

# Exploring purchase intention of green skincare products using the theory of planned behavior: Testing the moderating effects of country of origin and price sensitivity



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## ABSTRACT

Increased community awareness on various environmental problems has changed consumers' behaviors and induced purchasing decisions on green products. Applying the theory of planned behavior (TPB), this study aims to explain the effects (i.e., attitude, subjective norm, and perceived behavioral control) on purchase intention of green skincare products; it also aims to determine if country of origin (COO) and price sensitivity moderate the links between purchase intention and its antecedents. Data collected from 300 respondents in Taiwan are tested against the research model by using structural equation modelling. The results indicate that attitude, subjective norm, and perceived behavioral control have a significant impact on purchase intention of green skincare products, and that country of origin and price sensitivity can enhance the positive effects on the links between purchase intention and its antecedents. The findings of this study present important theoretical and practical implications for consumer green product purchase behaviors.

## 1. Introduction

The global community has become increasingly aware of environmental issues as a result of the damaging effects of pollution, a consequence of industrialization and urbanization (Chen, 2011). In particular, global warming has become a key source of environmental concerns; many firms now view environmental protection as their social responsibility (Dwyer, 2009), and are keen to use green opportunities (Haden, 2009). Thus, the establishment of pertinent green strategies has become a significant issue that could strengthen the sustainability of businesses in a dynamic world. However, not all companies have the foresight and competency to establish and implement green strategies. Hence, if firms wish to successfully embrace green opportunities, they should integrate the notion of green initiatives into all phases of their activities (Ottman, 1992).

In addition, green consumerism has significantly affected the conscious decisions of various businesses (Maniatis, 2016); for instance, several businesses have modified their manufacturing processes and operational procedures (D'Souza and Taghian, 2005). However, the greenness of products cannot assure that businesses sales are exceptional in the green era (Chen and Chang, 2012). Thus, marketers should endeavor to gain an insight into the factors affecting consumers' purchase intention toward green products (Paul et al., 2016). It is

important to understand customers' purchase intentions because they can usually be used to predict customers' behavior. Although numerous consumers have confirmed an increased positive attitude and perception toward companies sensitive to environmental matters (Han and Kim, 2010; Olsen et al., 2014), the majority of existing studies in the field of consumer behavior focus on impulsive or affective buying rather than cognitive evaluation (Beatty and Ferrell, 1998). Thus, this study utilizes the theoretical framework based on Ajzen's (1991) theory of planned behavior (TPB) model to investigate the associations between the experimental variables, and explain consumers' acceptance of, and engagement in, ecological behavior. TPB is an extension of the theory of reasoned action (TRA) (Ajzen, 1991). The main difference between these two models is that TPB includes an additional dimension of perceived behavioral control (PBC) as the determinant of behavioral intention. Ajzen (1991) argued that the modified TPB model, which embraces additional crucial constructs in a certain context, contributes to improve our understanding of the theoretical mechanism of the model and increases the prediction power for individuals' intention/behavior in that specific context. As stated by Perugini and Bagozzi (2001), the theory can be extended and deepened via such a process. Goh et al. (2017) used the extended TPB to recognize visitors' intentions. Jiang et al. (2016) applied an extension of TPB to predict users' intentions to microblog. Chen and Hung (2016)

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also applied an extension of TPB to understand the key factors that accept the green products.

Furthermore, there is growing empirical evidence that country of origin (COO) and price sensitivity are powerful predictors of product evaluations (e.g., [Insch and McBride, 2004](#); [Manrai et al., 1998](#)) and buying decisions ([Awada and Yiannaka, 2012](#); [Godey et al., 2012](#)). These studies stressed the significance of COO and price sensitivity in explaining customer purchase behaviors. Thus, the present study also tries to extend the TPB model by including constructs that are important in a green context, such as COO and price sensitivity, and by adding to the model to improve our ability to predict intention and understanding of the decisions of green skincare products customers. Therefore, this study proposes and explores a theoretical framework based on the TPB model to investigate the relationship between the variables and explain consumers' purchase intention of green skincare products.

In addition to including the three main elements of TPB, this study also includes COO and price sensitivity into the research framework in order to further examine whether these two factors moderate the links between the three elements of TPB and purchase intention of green skincare products.

The impact of COO on consumers' perceptions and purchasing intentions is a general issue in marketing research as proposed by [Bloemer et al. \(2009\)](#). Previous studies have found that the products' COO does influence consumers' product evaluations ([Costa et al., 2016](#); [Josiassen, 2010](#); [Koubaa et al., 2015](#); [Lee et al., 2013](#); [Prentice and Handsjuk, 2016](#)) and purchase decisions ([Awada and Yiannaka, 2012](#); [Dobrenova et al., 2015](#); [Godey et al., 2012](#)). Consumers can normally differentiate between products from different countries ([Orth and Firbasova, 2003](#)); moreover, a product's country image may affect how consumers perceive products sourced from that specific country. [Orth and Firbasova \(2003\)](#) believe that a negative country image can limit the success of products and services in the marketplace; thus, marketers who develop product strategies should understand factors related to the product's COO that might affect consumers' evaluations. Consumers are inclined to use COO as an extrinsic cue to make decisions concerning the quality of products ([Lee et al., 2013](#)). Based on this information, this study aims to understand the reasons that moderate the purchase intention toward green skincare products, and the importance of COO in relation to other extrinsic product cues, such as price, in the decision-making process.

Price expression is one of the keys to profitability for most small and medium enterprises. Nevertheless, this process can be very challenging for businesses. [Tung et al. \(1997\)](#) indicated that one key difficulty derives from the inherent complexities in predicting customer price sensitivity. Problems are especially common in physical distribution channels, where competition is fierce and where customers efficiently seek information on price and make quick comparisons across suppliers. In this sense, retailers have actively pursued various ways of weakening consumers' price sensitivity ([Low et al., 2013](#)), thereby moderating price competition. If retailers can segment their customers in terms of their willingness to pay, a price discrimination strategy may be feasible. Hence, insights on the drivers of price sensitivity can be of great value.

To summarize, this present study mainly explores two key issues. One is to investigate the significant antecedences of purchase intention of green skincare products using TPB. The other one is to identify the moderating effects of COO and price sensitivity on the links between purchase intention and its antecedences. This study seeks to make a significant contribution to the field, given it is the first study to test the interacting influences of COO and price sensitivity using a survey. This paper is structured as follows. The study begins with a literature review and a presentation of the hypotheses. The research methodology is then described, followed by a discussion on the research findings and implications.

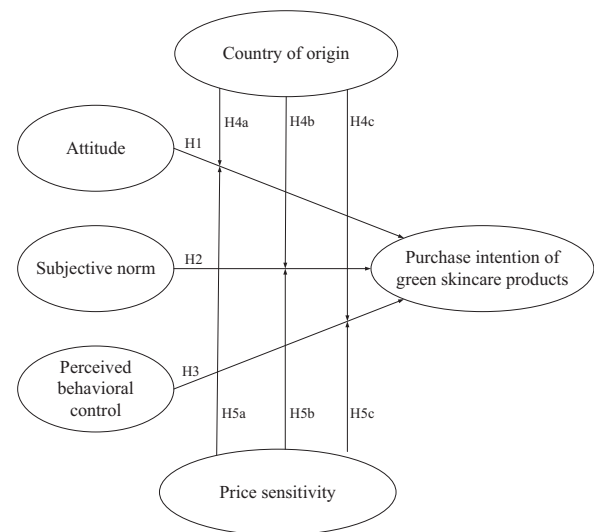


Fig. 1. The research model.

## 2. Literature review and research model

Fig. 1 shows the proposed research model. This figure includes variables such as attitude, subjective norm, perceived behavioral control, COO, price sensitivity, and purchase intention of green skincare products.

### 2.1. Green skincare products

The term *green* refers to terms such as “eco-friendly,” “environmentally friendly,” “environmentally responsible activities,” or “sustainable” (e.g., [Han et al., 2009, 2011](#); [Laroche et al., 2001](#); [Pizam, 2009](#); [Roberts, 1996](#)). [Ottman \(1998, p. 89\)](#) indicated that “green products are typically durable, non toxic, made from recycled materials, or minimally packaged.” [Peattie \(1995, p. 181\)](#) defined green products as “when its environmental and societal performance, in production, use, and disposal is significantly improved and improving in comparison to conventional or competitive products offerings”. [Dangelico and Pontrandolfo \(2010\)](#) argued that this definition highlights how the different life cycle phases of a product can display its environmentally friendly characteristics. Additionally, [Tomasin et al. \(2013, p. 74\)](#) stated that “green products are designed to prevent, limit, reduce, and/or correct harmful environmental impacts on water, air, and soil.” [Reinhardt \(1998, p. 46\)](#) explained that environmental product differentiation entails a “business creat[ing] products that provide greater environmental benefits, or that impose smaller environmental costs than similar products.” [Dangelico and Pontrandolfo \(2010\)](#) indicated that this definition illustrates how green products are able to generate a lower environmental impact and provide higher environmental benefits compared to conventional products. [Berchicci and Bodewes \(2005\)](#) also argued that green products are developed to decrease the environmental impact of the development, manufacture, use, and disposal of products and services. Thus, the effective development of green products is important to create successful environmental strategies, and to ensure companies and economies become environmentally sustainable ([Pujari et al., 2003](#)).

Green skincare products refer to products that “care [for] the skin using naturally derived ingredients (such as herbs, roots, essential oils, and flowers) [that are] combined with naturally occurring carrier agents, preservatives, surfactants, humectants, and emulsifiers ([Wiki, 2014](#))”. Such products use botanically sourced ingredients and do not contain synthetic chemicals; moreover, they are manufactured in such a way to preserve the integrity of the ingredients. This study attempts to use green skincare products as the subject to further

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