


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## **ABSTRACT**

### **THE INFLUENCE OF ENVIRONMENTAL KNOWLEDGE AND CONCERN ON GREEN PURCHASE INTENTION. THE ROLE OF ATTITUDE AS MEDIATING VARIABLE**

Inadequate information regarding “green purchase intention” and green behavior of Malaysian consumers have become major problems which make it difficult to local and international marketers as well as other relevant agencies to develop their business and marketing strategies. Thus, this study is aimed to investigate the influence of “environmental knowledge” and “concern” on green purchase intention among Malaysian consumers, and the “role of attitude as a mediator”. The “Theory of Reasoned Action” was used to gauge consumer’s green purchase intention. Data collections through questionnaires were obtained from 384 Sabahan consumers. A convenience sampling was used in the selection of respondents in this study. Due to limited time horizon, this study only involved in cross-sectional study and the data collected were tested by using correlational approach. The findings of this study suggested that environmental knowledge and environmental concern significantly influenced green purchase intention among Sabahan consumers. Furthermore, attitude partially mediated the relationship between environmental concern and green purchase intention. On the other hand, environmental knowledge did not predicts attitude, thus attitude did not have mediating effects on the relationship between environmental knowledge and green purchase intention.



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## ABSTRAK

Maklumat yang tidak mencukupi mengenai "niat untuk membeli barangan mesra alam" dan "perilaku pengguna" di Malaysia telah menjadi masalah utama yang mana menyukarkan pihak pemasaran tempatan dan antarabangsa serta agensi-agensi lain yang berkaitan untuk merangka strategi perniagaan dan pemasaran mereka. Oleh itu, kajian ini dilakukan bertujuan untuk mengetahui pengaruh dan hubungkait "pengetahuan mengenai alam sekitar" dan "keprihatinan terhadap alam sekitar" terhadap niat untuk membeli barangan mesra alam di kalangan pengguna Malaysia, dan "peranan sikap sebagai pengantara". 'Theory of Reasoned Action' digunakan untuk mengukur tahap niat untuk membeli barangan mesra alam. Seramai 384 pengguna di Sabah terlibat dalam proses pengumpulan data melalui kajian soal selidik. Pemilihan responden untuk kajian ini adalah berdasarkan cara 'convenience sampling'. Oleh kerana had masa yang terhad, kajian ini hanya melibatkan kajian 'cross-sectional' dan data yang telah dikumpulkan diuji dengan menggunakan pendekatan 'correlational'. Kajian yang telah dijalankan menemui bahawa pengetahuan mengenai alam sekitar dan keprihatinan terhadap alam sekitar dengan ketaranya mempengaruhi niat untuk membeli barangan mesra alam di kalangan pengguna-pengguna di Sabah. Tambahan pula, sikap hanya memberikan sebahagian impak dalam peranannya sebagai pengantara di dalam hubungan di antara keprihatinan terhadap alam sekitar dan niat untuk membeli barangan mesra alam. Sebaliknya, pengetahuan mengenai alam sekitar tidak mempengaruhi sikap, seterusnya tidak mempengaruhi niat untuk membeli barangan mesra alam.



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# CHAPTER 1

## INTRODUCTION

### 1.1 Overview

There is an incremental trend in green consumerism and green marketing worldwide. Although this trend might be common in the west, it is just recently makes its Asian debut (Asia's Media and Marketing Newspaper, 2008). Rex and Baumann (2006) stated that the aim of green marketing is to include environmental issues in the marketing efforts. Green marketing is the current big thing and being a sustainable business could be the way to survive in a fast changing world (Smith, 2009).

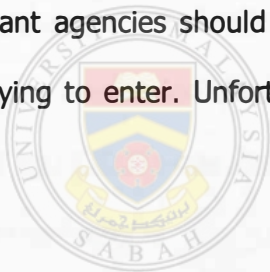
According to Polonsky and Rosenberger (2001), 'going green' could present a firm with a three in one opportunity and creating a complete competitive advantage consists of low cost strategy, differentiation strategy and focusing strategy. While, in consumer perspective 'going green' describes their actions such as increased use of renewal energy, planting grass and flowers on their home, or bringing their owns bags to the grocery store (Siegenthaler, 2010).

As the green business is now becoming a new trend, the Malaysian Government does not want to be left behind. Recently, Malaysian Government is engaging in green technology, promoting green business and a green consumerism to improve its ranking in environment ratings (GreenTech Malaysia, 2010). The environment ratings is important as it is provide a gauge at a national government scale of how close countries are to established environmental policy goals. In 2008, Malaysia ranked as number 27 out of 163 countries in World Environmental

Performance Index and Malaysia ranking was dropped to number 54 in 2010 (Yale University, 2010).

Therefore, improvement of this ranking is important to achieve Malaysian goal to be a fully developed country in 2020. Thus, the Malaysian Government has taken an intensive initiative to become green country including constructing a 15 years (10<sup>th</sup>, 11<sup>th</sup> and 12<sup>th</sup> Malaysia Plan) greening strategy (Malaysia Ministry of Energy, Green Technology and Water, 2009).

As the Malaysian Government is now becoming more environmentally conscious, means there will be plenty of opportunities for business growth in a lot of sectors that cater to green sensitive tastes. Generally, before engaging into a new market and in order to develop business and marketing strategies, a business or other relevant agencies should have adequate information about the new market they are trying to enter. Unfortunately, in Malaysia this type of information is still lacking.



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## **1.2 Problem Statement**

While there a lot of studies from western scholars such as Chan and Lau, 2000; Laroche, Bergeron and Barbara-Forleo, 2001; Follows and Jobber, 1999; Stone, Montgomery and Nkonge, 2008; Schlegelmich, Bohlen and Diamantopoulos, 1996; Conraud-Koellner and Rivas-Tovar; 2009; Pickett-Backer and Ozaki, 2008; regarding green purchase intention and green behavior, this type of study in Malaysia is still lacking.

According to Chen and Chai (2010) the problems of green marketing in Malaysia is the absence of information regarding green purchase intention and green behavior of Malaysian consumers which make it difficult to local and

international marketers as well as other relevant agencies to develop their business and marketing strategies. They suggested that future researchers in Malaysia should consider doing research in the areas of green purchase intention and a cross section of Malaysian population in future.

Therefore, this study is motivated by Chen and Chai (2010) suggestions and thus a conceptual framework on green purchase intention and green behavior developed by Chan and Lau (2000) was adapted in this study. The framework measured Malaysian's green purchase intention using individual's environmental knowledge and environmental concern.

The reason why this current study chose Chan and Lau (2000) conceptual framework was because their study was also involved in investigating green purchase intention which is similar to this current study objective. Furthermore, according to Conraud-Koellner and Rivas-Tovar (2009) conceptual framework by Chan and Lau (2000) was one of the first to examine green purchase intention as dependent variable.

Chan and Lau (2000) in their research found consumer's purchase behavior depends on individual's purchase intention of green products. In addition, Smith (2009) believes that green purchase intention is driving many buying decisions. Nik Abdul Rashid (2009) stated that it is also important to measures environmental knowledge because the state of one's knowledge about an issue impacts significantly upon his or her decision making process.

Furthermore, a number of studies found that there are significant positive association between environmental knowledge and behavior (Mostafa, 2007). While, Schlegelmilch et. al (1996) found that environmental concern has also influenced consumer purchasing behavior.

However, Chan and Lau (2000) did not included consumer's attitude in their framework. Thus, this study will be adapted by adding attitude as a mediating variable into the original framework by Chan and Lau (2000) which based from Schlegelmilch et. al, (1996) believes. Schlegelmilch et. al, (1996) believe that attitudes are the most consistent predictor of environmental purchasing behavior. Therefore, this current study also believes that, by adding attitude as a mediating variable, it may increase the level of understanding on the green purchase intention and green behavior which may be useful for future study.

Finally, all the above gaps contribute to the problem statements of **to what extent do Sabahans' green purchase intention influenced by environmental knowledge and concern, and does attitude mediates the relationships between environmental knowledge, concern and green purchase intention.**

### **1.3 Research Objectives**

The main objectives of the current study are:

- 1) To investigate the relationship between environmental knowledge and green purchase intention;
- 2) To investigate the relationship between environmental concern and green purchase intention;
- 3) To investigate the relationship between environmental knowledge and attitude;
- 4) To investigate the relationship between environmental concern and attitude;

- 5) To investigate the relationship between attitude and green purchase intention;
- 6) To investigate whether attitude mediates the relationship between environmental knowledge and green purchase intention; and
- 7) To investigate whether attitude mediates the relationship between environmental concern and green purchase intention.

#### **1.4 Scope of the Study**

The scope of this current study was attempted to look at the influence of environmental knowledge and concern on green purchase intention among Malaysian consumers, and the role of attitude as a mediator. The current study was only investigating on green products generally and did not focused on a specific type of green product. The sample of this study included consumers across Sabah which contacted via offline method (hand-delivery or face to face) and online method (e-mails). This study was a cross-sectional study with the purpose to test the hypotheses developed by using a correlational approach. The unit of the analysis involved individual consumers across Sabah ranged from age 15 to 64 years old or also known as the Working Age Group.

#### **1.5 Significance of the Study**

A number of past studies have been done in the field of green marketing or green products, especially factors that related to the demographic, psychographic and behavioral. However, most of these studies were done in the West and a few in the Middle Eastern countries and other Asian countries such as Hong Kong and China, but unfortunately it is still lacking in our local context. Ottman (1992) stated that



knowledge of the green consumer is important for the whole supply chain (cited in Mostafa, 2007). Therefore, hopefully the findings of the current study may contribute even a little input to those who are interested in this new green wave such as the academicians and researchers, marketers and the policy makers.

### **1.5.1 Academic Implications**

As stated before, the studies of green purchase intention and consumer behavior in Malaysian context are still far and inconclusive. In this current study, the author tested the influences and relationships of two independent variables (environmental knowledge and environmental concern) and a mediating variable (attitude) on consumers' green purchase intention (dependent variable) in Malaysia a non-western context. There might be contradictions between this new findings (local context) with previous researched. These contradictions will be very interesting topics to do in future research. Moreover, in this study, the original framework adapted from Chan & Lau (2000) was modified to suit the purpose of the study which the results maybe useful for future references.

### **1.5.2 Marketing Implications**

There is no doubt that, in general, volumes of green data will take time to be collected (Cubitt, 2008). Hopefully, by using the information gathered, marketers can use these little input to develop marketing-mix strategies specially targeted for these green consumers.



### 1.5.3 Policy Maker Implications

At the national level, the findings concerning the negative effect derived from an eco-friendly country image might also remind the relevant policy makers of the importance to pursue sustainable development, rather than hasty economic growth (Chan, 2004). Chan (2004) in his research found that there was positive influence of education on green purchase intention thus he suggests that policy makers need to invest more in raising the eco-educational level of their citizens and fail to do so will hamper the civilian commitment to green consumption and achievement of nationwide sustainable growth. Therefore, the results of this study can be use by the policy makers to understand the cognitive and attitudinal factors before designing a more effective policies and institutional actions to increase environmentally friendly behavior among Malaysian.

### 1.6 Definitions

***Green Purchase Intention*** is defined as the probability and willingness of an individual to give preference to green product over conventional products in their purchase considerations (Nik Abdul Rashid, 2009).

***Environmental Knowledge*** is the general knowledge about the environment, the relationships concerning the environment aspects and conditions, and the appreciation and responsibility toward the whole eco-systems (Mostafa, 2009).

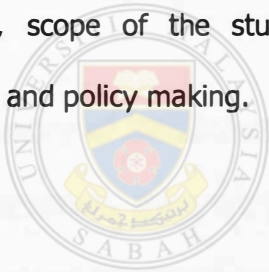
***Environmental Concern*** is the degree of the emotionality, level of knowledge and readiness to change behavior (Maloney et. al, 1975; Cited in Abdul Wahid, Rahbar and Shyan, 2011).

**Attitude** is a person's consistently favorable or unfavorable evaluations, feelings, and tendencies toward an object or idea (Amstrong and Kotler, 2009).

**Theory of Reasoned Action** proposes that any reasonably complex, voluntary behavior (such as buying power saving bulb) is determined by the person's intention to perform that behavior (Peter and Olson, 2008).

## **1.7 Summary**

As a summary, this chapter (Chapter 1) outlined the overview of the research including background of the problems and its problem statement, the research objectives, scope of the study and its significant contributions in academic, marketing and policy making.



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