

Factors that Influence Actual Buying Behavior of Organic Food Products in Indonesia



Yunita Wijaya Handranata, Dewi, Kunti Murbarani

Abstract: This paper investigates the factors that influence purchasing behavior of organic food in Indonesia. Data were obtained by distributing questionnaires in April-June 2018 to 106 consumers who had bought organic food in the past. Data was analyzed using Structural Equation Modeling (SEM). This study examines the factors that influence the actual buying behavior of organic food products such as health awareness, knowledge of organic food, subjective norms, perceived price and availability. In addition, attitude towards organic food and purchase intention was also tested as a medium for these five factors to influence actual buying behavior. Socio-demographic factors were also tested to determine their influence. The results showed that health consciousness and availability affected people's behavior towards organic food. This behavior is then proven to affect purchase intention which also affects actual buying behavior. With this research, it is expected to be able to explore the interest of Indonesian people to improve health and help marketers of organic food.

Keywords: Organic Foods, Actual Buying Behavior, Purchase Intention, Consumer Attitude, Indonesia.

I. INTRODUCTION

Modern society is now more interested in a healthy lifestyle by consuming organic food. The term 'organic' in food is an indication that the product has been produced through an organic standard process and is certified by a legitimate certification body or authority [23]. Human concerns about the dangers of pesticides began in 1962 when there were several cases of poisoning in the work environment in the process of mixing pesticides. According to information obtained from Morgan based on a questionnaire response from operators of structural pest control between 1971 and 1977, it was found that skin diseases and skin cancer were common diseases that contracted the operator [24]. Other chronic detrimental effects that can infect pesticide food consumers are cancer, vascular disease and oral disease [24]. The emergence of awareness of these risks makes people's interest in consuming organic food now increasing. This is evidenced by the sale of organic food market share which rose 81% from 10 billion euros to 18.1 billion euros in a period of 6 years from 2004 to 2010 [28]. People who care about health believe that eating organic foods can improve subjective health [3]. In the UK, organic food consumers assume that by consuming organic food, individual values and their social values can be achieved.

Revised Manuscript Received on October 30, 2019.

* Correspondence Author

Yunita Wijaya Handranata, pursuing her Doctoral degree in Research Management from Bina Nusantara University, Jakarta, Indonesia.

Dewi, Information Systems at Bina Nusantara University, Jakarta, Indonesia

Kunti Murbarani, Bachelor degree in Business Management from Bina Nusantara University, Jakarta, Indonesia

© The Authors. Published by Blue Eyes Intelligence Engineering and Sciences Publication (BEIESP). This is an [open access](#) article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>)

Environmental and animal welfare factors are also become the most significant motives [37]. Indonesia became the 42nd largest market in the world in 2015 with a total number of markets for organic packaging food and beverages amounting to US \$10.9 million [18]. Although health awareness is slowly increasing in the community, the majority of them still feel alien to organic products. Consumers in Indonesia consider the organic concept intangible and have less tangible benefits [18]. According to data obtained from general supermarket owners, of the 215 million populations in Indonesia, only 15 million consumer of organic food [43]. Even so, the government has voiced the program back to organic in 2010 with the hope that community interest in organic products will continue to increase.

In 2015, Indonesia had an area of organic farms of 130,384 hectares. This proves that organic agricultural land extends 16,746 hectares compared to the previous year by making coffee the most produced product [48]. However, due to people's low interest and knowledge of organic products, coffee beans from organic agriculture in Indonesia are consumed more by the international market [29].

In knowing the behavior of Indonesian people towards organic food, Budi Suprapto explained that community behavior is a good predictor for predicting purchase intentions for this product [44]. However, this does not always lead to actual purchases. Community behavior towards good organic food is often inconsistent with actual buying behavior [27]. So it is necessary to do more research on the issue.

Therefore, this study aims to examine the factors that influence the actual purchase of organic food products in Indonesian community. Similar research has been conducted in several countries such as countries in East Asia and India. In addition, this study will explore what factors hinder and encourage people to consume organic food and people's behavior towards organic products that can later improve public health and help marketers of organic food to reach the Indonesian market.

The hypotheses to be tested in the study are as follows:
H1. The behavior of the Indonesian people towards organic food is influenced by awareness of health.

H2. Knowledge of organic foods has a positive influence on consumer behavior.

H3. Subjective norms have a positive influence on consumer behavior towards organic food.

H4. Perceived prices affect consumer attitudes towards organic food products.

H5. Perception of availability positively influences consumer attitudes towards organic food products.

H6. The influence factors have a positive effect on purchase intention through the mediation of attitude.



H7. Factors that influence have a positive effect on actual buying behavior towards organic food products through the mediating effects of attitude and purchase intention.

H8a. Age variables make a significant difference to the actual buying behavior of organic food product.

H8b. Gender variables make a significant difference to the actual buying behavior of organic food product.

H8c.

Expense variables make a significant difference to the actual buying behavior of organic food product.

II. LITERATURE REVIEW

2.1 Health Consciousness

Public opinion about organic food that is considered healthier than conventional food has been proven by a number of studies in various regions of the world. In Malaysia, consumers pay attention to the health effects and value felt in their intention to buy organic food [38]. The same results previously were also found in the behavior of the Greek people towards the motive for buying organic food [10].

In Poland, the health Consciousness factor occupies the first position with a percentage of 50.6% in the order of motivation for consumption of organic food in the community [7]. Other European countries such as Austria, Switzerland, Germany, Denmark, Finland, France, Italy, and the United Kingdom have various reasons which are also based on health Consciousness to consume organic food [16]. Austrian people assume that organic food can improve health and avoid risk. In Switzerland, the public, especially mothers and sick people, think that organic food is healthier for consumption. Likewise with Germany, which considers organic food can improve health, especially for children because it avoids dangerous chemicals [16]. The motivation for consumption of organic food derived from health Consciousness is also one of the motivations of the people in Belgium [1].

2.2 Knowledge of Organic Food

The impact of knowledge of organic food in purchasing decisions is one of the most important factors. This happens because knowledge of organic food is the only instrument for consumers to distinguish between organic and conventional foods [19]. In the community, knowledge of organic food is quite diverse. In a survey study conducted in the UK, people considered organic agriculture to be agriculture that was free of chemicals, the absence of growth hormones, and naturally grown products [22]. This finding indicates that consumers have a basic definition of the term organic itself.

Moreover, knowledge of organic foods also influences consumer decision making processes. This is supported by various research results, such as [41] and Hill & Lynch (2002) [21], they have found that increasing knowledge about organic food in the community will increase consumers' positive attitudes and become a major influence in buying organic products. In another Spanish study examined by Bigné in 1997 cited by Gracia and Magistris (2007) state that socio-demographic variables such as values and lifestyle determine the level of people's knowledge about organic food products [19]. Hence, it can be concluded that the lack of knowledge about organic products can have an effect on the lack of demand for these products.

2.3 Subjective Norms

Oliver and Bearden explain subjective norms as perceptions that are lived and believed by a decision maker that people who are important in their lives want or expect them to act or not act in a certain way [33]. Decision makers use reference preferences and also the desire to act in accordance with these preferences as the basis of subjective norms [33].

In addition, although subjective norms are explained as social pressure felt by someone to behave [2], several studies eliminate subjective norms when conducting research on people's behavior towards organic food [17]; [34]; [46]. Nevertheless, research conducted by Smith & Paladino (2010) [41] and Singh & Verma (2017) [40] shows that subjective norms influence people's behavior towards organic food.

2.4 Perception of Price

The limited availability factor of organic food and the stages of the production process make the price of this product more expensive than conventional food. The high price of organic food is often seen as a barrier factor for consumers to consume organic products. This is in accordance with previous studies conducted in Belgium which concluded that the first factor which is a barrier of consumption of organic food is the perceived price. The resulting score is 4.4 exceeding the neutral score at 4.0. Thus, high prices are the most important barrier [1]. In addition, this is also in line with other studies conducted in various countries such as Greece [10], Australia [41], Turkey [34], and India [40] also found that the reason people do not consume organic food is because the price is expensive. According to D'Souza, Taghian, & Lamb (2006) high prices have caused consumers to switch to other products [11].

On the other hand, there are also a number of contradictory studies that show the rejection between the relationship of perceived price and purchase intention as in Finland [45] and America [42]. The rejection in Finland occurs because premium prices for the organic food category in Finland are almost non-existent.

2.5 Availability

Another barrier that inhibits consumers from consuming organic products is availability [1]; [35]. Moreover, research conducted by Fotopoulos and Krystallis (2002) in Greece shows that availability is a major factor above the high price [15]. In a subsequent study also revealed that low availability was still a major problem experienced by two out of three organic consumers [10]. Hence, if the problem of availability can be overcome, people will consume more organic food because people in Greece like to explore and have a high educational status. Moreover, different results were found in Australia. The relationship between the lack of availability of organic food and actual buying behavior produces insignificant evidence [41]. Whereas Lyons concludes that in addition to the lack of product consistency, short shelf life, limited choices, and lack of availability makes purchasing organic food uncomfortable [26].

2.6 Purchase Intention and Actual Buying Behavior

In measuring the effect of attitude towards organic food on actual buying behavior on organic food, several studies explain that positive consumer behavior does not always end in actual buying.



As happened in Sweden, research shows that young people exhibit positive behavior towards organic food, while actual buying is mostly done by older people [27]. In addition, the gap between attitude towards organic food and actual buying also occurred in a study conducted by Vermeir and Verbeke (2008), which concluded that attitude towards organic food, was not consistent with their actual buying [47]. Hence, it is important to examine what factors are causing the inconsistency between high purchase intention and low actual buying behavior.

2.7 Socio Demographic Factors

Previous research also provides pro and con results about the effect of socio-demographic factors on consumer behavior towards organic food. In terms of Age, as explained earlier, in Sweden respondents aged 18-25 have a more positive behavior towards organic food in terms of availability and purchase intention, but respondents aged 26-65 have a higher actual buying behavior [27]. Moreover, Magnusson, Arvola, & Hursti (2001) also revealed that the presence of children in the household did not have a significant impact [27]. This finding is not in line with some previous studies conducted on the role of children in the decision to purchase organic food in the household. Some researchers find that the presence of children has a positive impact on organic food purchases [15]. Another result was found by O'Donovan and McCarthy, where in Ireland no significant age group differences were found [32]. This finding confirms the results of a previous study conducted in Northern Ireland by Davies, Titterington, & Cochrane in 1995 [12].

Based on gender, women and men have differences in a healthy lifestyle. According to Beasley, Hackett, & Maxwell (2004) women prefer to adopt a healthy lifestyle through the type of food they consume, while men tend to adopt a healthy lifestyle through physical activity [6]. Women avoid foods with a negative health image than men. Men consume more unhealthy foods such as biscuits, meat, high-fat milk, and soft drinks; but they do more exercise to maintain their health. Compared to men, women's perspectives are more in line with values related to environmental well-being [4], and are less receptive to genetically modified foods [30]. This is reflected in the consumption of organic foods between men and women in Australia at 33.8% and 44.1% respectively [25]. The results of these findings reinforce the statement that women show more positive behavior towards organic foods.

Organic foods can be classified as premium products. Therefore researchers feel the need to extract further information about the socio-demographic consumers of organic food based on monthly expenditure. Based on income, organic food consumers are categorized as high income consumers with expenditures above Rp. 7,500,000 per month (Aertsens, Mondelaers, Verbeke, Buysse, & Huylenbroeck, 2011). In Egypt, young people who are highly educated and have high monthly expenses are classified as ecological consumers. People with this group usually care about the environment and its sustainability, so they are willing to pay a premium price to buy natural products [31].

III. MATERIALS AND METHODS

The research method used was a quantitative method. The process of this research begins with designing a research instrument in the form of a questionnaire. The research

questionnaire was based on previous research conducted by Singh & Verma (2017) [40] adopted from [13], [8], [9], [19], and [17] in the form of 26 questions with 5 point Likert scale relating to consumers to organic food. After the questionnaire has been designed, a sample selection phase is carried out. Samples were randomly selected using simple random sampling technique. Finally, the results are processed using Structural Equation Modeling (SEM) analysis techniques.

Respondent data collected based on socio-demographic, namely: gender, region, age, occupation and expenses. Total respondents in this study were 106 people. The chosen regions in this study are Jakarta and Tangerang, because these two regions have respondents who are considered to be more familiar and understand the concept of organic food due to the influence of the media and modern lifestyle. Respondents residing in Jakarta are 61 people (58%) and Tangerang are 45 people (42%).

Based on gender, female respondents were 68 people (64%) and men were 38 people (36%). Based on age, researchers adopted existing categories based on Singh and Verma (2017) [40]. The categories are divided into five age groups: 18-30 years, 31-40 years, 41-50 years, 51-60 years, and 61 years and above. Of the total 106 respondents there were 87 people aged 18-30 years, 7 people aged 31-40 years, 4 people aged 41-50 years, 8 people aged 51-60 years. In the occupational category, respondents were divided into five groups namely, students, employees, entrepreneurs, not working, and housewives. From the data obtained, employees are 52 people (49%), students are 30 people (28%), entrepreneurs are 9 people (9%), people who have not worked are 6 people (6%), and housewives are 9 people (8%).

To divide the categories based on the monthly expenditure of respondents, researchers adopted the category of monthly expenditure of the middle class in Indonesia [14]. Data obtained is dominated by respondents with a monthly expenditure of Rp.2,000,000 - Rp.3,000,000 as many as 49 people or 46%. Moreover, 33 people or 31% of respondents have a monthly expenditure of Rp.3,000,000 - Rp.5,000,000, 15 people or 14% have a monthly expenditure of Rp.5,000,000 - Rp.7,500,000, and the remaining 9 people or 9% have a monthly expenditure of more than Rp.7,500,000.

IV. RESULT AND DISCUSSION

4.1 Reasons of Buying Organic Food

The main reason consumers in Indonesia consume organic food is because of health. Organic food is believed to provide significant health benefits because it has a higher and healthier nutritional content (52%). In addition, another reason is because organic food is believed to be free of pesticides (23%), more environmentally friendly (9%), wants to try something new (9%), and feels fresher and tastier (7%).

4.2 Validity and Reliability Analysis

4.2.1 Convergent Validity Analysis

Validity analysis in this study uses smartPLS 3.0 software. The measurement standard is said to be convergently valid if the loading factor is more than 0.60 [49].



Analysis of Factors that Influence Actual Buying Behavior of Organic Food Products in Indonesia

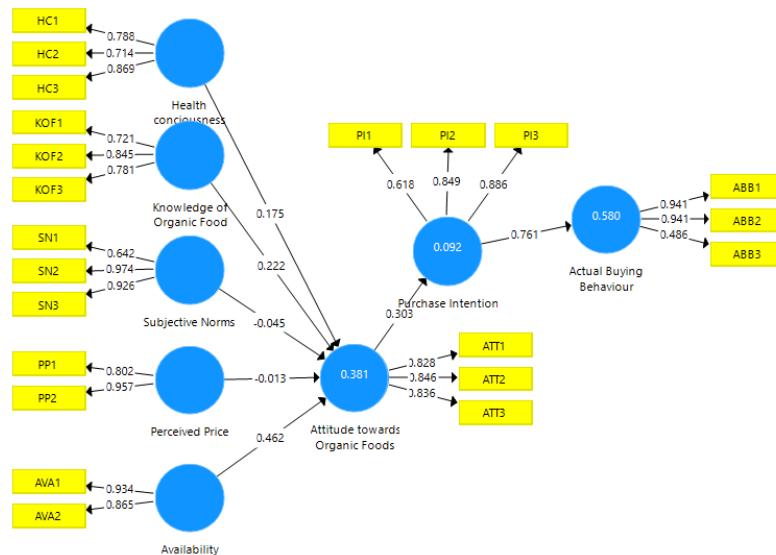


Fig. 1. Convergent Validity Analysis of H1-H7

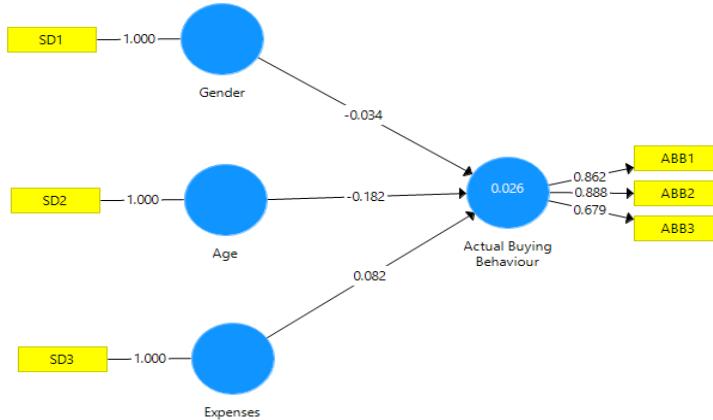


Fig. 2. Convergent Validity Analysis of H8a-c

As shown in Fig. 1, all indicators have a loading factor above 0.6, except ABB3 is 0.486. Hence, it can be concluded that all indicators are valid except ABB3.

The indicators of age, gender, and expenses (H8a-c) have a loading factor of -0.182, -0.034, and 0.082 respectively. So it can be concluded that all indicators are invalid because it has a loading factor below 0.6 [5].

4.2.2 Analysis of Discriminant Validity

Discriminant validity test is done by measuring the Average Variance Extracted (AVE). The construct contained in the research model is said to be valid if the AVE value is equal or greater than 0.50 [36]. From Table-I and Table-II, it is clear that the entire construct are valid.

In addition the discriminant validity analysis was also performed using Cross Loading, which compares the coefficient values of the indicator to its association construct with the correlation coefficient of other constructs.

Based on Table-III and IV, it appears that all indicators have a higher correlation with their own latent variables than with other latent variables. So it can be concluded that this research model is suitable.

Table-I: Discriminant Validity Analysis H1-H7

	AVE	Validity
Actual Buying Behavior	0.669	Valid
Attitude towards Organic Food Products	0.700	Valid
Availability	0.810	Valid
Health Consciousness	0.628	Valid
Knowledge of Organic Foods	0.615	Valid
Perceived Price	0.779	Valid
Purchase Intention	0.629	Valid
Subjective Norms	0.739	Valid

Table-II: Discriminant Validity Analysis H8a-c

	AVE	Validity
Gender	1,000	Valid
Age	1,000	Valid
Expenses	1,000	Valid

Table-III: Cross Loading H1-H7

Indikator	ABB	ATT	AVA	HC	KOF	PP	PI	SN
ABB1	0.941	0.192	0.169	0.001	0.231	0.058	0.749	0.416
ABB2	0.941	0.103	0.240	0.055	0.264	0.175	0.719	0.530
ABB3	0.486	0.351	0.378	0.356	0.487	0.220	0.277	0.460
ATT1	0.259	0.828	0.445	0.267	0.287	0.179	0.263	0.239
ATT2	0.148	0.846	0.469	0.185	0.388	0.245	0.215	0.084
ATT3	0.120	0.836	0.421	0.277	0.409	0.171	0.281	0.166
AVA1	0.256	0.546	0.934	0.165	0.381	0.362	0.197	0.363
AVA2	0.222	0.389	0.865	-0.080	0.218	0.309	0.190	0.200
HC1	0.008	0.238	0.066	0.788	0.325	0.154	-0.040	0.060
HC2	0.128	0.199	0.106	0.714	0.310	0.138	0.010	0.053
HC3	0.091	0.251	0.006	0.869	0.322	0.010	0.052	0.078
KOF1	0.361	0.201	0.289	0.289	0.721	0.162	0.233	0.446
KOF2	0.377	0.0362	0.354	0.357	0.845	0.298	0.252	0.386
KOF3	0.104	0.398	0.193	0.298	0.781	0.186	0.148	0.077
PP1	0.036	0.126	0.281	0.103	0.256	0.802	0.002	0.111
PP2	0.187	0.257	0.369	0.113	0.254	0.957	0.213	0.169
PI1	0.347	0.359	0.168	0.052	0.213	0.148	0.618	0.318
PI2	0.539	0.322	0.235	-0.038	0.137	0.082	0.849	0.312
PI3	0.826	0.122	0.130	0.019	0.262	0.152	0.886	0.469
SN1	0.433	0.003	0.081	-0.050	0.263	0.199	0.357	0.642
SN2	0.577	0.220	0.313	0.109	0.267	0.126	0.483	0.974
SN3	0.414	0.131	0.314	0.028	0.257	0.209	0.393	0.926

Table-IV: Cross Loading H8a-c

Indikator	ABB	Gender	Age	Expenses
ABB1	0.862	0.009	-0.111	-0.019
ABB2	0.888	0.091	-0.148	-0.013
ABB3	0.679	-0.106	-0.075	0.051
Gender	0.000	1,000	-0.249	-0.138
Age	-0.138	-0.249	1,000	0.427
Expenses	0.009	-0.138	0.427	1,000

4.2.3 Reliability Analysis

Reliability test is done by looking at the value of composite reliability. The results are considered satisfactory if the composite reliability value is equal or above 0.70 [5].

Table-V: Composite Reliability H1-H7

	Composite Reliability	Reliability
Actual Buying Behavior	0.850	Yes
Attitude towards Organic Foods	0.875	Yes
Availability	0.895	Yes
Health Consciousness	0.834	Yes
Knowledge of Organic Foods	0.827	Yes
Perceived Price	0.875	Yes
Purchase Intention	0.832	Yes
Subjective Norms	0.892	Yes

Table-VI: Composite Reliability H8a-c

	Composite Reliability	Reliability
Actual Buying Behavior	0.854	Yes
Age	1,000	Yes
Expenses	1,000	Yes
Gender	1,000	Yes

Based on Table-V and VI, it is clear that all composite reliability above 0.7, ranging from 0.827 for Knowledge of Organic Food to 0.895 for Availability. The latent variable of

Age, Expenses, and Gender are not a valid measure of constructs because all composite reliability is above 0.9, which means they measure the same phenomenon [20].

The second test in measuring reliability is using Cronbach's alpha measurement with a minimum value of 0.60 [39].

Table-VII: Cronbrach's Alpha H1-H7

	Cronbach's Alpha	Reliability
Actual Buying Behavior	0.738	Yes
Attitude towards Organic Foods	0.786	Yes
Availability	0.772	Yes
Health Consciousness	0.702	Yes
Knowledge of Organic Foods	0.701	Yes
Perceived Price	0.744	Yes
Purchase Intention	0.701	Yes
Subjective Norms	0.866	Yes

Table-VIII: Cronbrach's Alpha H8a-c

	Cronbach's Alpha	Reliability
Actual Buying Behavior	0.738	Yes
Age	1,000	Yes
Expenses	1,000	Yes
Gender	1,000	Yes

Again, from Table-VIII it is clear that the latent variables Age, Cost, and Gender are considered duplicates because they have Cronbach's Alpha above 0.9, while the other variables are considered to be reliable with Cronbach's Alpha ranging from 0.701 for Knowledge of Organic Foods and Purchase Intention to 0.866 for Subjective Norms.

4.3 Coefficient of Determination (R^2)

The coefficient of determination can be interpreted as the effect given by the independent variable on the dependent variable.

Table-IX: R-Square H1-H7

	R-Square
Actual Buying Behavior	0.580
Attitude towards Organic Foods	0.381
Purchase Intention	0.092

Table-X: R-Square H8a-c

	R-Square
Actual Buying Behavior	0.026

Analysis of Factors that Influence Actual Buying Behavior of Organic Food Products in Indonesia

Table-IX and X, shows that the highest value of R^2 is 0.580 for Actual Buying Behavior (H7), and the lowest is 0.026 for Actual Buying Behavior (H8).

4.4 Hypothesis Testing

Hypothesis testing in this study uses two-tailed T-statistical calculations with a significance of 95%. Table-XI shows that health awareness and availability are known to influence attitude towards organic food. These results are in line with studies that have been conducted in several countries in Europe and Asia such as Australia, the United Kingdom, and Malaysia [38]; [16]; [7]; [10]. The results of this study are caused by the behavior of Indonesian people, who tend to be aware of the importance of maintaining health and living a healthy lifestyle. From the results of the hypothesis test, it was concluded that H1 and H5 could be accepted with a T-statistic value of 2.166 and 5.298.

Table-XI: Hypothesis Test H1-H7

	T-Stat	Original Sample	Sig 95%	P-Value	Description
ATT → PI	3.106	0.303	1.984	0.002	Positive, Significant
AVA → ATT	5.298	0.462	1.984	0.000	Positive, Significant
HC → ATT	2.166	0.175	1.984	0.031	Positive, Significant
KOF → ATT	1.883	0.222	1.984	0.060	Positive, Not Significant
PP → ATT	0.149	-0.013	1.984	0.882	Positive, Not Significant
PI → ABB	16.502	0.761	1.984	0.000	Positive, Significant
SN → ATT	0.490	-0.045	1.984	0.624	Positive, Not Significant

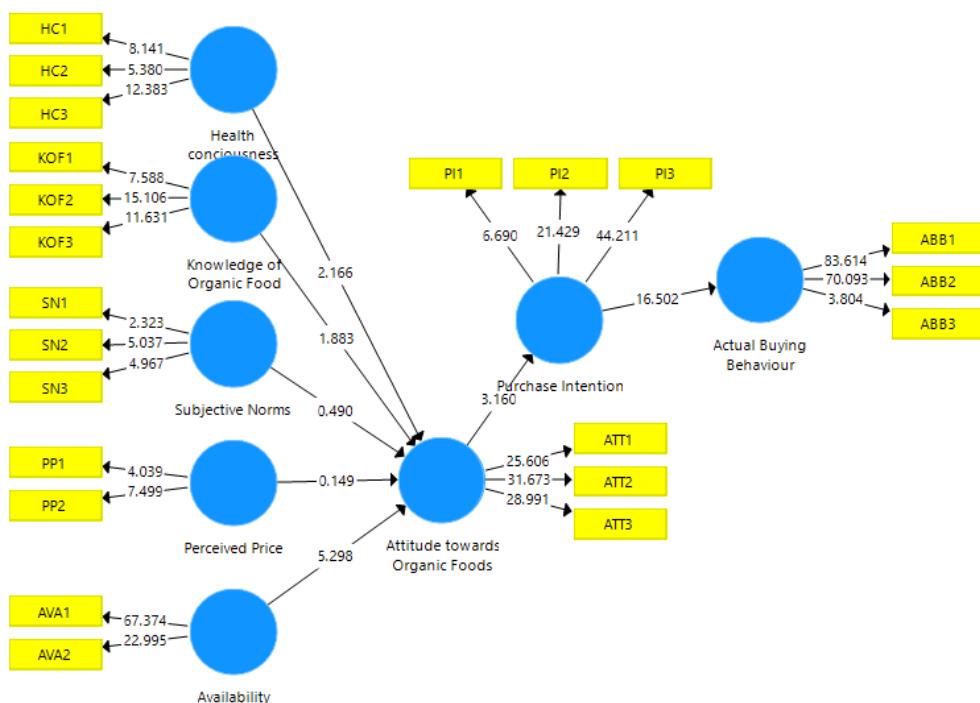


Fig. 3: Bootstrapping Result H1-H7

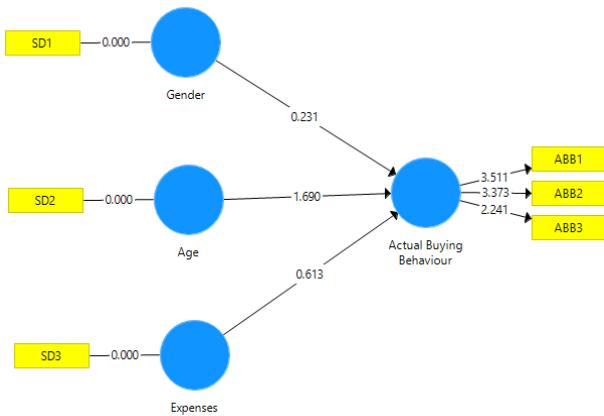
On the other hand, knowledge of organic foods, subjective norms, and perceived price are not considered as factors that influence the attitude towards organic food. The results of this study are not in line with studies that have been conducted in Australia and India [41]; [40]. This is happen because people in Indonesia, especially young people prefer to pay premium prices to become a member in a fitness club rather than eating organic food. In addition, public knowledge about organic food is also not sufficient for them to take an interest in organic food. Thus, H2, H3, and H4 cannot be accepted because based on hypothesis testing; the T-statistic value is lower than the T-significance, namely 1.883, 0.490, and 0.149 respectively.

In addition, in this study actual buying behavior was proven to be influenced by purchase intention through the mediating effect of attitude towards organic food. Similarly, attitude towards organic food also has an influence on purchase intention. The results of this study show the same results with studies that have been conducted in Italy and India [19]. The relationship between attitudes towards

organic food with purchase intention has a T-statistic value of 3.106, where this value is greater than T-Significance so it can be concluded that attitude towards organic foods influences purchase intention. Thus the hypothesis H6 can be accepted. Similarly, the relationship between purchase intention and actual buying behavior that has the highest T-statistic is 16.502. Hence, it is proven that purchase intention has an influence on actual buying behavior, so that H7 can be accepted.

Table-XII: Hypothesis Test H8a-c

	T-Stat	Original Sample	Sig 95%	P-Value	Description
Age → ABB	1.690	-0.182	1.984	0.092	Positive, Not Significant
Expenses → ABB	0.613	0.082	1.984	0.540	Positive, Not Significant
Gender → ABB	0.231	-0.034	1.984	0.818	Positive, Not Significant

**Fig. 4: Bootstrapping Result H8a-c**

According to the hypothesis test of the three variables that exist in socio-demographic factors, it is proven that nothing influences actual buying behavior. This study is in line with previous studies conducted in Ireland [32], but different from studies conducted in Australia and the Middle East [25]; [31]. So it can be concluded that H8a, H8b, and H8c cannot be accepted because the resulting T-statistic value is lower than the T-significance value of 1.690, 0.231, and 0.613 respectively.

V. CONCLUSION

Based on the results obtained it can be concluded that health consciousness and availability are proven to have an influence on people's behavior towards organic food. Meanwhile, consumers' knowledge of organic food, subjective norms, and perception of price do not influence people's behavior towards organic food.

The influencing factors are proven to have a positive effect on purchase intention through the mediating effect of attitude, while the actual purchases of organic food products also have a positive effect through the mediating effect of attitude and purchase intention. On the other hand, socio-demographic factors such as age, gender, and expenses are proven to have no effect on actual buying behavior on organic foods.

In addition, attitude towards organic foods and purchase intention in Indonesian society is more influenced by external factors besides health consciousness, knowledge of organic foods, subjective norms, perceived price, and availability.

REFERENCES

- G Aertsen, J., Mondelaers, K., Verbeke, W., Buysse, J., & Huylenbroeck, G. V. (2011). The influence of subjective and objective knowledge on attitude, motivations and consumption of organic food. *British Food Journal*, 1353-1378.
- Ajzen, I. (1991). The theory of planned Behavior. *Organizational Behavior and Human Decision Processes*, 179-211.
- Apaolaza, V., Hartmann, P., D'Souza, C., & López, C. M. (2018). Eat organic—Feel good? The relationship between organic food consumption, health concern and subjective wellbeing. *Food quality and preference*, 63, 51-62.
- Autio, M. (2004). Finnish young people's narrative construction of consumer identity. *International Journal of Consumer Studies*, 388-398.
- Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16(1), 74-94.
- Beasley, L. J., Hackett, A. F., & Maxwell, S. M. (2004). The dietary and health Behavior of young people aged 18–25 years living independently or in the family home in Liverpool, UK. *International Journal of Consumer Studies*, 355-363.
- Bryla, P. (2016). Organic food consumption in Poland: Motives and barriers. *Appetite*, 737-746.
- Chakrabarti, S. (2010). Factors influencing organic food purchase in India—expert survey insights. *British food journal*, 112(8), 902-915.
- Chen, M.-F. (2009). Attitude toward organic foods among Taiwanese as related to health consciousness, environmental attitudes, and the mediating effects of a healthy lifestyle. *British Food Journal*, 165-178.
- Chryssohoidis, G. M., & Krystallis, A. (2005). Organic consumers' personal values research: Testing and validating the list of values (LOV) scale and implementing a value-based segmentation task. *Food Quality and Preference*, 585-599.
- D'Souza, C., Taghian, M., & Lamb, P. (2006). An empirical study on the influence of environmental labels on consumers. *Corporate communications: an international journal*, 162-173.
- Davies, A., Titterington, A. J., & Cochrane, C. (1995). Who buys organic food? A profile of the purchasers of organic food in Northern Ireland. *British Food Journal*, 17-23.
- Effendi, I., Ginting, A., Lubis, A. N., & Fachruddin, K. (2015). Analysis of consumer behavior of organic food in North Sumatra Province, Indonesia. *Journal of Business and Management*, 4(1), 44-58.
- Finansialku. (2014, September 1). *Siapa Saja Kelas Menengah Indonesia?* Retrieved April 18, 2018, from Finansialku: <https://www.finansialku.com/siapa-saja-kelas-menengah-indonesia/>
- Fotopoulos, C., & Krystallis, A. (2002). Purchasing motives and profile of the Greek organic consumer: A countrywide survey. *British Food Journal*, 730-765.
- Frewer, L., & Tripp, H. v. (2006). *Understanding Consumers of Food Products*. Cambridge: Woodhead Publishing.
- Gil, J. M., Gracia, A., & Sanchez, M. (2000). Market segmentation and willingness to pay for organic products in Spain. *International Food and Agribusiness Management Review*, 207-226.
- Global Organic Trade. (2015). *Global Organic Trade: Indonesia*. Retrieved 5 12, 2018, from Global Organic Trade Guide: <https://globalorganictrade.com/country/indonesia>
- Gracia, A., & Magistris, T. d. (2007). Organic Food Product Purchase Behavior: A Pilot Study for Urban Consumers in the South of Italy. *Spanish Journal of Agriculture Research*, 439-451.
- Hair Jr, J. F., Hult, G. T. M., Ringle, C., & Sarstedt, M. (2016). *A primer on partial least squares structural equation modeling (PLS-SEM)*. Sage publications.
- Hill, H., & Lynchhaun, F. (2002). Organic milk: attitudes and consumption patterns. *British Food Journal*, 526-542.
- Hutchins, R., & Greenhalgh, L. (1997). Organic confusion: sustaining competitive advantage. *British Food Journal*, 336-338.
- IFST. (2018, 07). *Organic food*. Retrieved 08 23, 2019, from Institute of Food Science and Technology Web site: <https://www.ifst.org/resources/information-statements/organic-food>
- Igbedioh, S. O. (1991). Effects of Agricultural Pesticides on Humans, Animals, and Higher Plants in Developing Countries. *Archives of Environmental Health: An International Journal*, 218-224.
- Lockiea, S., Lyons, K., Lawrence, G., & Grice, J. (2004). Choosing organics: a path analysis of factors underlying the selection of organic food among Australian consumers. *Appetite*, 135-146.
- Lyons, K., Lockie, S., & Lawrence, G. (2001). Consuming 'Green': The symbolic construction of organic foods. *Rural Society*, 197-210.
- Magnusson, M. K., Arvola, A., & Hursti, U.-K. K. (2001). Attitudes towards organic foods among Swedish consumers. *British food journal*, 209-227.
- Manuela, V. Z., Manuel, P. R., Eva, M. M. A., & José, T. R. F. (2013). The influence of the term 'organic' on organic food purchasing behavior. *Procedia-Social and Behavioral Sciences*, 81, 660-671.
- Mayrowani, H. (2012). Pengembangan Pertanian Organik di Indonesia. *Pusat Sosial Ekonomi dan Kebijakan Pertanian*, 91-108.
- Moerbeek, H., & Casimir, G. (2005). Gender differences in consumers' acceptance of genetically modified foods. *International Journal of Consumer Studies*, 308-318.
- Mostafa, M. M. (2007). Gender differences in Egyptian consumers' green purchase Behavior: the effects of environmental knowledge, concern and attitude. *International Journal of Consumer Studies*, 220-229.
- O'Donovan, P., & McCarthy, M. (2002). Irish consumer preference for organic meat. *British Food Journal*, 353-370.
- Oliver, R. L., & Bearden, W. O. (1985). Crossover effects in the theory or reasoned action: a moderating influence attempt. *Journal of Consumer Research*, 324-340.



Analysis of Factors that Influence Actual Buying Behavior of Organic Food Products in Indonesia

- 34.Ozguven, N. (2012). Organic foods motivations factors for consumers. *Procedia - Social and Behavioral Sciences*, 661 – 665.
- 35.Padel, S., & Foster, C. (2005). Exploring the gap between attitudes and Behavior: Understanding why consumers buy or do not buy organic food. *British food journal*, 606-625.
- 36.Schulze, P. (2009). *Balancing exploitation and exploration: Organizational antecedents and performance effects of innovation strategies*. Springer.
- 37.Shafie, F. A., & Rennie, D. (2012). Consumer perceptions towards organic food. *Procedia-Social and Behavioral Sciences*, 49, 360-367.
- 38.Shaharudin, M. R. (2010). Purchase Intention of Organic Food in Kedah, Malaysia; A Religious Overview. *International Journal of Marketing Studies*, 96.
- 39.Shin, N. (2003). *Creating Business Value with Information Technology Challenges and Solutions*, chapter (3), Vol.: 2, 2nd ed. United States of America: IRM Press, pp. 71.
- 40.Singh, A., & Verma, P. (2017). Factors influencing Indian consumers' actual buying Behavior towards organic food products. *Journal of Cleaner Production*, 473-483.
- 41.Smith, S., & Paladino, A. (2010). Eating clean and green? Investigating consumer motivations towards the purchase of organic food. *Australasian Marketing Journal*, 93–104.
- 42.Smith, T. A., Huang, C. L., & Lin, B.-H. (2009). Does price or income affect organic choice? Analysis of US fresh produce users. *Journal of Agricultural and Applied economics*, 731-744.
- 43.Suharjo, B., Ahmady, M., & Ahmady, M. R. (2016). Indonesian Consumers' Attitudes towards. *Advances in Economics and Business*, 132-140.
- 44.Suprapto, B., & Wijaya, T. (2012). Intentions of Indonesian Consumers on Buying Organic Food. *International Journal of Trade, Economics and Finance*, 114-119.
- 45.Tarkiainen, A., & Sundqvist, S. (2005). Subjective norms, attitudes and intentions of Finnish consumers in buying organic food. *British Food Journal*, 808-822.
- 46.Ueasangkomsate, P., & Santiteerakul, S. (2016). A study of consumers' attitudes and intention to buy organic foods for sustainability. *Procedia Environmental Sciences*, 423 – 430.
- 47.Vermeir, I., & Verbeke, W. (2008). Sustainable food consumption among young adults in Belgium: Theory of planned Behavior and the role of confidence and values. *Ecological Economics*, 542-553.
- 48.Willer, H., & Lernoud, J. (2017). *The World of Organic Agriculture Statistic & Emerging Trends 2017*. Bonn: FIBL & IFOAM - Organics International.
- 49.Yana, A. G. A., Rusdhi, H. A., & Wibowo, M. A. (2015). Analysis of factors affecting design changes in construction project with Partial Least Square (PLS). *Procedia Engineering*, 125, 40-45.

AUTHORS PROFILE



Yunita Wijaya Handranata was born in Jakarta, in 1982. She earned her B.Eng degree in Electrical and Computer Systems Engineering from Monash University, Melbourne, Australia, in 2004, and the M.M. degree in Financial Management from Pelita Harapan University, Jakarta, Indonesia, in 2008. Currently she is pursuing her Doctoral degree in Research Management from Bina Nusantara University, Jakarta, Indonesia. She works in University of Bina Nusantara as faculty member since 2008 with experience in the area of teaching, research, curriculum and content planning (Subject Content Coordinator). She is an active researcher with several Scopus indexed research publications. Her domain of research and interests are in Finance, Marketing (e-commerce, consumer behavior), and Entrepreneurship.



Dewi was born in 1990 in Belinyu, Bangka Belitung. She obtained her bachelor degree in Information Systems at Bina Nusantara University, Jakarta, Indonesia in 2012. In 2013 she continued her graduate studies in the Business Management program, Bina Nusantara Business School and graduated in 2015. In 2015 she joined as a young lecturer in Business Creation Study Program – Bina Nusantara University. She taught courses in Entrepreneurship, Design Thinking and Entrepreneurial Marketing. Her research domains include consumer behavior, start-up business, and business model.



Kunti Murbarani was born in Jakarta, in 1995. She received her Bachelor degree in Business Management from Bina Nusantara University, Jakarta, Indonesia, in 2018. Her areas of interests include management, marketing, e-commerce, customer behavior.