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THE DETERMINANTS OF KSA MILLENNIAL BEHAVIOR TOWARD ORGANIC AND SUSTAINABLE PRODUCTS

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ABSTRACT

The current study investigates how consumers in KSA think of organic and sustainable products, as the demand of consumers toward organic food and product has expanded through the nations in the recent years. This study will target the millennials consumers who has the concern of organic and sustainability in which the survey has examined the behavior of consumers and their intention to buy an organic product in the KSA markets. This study used quantitative approach and online survey questionnaire to gather the primary data in order to test the proposed hypotheses. The findings indicate that there is a strong relationship between health consciousness and purchase intention. The result of this study shows that the majority of people were aware about the concept of organic product but limited by the superiority of charged price, lack of availability of this kind of product in the KSA market. Hence, this study will hopefully help marketers to estimate the opportunity of KSA markets in developing the tools to achieve advantages through competitive market.

1. INTRODUCTION

Green purchase behavior can be defined as sustainable products in which it could be recyclable and could benefit the environment, those products could be classified as environmentally friendly products, these kind of consumers are usually avoid the purchasing of products that could cause harm to the environment or to the society [1, 2]. Green purchasing usually followed by consumer behavior and it has generally estimated in term of consumers' willingness or intention to buy green products. Moreover, that conscious behavior or intention ultimately converted into their decision

of buying such products for the reason of environmental sustainability [3]. Based on these arguments, it is shown that consumer behavior influenced by attitudinal factors and some other cognitive factors as well, such as concern, knowledge, and consumer effectiveness with the measurement of attitude directly and/or for the purpose of dealing with consumers' purchase intention and their behavior of purchasing green products in general [2, 4, 5].

Green purchasing behavior is a conceptual framework and empirical investigation of Indian consumers. Intention to purchase organic food among young consumers: Evidences from a developing nation. When the attitude and confidence are established, the consumer's desire to purchase a product will increase. In addition, when the desire achieves it certain level, the consumer is more likely to purchase. The more appropriate attitude of an individual towards the behavior, the stronger intention to fulfill the behavior. One of what have moved consumers towards organic food is the starting of societal trends towards healthier food and arising individual responsibility for personal well-being [6]. Consumers are concerned about the quality of the ecological product as much as the environmental consequences related to their purchase decision for such products. Green marketing is perceived to be the purchasing of products that benefit the environment [7] and has a superior straightforward favorable impression on the environment [2]. Green consumers tend to seek a healthier lifestyle, for them using genetically modified food over conventional food is something led to self-esteem, they tend to ask for healthier, safer and higher quality food, it's hard to discover the reasons why consumers purchase organic food, as it required to go passionate over the value dimension [8].

There are some components of specific interest that drive customer behavior toward organic products which are consumer's purchase intention, recommendation behavior and willingness to pay for a higher price [9]. Consumers are willing to pay for a brand or product with a premium price when it met with their perceived value [10]. In addition, organic food consumers are more motivated to keep paying premium prices in the absence of taking in consideration the cost of organic foods and products [9]. Previous researchers had widely applied the Theory of Reasoned Action (TRA) and the Theory of Planned Behaviors (TPB): The TRA suggests that the behavioral intention of an individual depends on the individual's attitude towards the behavior and subjective norm. Likewise, the TPB incorporates one more other factor in the component (i.e. perceived behavioral control) to demonstrate the mutual effect on an individual's behavioral intention. Thus, Both the TRA and the TPB identify behavioral intention as a critical antecedent of actual individual behavior.

According to Lee and Yun [11] there are no previous studies that indicate the product attributes of organic food and it impacts with the health and safety attributes of organic food and these usually are related with both utilitarian and hedonic attitudes. Organic food exists to be widely environmentally friendly than conventional ones [12]. There are limited studies that specified in religion and consumer behavior those studied testified the ability of religious affiliation and religiosity to play an important role on the processes of consumer decision-making [13, 14].

Generally, the scope of millennials consumers is well-known about their concern toward the future and their concern toward how humans are treating the environment and how this affects the health and the purity of the environment. In which having the concern toward the environment plays a big role in encouraging the individuals to choose the eco-friendly products for protecting the environment. Millennials consumers are considered as the future targeted consumers in which they will represent the society in tomorrow's world [15]. Academicians and researchers are more interested in identifying green purchasing intention and its antecedents [16, 17]. It's highly important to analyze the consumers who live in KSA in order to investigate the factors that affect

the attitudes and behavior of millennials toward organic and sustainable products in KSA. To reach that, marketer should study consumer's behavior in order to understand the targeted customer's (personality, knowledge and perception) in order to reach what make customers prefer an organic product over the conventional one. Thus, it's highly significant and crucial to understand the perspective of millennials behavior towards green marketing and the pro-environment. This study will understand the determinants of customer's behavior towards organic and sustainable products in KSA, the role of: consumer's personality, perception, knowledge in regards of organic products, and the role of ethical and spirituality in consumer adoption of organic and sustainable products, as well as the impacts of health consciousness and environmental awareness.

1.1 HYPOTHESIS

This study proposed six hypotheses and the model of the study is demonstrated in Figure 1.

H1: Moral attitude have a positive impact on consumer's intention to buy an organic products.

H2: The level of knowledge has a positive impact on the purchase intentions toward organic and sustainable products.

H3: Environmental concern has a positive impact on purchase intention of organic and sustainable products.

H4: Health consciousness has a positive impact on having a purchase intention toward organic and sustainable products.

H5: Individual value has a positive impact toward the purchase intention of organic and sustainable products.

H6: Willingness to pay has a positive impact toward the purchase intention of organic products.

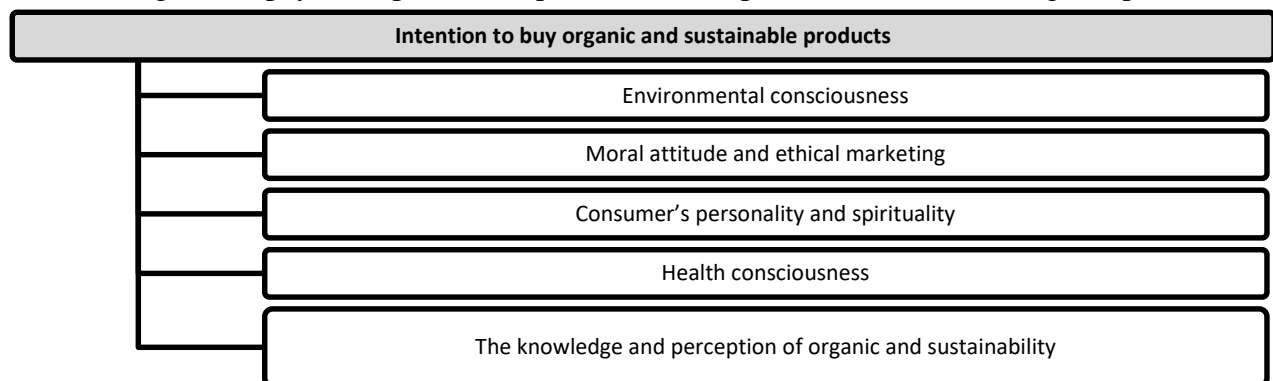


Figure 1. Model of study

2. METHODOLOGY

2.1 Investigation Method

The research method used in this study is quantitative method. The data were collected through online survey over the social media.

2.2 Research Design

A survey questionnaire has been developed based on the topic of "The determinants of KSA millennials behavior toward organic and sustainable products". The study reached 300 responses from the targeted population based in KSA.

2.3 Primary and Secondary Data

The primary data were obtained any analyses from the survey questionnaire, while the secondary data were obtained from the literature and used for questionnaire development.

2.4 Sample and Sample Size

By using quantitative data, an online survey have been developed, reaching 300 responses during (Feb 19, 2019 -March 17, 2019), from the targeted millennials customers who born between (1977-1996) and who actually live in KSA. This sample is done by using a convention sampling. The majority of who answered this survey questionnaire were between the age of (22 – 29) as they represent (51.3%) of the total targeted number. And the rest of percentage is mentioned in the appendix. This survey has (68.7%) of females responses and the rest of (31.3%) were males. In addition, the majority of them has obtained the university degree, in which they represent (56.7%) and (37.7%) of them were full time student currently.

2.5 Data Collection

Online questionnaire survey allows maximizing the response rate. It was important to ensure the confidentially and avoid any bias related to personal interaction between the instructors and the respondents. The survey has obtained the approval from the Effat University Research Ethics Institutional Review Committee (REIRC) in order to distribute the questionnaire legally.

2.6 Measures

The Likert scale has been used to measure the respondent answers. Likert scale 1 refers to “I strongly disagree” while 5 represent “I strongly agree”.

2.7 Data Analysis

This study used descriptive and regression analysis to analyses the obtained data.

2.8 Procedures

1. Over the period of two months, 300 responses were collected and this has been done through the measurement of online survey questionnaire as it helped to measure:
2. The targeted individuals
3. Determining the knowledge of organic products of targeted individuals
4. Recognizing personal attitude toward organic and sustainability
5. Understanding the impact of value and spirituality to the purchase intention
6. Analyzing the personal perceptions of targeted individuals and how it impacts their purchase intention
7. Understanding the impact of health consciousness toward the purchase intention

3. RESULT AND DISCUSSION

Figure 2 demonstrates the respondent’s feedback regarding the knowledge of organic products. Majority of the respondents are strongly agree that organic foods are safer to eat than conventional foods (36.67%), organic foods have superior quality than conventional food (39.67%), organic food is high in nutritional value (42.67%), organic food is grown in harmony with nature (40.33%), organic food is free from chemical pesticides and fertilizers (43%), organic products are produced with environmentally and animal friendly techniques (41.67%), organic food is free from Genetically Modified Organisms (GMO) (41.33%) and organic foods are more expensive to eat than conventional foods (71.00%). Also, there are majority of respondents about 50.33% and 35.33% are neither agree nor disagree toward the statements of organic foods are tastes better than conventional food and organic foods are more attractive to eat than conventional foods respectively.

Figure 3 and Figure 4 illustrate the respondent’s feedback regarding the personal attitudes. The statements that mark the highest score for strongly agree and agree are “I chose food carefully to ensure the good health” by 49.67%, “I think often about health related issues” by 54.33%, “The

balance of nature is very delicate and can be easily upset” by 46.33%, “Human beings are severely abusing the environment” by 67.00%, “Humans must maintain the balance with nature in order to survive” by 83.67%, “Human interference with nature often produce disastrous consequences” by 65.00%, “If organic foods were available in the shops, I would buy them” by 66.33%, “I am willing to buy organic food while shopping” by 64.00%, “I will make an effort to buy organic food in the near future” by 64.33%, “I am willing to pay a higher price for organic food than for non-organic food” by 33.00%, “I talk positively about organic food” by 61.00%, “I recommend organic food to friends” by 52.00%, and “I encourage friends to buy organic food” by 52.00%. The statements that mark the highest score for neither agree nor disagree are “I am willing to buy organic foods despite their higher prices” by (34.33%), and “I am willing to pay a lot more for organic food than for non-organic food” by (37.00%). The statement that marks the equal score for neither agree nor disagree versus strongly agree and agree is “I don't consider myself as health conscious consumer” by 35.33%.

Figure 5 demonstrates the respondent’s feedback regarding the personal values and attitudes (Purchasing organic food instead of conventional one would make me:). They feel like personal contribution to something better marks the highest for agree and strongly agree by 34.67% and 30.33% respectively. In general, the statements “Feel like doing the morally right thing”, “Feel like better person”, “Buying organic food has an ethical and moral interest”, and “I believe that organic food were produced by ethical companies” still mark the highest score for strongly agree and agree by 44.00%, 59.67%, 44.00%, and 43.67% respectively. While, the statement “Buying organic food has a spiritual value for me” marks the highest for neither agree nor disagree by 34.33%.

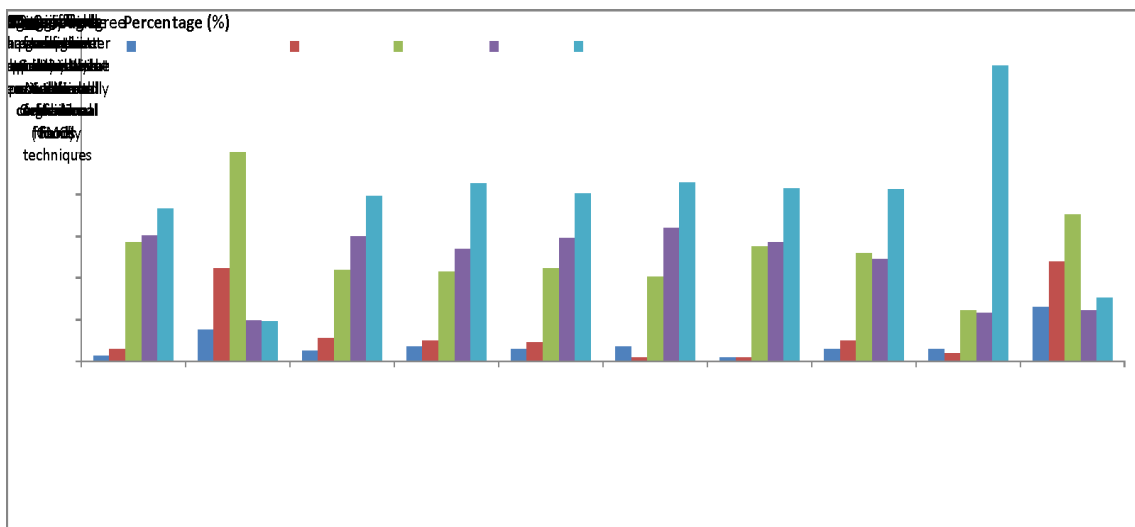


Figure 2. Respondent’s feedback regarding the knowledge of organic products

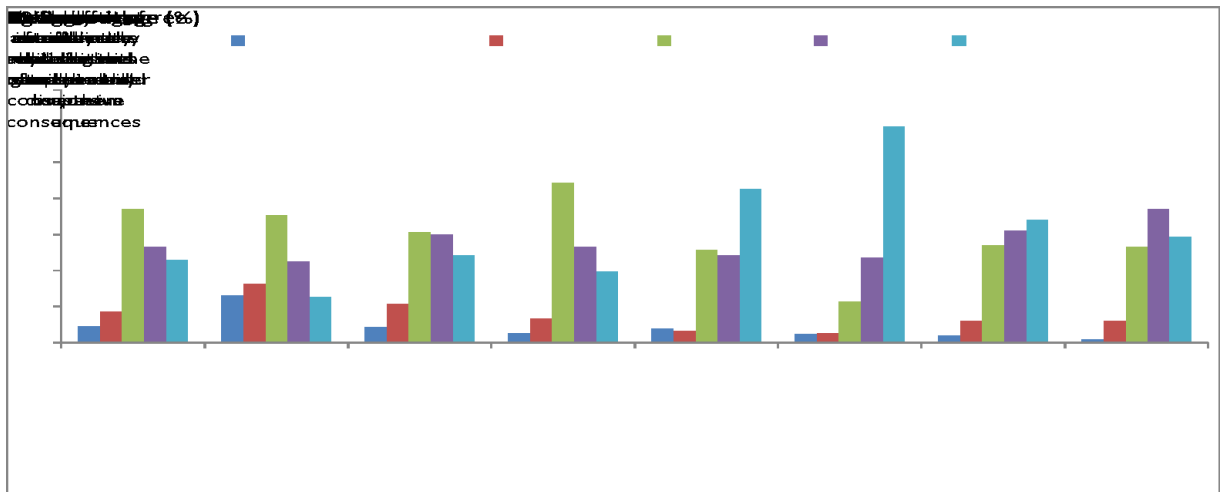


Figure 3. Respondent’s feedback regarding the personal attitudes (Part 1)

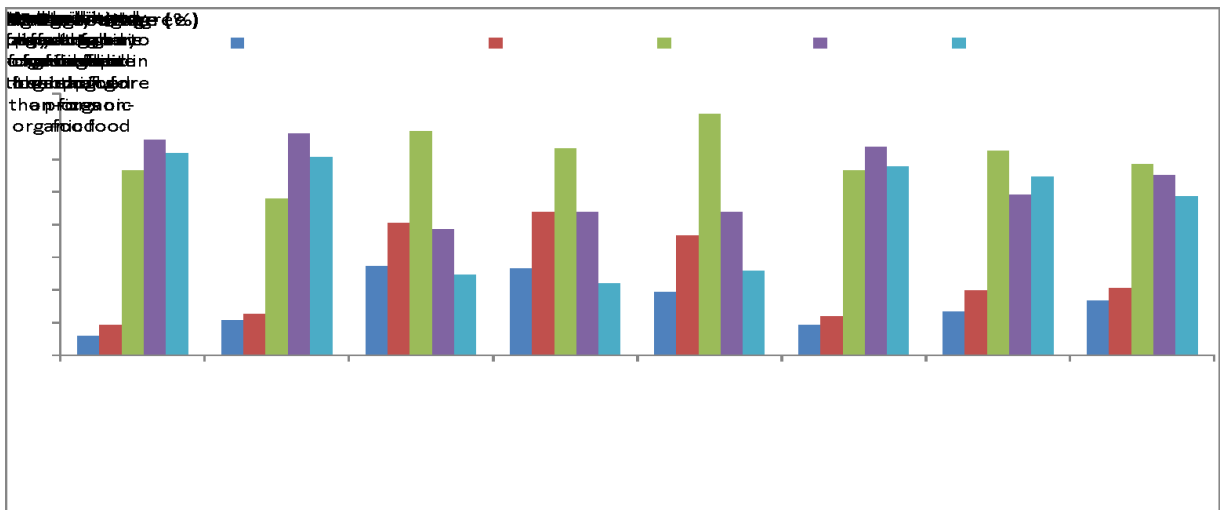


Figure 4. Respondent’s feedback regarding the personal attitudes (Part 2)

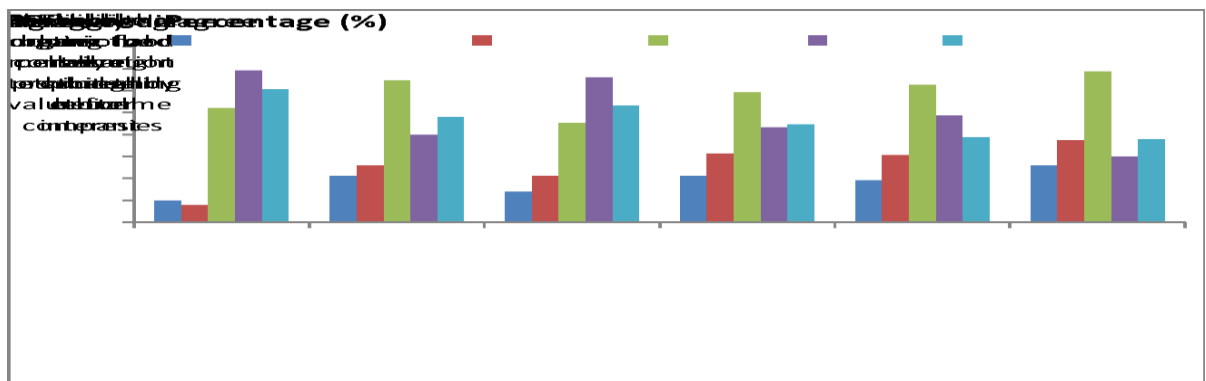


Figure 5. Respondent’s feedback regarding the personal values and attitudes (Purchasing organic food instead of conventional one would make me:)

Figure 6 demonstrates the respondent’s feedback regarding the personal values and attitudes (How would you rate yourself on the following statement:). The statements that mark is highest for strongly agree are “I am unselfish” by 40.33%, “I am always giving to others” by 42.67%, “I am

generous” by 46.00%, “Generally, I tend to only buy stuff that I really need” by 35.00%, “In my buying decisions I always prioritize quality over quantity”, by 38.33%, and “I tend to keep things simple in every facets of my life” by 43.33%. Besides that, there are two statements mark highest for neither agree nor disagree are “I will sacrifice my goals to help others”, and “My acts are mainly guided by self-interest” by 39.67% and 37.33% respectively.

Figure 7 and Figure 8 illustrate the respondent’s feedback regarding the personal perceptions. Majority of the respondents are strongly agree and agree that the organic foods are organic food is economically priced (29.67%), has consistent quality (50.00%), well made (55.67%), has an acceptable standard of quality (53.00%), something that they would enjoy (42.00%), attractive to them (42.67%), something that they would feel comfortable using (53.67%), makes them feel good (54.00%), gives them pleasure (42.67%), improves the way they perceived (35.00%), not forbidden in their religion (63.33%), and in harmony with their religious beliefs (58.67%). Moreover, also most of the respondents neither agree nor disagree that the organic food is a good product for the price (36.00%), helps them to feel accepted by others (32.67%), makes a good impression on other people (34.67%), and gives them social approval (35.33%)

Figure 9 shows the respondent’s feedback regarding the reason for them to buy more organic products. Majority of the respondents strongly agree the statements that they would buy more organic products if more accessible in the market by 34.00%, more assortments were available by 40.67%, more recognizable labels and certifications by 31.67%, and more information in the media by 33.00%.

3.1 Regression Analysis

Based on the regression analysis results, moral attitude toward organic product has a strong impact on the purchase intention of organic products (coefficient = 0.558). This relationship is highly significant as $t = 14.30$. Hence, H1 is confirmed.

Based on the regression analysis results, knowledge of organic product has a strong impact on the purchase intention of organic products (coefficient = 0.740). This relationship is highly significant as $t = 12.31$. Hence, H2 is confirmed.

Based on the regression analysis results, environmental concern has a strong impact on the purchase intention of organic products (coefficient = 0.450). This relationship is highly significant as $t = 6.805$. Hence, H3 is confirmed.

Based on the regression analysis results, health consciousness of organic product has a strong impact on the purchase intention of organic products (coefficient = 0.505). This relationship is highly significant as $t = 7.042$. Hence, H4 is confirmed.

Based on the regression analysis results, individual value toward organic product has a strong impact on the purchase intention of organic products (coefficient = 0.611). This relationship is highly significant as $t = 16.656$. Hence, H5 is confirmed.

Based on the regression analysis results, the willingness to pay an organic product has a strong impact on the purchase intention of organic products (coefficient = 0.607). This relationship is highly significant as $t = 18.319$. Hence, H6 is confirmed.

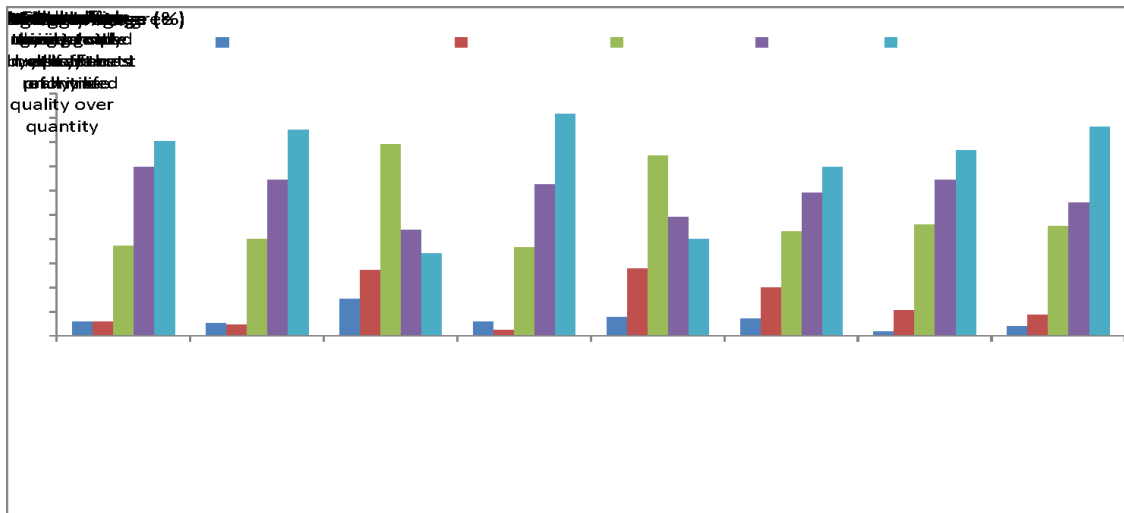


Figure 6. Respondent’s feedback regarding the personal values and attitudes (How would you rate yourself on the following statement:)

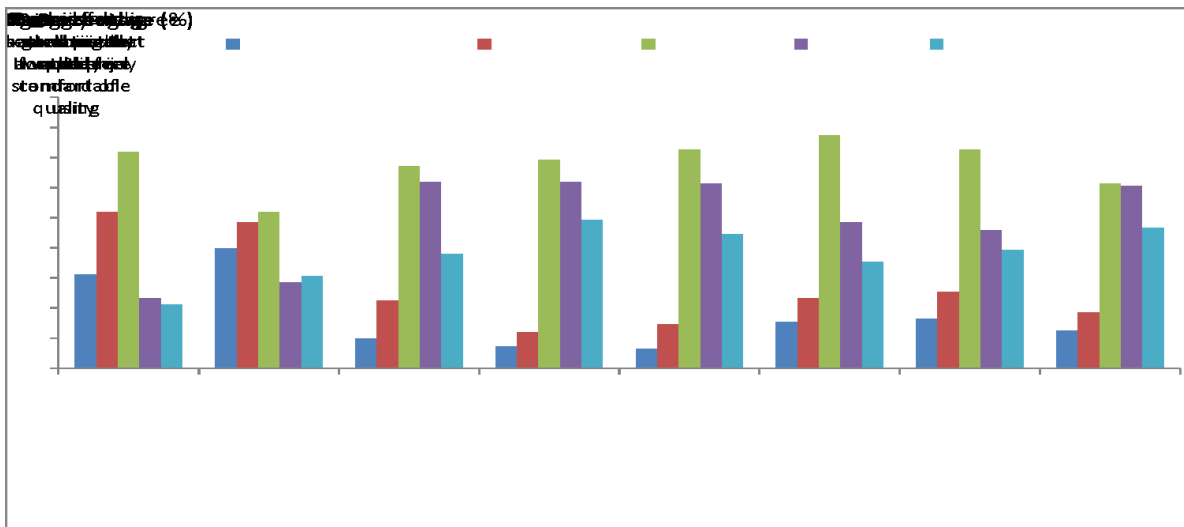


Figure 7. Respondent’s feedback regarding the personal perceptions (Part 1)

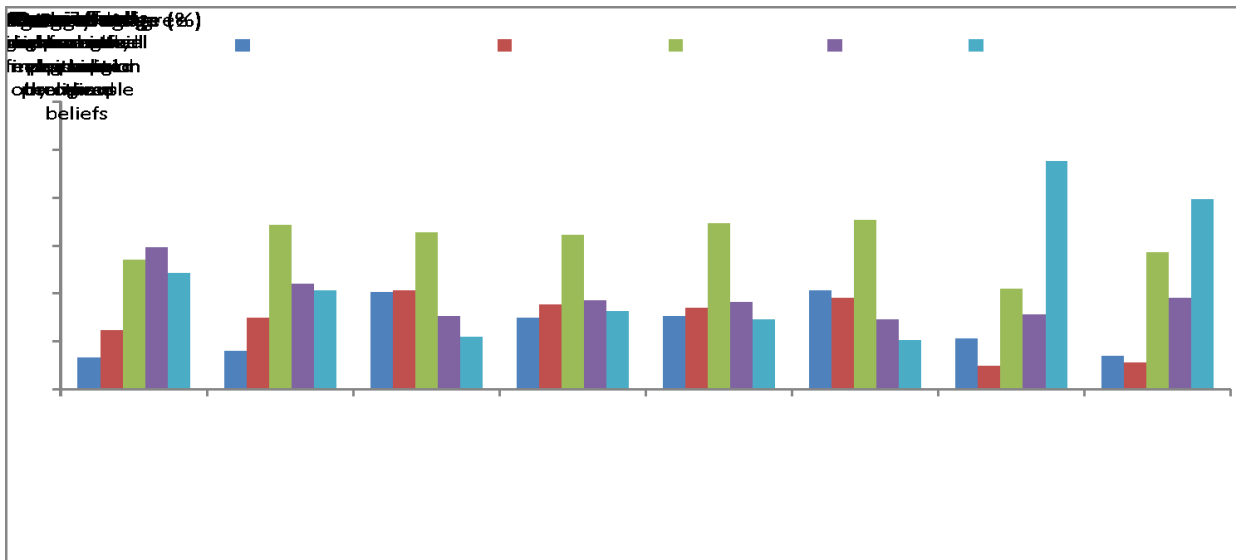


Figure 8. Respondent’s feedback regarding the personal perceptions (Part 2)

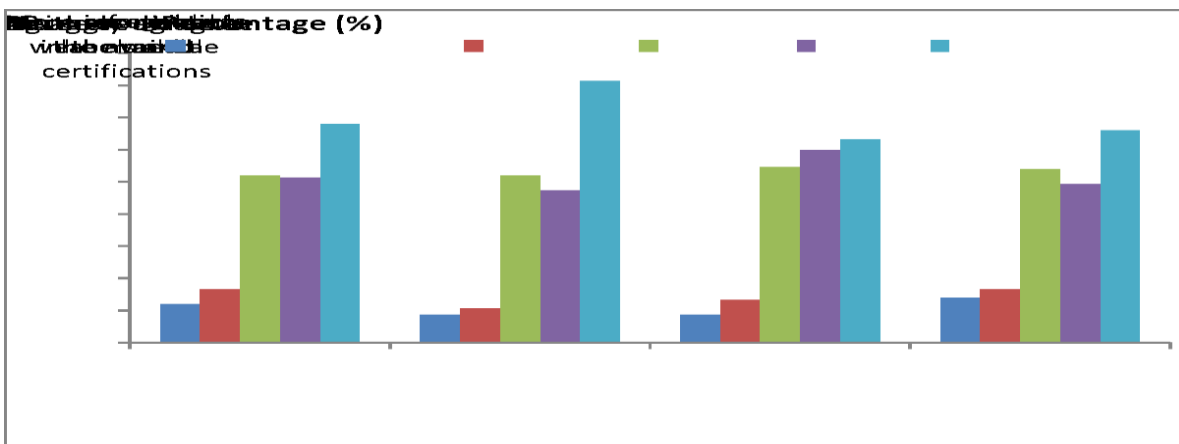


Figure 9. Respondent’s feedback regarding the reason for them to buy more organic products

3.2 Overall Discussion

Organic products and sustainability continue to receive an increasing amount of attention, amongst the consumer. Individuals started considering their health. In which the majority of these targeted individuals were able to define what an organic products referring to attitude and values always plays a big rule in influencing customers to go for organic and sustainable products. Health consciousness has become the superior factor in having the impact of purchase intention. Organic foods are perceived to be superior in its nutritious, as well as healthier, safer, and more environmentally friendly choice for customers. According to Padel and Foster [18], healthiness of organic food was found to be the leading reason that makes consumer prefers organic food over the conventional ones. Organic food is recognized to be grown naturally, in which it leads consumers to believe that organic food is a healthier choice than conventional one. Consumers’ perceptions of organic food attributes have the determinants toward the purchase intentions of organic food. Organic have the impact in increasing the eco-friendly environment [19]. These benefit the consumers and the government as well. For example, recycling products will enhance the wastes to reduce the disposal costs [19].

The demographic of single consumers who represent (64.7%) are more willing to purchase an organic product. This refers to the high charged price of organic products. (70%) of the total

targeted sample were able to see that “organic food is grown in harmony with the nature”. (69.7%) agreed on that organic food has a superior quality than conventional one, and (61%) are willing to purchase an organic food during their shopping in the market. All of these represent a high percentage, while when we come to see the ability to pay for its prices, there is only (35%) of the targeted consumers who are actually able to pay extra amount of money to get these kind of products, while (64.3%) are enthusiastic to put their effort to reach up these kind of products. Thus, if the price is the issue of being far from purchasing an organic product, in which people are considering the environment and they really care of it.

So based on this, the consumer can have a harmony of balance. In which if firms can provide this with more affordable prices, then cost of compensation to the environmental damages will be decreased. In short, the result was analyzed by using SPSS. It was showing that moral attitude toward organic product has a strong impact on the purchase intention, knowledge of organic product has a strong impact on the purchase intention of organic products, environmental concern has a strong impact on the purchase intention of organic products, individual value toward organic product has a strong impact on the purchase intention of organic products, health consciousness of organic product has a strong impact on the purchase intention of organic products. Regression analysis results, the willingness to pay an organic product has a strong impact on the purchase intention of organic products regression analysis results, the willingness to pay an organic product has a strong impact on the purchase intention of organic products.

4. CONCLUSION

Consumers nowadays are awardable about their health, and about how animals are getting their nutrition, This study have been done by targeting the millennials consumers who has the concern of organic and sustainability in which the survey was examined the targeted individual through recognizing their behavior and their intention to buy an organic product in KSA markets. Considering: how green marketing and the conscious relate to consumer’s behavior, and how the customers value affected the purchase intention of buying an organic products. It was also examined the level of status and in what, when, and where consumers actually go for this kind of products.

5. ACKNOWLEDGMENTS

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