



**FACTORS INFLUENCING CUSTOMER'S INTENTION TO  
PURCHASE ORGANIC PRODUCT**

**NADIAH BINTI SHIHAN**

**2015162259**

**BACHELOR IN BUSINESS ADMINISTRATION (HONS)  
MARKETING  
FACULTY OF BUSINESS MANAGEMENT  
UNIVERSITI TEKNOLOGI MARA  
JOHOR**

**DECEMBER 2018**

## **ACKNOWLEDGEMENT**

First of all, I am grateful to the Almighty Allah S.W.T. because I am able to finish this research along 16 weeks to bring the title of a study on the factors influencing customer's intention to purchase organic product. By this, I would like to express my sincerest thank you to my research advisors Madam Noraishah Binti Kamarolzaman and Madam Jaslin Binti Dahlan, and not to mention all of the other lecturers, for providing me guidance, patience, motivation and immense knowledge from the start until I have completed this report.

Next, I would like to thank my classmates for supporting and sharing with me their knowledge, opinions and views on my topic which is the factors that influence customer's intention to purchase organic product from Nova Babylon Sdn Bhd. I am extremely grateful for having helpful colleagues during my internship and classmates.

Other than that, I would like to thank my respondents for giving me a full cooperation in order to answer the questionnaires. Without them, I will not be able to get the accurate data for this study. Finally, I would like to thank everyone who had directly or indirectly lend their help hand throughout the journey of completing this report.

## TABLE OF CONTENT

DECLARATION OF ORIGINAL WORK .....	ii
LETTER OF TRANSMITTAL .....	iii
ACKNOWLEDGEMENT .....	iv
TABLE OF CONTENTS .....	v
LIST OF TABLES .....	viii
LIST OF FIGURES .....	viii
ABSTRACT .....	ix
CHAPTER 1 .....	1
1.0 INTRODUCTION .....	1
1.1 BACKGROUND OF THE STUDY .....	1
1.2 BACKGROUND OF COMPANY .....	3
1.2.1 Nature of business .....	4
1.2.2 Vision and Mission of the company .....	6
1.3 PROBLEM STATEMENT .....	7
1.4 RESEARCH OBJECTIVES .....	12
1.5 RESEARCH QUESTION .....	12
1.6 SIGNIFICANT OF STUDY .....	12
1.6.1 Researcher .....	13
1.6.2 Customers .....	13

## **ABSTRACT**

Nowadays, Malaysian people aware that organic products can bring benefit for them in terms of rejuvenating the human health and also provide full of nutritional value to their body. But there was an issue arise since organic products is so benefit to the human body. The researcher still wants to study why there were still less purchasers of organic products in the Malaysia's market especially at Nova Babylon if compared to other countries like United States or Japan.

This research aims to identify the factors that influence customer to purchase organic products from Nova Babylon Sdn Bhd and which of the four determination has the greatest influence on customer's intention. It also to recommend Nova Babylon on improving their strategy in enhancing purchase from customer. The four factors of which are health consciousness, knowledge & education, habit & attitudes and environment concerns were examined as independent variables, while customer's intention to purchase organic product as the identified dependent variable. The questionnaires were filled by the respondent. The population was the customer and potential customer that purchase the product from Nova Babylon while samples are 100 respondents among population which has been selected by the way of convenience sampling design from different state by using google forms to distributing the questionnaire to reach the respondent.

The methodology of research used was quantitative which is using SPSS to run the data that had been collected by researcher. The researcher used non-probability sampling which convenience sampling. Reliability analysis, descriptive statistic and T test analysis were applied in hypothesis testing. The findings were involved 100 respondents whereby the findings indicate that among the four independent variables, all variables are significant towards the dependent variable. As such, between the all significant variables, health consciousness contributes highest as factors that influenced the customer's intention to purchase organic product then followed by knowledge & education then habit & attitudes lastly

environment concerns. At the end of this research, the researcher also concluded this research with the suggestion and recommendation for the study to take a corrective action and for the used in the future research.