# FACTORS INFLUENCING RE-PURCHASE INTENTION OF CLEAN FOOD AMONG GENERATION Y CONSUMERS

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### ABSTRACT

Abstract—This research aimed to study the consumption value factor that influence re-purchase intention of clean food among generation Y consumers. The samples were 400 consumers of generation Y who have ever bought the clean food products, selected from the population using multi-stage sampling method. Data was collected using the generated questionnaires with the validity and reliability tested. The statistics used in the analysis were mean, standard deviation, and multiple regression analysis. The research results revealed that customer expectations, perceived quality of products or services, and perceived value of products had a statistically significant effect on re-purchase intention of clean food among generation Y at 0.05 level with a predictive power of 63.9 percent. The predictors with the highest multiple regression coefficients were perceived value of products ( $\beta$ =0.357), followed by perceived quality of products or services or services ( $\beta$ =0.226), and customer expectations ( $\beta$ =0.184), respectively.

Keywords-Clean food, Generation Y, Re-purchase intention

## **INTRODUCTION**

Nowadays, healthy food is popular and there is a continuous increase in consumer demand due to the trend of health care and the need to have a good shape of consumers with the aim of providing food to balance the body and reduces the risk of getting various diseases. As a result, entrepreneurs compete to create products that are beneficial to the body to be sold more to meet the needs of consumers. Coupled with the push from the government that aims to encourage entrepreneurs to add value and gain competitive advantages by introducing innovations and technology to be applied in production. Therefore, it is another incentive that encourages entrepreneurs to produce products for health that meets the lifestyle of the modern market more and more. At the same time, numerous studies have shown the dangers of consuming processed foods and use chemicals as components. Therefore, it is a factor that drives people to explore their own health and meticulously selecting food that meets quality standards and is hygienic for consumption. It is reflected through the value of the health food market in 2020 with a value of approximately 170,000 million baht, an increase of 42.5% from the year 2021 at approximately 119,311 million baht (Kasikorn Research Center, 2021).

According to the 2020, World Food Market Report stated that in the midst of the COVID-19 crisis that creates difficulties for many businesses around the world. But the food business was the least affected compared to other businesses. According to a survey of INNOVA Market insights, a global food and beverage market research company, it was found that nowadays consumers are increasingly paying attention to health care and expecting to use food as part of strengthening the body enough to fight various diseases that occur. Therefore, the interesting trend of food products is clean food, focusing on natural ingredients, high-protein foods, and foods rich in good fats (Thai Health Promotion Foundation, 2021). It makes people turn to choose to consume more healthy foods, resulting in restaurants that sell healthy foods continuously and affecting the decision to consume more healthy food.

Today's market is truly entering the consumer era, where producers have less bargaining power while consumers have more. The competition nowadays therefore focuses mainly on service and customer satisfaction. According to a study by the American Society of Quality (ASQ), two-thirds of the reason that businesses lose customers are due to dissatisfaction. The reason that leads customers to decide to choose products and services is caused by the impression of the service. In contrast, 40 percent decided to stop buying goods and services due to dissatisfaction. Although satisfaction is intangible but creating satisfaction is an important thing that entrepreneurs should pay attention to. Because when consumers are impressed and satisfied, they will tell and come back to buy

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again. On the other hand, if they are not satisfied with the product or service, they will look at it negatively and tell it in a negative way as well. In addition, consumer satisfaction also affects revenue and business growth in the future.

Due to the continuous growth of the clean food business, there is still a gap in the market that can be competed together with the growing popularity of healthy food. As a result, the clean food business tends to grow quite well and the market demand is increasing to accommodate the fast-paced lifestyle of city people who do not have time to cook. But they still need more health care in the future and the growth of the food delivery service business. It attracts new entrepreneurs or startup groups into the clean food business more (Thai Health Promotion Foundation, 2019). This is because entering a business is becoming more popular compared to opening any other type of business. It also creates a good attitude among consumers to know the benefits of eating clean food. There are distribution channels, promotions, reasonable prices and products to expand the group of consumers. Nowadays, clean food has been developed to add food items and flavors that are pleasing to consumers. This is to meet the needs of consumers as much as possible. both in terms of modernity and convenience which is suitable for today's Thai society that does not have time to naturally take care of their health.

From the past research data, there is a study of factors that influence the decision to buy clean food. But there is not much research on consumer satisfaction with clean food. Therefore, the researcher is interested in studying the research on the influence of causal factors on the purchase intention of clean food consumers in Bangkok. By studying 3 factors that are quality of products/services customers perceived, customer expectations, and value of products/services customers perceived that affect customer satisfaction. The results of this study are for entrepreneurs who sell clean food to use in product development to support the growing trend of healthy food and as an opportunity for new entrepreneurs to enter the business. If entrepreneurs know the influence of causal factors that affect the decision to buy clean food again, information from the research can be used as a guideline for formulating strategies. to attract customers to come back and buy again.

### **LITERATURE REVIEWS**

Thai Health Promotion Foundation (2015) has given the meaning of clean food that clean food has 2 meanings, which are food that is not contaminated or not toxic to the body, and food that is nutritious is to eat all 5 groups in a sufficient proportion. Clean food is natural food that has not been processed or processed as little as possible to maintain the natural taste and texture of food. It can be said that it is a natural seasoning such as saltiness from salt, sweet taste from honey, and sour taste from lemon without using sugar powder and preservatives. In addition, clean food is classified as pop culture, which is something that happens according to local trends. It is considered a healthy food without additives or minimal additives. Clean food has a positive effect on the body, such as natural weight loss. Because clean food helps to balance hormones. better metabolism in the body and good excretory system (Nangam, 2018).

Customer satisfaction is determined by three factors according to the American Customer Satisfaction Index Model (ACSI) developed by the University of Michigan, USA. That are 1) Perceived Quality of products/services that customers receive. 2) Customer Expectation and 3) Perceived Value. From the above 3 factors that affect customer satisfaction can be measured by two factors from customer complaints and loyalty in goods/services by ACSI model. Philip Kotler (2006) states that satisfaction comes after purchasing a product or service. It depends on the perception of products and services. If the results from the use of products and services meet expectations, customers will be satisfied. But if it does not meet expectations, it will result in dissatisfaction. In addition, satisfaction leads to sales and repeat purchases. It is considered to be a presentation that is superior to quality, satisfaction is a sentimental feeling, value, service, caring, following until it becomes a bonding relationship. Customer complaint is measured as the percentage of respondents or consumers who complain about products and services directly to the company within a specified time frame. Customer complaints are negative satisfaction. The likelihood of complaints is reduced if the customer is more satisfied. While, customer loyalty in products and services is positive satisfaction, i.e. the probability that customers will return to buy products and use services again, accepting price changes. Customer Loyalty is an important element to make a company or business profitable. Customer expectations are measuring customer expectations about the quality of products and services. Expectations reflect previous consumption experiences such as advertising, announcements, referrals from others, and expectation of delivering quality goods and services in the future. Kotler (2006) explains that customer expectations are based on past experiences in purchasing products or from recommendations of friends and family. If marketers have high customer expectations, the likelihood of them being disappointed is high. At the same time, if marketers give too little hope to customers may not be able to attract customers because expectations are emotional and emotional. Customer expectations of the product are important for marketers to maintain and meet those expectations. Expectations can increase or decrease depending on the situation, and each customer's expectations. Tolerance for each customer's response are not the same, different expectations cause customers to pay differently for goods and services.

Perceived quality is a measure based on actual customer experience from recent consumption and use of services, which can be measured by answering 3 questions: overall quality of products and services; credibility and response to consumer needs. Kotler & Armstrong (2017) states that quality is an essential characteristic of a product or service based on its ability to respond to customer needs and satisfy them accordingly customer expectation. The quality of products and services can be calculated in monetary terms and cannot be calculated in monetary terms, such as durability, service fees, and spare parts. Therefore, many brands use after-sales warranty strategies to create confidence and satisfaction (Pungnirund, 2021). While some qualities cannot be calculated in terms of money, such as convenience, punctuality, polite manners, and pleasant speech. These things result in customers being confident in that product and service.

Perceived value of products and services is a measure of quality compared to the price that consumers pay. This is to bring the price factor in to reduce the impact on the income level or budget constraints of the customers. It can be measured by answering questions in 2 issues: satisfaction with the price at the current quality level and the satisfaction with the quality at the current price level (Kotlet & Keller, 2006). The ACSI model assumes that the value of goods and services received by customers has a direct impact on customer satisfaction which is influenced by the quality of products and services and expectations of customers. However, customer satisfaction will be expressed in 2 ways: when customers are satisfied and impressed with products and services, they will become loyal and repeat purchases. On the other hand, if the customer is dissatisfied, they will respond with a complaint.

#### METHODS

The population used in this research is people in generation Y living in Bangkok who used to eat clean food both in-store and online delivery, which the exact number is unknown. Therefore, the sample size was determined by using Yamane's sample size formula (1967) by specifying a confidence level of 95%. The number of samples was 400 people using cluster sampling and convenience sampling method.

The questionnaire was used as a tool to collect data by distributing questionnaires online and distributing questionnaires in front of the sales outlets to obtain a comprehensive sample. The results of the validity examination were conducted using the Index of Item-Object Congruence (IOC) method which the IOC value was 0.92 which all questions exceed 0.6, indicating that it can be used as a questionnaire. The results of the examination the reliability of the questionnaire, both the confidence value of each question and the total confidence value were between 0.77- 0.89 which the alpha coefficient should be greater than 0.7, indicating that this questionnaire has a reliability that can be applied to the sample group. The statistics used in the data analysis are descriptive statistics such as frequency, percentage, mean and standard deviation, and inferential statistics was used to test research hypotheses by using Multiple Regression Analysis.

## RESULTS

The research results showed that the sample group mostly female representing 65.25 percent, aged between 31-40 years representing 32.56 percent, an average income more than 30,000 baht representing 31.50 percent, and most of them are a company employee representing 42.52 percent.

The results of the clean food consumption behavior data showed that most of the sample group received the most information about clean food through the Internet, accounting for 42.56 percent. Most of them ate clean food

1-2 times a week and a value to buy clean food per time 200 - 300 baht, representing 56.32 percent. Consumers order it themselves from the most selling places in front of the store, representing 52.45 percent.

The overall level of opinions towards customer expectations is at a high level. When considering each item, the level of opinions per customer's expectation which has the highest average, is that you expect that the restaurant has selected good, fresh ingredients to use in cooking. The overall level of opinions towards the perceived quality of products or services from the purchase of clean food overall was at a high level. When considering each item, the opinion level on the quality of the product or service with the highest average was that the clean restaurant had better selection of raw materials than the food you bought in general and you receive the goods from the store completely and on time. The overall level of opinions towards perceived value of products and services from the purchase of clean food was at a high level. When considering each item, the level of opinions on the value of products and services that are the most average is that you think that clean food has complete nutritional value. The overall level of thought towards the purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level. When considering each item, the opinion level on repeat purchase intention of clean food was at a high level.

The hypothesis testing results showed that customer expectations, perceived quality of products or services, and perceived value of products had a statistically significant effect on re-purchase intention of clean food among generation Y at 0.05 level with a predictive power of 63.9 percent. The predictors with the highest multiple regression coefficients were perceived value of products ( $\beta$ =0.357), followed by perceived quality of products or services ( $\beta$ =0.226), and customer expectations ( $\beta$ =0.184), respectively, which were consistent with the research hypothesis.

## **CONCLUSION AND FUTURE WORK**

#### **Conclusion and discussion**

The factor of customer expectation had a positive influence on clean food re-purchase intent, explaining that consumer expectations stem from direct experiences in the past, referrals from family or friends, and acquaintance whose introduction leads consumers to believe that the product or service is good or meets their expectations. There is an expectation of what will be gained in the future from the purchase of goods and services. If customer expectations are met, it will create satisfaction and impression. In addition, consumers have a real perception of nutritional value directly from consumption that clean food uses raw materials that are free from contaminants, new, fresh and clean according to consumer expectations, thereby affecting customer satisfaction and repeat purchase intention. This corresponds to the ACSI model (Fornell & Lehmann, 1994) described that Customer satisfaction is driven by 3 variables: Customer Expectation, Perceived Quality, and Perceived Value which affect satisfaction and results in brand loyalty and customer complaints. It also related to Philip Kotler (2006) states that satisfaction after the purchase of a product or service depends on the perception of that product and service will be satisfied. But if it is not as expected, there will be dissatisfaction. The result was consistent with the past research results of Nangam (2018) found that the satisfactions and intention of re-purchase for the clean foods were indirectly affected by the social factors, the customers' expectations, and the perceived qualities of the clean foods through the perceived value of the clean foods. In addition, it also related the study of Chaithanarit (2021) studied factors affecting the decision to buy clean food via online channels of people in Bangkok, the research results revealed that the factors affecting the decision to buy clean food through online channels of consumers is the quality factor of product information, quality factor of product images, attitude factor, and amenable to the reference group factor. If the product performs well or exceeds expectations, satisfaction will arise. If the product is less than expected, there will be dissatisfaction. Satisfaction is considered to be a presentation that is superior to quality. It is also consistent with the past research results of Chusanuk (2017) who studied research on the influence of price and quality value perception on trust, satisfaction, word of mouth and repeat purchase of Thai Glico consumers in Bangkok, found that price value perception and quality value perception had a positive influence on satisfaction and repeat purchases. Including the research of Wattanathaworn (2017) studied the factors affecting the decision of consuming clean food of people in Bangkok, revealed that the attitude, lifestyle and marketing mix affecting the decision to consume Clean Food of people in Bangkok.

#### **Recommendations and future work**

Recommendations obtained for applying the research results were that clean food entrepreneurs should maintain the quality of clean food. in accordance with the needs of consumers. There are complete nutritional values, fresh, clean, under the price that is suitable for the quality and care of the staff to create satisfaction for consumers. This is because purchase intent is a mental process that indicates the consumer's planning to purchase a product or service. Including the time when consumers are ready to choose the best alternative to meet their needs before consumers show their buying behavior. Consumers will have a purchase intent or a behavior based on their search for information, experiences, positive image attitudes and referrals from close friends. These influence consumers to purchase intent and eventually lead to purchasing behavior. In addition, the research results reflect that entrepreneurs should develop products and services in accordance with customer expectations. Entrepreneurs should maintain the level of quality, service standards, maintain the value of the product, and aware of the quality of raw materials that must be fresh, clean, and nutritious. Including avoiding the risk of causing dissatisfaction will build positive relationships and repeat purchases. In addition, entrepreneurs should focus on the perception of value for consumers. The shop should have an appropriate price setting up the appropriate quality of the customer to recognize the value of money paid. There should always compare prices with competitors in order to improve the strategy in setting a reasonable price and should take account the current economic situation. Including the entrepreneurs should offer a variety of menus for customers to choose from and give advice on the right amount of food menus including on-time delivery.

Suggestions for further research, researchers should study other factors such as values, attitudes, brands, marketing mix, word of mouth that will affect brand loyalty, and should conduct comparative research between demographic variables. In addition, it should study in other population groups or other areas to get wider and more comprehensive information and compare the differences of each area.

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