

INTI INTERNATIONAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

"No Plastic Bag Day" & Environmental Behavior in Malaysia

Author : Yeo Keong Seong
Student No : I12002032
Supervisor : Dr. Mudiarasan Kuppusamy
Submission Date : 15th August 2013
Ethics Number : BUS/PG/CP/00037
Final Word Count : 15,555

Faculty of Business, Communication and Law

Declaration

"I hereby declare that this project is on my own effort except for those summaries and information of which been duly acknowledged."

Name : YEO KEONG SEONG

Signature : *Michael Yeo*

Date : 15th August 2013

Acknowledgement

I would like to acknowledge my gratitude to Dr. Mudiarasan Kuppusamy for his guidance, immense patience, and steadfast support throughout my project completion process. I have been amazingly fortunate to have an advisor like him who provides me freedom and lessons which helped me to overcome many crisis situations and it could be the turning point in my life.

To my parents for their limitless love and care all the time throughout my life and support me throughout my difficult days.

To my sisters for sharing their thoughts, ideas and knowledge and they made it easier for this project.

And, finally, to the mighty God who gives me wisdom, patient, tolerant and has seen me through the most dismal moments throughout the project.

Thank you all.

Table of Contents

Dedication	
Acknowledgement	
Table of Contents	I
List of Figures	V
List of Tables	V
Abstract	VI

CHAPTER I: INTRODUCTION OF THE STUDY

1.1	Introduction	1
1.2	Background of the Study	1
1.3	Environmental Deterioration & Plastic Bag	2
1.4	The “No Plastic Bag Day” in Malaysia	3
1.5	Problem Statement	3
1.6	Research Objectives	4
1.7	Scope of Study	5
1.8	Significance of Study	7
1.9	Research Limitations	7
1.10	Chapter Summary	8

CHAPTER II: LITERATURE REVIEW

2.1	Introduction	9
2.2	“No Plastic Bag Day” in Malaysia	9
2.3	Environmental Behavior (EB)	10
2.4	Environmental Behavior between Developing & Developed Countries	12
2.5	Hypothesis Development	15
2.5.1	Theoretical Lens: Theory of Planned Behavior	15
2.5.1.1	Individual Attitudes towards Environmental Behavior Development	16
2.5.1.2	Subjective Norms towards Environmental Behavior Development	17
2.5.1.3	Perceived Behavioral towards Environmental Behavior Development	17
2.5.2	Ecoliteracy	18
2.6	Conceptualized Research Framework	20
2.7	Chapter Summary	21

CHAPTER III: METHODOLOGY

3.1	Introduction	23
3.2	Research Paradigm	24
3.3	Survey Administration	24
3.4	Sampling Procedure & Size	24
3.5	Data Collection Method	25
3.6	Measurement Approach	25
3.7	Data Analysis Plan	26
3.7.1	Respondents’ Demographic Profile Analysis	26
3.7.2	Partial Least Square (PLS) Estimation	26
3.8	Variables & Measurement	27

CHAPTER IV: RESEARCH FINDINGS

4.1	Introduction	31
4.2	Response Rate	31
4.3	Frequency & Descriptive Analysis	32
4.4	Respondents' Awareness Level in "No Plastic Bag Day" Campaign	34
4.4.1	Symbol Recognition Level	34
4.4.2	"No Plastic Bag Day" Day Selection	35
4.4.3	Plastic bag Usage During Saturday	36
4.4.4	Sufficiency Level of Awareness on "No Plastic Bag Day"	37
4.4.5	Perception towards "No Plastic Bag Day" Day Extension	38
4.4.6	Days of extension towards "No Plastic Bag Day"	39
4.5	Partial Least Squares (PLS) Modeling	40
4.6	Partial Least Squares (PLS) Results, Reliability & Validity Analysis	41
4.7	Structural (Inner) Model Evaluations	44
4.8	Hypothesis Conclusions	45
4.9	Chapter Summary	46

CHAPTER V: DISCUSSION & CONCLUSION

5.1	Introduction	47
5.2	Result Discussion	47
5.2.1	Attitude	47
5.2.2	Subjective Norms	48
5.2.3	Perceived Behavior	49
5.2.4	Ecoliteracy	50
5.3	Theoretical Implications	52
5.4	Recommendations on "No Plastic Bag Day"	53
5.4.1	Enhance the Level of "No Plastic Bag Day" Awareness and Understanding	53
5.4.2	Improve or Enhance the Event	54
5.5	Recommendations for Future Research	55
5.6	Personal Reflection	56
	References	57
	Appendixes	61

List of Figures

Figure 1 Level of Urbanization Malaysia 1980, 1991, 2000 and 2010	6
Figure 2 Level of Urbanization by State, 2010	6
Figure 3 Greendex Scores for 14 countries 2008	13
Figure 4 Theory of Planned Behavior	16
Figure 5: Proposed Conceptual Framework	20
Figure 6: Research Design Framework	23
Figure 7: Summary of Scale & Measurement for every variable	27
Figure 8: Estimated Structural Equation Model	40

List of Tables

Table 1 Summary of Respondents' Demographic Profile	33
Table 2: Cross Tabulation for Gender by Symbol Recognition	34
Table 3: Cross Tabulation for Gender by Day Selection	35
Table 4: Cross Tabulation for Age Group by Day Selection	35
Table 5: Cross Tabulation for Gender by Plastic Bag Usage during Saturday	36
Table 6: Cross Tabulation for Age Group by Plastic Bag Usage	36
Table 7: Cross Tabulation for Gender by Sufficiency Level	37
Table 8: Cross Tabulation for Age Group by Sufficient Level	37
Table 9: Cross Tabulation for Gender by Perception towards Extension	38
Table 10: Cross Tabulation for Age Group by Perception towards Day Extension	38
Table 11: Cross Tabulation for Gender by Day Extension	39
Table 12: Summary of Reliability Test	42
Table 13: Assessment of the Measurement Model	42
Table 14: Discriminant Validity (Inter-correlation) of variable constructs	43
Table 15 Statistical Results of outer Model Evaluation [Loading and Cross Loading]	43
Table 16: Output of the Outer Model Estimation	46

ABSTRACT

Environment deterioration issue is a prominent phenomenon globally. The background of the study covering the environment experiencing a reversion and the situation is getting worse. The effects of such environmental issues have not only affected the climate changes, rainforests, natural disasters as well as individual lifestyle. One of the significant wastage which contributed to environmental deterioration is caused by the not biodegradable plastic bag. However, plastic bag wastage issues soon arouse public awareness and persuade people to behave green at every aspect, from the working environment to housing. This study consists of the after effect of the "No Plastic Bag Day" organized by Malaysian government aimed at reducing the deterioration effect brought about by plastic bag.

The majority of the studies have only examined the phenomenon of the plastic bag ban in abroad. Therefore, the unveiling of "No Plastic Bag Day" by the Malaysia government provides an opportunity to examine the phenomenon based-on Malaysian perspective.

The purpose of this research is to investigate on Malaysian values, awareness and attitude towards "No Plastic Bag Day". It also investigates how this event changes the consumers' behavior every Saturday. This research is based on the quantitative research approach. The study will analyze 250 respondents from around the Klang Valley for over a period of 2 months. The using of Environmental Behavior (theoretical lens) will be analyzed from different perspective and it will revolve around the literature review.

In this research, PLS modeling approach and SPSS (frequency distribution, descriptive analysis, reliability analysis and multiple regression) will be used to analyze for investigating the awareness level Malaysian have concerning "No Plastic Bag Day" policy and which of the factors influence the most in environmental behavior development.

The empirical analysis using PLS unveiled that Ecoliteracy, Perceived Behaviors and Subjective Norms have a significant relationship to environmental behavior development. The awareness and perception towards this event is significant as well.

Key Words: Pro-Environmental Behavior, Ecoliteracy, Theory of Planned Behavior, No Plastic Bag Day

CHAPTER I

INTRODUCTION OF THE STUDY

1.1 Introduction

Chapter one sets the tone of this study by presenting the general background vis-à-vis environmental deterioration, “No Plastic Bag Day” and environmental behavior. It explains the purpose of this research – to examine the role of “No Plastic Bag Day” in shaping Malaysian’s environmental behavior in the Klang Valley area, and then it states the problem statements, research questions, research objectives, significance of study, and the research limitation respectively.

1.2 Background of the Study

The globe is experiencing a deterioration of its environment caused by the over consumption of natural resources as well as the increasing solid waste from certain unrecyclable products such as plastic etc. Environment deterioration is often linked with the rapid growth in the economy, industrial development and urban lifestyle, (Haron, et al., 2005). In another words, the rapidity of development and economic growth has increased solid-wastes. Consequently, more and more problems adding to environment deterioration become prominent. One possible way to arrest the slide is through education or increasing the public environmental awareness. Government, businesses and the public play different but essential roles in reducing environmental deterioration and enhancing the public environmental awareness, (Yan, 2009). This three parties are the core groups which have huge influence towards the public environmental awareness.

Without doubt, there are government or NGO such as The United Nations Environment Program (UNEP) created with the aim to provide future directions towards the education on environmental protection and on evaluation of governmental efforts in environment for environmentalism, (Quick, 2012). According to UNEP research, economies are experiencing rapid development. However, many are still not concern about environmental problems due to the lack of knowledge and awareness of how environmental deterioration could affect their wellbeing. In contrast, the reason why hybrid cars and energy-savings LED light is popular is due to the attention being emphasized on these products. As people start to understand, get educated and be aware, therefore, they target awareness, (Quick, 2012). Hence, green

marketing become more important as challenges and prospective grow. Firstly, the government will pressure global corporations to design and implement a sustainable green series such as green marketing, green supply-chain and green branding, (Chan, et al., 2012).

As stated earlier that plastic bags also named as carrier bags, plastic grocery bags, and single-use bags is one of the root causes to littering and pollution, (Taylor, 2012; Sincoff, 2012; Bellis, 2008). The first plastic bag was invented during 1957 to pack sandwich then become common for use as plastic shopping bags after two decades, (Waverly, 2008). Carrier bags were introduced for retailers to provide value added service to customers; for convenience of shoppers to carry their groceries. However, the rapid increases in plastic bag usage have created a destructive impact. Reuse, reduce and recycle have been planted into consumer mindset to reduce the wastage and disposal of plastic bag because it is not biodegradable. Or else, plastic bags soon will jeopardize the future.

1.3 Environmental Deterioration & Plastic Bag

Plastic bag has become a crucial topic of debate in recent years due to the relative environmental impacts of such plastic bag and its efficacy, (Gooi, 2010; West, 2010). For the past few decades, the plastic bag was widely used in our daily life due to its convenience, for instance, carry groceries, food, and many other foreseeable usages. However, it is also endowed with huge threat to the environment. To date, it is estimated about 1 trillion of plastic bag are used and discarded each year. Result from the laboratory study indicated that every single plastic bag needs at least one thousand years or even longer to break down. Clearly, the harmfulness of plastic bag is not only limited to the environment but also pose ecological issues. According to a research conducted by US Envirosax, every year there will be approximately 14 million of tress cut for plastic bag production, (Envirox, 2012).

The environmental consciousness of reducing plastic bag usage is increasing due to the various campaigns and education programs, (Gooi, 2010). Corporations are embracing green marketing into practice and also assembling eco-label products due to growing in environmentalism among consumers, (Wustenhagen & Bilharz, 2006). Body Shop is one of the more prominent significant company that declare that they are moving towards "corporate environmentalism" where their sales representative's often ask the client whether have need of a paper bag, (Montoro et al., 2006). Essentially, citizen plays the key roles in acting green.

1.4 The “No Plastic Bag Day” in Malaysia

Malaysia's government is also aware of the plastic bag issues. In conjunction with events to protect the environment organized by NGO, the government started to implement similar events as well, as initiatives to increase the awareness of going green amongst the public, (Ooi, et al., 2012). The Penang state government was the first that launch the “No Plastic Bag Day” campaign every Monday during July 2009. Due to its effectiveness, the campaign was extended from one to three days, to include Tuesday and Wednesday. Selangor launched its “No Plastic Bag Day” every Saturday during January 2012, (Ling, 2010). Subsequently, the municipal councils in Sarawak and Sabah announced the same campaigns. The central idea to all these “No Plastic Bag Day” campaign was to reduce the usage of plastic bag within a certain period of time. Concurrent with the green marketing concept, stakeholders such as government, policy makers, consumers and the business owner are key intimates in the campaign to reducing usage of plastic bag.

1.5 Problem Statement

As mentioned in the previous section and studies, practices of going green among Malaysian are still considered weak due to many reasons, (Ramayah, et al., 2010). The majority of consumers will either bring a recyclable bag for grocery shopping during Saturday or choose not to shop on the said day. Customers are key players to hypermarket and in conjunction with the campaign, customers actually have the responsibility of bringing their own recyclable bag, yet, again, Malaysian were cited as lack of such practices in their daily routine, (Haron, et al., 2005; Ooi, et al., 2012). Therefore, there is debate as to whether customers should purchase on Saturday by bringing their own recycle bag or choose to purchase groceries on other days. This has brought-up another issue; will the implementation of “No Plastic Bag Day” affect the sales performance. Thus, the consumers' perception and practice in Klang Valley should be studied in-order-to investigate this. Again, understanding the development of environmental behavior is crucial.

There is very limited study on the effect of “No Plastic Bag Day” towards environmental behavior development. One of the many reasons is that the event was just unveiled a few years back, thus the campaign is still considered a recent issue. Additionally, the available research in Malaysian context is limited as well; as majority were those researches conducted based on developing countries. For instance, Villareal and Feigenbaum argued that the plastic bag ban in Los Angeles has negatively affected the sales performance and employment,

(Villarreal & Feigenbaum, 2012). For those reasons, the purpose of this thesis is to determine the effects of such ban and to uncover the awareness level of going green in Malaysia. Additionally, the study also sought to determine if the consumers' shopping behavior has affected purchases at stores that offer plastic bags. And so, this study is intended to narrow the gap in studies on environmental behavior among Malaysian, by looking at factors that affect the development of environmental behavior.

1.6 Research Objectives

The core objective to this study is to examine the impact of "No Plastic Bag Day" campaign towards the development of consumers' environmental behavior in Klang Valley, Malaysia. The subsequent sub objectives are:

1. To examine the awareness and perceptions of consumers in Klang Valley area towards the "No Plastic Bag Day" campaign;
2. To examine the influence of Personal Attitude towards environmental behavior development;
3. To examine the influence of Subjective Norms towards environmental behavior development;
4. To examine the influence of Perceived Behavior towards environmental behavior development;
5. To examine the influence of Ecoliteracy towards environmental behavior development.

1.7 Scope of Study

The main purpose of this study is to examine how Malaysian perceives the plastic bag ban and how Malaysian would behave during “No Plastic Bag” day. This research will be carried out to determine consumer awareness and perception towards “No Plastic Bag Day” as well. A total of 250 respondents within Malaysia Klang Valley area will be interviewed using close-ended questionnaire. The choice on Klang Valley was because of the campaign launched during January 2012 and for its denser population of 7.2 million, (Department of Statistics Malaysia, 2010; Economists Intelligence Unit, 2012). Further, both urban and rural areas will be covered for added reliability. Urbanization in Selangor is relatively higher compared with the other states, (view figure 1).

The sample to focus will be hypermarket customers in Klang Valley area, the consumers’ perception and environment behavior will be towards “No Plastic Bag” day. The unit for analysis will be set as customers of hypermarkets such as Giant, Jusco, Tesco, Urban Fresh and the Cold Storage within Klang Valley area. Questions will be centered on how they perceive plastic bag banned as well as to what extent their awareness towards environmental protection blend together with their behavior. Finally, the research will be undertaken by using quantitative research approach with structural equation modeling technique.

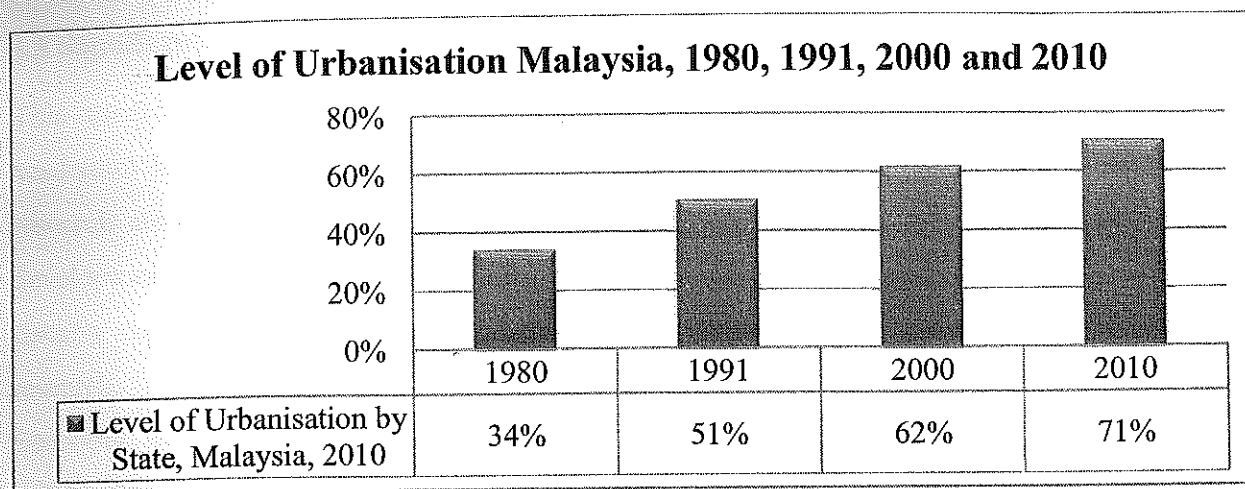


Figure 1 Level of Urbanization Malaysia 1980, 1991, 2000 and 2010; Source from: Department of Statistic Malaysia, 2010

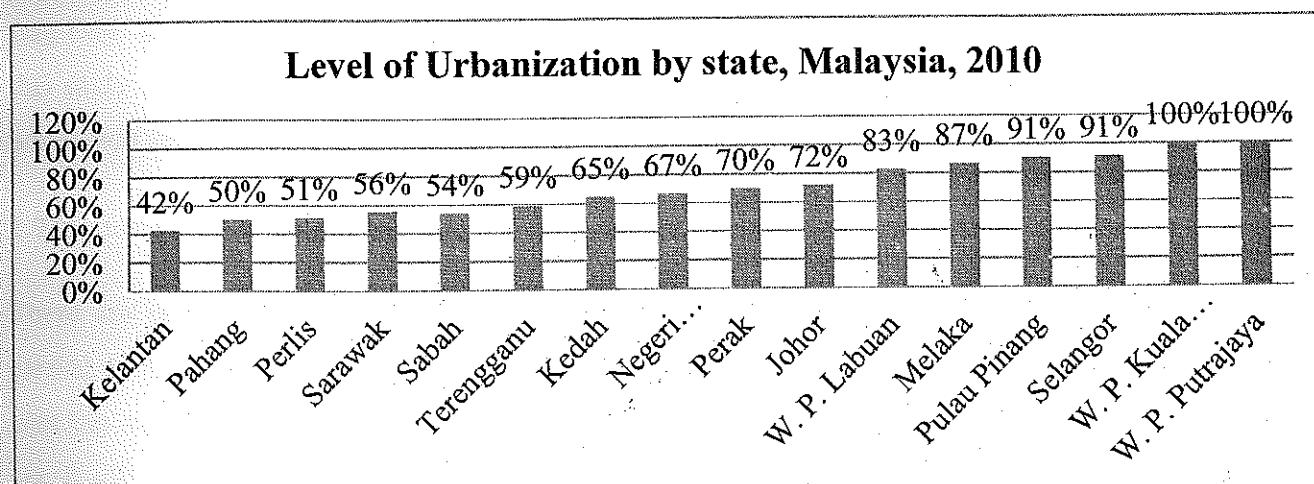


Figure 2 Level of Urbanization by State, 2010; Source from: Department of Statistic Malaysia, 2010

1.8 Significance of Study

This research will be essential to a few parties: The findings of this study will be useful to academics that are pursuing further research on the issue of environment behavior as such research are lacking in Malaysia. Firstly, the existing research on environmental behavior development in Malaysia is rare and the conceptualized research done on other developing country could be different with Malaysia. Therefore, this research should benefit future research.

Secondly, the event "No Plastic Bag Day" has unveiled for nearly 1 year and therefore author thought that it might be a good opportunity to evaluate public's awareness and perception towards the event. Lastly, in taking a step toward filling the gap, this study has developed a framework for environmental behavior development which suit to Malaysia. The outcome will also aid policy makers and the government in making changes to "No Plastic Bag Day" and other campaign which are related to green marketing. Lastly, the results from this study will also help hypermarket to understand the factors and perception of consumers which will result in their purchase behavior.

1.9 Research Limitations

There are several limitations identified within this study. Firstly, this study will only be carried within the Klang Valley area due to time constraints and district barrier. Klang Valley area has a huge population and is being coined as one of the significant region in Malaysia, yet, it still cannot be taken to represent the whole of Malaysia. This could probably be unfair generalization of the perception throughout Malaysia.

Further, the 250 respondents will not be able to represent the whole Klang Valley citizen (7.2 million populations) according to Department of Statistics Malaysia (2010). It is probably hard to justify the assumption based only on 250 respondents, as most statistical test requires a larger data.

Lastly, analysis technique and other variables being mentioned by other scholars will not be included in this study, namely marketing techniques which influence consumer behavior, willingness, intentions, moral issue and habits which might affect the development of consumer behavior. This is due to work load issue and time constraints.