Purchase Intention of Organic Food in Kedah, Malaysia;

A Religious Overview

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Abstract

This study is about discoveries of the religious factor and its influence towards purchase intention of organic food in Malaysia. Each religion teaches its followers to consume healthy food in their daily lives. Organic food is commonly known for its healthier content without the use of pesticides, herbicides, inorganic fertilizers, antibiotics and growth hormones. To a certain extent organic food is directly related to Halal, a preconditioned to the Muslim to consume certain permitted foods and preparation, consistent with the Shariah requirements. However, not every consumer view such circumstances as important though being encouraged by their religion to consume such food in a way promoted by the organic foods. The research aims to identify the religious factor and its impact towards the customer purchase intention in Malaysia. The findings of the study indicated that religious factor was found to have less impact on customer purchase intention of organic food. This is because the consumers could be looking on other vast factors such as perceived value and health consciousness in deciding to purchase organic food products. They may perceive that the existing conventional foods are perfectly matched with organic food and the consumers are fully confident that the foods are prepared in a way permitted by their religion. The result has shown some differences with the previous literature which described that religious factor plays one of the most influential roles in shaping food choice in certain countries of the world. Hence, this study is expected to provide understanding to both the industry players as well as academicians on the factors that influence Malaysian customer purchase intention towards organic food products as such phenomena might be different from one country to another. Future research should focus on a similar study with the extended scope to all states in Malaysia so that the findings could be compared and generalized to the entire population in Malaysia

Keywords: Organic food, Health consciousness, Perceived value, Halal, Religious factor

1. Introduction

According to National Organic Standards Board of the U.S. Department of Agriculture (USDA), organic food emphasizes the use of renewable resources and the conservation of soil and water to enhance environmental quality for future generations. Organic meat, poultry, eggs, and dairy products come from animals that are given no antibiotics or growth hormones. Organic food is produced without using most conventional pesticides; fertilizers made with synthetic ingredients or sewage sludge; bioengineering; or ionizing radiation.

Nowadays, the demand for organic food is dramatically growing in Malaysia. The habit comes from the changes in lifestyle of the fast faced world which has been seen some lack in the conventional food safety. Organic chicken for instance is different from the ordinary chicken as the breeding and growth require the 'natural way' technique rather than the use of substance, vaccine and chemical to reduce the chicken maturity age. The conventional chicken growth and breeding is vulnerable to the use of unsafe and non-halal vaccine that is unhygienic and unsafe to consume. The meats of organic chicken are high in protein rather than non organic chicken which promotes antioxidant and anticancer to those who consume it. An interview conducted by Hay (1989) discovered that organic foods were perceived to be better quality, better tasting, healthier, more nutritious but less appealing than conventional products to those who had and who had not purchased organic.

Several study factors were discovered from literatures such as; consumers perceive organic as a healthier alternative to conventional foods in that they contain more nutrients (Lea & Worsley, 2005; Padel & Foster, 2005; Baker et al., 2004; Lockie et al., 2004; Magnusson et al., 2001; Tregear et al., 1994) which enhance personal well being (Williams and Hammit, 2001), organic produce is also considered safer (Padel & Foster, 2005; Schifferstein & Oude Ophuis, 1998) more tasty than conventional products (Davis et al., 1995). Consumers purchase organic food mainly for health reasons, in view of being better for the children because of lower pesticides and fertilizer residues (Soil Association, 2000, Makatouni, 1999, Latacz-Lohman and Foster, 1997, Morris, 1996, Davies et al., 1995, Tregear et al., 1994). According to the Soil Association, 2000, Grunert and Juhl, 1995, Grunert, 1993 and Sparks and Shepherd, 1992, the trend towards increased consumption of organic food can be linked to a broader concern about environmental issues.

Ethical and moral reasons for buying organic food are also apparent in other studies (Worcester, 2000, Morris, 1996). Ample evidence has been provided that one's religion influence consumer attitude and behaviour in general (Delener, 1994; Pettinger et al., 2004), and food purchasing decisions and eating habits in particular (Mennell et al., 1992; Steenkamp, 1993; Steptoe et al., 1995; Shatenstein and Ghadirian, 1997; Asp, 1999; Mullen et al., 2000; Blackwell et al., 2001). The fact of the matter is. Muslim consumers are very similar to any other consumer segments, demanding healthy and quality products, which must also conform to Shariah requirements (Al-Harran and Low, 2008). In many societies, religion even plays one of the most influential roles in food choice (Dindyal, 2003; Musaiger, 1993). The impact of religion on food consumption depends on the religion itself and on the extent to which individuals follow the teachings of their religion. Several religions forbid certain foods, for instance pork and not ritually slaughtered meat in Judaism and Islam, or pork and beef in Hinduism and Buddhism, except for Christianity that has no food taboos (Sack, 2001). Although religions may impose strict dietary laws, the amount of people following them may vary considerably. For instance, it is estimated that 90% of Buddhist and Hindus (Dindyal, 2003), 75% of Muslims versus only 16% of Jews in the US strictly follow their religious dietary laws (Hussaini, 1993). However in a study by Honkanen et.al, 2006 revealed that religious motives had only a minor influence on attitudes towards organic food choice. Since the survey was conducted in Norway where the dominant religion (Lutheren) does not forbid any foods, the researcher expects the results probably differ in countries with other dominant religions that have stricter rules for what is and is not acceptable.

Meanwhile, the whole concept of this study was based on the theory of reasoned action (TRA). TRA suggests that a person's behavior is determined by his/her intention to perform the behavior (Fishbein and Ajzen, 1975). But what constitutes to predict the influence of behavior has become the main interest of the study. Here, the objective is to determine whether religious factor play the role in influencing the behavior of consumer in deciding whether to purchase organic food or not. Though there were some inconsistencies in the previous research finding, this study is trying to find the possibilities of the effects in Malaysian organic food market environment. With such findings, it is hoped that key factor that leads to customer purchase intention towards organic food products could be explored and discovered to provide a real understanding to the phenomena that are always changing in the

consumer market environment. The information also can be used to provide an understanding on such factor to the industry as well as to the academicians.

From the review of literature, Chart 1 depicted the proposed theoretical framework of the study.

2. Research Methodology

2.1 Hypothesis Development

Given the preceding discussion, the following hypotheses are proposed:

H1: There is no significant difference between health consciousnesses towards purchase intention of the organic food.

H2: There is no significant difference between perceived values towards purchase intention of the organic food.

H3: There is no significant difference between food safety concerns towards purchase intention of the organic food.

H4: There is no significant difference between religious factor towards purchase intention of the organic food.

2.2 Research Design

This research is a quantitative research where sources of information are gathered from questionnaires. Instrument utilized was through the self-administered questionnaire containing closed-ended and scales to matrix questions. This study is interested in describing the characteristics of a population or phenomenon, thus the study is a descriptive study. This study also used hypotheses testing to determine the influence of health consciousness, perceived value, food safety concern and religious factor towards customer purchase intention of organic products. The type of sampling is probability sampling. Data collected were based on cluster sampling since the respondents were selected mainly from two big towns in the state of Kedah such as Sungai Petani and Alor Setar. These two towns are places where most of organic food restaurants and shops are located. The population identified to be estimated as 500 organic food customers. Out of the total population, 150 respondents responded to the research survey. Pre-testing of the questionnaire was made during the pilot study. The scale was piloted amongst a sample of twenty (20) private workers and university students.

2.3 Data Analysis Method

For the purpose of this study, the researcher used the Statistical Software Package for Social Sciences (SPSS) Version 17 to compute all the data gathered from the questionnaire. The techniques of analysis used in this study were descriptive (mean, standard deviation) and inferential analysis (regression) to sum up the data collected. The questionnaires used are adopted from the questionnaires developed from past researches. In order to describe the sample characteristics in the data analysis report, demographic data (Section A) such as age, gender, ethnicity, religious, place of living and education level are included in the questionnaire. These data are structured in a range of response option, rather than seeking exact figures. In the subsequent sections, all the study variable scales are measured using Likert scale rated varying from 1 to 7 (highly disagree to highly agree). Health consciousness was constructed in seven measurement items, perceived value was constructed in six measurement items, food safety concern in six measurement items, religious factor in seven measurement items and purchase intention in five measurement items respectively. Pre-Testing of the questionnaire was made during the pilot study.

3. Results and Discussion

This section presents the findings of this study. The data are interpreted using the mean, factor analysis and regression methods of SPSS.

3.1. Pilot Study

Improvement has been made based from the feedback by reducing the questionnaire Likert scale rating from 1-7 to 1-5 in order to ease respondents' understanding and interpretation of each question.

3.2 Demographic Profile

The result of the demographic profile shows that majority of the respondents are male (54.7%), age from 21 until 30 years old (36%), Malay in race (82.7%), Muslim in religion (83.3%), working in private sector (38%) and low to medium income group (40%).

3.3 Reliability Analysis

From the reliability analysis as shown in Table 1, all factors including independent and dependent variables were found to be good reliability with all the Cronbach's Alpha result are of above 0.6.

3.4 Factor Analysis

Based on KMO measure of sampling adequacy test in Table 2, it was found that the factor analysis data was appropriate with the value of 0.817, which falls between the ranges of being great and appropriate of factor analysis data. Bartlett's Test was utilized with the result which indicates a highly significant result with p=0.000 (p<0.05) and therefore factor analysis is appropriate. From the results obtained in rotated matrix table 3, all five factors can be accepted with attributes required for re-shufflement and reduction. 5 items with the result of less than 0.5 were omitted and disregarded from data analysis. This reduction is possible because the attributes are related. The rating given to any one attribute is partially the result of the influence of other attributes.

3.5 Regression Analysis

Table 4 shows the R-Square and Durbin-Watson test. R-Square test result of 0.503 can be accepted for the regression analysis. The Durbin-Watson test result of 1.811, an indicator that the autocorrelation is almost reaching to zero or there is a significant difference which exists between the dependent and independent variables (no autocorrelation). From the ANOVA in table 5, it appears that the three predictor variables are not all equal to each other and could be used to predict the dependent variable, brand loyalty as is indicated by F value of 15.794 and strong significance level of 0.000 (p< 0.05). Furthermore, as shows in table 6, the results show that out of four factors, only health consciousness and perceived value are significant (p<0.05) influence towards purchase intention with high Beta 0.205 and 0.433 respectively. However, food safety concern and religious are less significant impact (p>0.05) with low Beta of -.007 and .096 respectively. The VIF value of less than 10 for all variables show that the problems of multi-collinearly have not existed and all data are mutually exclusive. As for the interpretation, the test indicates that health consciousness and perceived value have significant influence towards customer purchase intention of organic food. By examining the t statistic for all the independent variables it has apparently confirmed that health consciousness and perceived value have significant relationship due to strong significant level (p<0.05) with purchase intention, indicating that the null hypotheses for H1 and H2 are wrong and can be rejected. On the other hand, the null hypotheses for H3 and H4 which representing food safety concern and religious are correct and can be accepted.

3.6 Discussion

The statistical results show that Malaysian consumers place relatively high level of importance on health consciousness and perceived value whereas then place low level of importance on food safety concern and religious factor in their intention to purchase organic food products. For religious factor, the results are consistent with earlier studies, which suggested that religious motives are not important in influencing food choice (Honkanen et.al, 2006, Lindeman and Sirelius, 2001). In fact 96% of the sample did not consider religious motives important (Lindeman and Sirclius, 2001), a strong justification to support the statement. As for interpretation, this happen because the consumers may be looking on other vast factors such as perceived value and health consciousness in deciding to purchase organic food product. The consumers may be leaving the responsibility to the respective government enforcement agencies, local authorities and religious departments to look on both organic conventional foods produced and served in the country. They may also perceive that the existing conventional foods are perfectly matched with organic food and have full confidence that both foods are prepared in a way permitted by their religion. Malaysians who are predominantly Muslims have to follow a set of dietary prescriptions intended to advance their well being. The halal dietary laws determine which foods are "lawful" or permitted (Bonne, K. and Vermeir, I., 2007). Halal food also adheres to stringent standards in hygiene and sanitation and must not be harmful to health (IslamOnline.net, 2006). Through its respected government agencies, JAKIM is working towards handling Halal certificate applications, customer complaints and disseminating information on latest development on Halal issues in the country. Until 16 December 2009, there are 1,463 companies with 68,200 products that have been certified by JAKIM (Portal E-Halal Malaysia, 2009). The products are varieties in nature and consists both conventional and organic foods. With such assurance given to them, the consumers are having similar attitude towards deciding to purchase conventional or organic food products. In other words, the religious factor is not a deciding factor in the purchase of organic foods in Malaysia market environment.

4. Conclusion

As a conclusion, the consumer is putting less importance on religious factor as compared to health consciousness and perceived value in their intention to purchase organic food products. Since Muslims are required to only consume permitted food product, it would not be a matter whether to purchase conventional or organic food as long as both are certified Halal by the authorized government or religious organizations in the country. Although organic food promotes quality food which put emphasis on the environment, health, safety, and the naturalness of foodstuff, the consumers may perceive that the existing conventional foods are perfectly matched with organic food and have full confidence that both foods are prepared in a way permitted by their religion.

As for recommendation, it is important to look at the factors such as health consciousness and perceived value in order to obtain the trust and confidence to purchase organic food products. An effort to relate these factors with religion should be carried out by the respective government or religious organizations in order to promote the quality offered by the organic foods. Through effective product differentiation strategy, consumers will be able to differentiate the conventional and organic food products. By this way, the organic food products can be easily accepted by the consumer. Furthermore, there is a need for private sectors' involvement in developing and producing more food using organic raw materials. Through comprehensive and effective backward integration, the producers can increase supply of organic food products which will indirectly create more suppliers and entrepreneurs along the supply chain networks. Eventually, a cheaper cost can be passed to consumers in the form of lower and competitive prices as compared to the conventional food products in the market.

Future research should focus on a similar study of factors affecting customer purchase intention towards organic food products with the extended scope to all states in Malaysia. By doing this, hopefully we can get a clearer picture on the tested existing variables and other new variables which can be further examined. Eventually, a comparison can be made between the findings so that such constructible findings and conclusions can be made to the study.

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Table 1. Reliability Statistics

Factor	Status	Cronbach's Alpha Result	
Health consciousness	Independent Variable	.655	
Perceived value	Independent Variable	.854	
Food safety concern	Independent Variable	.732	
Religious	Independent Variable	.957	
Purchase intention	Dependent Variable	.938	

Table 2. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling		.817	
Bartlett's Test of	Bartlett's Test of Approx. Chi-Square		
Sphericity	df	465	
	Sig.	.000	

Table 3. Rotated Component Matrix(a)

	Component				
	1	2	3	4	5
My family members prefer halal products	.945	.002	.029	006	.010
I like to choose halal products anywhere I go to get a meal	.938	036	.030	.002	.025
Preparation of organic food is forbidden in my religion	.906	.039	.059	.104	068
I do not bother to drive far in order to buy halal meal	.890	.038	.000	048	.092
Preparation of organic food is in harmony with my religious values	.875	.139	.112	.119	095
My friends would think that I should choose halal product	.856	.094	.063	022	.290
I expect to consume organic food	.084	.885	.257	.008	.077
I would buy organic food products	.147	.862	.207	.044	.105
I plan to consume organic food	.089	.851	.207	.076	.113
I try to consume organic food for my long term health benefits	.145	.779	.197	034	.292
I intend to purchase organic food produce within the next fortnight	043	.779	.272	.094	.258
Organic products have more freshness	.052	.208	.791	015	.030
Organic products have superior quality	069	.077	.782	.095	.131
Organic food are natural food products	.069	.161	.767	.107	.075
Organic products are tastier	.089	.278	.717	064	.170
Organic food has more nutritional value than conventional food	.032	.317	.670	.231	018
I'm really worried about food safety because of my concerns with animal diseases such as bird flu, influenza H1N1	.117	014	.144	.768	092
Quality and safety of meat nowadays concern me	.084	.243	.238	.734	106
I have the impression that sacrifice a lot for my health	.020	069	.076	.639	.330
I think it is important to know well how to eat healthily	.138	061	.077	.615	.232
I think that I take health into account a lot in my life	.106	.070	145	.584	.292
I am prepared to leave a lot to eat as healthily as possible	007	041	.063	.531	.499
I reflect a lot about my health	.024	.267	.026	.041	.739
I'm alert to changes in my health	.001	003	.264	.072	.739
I take responsibility for the state of my health	.032	.157	.073	.102	.686
I consider myself very health conscious	.039	.115	.011	.168	.586

Table 4. Result of R Square and Durbin-Watson Test

Model	R Square	Dutbin-Watson
1	0.503	1.811

Table 5. Result of Annova Test

Model	F	Sig.
1	15.794	0.000

Table 6. Result of Coefficients

Variable	Standardized Coefficients			Collinearity Statistics	
	Beta	t	Sig.	Tolerance	VIF
1 (Constant)		.299	.766		
Health Consciousness	.205	2.419	.017	.671	1.491
Perceived Value	.433	5.906	.000	.894	1.119
Food Safety Concern	007	080	.937	.690	1.449
Religious	.096	1.372	.172	.973	1.028

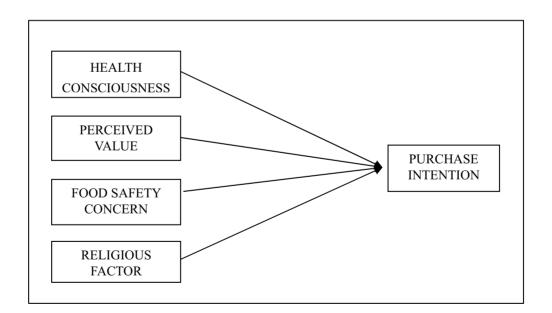


Chart 1. Proposed Theoretical Framework