

Previous Seminar Review

What Determine The Customer Behavior on Buying Clean Food?

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About The Paper?



Thanks to the healthy trend, nowadays, the clean food industry becomes one of the businesses that are worth to invest. Although this type of business is growing dramatically in recent years, it does not mean that people will consume food because it is necessary. The behavior of the buyer is very complex depending on different of the external and internal factors that shape the consumer behavior. We might claim that selecting food is a very common thing in the everyday life but, in fact, the decision always occurs with hidden objectives such as taste, healthiness, appearance, nutrition, price, or the environment. Therefore, the aim of this paper is to examine the determinants of customer behavior on the purchase of clean food.

Goal, Objectives, and Hypotheses

Goal

To examine "**The determinants of customer behavior**" on the purchase of clean food.

Objectives

To analyze the true factors that shape the customer's behavior toward "**5 hypotheses**".

Hypotheses

- H1:** Frequent clean food buyers are the one who exercises regularly. Therefore, the frequency of going to the gym has a positive correlation with the frequency of purchase.
- H2:** Females are likely to consume more clean food than men. Therefore, gender should have a negative correlation with the frequency of clean food purchased.
- H3:** Appearance food correlates positively with the frequency of clean food purchased.
- H4:** Body mass index shows a negative correlation with frequency of purchase as the majority of clean food buyers consume clean food as diet food.
- H5:** Clean food buyers are highly influenced by the trend on social media and celebrities.

Methodology with 5 sections

1. Data Collection: Using online survey method toward google form to collect a **cross-sectional data**

- Defining **3 sections** of the questionnaires
 - Personal characteristic section
 - Perception section
 - Component of the food section

2. Sample Data: Defining 200 observations with **"Thai clean food and non-clean food buyers age between 15-60 years old who live in the Bangkok"**.

3. Econometric model: Using Econometric model through **multiple linear regression with the OLS** (Ordinary Least Method).

- Setting **"Frequency of Purchase"** as the Y variable or the dependent variable.

4. Variable definition: Containing 23 variables

5. Model Specification: Using 3 models to answer the different hypotheses

- The 1st model consists of variables regarding the health concern.
- The 2nd model consists of variables on model 1 and the demographic variables
- The 3rd model consists of the variables from the 1st and 2nd model and the preference variables

Multiple Linear Regression Model

$$\begin{aligned} Freqpur = & \beta_0 + \beta_1 \text{freaggym} + \beta_2 \text{atthealth} + \beta_3 \text{attweight} + \beta_4 \text{traineradv} + \beta_5 BMI \\ & \beta_6 \text{health} + \beta_7 \text{knowledge} + \beta_8 \text{age} + \beta_9 \text{income} + \beta_{10} \text{sex} + \beta_{11} \text{educ} + \beta_{12} \text{status} + \\ & \beta_{13} \text{job} + \beta_{14} \text{ingre} + \beta_{15} \text{realfood} + \beta_{16} \text{promo} + \beta_{17} \text{varmenu} + \beta_{18} \text{price} + \\ & \beta_{19} \text{reviewmedia} + \beta_{20} \text{appear} + \beta_{21} \text{pmtmet} + \beta_{22} \text{taste} + \beta_{23} \text{ads} \end{aligned}$$

Model	Related Hypothesis	Result	Conclusion
Model 1	The 1st hypothesis: "The frequency of going to the gym has a positive correlation with the frequency of purchase"	" Frequency of going to the gym " or " Freqgym " contains the positive correlation with significant impact to the frequency of purchase and it ratifies the 1st hypothesis.	The more frequent a person goes to the gym will result in the higher frequency of clean food purchase because " Consumer does not want to waste their working out time with the high calories food "
Model 2	The 4th hypothesis: "Body mass index" shows a positive correlation with frequency of purchase as the majority of clean food buyers consumes clean food as a diet food"	" BMI " or " Body Mass Index " has a significantly positive coefficient with Y variable which can make this model to ratify the 4th hypothesis.	The higher BMI will lead to the more frequent of the purchase and it can implies that " Weight maintaining or losing are reason why consumer buy a clean food "
Model 3	The 2nd hypothesis: Females are likely to consume more clean food than men. The 5th hypothesis: "Clean food buyers are highly influenced by the trend on social media and celebrities" The 3rd hypothesis: "Appearance food correlates positively with the frequency of clean food purchased"	1. As female=0 and male=1, the result in this model show the significantly negative impact of "Sex" variable to Y variable, which ratifies the 2nd hypothesis. 2. "Review media" variable has significant impact that contain the negative coefficient, which reject the 5th hypothesis. 3. "Appearance" or "Appear variable" is not significant with this model but the 3rd hypothesis is claimed as the ambiguous result. 4. Additional, There are 2 variables that significant including occupation variable and ingredient variable	As the result... Female is more likely to buy clean food more. Social media and influencer cannot influence the clean food purchasing decision. - As the ambiguous result of the 3rd hypothesis and the significance of ingredient variable, it can conclude that consumer is more concerned to the ingredients used more than how it look. - The significance of the occupation variable to the model can implies that this variable is one of the key factor that affect the purchasing decision of clean food buyer

Comments & Suggestions

With 2 main **weak points**...

- The lack of variety of "**Sample Size**"
 - Undergraduate student is the majority characteristic of total sample size with 129 respondents of 200 observations, which is more than half of the sample size
 - The biases would occur within the 2nd and 3rd model that these models contain the demographic variables.
- Having not enough "**Data collection**"
 - Methodology can not prove all of the hypothesis.
 - There is the ambiguous result of the 3rd hypothesis.

" Therefore, to make this research result become more effective, in-depth interview method could **help for the conclusion process**, it might **improve the credibility of the research**, and **it might help answer the ambiguous result to be more clear** ".

Thank you

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Appendixes (Variable Definition)

Variable	definition
freqgym	This measures how frequent the respondents go to fitness per month
freqpur	This measures how frequent the respondents purchase a meal of clean food per month
atthealth	This shows whether the respondents think that clean food will make them healthy or not.
attweight	This show whether the respondents think that clean food will they lose their weight or not
traineradv	Advice from personal trainers
BMI	Body mass index $[\text{weight}(\text{kg})/[\text{height}(\text{m})*\text{height}(\text{m})]]$
health	Shows how much health concern influence decision in buying clean food
knowledge	This shows whether the respondents think that they understand the meaning of clean food or not
age	Age of respondents
Allowance	This represent the allowance of the respondents earn per month in baht term
sex	gender of respondents

Appendixes (Variable Definition)

Variable	definition
educ	This factor represent the level of education the respondents have
status	This factor represent the legal status of respondents
job	This factor represent the occupation of respondents
ingre	The ingredients that have been put into clean food
real food	The clean food that look and taste like normal food
promo	Promotions or discount on clean food
varmenu	Number of menus of clean food or the variety of menus
price	The price of clean food
reviewmedia	The review on social media (Facebook, instagram, youtube)
appear	The appearance of the clean food (The food decoration)
pmtnet	The number of methods of payment
taste	Taste of the clean food
ads	Advertisement (Banner, Poster)

Appendixes (Regression Result)

VARIABLES	(1) freqpur	(2) freqpur	(3) freqpur				
freqgym	0.502*** (0.0631)	0.482*** (0.0643)	0.440*** (0.0650)	status	-1.066 (1.556)		-0.754 (1.545)
arthealth	1.226 (1.866)	1.599 (1.871)	1.357 (1.898)	job	0.647 (0.512)		0.999* (0.519)
attweight	0.769 (0.895)	0.440 (0.910)	-0.426 (0.912)	ingre			0.919* (0.544)
traineradv	-0.438 (0.294)	-0.349 (0.292)	-0.138 (0.336)	promo			-0.0834 (0.424)
BMI	0.147 (0.0965)	0.210* (0.119)	-0.184 (0.119)	varmenu			-0.549 (0.491)
health	-0.0375 (0.397)	-0.182 (0.397)	-0.103 (0.446)	price			-0.175 (0.588)
knowledge	1.131 (1.396)	0.491 (1.425)	-0.153 (1.436)	reviewmedia			-1.037** (0.432)
age		0.257 (0.528)	0.0263 (0.537)	appear			-0.754 (0.540)
income		-0.381 (0.246)	-0.387 (0.244)	prmtmet			-0.318 (0.452)
sex		-1.572 (0.957)	-1.768* (0.943)	taste			-0.870 (0.705)
educ		1.527 (0.926)	-0.562 (0.957)	ads			-0.301 (0.506)
				Constant	-2.561 (3.477)	-3.301 (4.115)	-2.186 (4.393)
				Observations	200	200	200
				R-squared	0.273	0.314	0.373
				Standard errors in parentheses			