

# Theoretical foundations of purchase intention



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The literature review in this chapter aimed to explain the theoretical foundation of purchase intention. The past studies included explore various aspects of purchase intention toward organic food products in Klang Valley such as attitude toward organic food products, subjective norm, perceived behavioral control, gender, income level and also education level. The discussions in this chapter consist of literature review, theoretical model, conceptual framework and research hypothesis.

## **Review of the Literature**

Purchase intention or referring to willingness to buy is widely defined as the likelihood of a consumer to purchase a product or service (Dodd & Supa, 2011; Sam & Tahir, 2009). It is also being defined as a conscious plan made by an individual to make an effort to purchase a brand (Spears & Singh, 2004).

The concept of purchase intention is rooted in psychological and is extensively used in behavioral studies (Dodd & Supa, 2011). Purchase intention is being characterized as a behavioral tendency that the consumer will purchase the product (Monroe & Krishnan, 1985) and as an important indicator for the actual purchasing decision (Tan, 1999). This statement is then further supported by Li, Davies, Edwards, Kinman and Duan (2002), stated that purchase intention is a common measure that usually employed to assess effectiveness of purchase behavior.

Theory of Planned Behavior (TPB) stated that purchase intention is basically determined attitude, subjective norm and perceived behavioral control. These three factors predict intention and the ensuing predicts behavior

(Ajzen, 1991). Hence, purchase intention is being determined as the probability of customers to purchase organic food products in this research.

## **Relationship between Attitude toward Organic Food Products and Purchase Intention**

Attitude is considered as belief that a person accumulates over a person lifetime (Ajzen, 1991). Attitude towards organic food consumption is mainly based on belief about consequences which are better for environment and health. Previous research indicated that consumers' health and environmental attitude have been found to be significant in explaining consumers' purchase of organic food. The study conducted by Padel and Foster (2005) conclude that the more favorable health and environmental attitude consumer have, the more likely he would buy organic food and with higher intensity.

There is more positive attitude toward organic foods when it is high degree of a person's readiness to take healthy actions. In addition, consumers willing to protect the environment by changing attitude in favor of organic food products. In short, health consciousness and environmental attitude are to predict the consumers' attitude toward organic foods products (Fang, 2009).

A study conducted by (Salleh, Ali, Harun, Jalil & Shaharudin, 2010) indicated that health consciousness have a strong positive relationship with intention in buying organic food products. Ahmad and Juhdi (2010) supported that, the more people belief on healthier in consuming organic food products, customer purchase intention towards organic food products will increase.

Thus, there is positive relationship between health consciousness and purchase intention of organic food products. The study of Shaharudin, Pani, Mansor, Elias, and Sadek (2010), it has proven that health consciousness has significantly positive influence on customer purchase intention of organic food products in Kedah. In addition, in Kriwy and Mecking (2012) study, health consciousness which is referring to the attitude has a strong positive relationship on the purchase of organic food products.

However, there has negative relationship between health consciousness and purchase intention of organic produce. Study of Michaelidou and Hassan (2008), it stated that health benefits that came from organic produce with little or no direct influence on motivation to purchase organic food products.

Salleh et al. (2010) stated that there is a weak positive relationship between environment concern and purchase intention toward organic food products.

While another research state that there is significant positive relationship between environment friendly and intention to purchase organic food products. The more people believe that organic products farming as environmental friendly, the higher their intention to purchase organic food products (Ahmad & Juhdi, 2010). Research conducted by Shepherd, Magnusson, and Sjoden (2005) stated that environment has a positive relationship with purchase intention toward organic food products. As a result, the attitudes of health consciousness and environment concern have a positive relationship with the intention to purchase organic food products.

## **Relationship between Subjective Norm and Purchase Intention**

Subjective norm is a function of normative beliefs about the social expectations of significant others such as spouses, parents, and close friends, and an individual's motivation to comply with those significant others. In other words, subjective norm is the perceived social pressure an individual faces when deciding whether to behave in a certain way (Park, 2000).

Furthermore, Ajzen (1991) also identified the role of subjective norm, which refer to the perceived social pressure to perform or not to perform the behavior. In other words, subjective norm is an individual's conviction that acting in a certain way is right or wrong regardless of personal or social consequences. If consumers believe that those people important to them think organic foods are good, then they will have more intention of purchasing organic foods. On the contrary, if consumers believe that those people important to them think organic foods are bad, then they will have lower intention of purchasing organic foods (Chen, 2007).

Subjective norm has become important factor in influencing individual buying behavior (Liang & Limb, 2011). Liang and Limb (2011) have proved that subjective norm has positive influence toward the purchasing intention of organic food. In addition, Chen (2007) stated that subjective norm is significantly enhance the consumer's intention to purchase organic foods in Taiwan.

Tarkiainen and Sundqvist (2005) suggested that there is no direct significant relation between subjective norm and the intention to buy organic food, but rather a significant positive path relation between subjective norm and attitude towards organic food consumption. In addition, Magistris and Gracia (2008) investigated that the intention to buy organic food is not affected by the subjective norm when conducting their survey in Italy. Furthermore, the study of Gracia, Magistris, and Barreiro-Hurle (2010) found that subjective norm have no significant effect on the purchase intention of organic food in Italy.

However, another study, Gotschi, Vogel and Lindenthal (2007) suggested that there is high correlations between subjective norm toward purchase intention of organic food products, especially family members. Norm and values learnt at home, have a significant influence on the development of purchase intention towards organic food, while secondary socialisation, such as at the school environment, has less impact on it. Besides that, Arvola, et al. (2008) found that relationship between subjective norm and buying organic foods were positive but weakest in the United Kingdom and strongest in the Italy.

Smith and Paladino (2010), in their study of organic consumer in Australia, also stated that subjective norm has a positive significant relationship in the decision-making of consumers. Furthermore, Olivová (2011) found that subjective norm has a strong positive relationship toward purchase intention of organic food among customers in the Czech Republic.

## **Relationship between Perceived Behavioral Control (PBC) and Purchase Intention**

Perceived behavioral control (PBC) refers to a person's perception of ease or difficulty to perform a given behavior (Ajzen, 1991). A research which dealing with consumer food choice indicates that PBC refers to the consumer's perceptions of personal control over what to buy and eat, which he or she believes to influence the judgment of risks and benefits of organic foods in a purchase situation (Bredahl, Grunert, & Frewer, 1998). Another study shows that the items used to measure PBC are a mixture of global items and control beliefs. For example, control, difficulty, availability and effort (Trafimow, Sheeran, Conner, & Finlay, 2002). A study by Notani (1997) showed that affordability also can be a subset of behavioral control.

A research has concluded that PBC is positively and significantly related to intention of purchasing organic food. The authors believe that there are different related factors that influence organic food purchase and their study indicate that intention is influenced by PBC (Aertsens, Verbeke, Mondelaers, & Huylenbroeck, 2009). Besides that, a study in Taiwan hypothesized that if a consumer perceives more behavioral control, then the intention to purchase organic foods is higher. The test results had shown a positive significantly relationship where the more behavioral control perception is, the higher the consumer's intention to purchase organic food (Chen, 2007).

A study has reported a significant positive relationship between PBC and consumers' intention to purchase organic food. The study found a significant positive effect between PBC and the intention to buy organic food. This might be due to buyers have more experiences with organic fresh products.

Thus, PBC was a good predictor for the organic fresh food products (Dean et al., 2008).

Furthermore, a study by Dean, Raats, and Shepherd (2012) shown a significant positive relationship between PBC and purchase intention where those who perceived more behavioral control intended to buy more frequently. This is also in line with the result shown by Maya et al., (2011) that PBC always have significant positive result on purchase intention for organic food.

A survey shows a significant positive relationship between PBC and the intention to purchase organic food products (Magistris & Gracia, 2008a). These findings are consistent with those reported in Zanolli and Naspetti (2002). Honkanen et al. (2006) also reported same findings where PBC came into consideration as the factor of intention to purchase organic food.

According to Voon et al. (2011), behavioral control has no significant relationship toward the purchase intention of organic food among consumers in Malaysia. Consumers perceive cheaper organic food products as lower quality and containing fewer benefits. So, affordability may be a concern for consumers who do not consume organic food frequently or those yet convinced by its benefits.

In consistent to Ajzen (1991), it can be predicted that those who perceive more behavioral control have more intention of performing that behavior. Therefore, it is hypothesized that if a consumer perceives more behavioral control of purchasing organic foods, then the intention to purchase organic foods will be higher.



## **Relationship between Gender and Purchase Intention**

The study conducted by Urena, Bernabeu, and Olmeda (2008) has made a comparison in purchase intention between men and women. Topics related to health, nourishment, environment and sufficiency of information will be more concerned by women. Moreover, Ahmad and Juhdi (2010) concluded that women will purchase more organic food products if it is less expensive and more available.

Studies from Underhill and Figueroa (1996), Govindasamy and Italia (1999) and Radman (2005) concluded that females are more likely to purchase organic food products. This is because women usually are the primary household meal planner and they will be more concern about their family member's health and food safety (Quah & Tan, 2009). In the research conducted by Stobbelaar, Casimir, Borghuis, Marks, Meijer, and Zebeda (2006) focus on teenagers between 15 and 16 years old. The results showed that girls more willing to purchase organic food products due to animal-friendliness, storage quality, nutritional value and environmental friendliness which more important for girls when making purchasing decision.

According to Alagoz and Burucuoglu (2011), it stated that gender will affects purchasing decision of the products and it is not merely a market segmentation variable. The research showed various results effects of gender on purchasing behavior. One of the results is men will be more affected by internet advertisement but women are more active on making planned shopping. Moreover, women will be more sensitive to health effect of the products when making purchasing decision.

## **Relationship between Income Level and Purchase Intention**

Most studies reported that income is not a significant variable in explaining differences in organic products purchasing behavior of buyers and non-buyers (Yiridoe, Bonti-Ankomah, & Martin, 2005). The number of people consuming organic food did increase with income, but only until income reached about A\$35, 000 per annum. However, those who earned less than A\$20, 000 per annum are not necessarily less interested and will still consumed organic foods (Lockie et al., 2002).

Higher income households are more likely to form positive attitudes and purchase more organic food. Income can mainly affect the quantity bought but not the general willingness to buy (Magnusson et al., 2001). According to study of Fotopoulos and Krystallis (2002), higher income households do not necessarily indicate higher likelihood of organic purchases; some lower income segments seem to be more entrenched buyers.

According to the research conducted by French, Wall, and Mitchell (2010), it concluded that low income household will limit their spending on food purchase compare to high income household. For example, higher income household would purchase more fruits and vegetables. The low income household will reduce their spending by purchase less expensive meat, fruit and vegetables while higher income household would spend more on healthy foods and less sugar-sweetened beverages snack foods.

## **Relationship between Education Level and Purchase Intention**

Education is found to be a significant determinant of attitude towards organic food where consumers with higher education believe in the value of organic food and this will influence their purchase intention (Tsakiridou, Boutsouki, Zotos, & Mattas, 2008). People with higher education are more likely to express positive attitudes towards organic products, require more information about the production and process methods of organics since they are more knowledgeable and have greater awareness of well-being. (Magnusson et al., 2001).

According to Tshuma et al. (2010), there is a significant association between different education levels where the more educated a person is, the more that person is curious in the product they are going to purchase (Tshuma, Makhathini, Siketile, Mushunje, & Taruvinga, 2010). Kriwy and Mecking (2011) study also showed that higher education will affect the purchase of organic products positively (Kriwy & Mecking, 2011).

According to Kulikovski and Agolli (2010), respondents with high school qualification tend to have lower purchase intention toward organic food products. While respondents that were highly educated, having either a postgraduate or a bachelor's degree, were more likely to have organic food purchase experience (Kulikovski & Agolli, Drivers of organic food consumption in Greece, 2010).

Besides that, a study stated that people with higher education have a greater willingness to purchase organic food for the environment's sake

(Storstad & Bjørkhaug, 2003). The study indicated that educational level significantly influence consumers' organic foods purchasing intention. They are more likely to concern about the environment and therefore tend to purchase organic products (Teng, Rezai, Mohamed, & Shamsudin, 2011).

## 2. 2 Review of Relevant Theoretical Model

Figure 2. 1: Theoretical Model of Factors Affecting Consumer Purchase Intention towards Organic Food Products

Attitude toward organic food products  
Independent Variables  
Dependent variable

Subjective norm

H1

Perceived behavioral control

H2

H3

Gender

Consumer purchase intention

H4

H5

Income level

H6

Education Level

Source: Adapted from (Sparks & Shepherd, 1992).

## **Proposed Theoretical/ Conceptual Framework**

Generally, the theory of planned behavior (TPB) which formulated by Ajzen was widely being adopted by many researchers in their studies related to the consumer purchase intention towards organic food products (Arvola, et al., 2008; Maya, López-López, & Munuera, 2011; Lodorfos & Dennis, 2008). An individual's intention to perform a particular behavior is the central factor in the TPB (Tarkiainen & Sundqvist, 2005). Different kinds of behavioral intentions can be highly predicted by three constructs in TPB which are attitude toward the behavior, subjective norm, and perceived behavioral control (Ajzen, 1991). The TPB has act as the underlying theory that giving an insight into the determinants of purchase intention of organic products (Salleh et al., 2010). TPB also has been applied in many studies of different industries such as healthcare industry (Marcoux & Shope, 1997), hospitality industry (Wu & Teng, 2011), e-commerce (Pavlou, 2002) and so on.

If there is positive attitude exist toward a behavior, the intention for the person to perform the behavior will be stronger (Ajzen, 1991). On the other hands, subjective norm can be considered as a good predictor of buying intention for organic products (Dean et al., 2008). A particular behavior will have higher chances to be performed if others think that he should perform it. The purchase intention would be increased if consumers think that others people who important to them perceived organic foods are good (Chen, <https://assignbuster.com/theoretical-foundations-of-purchase-intention/>

2007). PBC related to consumers' perception of personal control regard the thing they buy and eat which will influence their purchase intention toward organic foods (Chen, 2007).

## **Hypotheses Development**

Based on the past empirical studies, the following hypotheses are proposed.

Hypothesis 1:

H0: There is no relationship between attitude toward organic food products and consumer purchase intention toward organic food products in Klang Valley, Malaysia.

H1: There is a relationship between attitude toward organic food products and consumer purchase intention toward organic food products in Klang Valley, Malaysia.

Hypothesis 2:

H0: There is no relationship between subjective norm and consumer purchase intention toward organic food products in Klang Valley, Malaysia.

H1: There is a relationship between subjective norm and consumer purchase intention toward organic food products in Klang Valley, Malaysia.

Hypothesis 3:

H0: There is no relationship between perceived behavioral control and consumer purchase intention toward organic food products in Klang Valley, Malaysia.

H1: There is a relationship between perceived behavioral control and consumer purchase intention toward organic food products in Klang Valley, Malaysia.

Hypothesis 4:

H0: There is no difference in consumer purchase intention toward organic food products between genders.

H1: There is a difference in consumer purchase intention toward organic food products between genders.

Hypothesis 5:

H0: There is no significant difference between income levels and consumer purchase intention toward organic food products.

H1: At least one group (income level) differs significantly from the other in term of consumer purchase intention towards organic food products.

Hypothesis 6:

H0: There is no significant difference between education level and consumer purchase intention toward organic food products.

H1: At least one group (education level) differs significantly from the other in term of consumer purchase intention toward organic food products.

## **Conclusion**

This chapter discussed the literature review from the past studies for all the variables in detail. The relationship between dependent variable and

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independent variables has been investigated. The proposed conceptual framework that used in this research has been drawn. The next chapter will present the information and procedures about how this research is conducted.