

**Yusuf Balarabe Abdullahi**

# Factors that influence Consumer Behaviour towards buying Sustainable Products

**Research Paper  
(undergraduate)**

# YOUR KNOWLEDGE HAS VALUE



- We will publish your bachelor's and master's thesis, essays and papers
- Your own eBook and book - sold worldwide in all relevant shops
- Earn money with each sale

Upload your text at [www.GRIN.com](http://www.GRIN.com)  
and publish for free



**Bibliographic information published by the German National Library:**

The German National Library lists this publication in the National Bibliography; detailed bibliographic data are available on the Internet at <http://dnb.dnb.de> .

This book is copyright material and must not be copied, reproduced, transferred, distributed, leased, licensed or publicly performed or used in any way except as specifically permitted in writing by the publishers, as allowed under the terms and conditions under which it was purchased or as strictly permitted by applicable copyright law. Any unauthorized distribution or use of this text may be a direct infringement of the author s and publisher s rights and those responsible may be liable in law accordingly.

**Imprint:**

Copyright © 2018 GRIN Verlag  
ISBN: 9783668769397

**This book at GRIN:**

<https://www.grin.com/document/436289>

**Yusuf Balarabe Abdullahi**

## **Factors that influence Consumer Behaviour towards buying Sustainable Products**

## **GRIN - Your knowledge has value**

Since its foundation in 1998, GRIN has specialized in publishing academic texts by students, college teachers and other academics as e-book and printed book. The website [www.grin.com](http://www.grin.com) is an ideal platform for presenting term papers, final papers, scientific essays, dissertations and specialist books.

### **Visit us on the internet:**

<http://www.grin.com/>

<http://www.facebook.com/grincom>

[http://www.twitter.com/grin\\_com](http://www.twitter.com/grin_com)

**FACTORS THAT INFLUENCE CONSUMER BEHAVIOUR TOWARDS  
PURCHASING SUSTAINABLE PRODUCTS IN MALAYSIA**

**BY**

**YUSUF BALARABE ABDULLAHI**

Project Paper Submitted in Partial Fulfillment of the Requirement for

**MA IN PROJECT MANAGEMENT**

Limkokwing University of Creative Technology

**(2015)**

## **Table of Contents**

1.0 Introduction ..	3
2.0 Literature Review ..	13
3.0 Research Method ..	38
4.0 Research Results ..	49
5.0 Discussion and Conclusion ..	70
6.0 Reference ..	87
7.0 Appendix ..	91

## **ABSTRACT**

The growing social and regulatory concerns for the environment lead an increasing number of companies to consider green issues as a major source of strategic change. In particular, this trend has major and complex implications on the technological strategy of a company and on its product innovations. Even though it is increased eco-awareness of Malaysian customers during the past few decades, there are some barriers to the diffusions of more ecologically oriented consumption and production styles. Therefore, companies are increasingly recognizing the importance of green marketing concepts.

The purpose of study was to investigate the consumer attitudes and perceptions towards eco-friendly products in FMCG sector and their willingness to pay on green products. This study was based on both primary and secondary data. The primary data were collected from the sample survey that was conducted in the three districts in western province such as Cyberjaya, Kuala Lumpur, and Petaling Jaya. 160 respondents were selected for the survey and respondents were asked to answer the prepared questionnaire. The questionnaire was designed to obtain the consumers attitudes and perception regarding eco-friendly FMCG products under four value added areas such as product designing, packaging, place and promotion that lead towards the motivation of consumption. The secondary data were collected from relevant journals, books and other published data.

The study revealed that the green products have substantial awareness among Malaysian customers and they are willing to pay something more on green products. The majority of customers considered that package is most important element of such products. The researchers have recommended some marketing strategies to meet changing mind set of customers towards the green products.

**Keywords:** Green Products; Sustainability; Eco Awareness; Value Addition; Fast-moving Consumer Goods



## **CHAPTER 1**

### **1.0 INTRODUCTION**

The whole World is identifying the need of the Green Marketing, Environmental Marketing and Ecological marketing which gives the same meaning to the research area. Although environmental issues influence on all most all activities in our day today lives, there were only few academic disciplines have discussed green issues in Malaysian market context. Especially from Malaysian business discipline, Fast-moving consumer goods (FMCG) sector is a considerably large sector in the economy which has to open their eyes on eco friendliness. As society becomes more complex with the environmental pollution and unethical business practices, now both consumers and business organizations are concerned with the natural environment. So businesses have begun to modify their behavior in an attempt to address this society's "new" concerns. The FMCG sector is one of growing industry that concern about the green marketing issues. Most of marketing practitioners are using green elements as powerful marketing tools. In this context, this study focus on examine the consumer attractiveness towards green products of FMCG Sector.

### **1.1 RESEARCH BACKGROUND**

Global warming was one of the environmental degradation signals that were a serious worldwide issue encountered by all global people in recent years. The negative impact of global warming includes melting glaciers in Arctic. The thickness of Arctic sea ice was melting decreased by 40% since 1960's and its melting level was now at the alarming rate of 9% per decade. If the melting rate continuously increased without rescue action taken by people, the Arctic could be ice-free in 2040 (Natural Resources Defense Council). It can be predicted that sea level could accelerating rise until an uncontrollable level in future. Many countries will be disappear due to inundated by the sea. On the other hand, global warming will weaker ozone layer and caused about 120,000 people in a southern Chile city exposure to very high level of ultra-radiation due to ozone depletion and cause human suffering from cancer (Njie, 2013). Drastically change in climate also one of the impact of global warming. According to BBC News (2009), Typhoon Kestana occurred in Vietnam has destroyed or damaged about

170,000 homes and caused around 380,000 people homeless. Meanwhile, the storm also affected nearly 2 million people in Philippine and caused more than 100,000 people homeless (Conde, 2009). Apart from global warming, rapid industrialization that caused pollution in landfill, water and air also led to another environmental degradation signal. China has undergone rapid industrialization and successfully become the second-largest economy in the world in year 2012. However, it does exacerbate its environmental deterioration. According to Yang (2012), up to 40% of rivers are polluted in China. The water pollution caused high cancers rates in China due to consumption of contaminated water that polluted by vary types of industrial sewage such as cadmium, lead, indium, zinc and other metals. Besides, air pollution does happen in China and it reached a crisis level. This cause millions of people in China are suffer under the smog every day. According to World Bank study (as cited in Tan, 2009), approximately 460,000 people die prematurely in China annually from those diseases related to the air and water pollution that are highly and continuously exposure to China people. Besides, many others environmental degradation and harmful activities that performed in the modern economy have always led to environmental issues and it always caught the attention of worldwide citizens. Through the efforts of government and society in education and publicity works, many people around the world are well informed the threats, negative impacts and consequences that endanger their environment are caused by the irresponsibility companies and their irresponsibility behaviour towards their environment.

Hence, many environmental issues related terms such as air and water pollution, unexpected and rapidly change in climate, deterioration problem of ozone layers, and so on are quite well known by individuals. After realize the seriousness problems towards environmental issues, people from worldwide are willing to implement their own responsibility to safe and protect their environment because they believe their efforts can improve their quality of life in the future. Emerson, Esty, Kim, Mara, Sherbinin, & Srebotnjak (2010) stated that Malaysia ranked 54 out of 163 examined countries and performed better in addressing environmental challenges. This indicated that Malaysia has enjoyed one of the least polluted environments in Asia. However, massive industrial development in recent years caused Malaysia still facing a number of environmental problems due to an increase in urbanization and vehicle use. According to Waltraud Mayr (2010), about 56% of waste is recycled in Singapore,

whereas Malaysia is projected to only reach 22% by 2020. This shows that Malaysia has low public awareness on recycling as compare with Singapore. An article in Bernama shows that littering was a common legal offence in Penang. Surprisingly, the main reason caused the river pollution was littering by Penang residents, no longer caused by industrial waste. Thus, it shows that there is a lack of environmental responsible behaviour expressed in Penang residents (“Garbage, Main Cause of River Pollution in Penang,” 2009). Besides, Malaysia realized that investing in environmental protection become increasingly important. Therefore, environmental awareness is building up. Currently, several other initiatives are being implemented by government to encourage consumers and industries to fully practice energy efficiency. For example, phase out incandescent light bulbs in order to reduce the emission of carbon dioxide. Moreover, a scheme set up by government known as Green Technology Financing Scheme was aim to promote industries for utilise low carbon and resource efficient technologies. Therefore, green services will be launched to reduce energy consumption and minimise pollution (“Market Watch”, 2012).

Nowadays, environmental problems have caught the attention not only for worldwide citizens, but also worldwide companies and institutions. According to Papadopoulos’s study (as cited in Zand Hessami & Yousefi, 2013), consumers have more concern to their environments compare to the past and it will change their purchase behaviour. Thus, from the perspective of consumers, concern for environmental will greatly influence their decision making in selecting or purchasing goods or products. According to Polonsky and Rosenberger (2001) indicated that 84% people considered they have the responsibility to the environment. They are willing to purchase products from environmental friendly companies. Besides, environmental issues have change 49 per cent of respondents’ purchasing behaviour (Bowie’s study as cited in Zand Hessami et al., 2013) and 75% people become more concern on the environmental issues (Baker’s study as cited in Zand Hessami et al., 2013). People become more consciousness and awareness towards environmental issues has led to a green revolution and alters peoples’ demands and purchase behaviour. Consumers who purchase those eco-friendly products and services will have positive effect on the environment. A new market was developed which known as green marketing. Those customers who concern about the environment and support green marketing are known as green consumers. Normally,