

DOES ORGANIC FOOD CONSUMPTION BRING ECONOMIC BENEFITS? A STUDY ON FACTORS INFLUENCING GEN Z'S PURCHASE INTENTION

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Abstract: Organic food is gaining popularity among younger consumers due to its perceived health benefits and food safety attributes. Beyond health, it also offers long-term economic advantages, such as reduced medical costs and improved quality of life. This study examines key factors influencing Gen Z's organic food Purchase Intention, based on a sample of 338 consumers in Ho Chi Minh City. Using multiple regression analysis in SPSS 20, the research identifies Health Consciousness, Knowledge of Organic Food, Marketing and Communication, and Subjective Norms as significant determinants, with Health Consciousness and Subjective Norms having the strongest impact. These findings offer valuable insights for businesses, enabling them to craft marketing strategies that emphasize both health benefits and financial savings to drive organic consumption.

• **Keywords:** *Gen Z, organic food, purchase intention, Ho Chi Minh City.*

Date of receipt: 05th Oct., 2024

Date of delivery revision: 08th Nov., 2024

DOI: <https://doi.org/10.71374/jfar.v25.i2.10>

Date of receipt revision: 02nd Jan., 2025

Date of approval: 10th Mar., 2025

1. Introduction

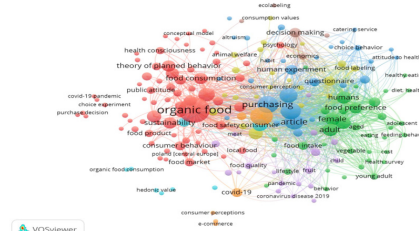
Organic food is gaining increasing popularity worldwide, not only in developed nations but also in emerging markets. A growing body of literature has explored factors influencing consumer attitudes and purchase intentions toward organic food. Health consciousness and food safety concerns have been widely acknowledged as primary motivators for organic food consumption (Rashid et al., 2024). Furthermore, consumer knowledge about organic food plays a crucial role in shaping attitudes and trust toward these products. Additionally, sustainability considerations, particularly in production processes, significantly impact purchasing behavior.

In Vietnam, studies on the intention to purchase organic food have identified various influencing factors such as attitude, subjective norms, trust, health consciousness, environmental concern, perceived quality, and behavioral control, among others (Huynh Quang Minh & Nguyen Thi Ngoc Trinh, 2024). However, the number of studies remains limited, and there is still a lack of consensus regarding the factors influencing consumers' intention to purchase organic food in Vietnam and different regions.

By applying the bibliometric analysis method using scientific sources from Scopus (Figure 1), the authors identified studies related to Gen Z's intention to purchase

organic food. Prior studies cover topics such as food safety consumers, sustainability, health consciousness, and women (Rashid et al., 2024; Gruszecka et al., 2023). Figure 1 presents the bibliometric analysis results, highlighting key research themes of organic food purchasing behavior.

Figure 1: Bibliometric analysis of studies related to organic food purchase intention



Source: Copmpiled by the authors

While previous studies have explored factors influencing organic food consumption, research on their combined impact on Gen Z in developing countries remains limited. This study addresses this gap by examining key determinants of Gen Z's organic food purchase intention in Ho Chi Minh City, offering fresh insights into how health consciousness, knowledge, marketing, and subjective norms shape their buying behavior. Furthermore, understanding these factors can help consumers make more informed

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purchasing decisions, ultimately leading to long-term economic benefits. Additionally, improved consumer awareness and trust in organic products can encourage more competitive pricing and better accessibility in the market, making organic food a more economically viable option for a broader audience.

2. Theoretical Framework and research model

2.1 Theoretical Framework

Organic food

According to Rashid et al. (2024), organic foods are agricultural products that are produced completely naturally, without the use of any synthetic chemicals such as chemical fertilizers, pesticides or preservatives. Organic foods are often associated with images of natural, local, fresh and pure products, reflecting consumers' concern for the origin and quality of food.

Gen Z

Gen Z is a group of people born between 1997 and 2013, growing up in the context of strong technological development, especially the internet, smartphones and social networks. They are a multicultural generation, with superior access and use of technology, deeply influencing consumer trends and market behavior. Gen Z also achieves financial independence and the ability to make their own decisions, especially between the ages of 18 and 27 (Huynh Quang Minh & Nguyen Thi Ngoc Trinh, 2024; Schroth, 2019).

The Theory of Reasoned Action

The Theory of Reasoned Action (TRA) by Ajzen and Fishbein (1975) states that behavior is driven by intentions, which are shaped by attitudes and subjective norms. In the context of organic food, purchase intention is influenced by perceived benefits like health and sustainability, as well as social expectations from family, peers, and media. Thus, TRA provides a solid framework for this study, exploring how Gen Z's attitudes, knowledge, and social influences drive their intention to buy organic food.

The Theory of Planned Behavior

Ajzen's (1991) Theory of Planned Behavior (TPB) states that intention is the primary predictor of behavior, shaped by attitude, subjective norms, and perceived behavioral control. Venkatesh et al. (2000) further applied this to technology use, such as mobile apps and social media. This study extends TPB by incorporating knowledge of organic food and marketing communication, offering a comprehensive view of Gen Z's purchasing behavior to help businesses refine their strategies.

2.2. Hypothesis and reasearch model

Health consciousness

Health awareness is a key factor influencing consumer behavior, especially in organic food

choices. Previous research found that health-conscious individuals prefer more nutritious, high-quality products. Similarly, a strong focus on personal health fosters a positive attitude toward organic food. Ahmad et al. (2015) further emphasized that these consumers choose organic products not only for health benefits but also for their environmental impact. Additionally, organic food benefits show a strong preference for these products with minimal risk concerns. Based on this, the following hypothesis is proposed:

H1: Health consciousness positively affects Gen Z's intention to purchase organic food.

Knowledge about organic food

Consumers with greater awareness of food safety tend to prefer organic products due to their understanding of health and environmental benefits (Xu et al., 2023). Knowledge helps shape positive attitudes and informed purchasing decisions, while environmentally conscious consumers are more inclined to choose organic food. Trinh Thuy Anh (2014) emphasizes that knowledge about organic food characteristics significantly influences consumer trust. For Gen Z, a generation valuing transparency and sustainability, greater awareness may enhance confidence and purchase intention. Based on this reasoning, the following hypothesis is proposed:

H2: Knowledge about organic food positively affects Gen Z's intention to purchase organic food.

Marketing and communication

Using advertising to promote products is a popular marketing strategy for businesses and sales, helping consumers access information about organic foods through media such as phones, television, magazines, social networks, and the internet (Nguyen Thi Thao Nguyen & Le Thi Trang, 2021). Advertising provides information about the benefits of organic foods, thereby raising consumer awareness. Wang et al. (2019) suggest that advertising promotes purchase intentions, while others indicate that effective marketing improves brand recognition and positive customer attitudes. Therefore, we hypothesize the following:

H3: Marketing and communication positively impact Gen Z's intention to purchase organic food.

Perceived value

Curvelo et al. (2019) found that the perceived value of organic food is associated with nutrition, safety, taste, and premium pricing. Consumers are willing to pay higher prices due to the perceived nutritional benefits. According to previous research, perceived value drives the adoption of green products and influences consumer purchasing decisions. Similarly, Hsu et al. (2019) confirm that consumers are more likely to pay a premium for organic food when they perceive high value in the product. This

suggests that enhancing perceived value could be a crucial factor in encouraging Gen Z to purchase organic food, especially when perceptions of quality, safety, and nutritional benefits play a significant role. Based on this reasoning, the following hypothesis is proposed:

H4: Perceived value positively affects Gen Z's intention to purchase organic food.

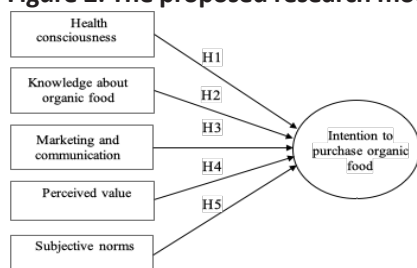
Subjective norms

Subjective norms stem from social influences, including family and friends, which encourage individuals to adopt group behaviors (Chen et al., 2022). Research indicates that when influencers hold positive attitudes toward organic food, consumers are more likely to choose it. Previous research highlighted that subjective norms represent social pressure from family and community, shaping behavioral decisions. Ajzen (1991) emphasized that these norms are based on personal beliefs about influencers, significantly impacting individual behavior. Based on this, we propose the following hypothesis:

H5: Subjective norms positively affect Gen Z's intention to purchase organic food.

The proposed research model:

Figure 2: The proposed research model



Source: Compile by the authors

3. Research methods

This study applies the multiple regression method, with the sample size determined according to Tabachnick & Fidell (1996). We surveyed 375 residents in Ho Chi Minh City who belong to Gen Z and have the intention to purchase organic food. After data cleaning, 338 valid responses were used for formal analysis. SPSS 20 was utilized to conduct Cronbach's alpha test, exploratory factor analysis (EFA), and regression analysis.

4. Results of the study

4.1 Cronbach's Alpha Analysis Results

The reliability measurement scales using Cronbach's Alpha coefficient with the test results of all variables meeting the reliability requirements (≥ 0.6) and the total correlation coefficient of all variables is guaranteed to be higher than the allowable level (≥ 0.3).

4.2. Exploratory Factor Analysis (EFA)

According to Hair et al. (2010), the results of EFA analysis showed that all variables had the required

weights and no variables were eliminated from the model. Below are the results of EFA analysis.

Table 4.2: EFA analysis results

	Rotated Component Matrix ^a				
	Component				
	1	2	3	4	5
YTSK2			0.775		
YTSK5			0.770		
YTSK3			0.762		
YTSK1			0.738		
YTSK4			0.664		
KTH3					0.778
KTH1					0.760
KTH4		0.308			0.704
KTH2					0.639
MKT3				0.812	
MKT2				0.772	
MKT4				0.762	
MKT1				0.732	
GTC4	0.871				
GTC1	0.842				
GTC3	0.830				
GTC2	0.820				
GTC5	0.793				
CCQ3		0.786			
CCQ5		0.765			
CCQ2		0.754			
CCQ1		0.723			
CCQ4		0.673			

Principal Component Analysis

Source: Extracted from SPSS 20)

Interpretation: YTSK: Health consciousness; KTH: Knowledge about organic food; MKT: Marketing and communication; GTC: Perceived value; CCQ: Subjective norms.

Exploratory factor analysis (EFA) shows that the KMO coefficient = 0.865 is in the range ($0.5 \leq \text{KMO} \leq 1$) which meets the requirements. Bartlett's test has a Sig value = $0.000 \leq 0.05$, so the observed variables of the scale are related to each other. The total variance extracted is 64.383%, the factor loading coefficient is $\geq 50\%$, and the weight difference is ≥ 0.3 , meeting the requirements. This shows that the exploratory factor analysis is suitable for the data.

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4.3. Regression analysis

The regression analysis results in Table 4.3 show that the eliminated variable is "Perceived value" because Sig = $0.638 \geq 0.05$, the remaining variables all meet the requirements with Sig ≤ 0.05 . In addition, the R^2 coefficient is 0.46, which means that the research model has a 46% appropriateness.

The adjusted R-squared value after regression analysis of the factors influencing the intention to

purchase organic food is 0.46, meaning that variations in consumer purchase intention can be explained by the influence of independent variables on the dependent variable. This indicates that the model's explanatory power is at 46%, while the remaining 54% is attributed to external independent variables outside the model and random errors.

Table 4.3: Regression results of factors affecting intention to buy organic food

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.204	0.292		0.700	0.485		
	CCQ	0.270	0.054	0.258	5.044	0.000	0.625	1.601
	MKT	0.174	0.046	0.156	3.752	0.000	0.939	1.065
	KTH	0.151	0.052	0.145	2.897	0.004	0.652	1.534
	GTC	-0.022	0.046	-0.019	-0.471	0.638	0.992	1.008
	YTSK	0.360	0.051	0.349	7.074	0.000	0.670	1.492

a. Dependent Variable

Source: Extracted from SPSS 20

This research finds that Subjective Norms (CCQ), Marketing and Communication (MKT), Knowledge of Organic Food (KTH), and Health Consciousness (YTSK) positively influence the Intention to Purchase Organic Food (YD), while Perceived Value (GTC) is excluded. This suggests that consumers are not fully aware of the health benefits organic food offers, limiting its influence on their purchase decisions.

Among the significant factors, Health Consciousness has the strongest impact ($\beta = 0.349$), followed by Subjective Norms ($\beta = 0.258$). This highlights the crucial role of personal health awareness and social influences in shaping Gen Z's purchase intentions. Conversely, Perceived Value does not significantly affect purchase decisions, indicating that despite their health consciousness, Gen Z consumers may lack sufficient information, perceive prices as high, or have limited awareness of organic food's true benefits. To address this gap, businesses should strengthen communication strategies, provide transparent information, and optimize pricing to help consumers recognize organic products' real value, thereby boosting purchase intentions.

These findings align with Ahmad et al. (2015), which underscore the importance of Health Consciousness in driving organic food consumption. Additionally, this study reinforces the impact of Subjective Norms on purchase intention, supporting Chen et al. (2022), who highlighted the role of family and peer influence in shaping Gen Z's organic food consumption behavior.

$YD = 0.204 + 0.258 \text{ CCQ} + 0.156 \text{ MKT} + 0.145 \text{ KTH} + 0.349 \text{ YTSK}$

(Interpretation: CCQ: Subjective norms; MKT: Marketing and communication; KTH: Knowledge about organic food; YTSK: Health consciousness)

5. Conclusion

Thus, Gen Z's intention to buy organic food in Ho Chi Minh City is primarily driven by Health Consciousness, followed by Subjective Norms, Marketing and Communication, and Knowledge about Organic Food. However, Perceived Value is excluded, suggesting that while consumers prioritize health, they may not fully recognize the unique benefits of organic food.

These findings highlight the need for stronger communication and marketing strategies to enhance awareness and engagement. To boost purchase intention, businesses should focus on brand building, creative promotions, and educational efforts that foster sustainable consumption habits.

Beyond health benefits, this study also underscores the economic advantages of organic consumption, such as long-term healthcare savings and improved quality of life. Businesses can leverage this by reshaping marketing strategies to emphasize both nutritional and financial benefits. Providing transparent cost-benefit comparisons, flexible pricing models, and loyalty incentives such as discounts or subscription plans can help bridge the perceived value gap and drive stronger consumer commitment to organic food.

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