EXTRINSIC FACTORS OF CUSTOMERS' PURCHASE INTENTION TOWARDS READY-TO-EAT (RTE) FOOD PRODUCTS BY FELCRA LIVESTOCK AND AGRI PRODUCT SDN BHD (FLAPSB)

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ABSTRACT

The evolution of on-the-go modern type of lifestyle today has force every individual to change their food consumption. Nowadays, people are more dependent on ready-to-eat (RTE) meals offered by businesses for their daily sustenance. Besides, due to the availability of wide range of RTE food products in recent years, the customers are more opted to use the products available in the market at convenient packages and reasonable rate.

With globalization and modernization, the modern competitive business environment now are based on understanding the best products and services that customers wants and needs. Considering the truth that the customers is the king, every organization wants to increase market share and profit. The competitors also are following the same strategy. Here, comes the importance of marketers understanding one of the major factor in understanding customers behavior which is customers' purchase intention. These involves the psychological processes that customers got through in recognizing needs, finding ways to solve these needs, making purchase decisions, interpret information, making plans and implement those plans by engaging in comparison shopping or actually purchasing a product.

This present research focused on the extrinsic factors of customers' purchase intention towards ready-to-eat (RTE) food products with cooperation from FELCRA Livestock And Agri Product Sdn. Bhd (FLAPSB). This is in accordance with the problem faced by FLAPSB in which facing unstable demand and sales of their new RTE food products with the brand name YUYA. Hence, in order to tackle this problem, they need to know the customers' purchase intention of RTE food products and what are the factors that affects them. Here, in this scope of study, the extrinsic factors that is simply known as external factors of a product is more influential than extrinsic factors hence, it is chosen to be tested. The extrinsic factors includes 'perceived price', 'packaging', and 'advertisement'. Among the objectives of this study are, i) to determine the factors that influencing customers' purchase intention of RTE food products, ii) to identify whether there are positive or negative relationship between extrinsic factors with customers' purchase intention of RTE food products, and iii) to determine the most influential extrinsic factors that affects customers' purchase intention of RTE food products. All responses were collected by using questionnaire through convenience sampling (n=100). Data was analyzed to obtain descriptive statistics, comparing mean analysis and other analyses such as correlation and regression analysis. Results obtained shows that 'advertisement' becomes the most significant factors that influencing consumers' purchase intention of RTE food products, followed by 'perceived price' and 'packaging'. This study adds new knowledge regarding public purchasing behavior towards RTE food products and also to help FELCRA in marketing their product successfully.