
Factors Influencing on Consumer Purchase Intention towards Organic Food: The Mediating Role of Consumer Attitude

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Abstract

Environmental friendliness and health issues are becoming main concerns of consumers in purchasing foods. These concerns are appeared as the main driving forces for consumers to purchase organic foods. Usually organic foods are a kind of foods that come from an organic production process. The objective of this study is to identify the factors affecting on consumer's purchase intention towards organic food and the mediate effect of consumer's attitude in Sri Lanka. This study is based on the theory of planned behaviour. To find factors to accomplish the objective of the study hypothesis were developed. Data were collected from respondents in Panadura Divisional Secretariat. Simple random sampling method was used to collect data from the sample. Analysis was done by using primary cross-sectional data collected from the sample respondents and Structural equation modelling was used as the main approach for data analysis. Based on the results, mediating effect of attitude, found to be statistically significant. Attitude is partially mediate to the health consciousness and price perception while fully mediate to the environmental concern and knowledge about organic foods. Finally, recommendations were provided to improve marketing and advertising strategies for the organic food manufacturers, retailers and marketers in Sri Lanka.

Keywords: Consumer attitude, organic foods, planed behaviour, purchase intention

1. Introduction

Sales of organic food are low when we compared to the conventional food sales in Sri Lanka (Kapuge, 2016). Numerous previous studies stated that consumer attitudes on organic foods are more expensive than traditional foods and could be one of the main reasons for this less consumption (Yin et al., 2010). On the other hand, it might also impact on the purchase intention towards organic food (Zeinab Syed Saleki & Saleki, 2012; Yin et al., 2010). Regarding purchase intention towards organic food in general, previous studies claimed that intention could be influenced by different factors (Paul & Rana, 2012; Zeinab Syed Saleki & Saleki, 2012). This study mainly investigates health consciousness, environmental concern, knowledge about organic food, price perception and consumer attitude that are influencing consumer purchase intention towards organic food. There has been a growing demand for organic foods in the global context (FiBL & IFOAM Statistics, 2019). The demand for organic food is also increasing at Sri Lankan context, however it is still at the initial stage (Kapuge, 2016). The purpose of this study is to investigate the influential factors on consumer purchase intention towards organic food and the mediate effect of consumer attitude. It will give organic food marketers a way to improve the marketing strategies of their products to increase consumer purchase intention. There is no sufficient amount of research studies that has been done on this area. Consequently, it is very important to study this area in order to establish the organic culture in society.

2. Literature Review

2.1. Health Consciousness

Interest in health is the primary motive for purchasing of organic food (Paul & Rana, 2012). The studies analyzed consumers' perceptions and attitudes of organic foods and it concluded that many consumers prefer organic products because of their health concerns (Paul & Rana, 2012).

2.2. Environmental Concern

Based on (Yin et al., 2010), consumers it is evident that they bought organic food as they were worried about natural environment and animal welfare. According to Kim & Chung (2011), consumers who are more concerned with environment related issues, have a positive attitude towards organic food.

2.3. Knowledge about Organic Foods

Based on Padel & Foster (2005) consumer knowledge on organic foods has a positive effect on their attitude towards organic food. According to Stobbelaar et al. (2007) consumers who have enough knowledge about organic food have a high level of positive attitudes towards organic foods.

2.4. Price Perception

Price is the main factor that many consumers give as reasons for buying the least amount of organic food (Yin et al., 2010). However, sometimes demand of the organic product is positively affected by the price because they have the attitude that quality of the product is based on the price (Chu, 2018).

2.5. Consumer Attitude towards organic foods Influences on Purchase Intention towards organic foods

Referring to the intention, it can be termed as the component of attitude and the behavioral intention are the subjective probabilities of the individual performance to certain behaviors (Ajzen, 1991). An earlier study found that consumers' attitudes towards organic foods had a positive effect on their intention to purchase organic foods (Dean et al., 2008).

3. Methodology

3.1. Research Design

This research is a quantitative research and deductive approach is used to conduct the research. Since the study was to gather primary data, descriptive design method was used as the research design and the most suitable research strategy in this study is survey.

3.2. Sampling and Data Collection Methods

Researcher used simple random sampling technique. As the sample frame, ninety customers were randomly selected from the loyalty customer pools of three supermarkets in Panadura namely, Cargills, Keells Super and Arpico Super Centre and 30 questionnaires were randomly distributed to the customers in each supermarket. In addition, 60 questionnaires

were distributed randomly selecting households according to the rating lists of Panadura. All together 150 questionnaires were collected.

3.3. Data Analysis

Structural Equation Modelling (SEM) was used for data analysis. The Smart-PLS3 package was used to run the SEM analysis. Two steps were taken in analysing the collected data, as suggested by (Hair Jr, J. F., Hult, G. T. M., Ringle, C., & Sarstedt, 2016). First, the measurement model was examined to measure the reliability and validity of the constructs. Next, the structural model was used to measure the strength and direction of the relationships between constructs. Finally, the mediation effects were calculated using the bootstrapping technique.

3.4. Conceptual Framework

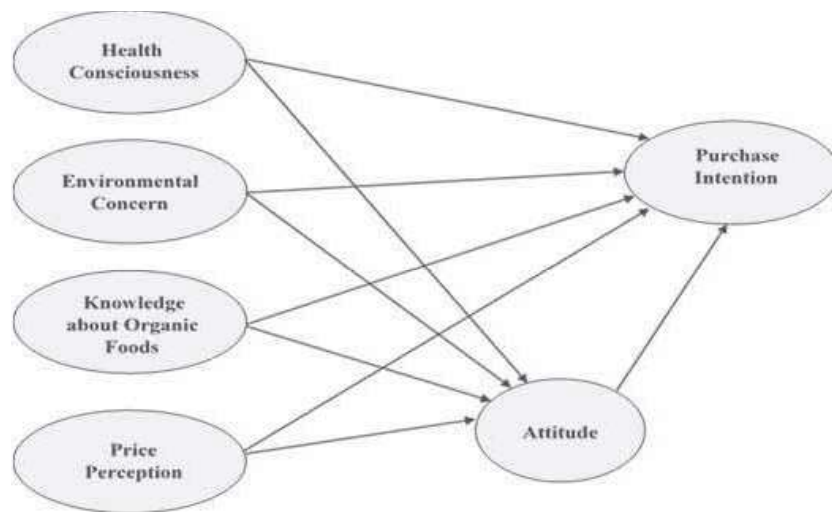


Figure 1: Conceptual Framework

3.5. Hypotheses

H1a: There is an impact of health consciousness on consumer attitude towards organic foods.

H1b: There is an impact of health consciousness on consumer purchase intention towards organic foods.

H1c: There is a mediating effect of attitude on the relationship between health consciousness and consumer purchase intention towards organic foods.

- H2a: There is an impact of environmental concern on consumer attitude towards organic foods.
- H2b: There is an impact of environmental concern on consumer purchase intention towards organic foods.
- H2c: There is a mediating effect of attitude on the relationship between environmental concern and consumer purchase intention towards organic foods.
- H3a: There is an impact of knowledge about organic foods on consumer attitude towards organic foods.
- H3b: There is an impact of knowledge about organic foods on consumer purchase intention towards organic foods.
- H3c: There is a mediating effect of attitude on the relationship between knowledge about organic foods and consumer purchase intention towards organic foods.
- H4a: There is an impact of price perception on consumer attitude towards organic foods.
- H4b: There is an impact of price perception on consumer purchase intention towards organic foods.
- H4c: There is a mediating effect of attitude on the relationship between price perception and consumer purchase intention towards organic foods.
- H5: There is an impact of consumers' attitude toward organic foods on the purchase intention towards organic foods.

4. Results

4.1. The Structural Model Results

Hypothesis is tested by processing values obtained from bootstrapping formulation, and this processing is done with SmartPLS 3.2.9. Alternative Hypothesis will be accepted if p value is less than 0.05 or T count is ≥ 1.96 (Hair et al., 2016).

Table 1: Path Analysis of the Research Model

Hypothesis	Estimate (<i>b</i>)	t-Value	P-Values	Results
H1a	0.221	2.734	0.006	Accepted
H1b	0.095	2.141	0.032	Accepted
H2a	0.239	2.645	0.008	Accepted
H2b	0.081	1.772	0.077	Rejected
H3a	0.273	3.324	0.001	Accepted
H3b	0.084	1.875	0.061	Rejected

H4a	-0.193	3.244	0.001	Accepted
H4b	-0.403	10.591	0.000	Accepted
H5	0.422	9.964	0.000	Accepted

Table 2: Testing Mediator Effects

Hypothesis	Estimate (<i>b</i>)	t-Values	P-Values	Results
H1c	0.093	2.704	0.007	Accepted
H2c	0.101	2.646	0.008	Accepted
H3c	0.115	3.079	0.002	Accepted
H4c	-0.082	2.908	0.004	Accepted

4.2. Findings

Research Question 01: What are the factors that influence consumer purchase intention towards organic food?

According to the results, health consciousness is positive and price perception is negative and they have a direct influence on consumer purchase intention towards organic food in Sri Lanka. In contrast, environmental concern and knowledge about organic foods do not show any noticeable direct effect on consumer purchase intention according to the rejection of hypotheses.

Research Question 02: What is the consumer's attitude towards organic food?

According to the findings Sri Lankan consumers have a positive attitude towards organic food. Relied on the answers, respondents conclude that buying organic foods is wise, good and important. This develops a positive perception in consumers regarding organic food and helps to create a positive attitude.

Research Question 03: What are the factors that influence consumer's attitude towards organic food?

According to the results, all the selected influential factors have influenced consumer attitudes towards organic food in Sri Lanka.

Research Question 04: What is the mediating role of consumer attitude in the relationship between influential factors and consumer purchase intention towards organic foods?

According to the results, the mediating effect of consumer attitude found to be statistically significant. Attitude is partially mediate to health consciousness and price perception while fully mediate to environmental concern and knowledge about organic foods.

5. Conclusion

In Sri Lanka, the organic food consumption is very low when compared with other countries. Due to artificial and poisonous foods, there is a risk of getting non-communicable diseases in urban areas. This is a critical issue that should be concerned when it comes to the peoples' well-being. Thus, the objective of this study is to investigate the influential factors on consumer purchase intention towards organic food and the mediate effect of consumer attitude. According to the results, only health consciousness and price perception, directly influence on consumer purchase intention towards organic food. When it comes to the influence of attitude towards organic foods, it is proved to have direct influence on all the influential factors. The findings related to the mediating effect of attitude, found to be statistically significant. Therefore, the main recommendation for organic food marketers is to increase awareness and knowledge of organic foods while depicting their benefits to environment and society.

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