

# **Factors Influencing Young Consumers' Purchase Intention of Organic Food Product**

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## **Abstract**

Research findings on buying behaviour towards organic food product are still inconsistent. Therefore, this study aims to examine a significant relationship between environmental consciousness, health consciousness and social influence and young consumers' purchase intention towards organic food product. The total of 150 questionnaires was designed and distributed at the public area of Kerteh, Terengganu. In return only 140 questionnaires were returned and usable. The result of the analysis showed that environmental consciousness is the most significant factor to influence young consumer purchase intention towards organic food product. Health consciousness and social influence on the other hand, showed a result as have no significant relationship in determined a factor that influencing young consumer purchased intention towards organic food product. In these relations, marketer and future researchers should see the important factor to explore the opportunities to cater for this market segment in future.

**Keywords:** Environmental Consciousness, Health Consciousness, Social Influence, Organic Food Product, Purchase Intention

## **Introduction**

Green products as explained by Saleki and Seyedsaleki (2012) are clearly can be seen in their packaging, which contains wordings that refer to the natural, recyclable, environmental friendly, biogradable and also organic product and food's product that become basic needs of human all over the world. There are many researchers in other countries who have studied on green consumer purchase intention, especially in organic food industries (Tsakiridou, Boutsouki, Zotos, & Mattas, 2008). The demand for organic food in the market has increased as consumers nowadays become more concerned about food safety and benefits of nutritional food for their health (Hasan, Loi & Kok, 2015). Researchers also said that although the demand of organic food consumption in Malaysia is still low but there is a growing consumer acceptance towards the organic food consumptions. This statement also had been supported in Ahmad and Juhdi (2010) research, as they found that Malaysian food industries shown positive changes towards green food product's consumption as there is an increasing in consumer's concerns to get an eco-friendly and healthy food's product in the market. This shows that there is a pressing need to identify significant factors that influence purchasing intention of organic food products, particularly among young consumers (Hasan, Loi & Kok, 2015). Young consumers have a significant impact on green market as they have their own high potential market (Lee, Ling, & Yeow, 2009). This is because young consumers, according to Wan et al. (2014) are having a strong desire to mingle with the new and trendy brand and style that available in the market.

This statement was supported by Nor, Ahmad, Omar, and Hassan (2016) in which young consumers are more alert with technology, aware with trendy product, and get connected with each other not only their close peers but also with other people from other regions or even countries. Thus, the objective of this study is to determine factors that influence young consumer's purchase intention towards organic food product.

## **Conceptual Framework and Hypotheses Development**

The research framework indicates that there are three independent variables: health consciousness, environmental consciousness and social influence.

**Health Consciousness:** Consumers who have high level of health consciousness are tending to seek and involve with healthy lifestyle activities (Kim & Chung, 2011). Furthermore, according to Nor, Ahmad, Omar and Hassan 2016) in their research, health conscious consumers buy green product since it will give an impact not only for their own health but also to the environment. This is also applicable to organic food consumption patterns, where consumers are very particular and aware about food safety as they need to make sure the foods that they eat does not give harm to their health and help them in maintaining a healthy lifestyle Kulikovski and Agollo (2010). Moreover, there are many researchers found health consciousness as a strong motivator for consumer to purchased organic food product (Chen & Chai, 2010; Rizal & Koe, 2014; Hashmi, Huong Wee, 2012). Consumers consider an organic food product as a nutritional element in preventing humans from getting any diseases and ensure themselves stay healthy (Ahmad Juhdi, 2010). Positive attitude towards organic food that had been shown in the research by Suh, Eves and Lumbers (2012) is based on the consumer's belief that organic food products are good for human health, and they are free to consume it with any suspicious and fear. Therefore, Yean, Ru & Yin (2012) had reasonably believed that a consumers' readiness to take healthy actions is an important determinant of consumers' attitude towards organic foods. Which means consumers are intends to buy organic food product as this purchased decision will help an individual to stay healthy. Thus, the study will propose as:

*H1: Health consciousness has a significant relationship with young customer's purchase intention of organic food product.*

**Environment consciousness:** According to Ariffin, Yusof, Putit and Shah (2013), environmental concern can be defined as a degree of apprehension, credibility and attitude of an individual embraces towards the environment. According to Abdul-Muhmin (2007) there is a broad acceptance among researchers and environmental activists that through purchasing environmentally friendly products or green products, products with recyclable packaging or properly disposing of non-biodegradable garbage, consumers is able to being apart with the community that consistently and active in environmental program to secure and improve the quality of the environment. Consumers who are concerned about the environment and well-being of society are motivated to protect the environment by finding innovative and protective methods and taking the right actions to protect the environment and this can be done when consumers become part of environmental protection strategy in choosing green products, use biodegradable product, consume organic foods and others (Kianpur, Anvari, Jusoh & Othman, 2014). Consumers who are involved with environment protection activities

as reported by Chen (2001) tend to have a positive attitude and acceptance to consume organic food products. Organic food, which are produced by using natural farming procedures, were seeing as an environmental protected strategy to reduce a pollution toward the environment, as chemical pesticides and fertilizers which are damaging to the environment, are not used in their production (Hasan, Loi & Kok, 2015). This has forced green buyer to buy organic food product as they want to save the environment (Ahmad & Juhdi, 2010). Thus this research have hypothesizes:

*H2: Environment consciousness has significant relationship with young’s consumer purchase intention towards organic food product.*

**Social Influence:** Social influence was identify by Wan et al. (2014) which also known as persuasion conformity, subjective norms or peer pressure and it were normally resulted from an individual behavior or action that had been influenced by other person. In addition, Liu (2003) had highlight that consumer were basically will act and thought as same as their reference group no matter whether it comes from positive side or negative thought. According to that statement, it is not surprising when Pickett-Baker and Ozaki (2008) had found that, social influences have said to promote many recycling activities, especially in young consumers and this particular generation are toughly affected by the coercive power of the group they belong to and are open to change more easily. Burch, Lyons and Lawarence (2001) in his research had stated that social pressure also will be detected through the celebrity role model, endorsers and entertainers such as athletes in which they were very good influencer on providing a source of product information. According to Lee, Ling and Yeow (2009) social influence was found to be the most important forecaster in his study of purchasing behavior of Hong Kong young consumers. Khan (2012) said that social influence is a good forecaster to explain the intention of consumers to buy organic food. However a study from Irawan and Darmayanti (2012) indicate that social influence has no significant impact towards the intention of university students to buy natural products in Jakarta since this variable was found as a second lowest determinants in their studies of green purchasing intention but then Lasuin and Ching (2014) suggest a researcher to consider this factor since young consumers were a part from nature. Thus this study also had proposed:

*H3: Social influence has a significant influences young’s consumer purchase intention towards organic food product.*

**Theoretical Framework**

Thus, to develop this study below assumption of theoretical framework had been made.

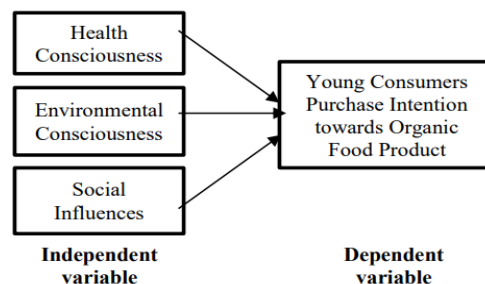


Figure 1: Theoretical Framework

## **Material and Method**

This study used quantitative method. Therefore, a survey questionnaire was used to collect primary data. Survey method was used by following Sekaran and Bougie (2013) who mentioned that an appropriate number of respondents should more than 30 and less than 500. This research also used secondary data which information had been collected throughout newspaper report, journal article, and also a digital report from the internet. Researcher used to distribute 150 of the questionnaires to the young consumer in the public area like Mesra Mall located at Kerteh Terengganu. Young consumer which in average of age between 15 to 30 years old is a target respondent of this research. Non-probability sampling which is convenient technique is considered as an appropriate sampling method when a sampling frame could not be obtained.

The questionnaire consists of three section of questionnaire which is section A, the questionnaire was designed for dependent variable which is to identify customer purchase intention towards organic food product. Next for section B, C and D which it had focused on three point of independent variable: health consciousness, environment consciousness and social influences and lastly, section E in which a researcher asked about demographic information of customer such as gender, age, race, income level, marital status, and education level. The study also used online questionnaire in a way to cater young consumer to answer the questionnaire since they more likely to answer in technological form as it easier and convenience.

## **Result and Discussion**

The finding revealed out 140 out of 150 total of the demographic profile of respondents. It is because of there are several numbers of questionnaires had been rejected due to the several errors. For gender category show that majority of respondents were male consumers with 53.6 percent. Next, marital status category shows about 76.4 percent respondents are single. Age category's of respondents were dominated by respondents in between the ages of 21 – 25 years old with 49.3%. Education profiles are coming from respondents which have matriculation, diploma, foundation and STPM education background with 39.3% percent. The occupation result of respondents, shows that 47.9% of respondents are still studying. Next, the result also indicates that 29.3% percent of respondents worked in the private sector. Lastly, the monthly income of respondents rate was less than RM1000 monthly with 51.4% percent. It cannot be denied that since most of the respondents were still studying and did not have a permanent career.

Reliability Analysis

Table 1: Reliability Analysis

<b>Instrument</b>	<b>Number of items</b>	<b>Cronbach's alpha</b>	<b>Strength of Association</b>
Young consumer Purchase Intention towards Organic food product	5	.839	Very good
Environmental Consciousness	5	.832	Very good
Health Consciousness	5	.835	Very good
Social Influence	5	.829	Very good

Reliability result of the questionnaire shows that, purchase intention of young consumers towards organic food product had good Cronbach alpha of 0.839. For environmental consciousness, Cronbach Alpha shows a value of 0.832, Health consciousness shows a Cronbach Alpha value of 0.835. Lastly, social influence shows a Cronbach Alpha of 0.829.

Therefore, it can be said that all items measuring the intended variables are highly reliable as shown in Table 1.

Descriptive Analysis

Table 2: Descriptive Analysis

<b>Variables</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Dev.</b>
Young consumer Purchased intention towards organic food product	2.60	5.00	4.1243	.54889
Environmental consciousness	2.80	5.00	3.9057	.57898
Health Consciousness	3.00	5.00	4.3900	.49009
Social Influence	1.00	5.00	3.4914	.63806

The above Table 2 shown that the dependent variable has mean value of 4.1243 with 0.54889 standard deviation. The highest mean value among independent variables is Health Consciousness with a mean value of 4.3900 and 0.49009 standard deviation. This is followed by Environmental Consciousness with mean value of 3.9057 and standard deviation of 0.57898. Social influence on the other hand comes up with a mean value of 3.4914 and standard deviation of 0.63806. Based on information in the table given, most of respondents believe that health consciousness is perceived to be most important followed by the other two factors.

*Regression Analysis*

The result shows that there were significant relationships between independent variables: environmental consciousness, health consciousness and social influence with dependent variable. The significant value of all independent variable showed (2 tailed) equal to .000 which is less than 0.05 ( $p > 0.05$ ).

The environmental consciousness result shows the value of high correlation, market relationship with the coefficient size 0.718 and it value of significant equal to 0.000 which is less than 0.05, thus, the relationship between this variable with purchase intention is significant. The result of correlation of coefficient for another two independent variables shows a different relationship's value. The result indicated by health consciousness is 0.498 and this value interpreted as moderate correlation and substantial relationship with the selected dependent variable. For the social influence factor showed a result of 0.393 as it had been interpreted as low correlation, it can be definite but have a small relationship with the dependent variable. This means both of independent variables had influenced, but it does not consider as a strong relationship. Both of these independent variables still have valuable relationships with the dependent variable since it significant value shows a value of 0.000 as it is less than 0.05. Thus, relationships between these two variables with dependent are significant.

Table 3: Multiple Regression – ANOVA

Model	Sum of Square	df	Mean Square	F	Sig.
<b>1</b>	22.612	3	7.537	53.209	.000 <sup>b</sup>
<b>Regression</b>					
<b>Residual</b>	19.265	136	.142		
<b>Total</b>	41.877	139			

- a. Dependent Variable: PI
- b. Predictors: (Constant), SI, EC, HC

Multiple regression in Table 3 above shows that ANOVA F-test, the P-value of every independent variables is 53.209 and its significant value is equal to 0.000, means that its significant value is less than alpha value =0.05. Its clearly can be seen that all the independent variables used in this research were significant and its hypothesis can be tested.

Table 4: Multiple Regression-Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735 <sup>a</sup>	.540	.530	.37637

- a. Predictors: (Constant), SI, EC, HC
- b. Dependent Variable: PI

Multiple regressions in Table 4 had shown the R squared result value was equal to 0.540 this had shown that 54% of the variance in selected dependent variable which is factor that influencing young consumers purchased intention towards organic food product can be explained by the changes in the selected independent variables which is environmental consciousness, health consciousness and social influences. The other 46% are explained by the other factors which are not included in the model.

*Hypothesis Testing*

Table 5: Multiple Regressions – Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error			
<b>1</b>	.604	.300		3.049	.003
<b>Constant</b>					
<b>EC</b>	.583	.067	.615	8.711	.000
<b>HC</b>	.181	.079	.162	2.286	.024
<b>SI</b>	.039	.058	.046	.675	.501

Table 6: Summary of Hypothesis

Hypothesis	Description	p-value	Result
<u>Hypothesis 1</u>	There is a significant relationship between <b>environmental consciousness</b> and young consumer purchased intention towards organic food product	0.000	Supported
<u>Hypothesis 2</u>	There is a significant relationship between <b>health consciousness</b> and supported young consumers' purchase intention of organic food product.	0.024	Supported
<u>Hypothesis 3</u>	There is significant relationship between <b>social influence</b> and young consumer purchased intention towards organic food product.	0.501	Not supported

Table 6 shows the summary of the hypothesis results. H1 and H2 have a significant relationship based on the p-value less than 0.05.

## Conclusion and Recommendation.

This study tried to determine the association of environmental consciousness, health consciousness and social influence with young consumers' purchase intention towards organic food products. This study was conducted to understand a relationship between independent variable and dependent variable. Thus the objective of the study is achieved.

Based on the data and results obtained in this research, it shows that there is a need to come out with several improvements and suggestion on this study field in the future. Future researcher needs to cater a different scope of studies in this particular studies field. Future researcher should consider a different background culture of its target population as culture became an importance factor as suggested by Thambiah, Khin, Muthaiyah, and Yen (2015). Future researcher also should consider increasing a sample size as it will help to get an accurate information and data and consider about other variables that might also become an influencing factor towards this study. Based from this research, a researcher also suggested future researcher to focus on the health consciousness factor as a factor that influencing young consumers' purchase intention in buying organic food product. Form descriptive analysis, that health consciousness as a most factor answered by respondents, but then this independent variable at the end had been found as not supported as a factor in which this factor did not showed a significant relationship with dependent variable. Yean et al. (2012) also had mention that most of their respondents were aware that choosing and consuming organic food product are good to ensure a better future of our health but then at the end of their research, a researcher had found out that health consciousness did not answered by their respondents as a significant factor that influence consumer in buying organic food product. This can be identified as young consumer are actually already understand about a benefits that they can get by consuming organic food product but then they had found did not apply their knowledge when make a buying decision.

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