INFLUENCE OF PERSONAL VALUES ON GENERATION Z’S PURCHASE INTENTION TOWARD NATURAL BEAUTY PRODUCTS

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ABSTRACT

Generation Z (Gen Z) consumers are one of the most influential buyers. Gen z is known as the digital driven youngsters operates in a diverse manners set of consumers as they have unique taste, choice, opinion, preferences and behavior. These information is crucial for marketers to understand how they make purchase decision and factors influencing them. In this current study, it shows that personal values (environmental consciousness, health consciousness, appearance consciousness, and need for uniqueness) are significant in influencing Gen Z purchase intention toward natural beauty products. The study findings indicated that gen Z’s environmental consciousness contributed to the highest variance in their purchase intention on natural beauty products, with $\beta = 0.397$ and $p = 0.000$. The practical contributions of the study and its managerial implication are in the provision of marketing strategies and positioning of the natural beauty products. The present study provides empirical evidence in the context of personal values that drives the Gen Z intention to purchase. It is to be suggested that markets need to be creative and interactive and thus emphasizing on natural beauty or product safety to satisfy the potential consumers. Understanding the value that driven these young consumers will aid in designing messages with better persuasion.

Field of Research: generation Z, natural beauty product, environmental consciousness, health consciousness, appearance consciousness, need for uniqueness

1. Introduction

The trend for health related products derived from natural ingredients is increasing in demand (Dimitrova, Kaneva, & Gallucci, 2009). Natural ingredients are being processed into a wide variety of products, such as herbal medicine, food supplements, additives for farm animals, personal care products and also cosmetics (Nagasawa & Kizu, 2013). Cosmetics is one of the products using natural ingredients, which are continually growing in the market. The main driver of growth in the natural cosmetics market has been the consumer trend towards healthier lifestyle (Girotto, 2013).

This is to ensure that one’s appearance, body shape and physical control have become central to an individual self-identity (Shilling, 2003, 2007). Shilling (2003) suggested that the body is often considered as a form of physical capital in modern society. Such concepts may help to explain the behavior like eating, dressing and wearing make-up. In addition, with the body is seen as a visual self, the concern on appearance has leads to an increase in consumption of beauty products (Gimlin, 2006). According to a survey by The Nielsen Company in 2007, 30% of consumers worldwide spend more on beauty products and treatments today than they used to. Many consumers believe that natural products have higher standard of quality (APCOWorldwide, 2013). They also contain less synthetic chemicals, compared with conventional products (Girotto, 2013). Besides the growing
emphasis on external appearance and the consumption of beauty products, consumers’ concerned on health and the external physical environment has emerged as a recent consumer trend.

From a sociological point of view, researchers have suggested that consumers’ concern for environment has been a moral basis of some consumption practices (Shaw & Newholm, 2002). In earlier research on consumption, Baudrillard (1981) has proposed the theory of sign value, which he expressed that according to his sign theory, environmentally friendly consumption is a sign indicating morality and ethics in the social context.

Based on the Department of Statistics report in 2012, imported cosmetics products accounted for almost 20 percent of the total market. These products are mostly bring in from France, Germany, United Kingdom, and United States which is the leader of imported cosmetics in Malaysia. Imported brands such as Origin, Yves, Rocher, Juice Beauty and L’Occitance, Garnier Bio Active, Yes to Carrots, Skin Food, and many more were launched in Malaysia market and with short period of time creates demand among the locals. With the information shared from social media and websites, consumers have become more interested in beauty product ingredients, causing the natural beauty market to grow much faster than the common beauty market (Organic Consumer Association, 2007).

In this current study, the main focus is on consumers of Gen Z. Although there are demand for better lifestyle and of healthy and environmentally friendly beauty products, but very few studies has been conducted to investigate these young consumers’ behaviors and attitude toward natural beauty products. Thus, this study attempts to investigate the Gen Z consumers’ beauty product purchase intention. In addition, this study also examines the influenced of Gen Z personal values in the context of their health consciousness, environment consciousness, appearance consciousness, and their need for uniqueness on purchase intention of natural beauty products. For this study, the authors focused on the definition of The Gen Z which refers to individuals that was born between the years of 1990s to 2000. They are described as those people who feel responsible about the environment, thus prefers green products. This is because they were born into an environment where global violence is extensive along with environmental calamities, such as haze and harsh weather that was regularly happened (The Star Online, 2014). This study focused on consumers in their late teens and early 20’s because these consumers represent a substantial market for beauty products, spending more than older generation in this product category (The Nielsen Company, 2007).

Therefore, as expounded earlier, the major aim of this paper is to assess the purchase intention among Gen Z consumers on natural beauty products. Specifically the objectives of the study were to:

1. Examine the Gen Z consumers’ state of knowledge towards basic environmental issues
2. Determine the relationship between Gen Z consumers’ personal values (health consciousness, environmental consciousness, and need for uniqueness) on their purchase intention toward natural beauty products

2. Generation Z

According to Westlund (2010), Generation Z were born mostly during the digital era with most concern on the use of technology, PCs, Mobiles, Devices and internet. Individuals of gen Z are knows for the character of being creative, multi takers and instant indulge. They desire for newest style and the luxury brands available in the international market (Jain & Patel, 2013). These youngsters talk, get associated and fit themselves into a group of peers with same interest. Based on Swain (2007), generation Z consumers mostly mingle with people in the circle where they shared similar interest. Such as groups on fashion trends, electronic gadgets, video games, online games and music. They shared and exchange opinions which allows them freedom of thinking. Gen Z are known as the teenagers of gen X and they are the supporters of Gen Y. These youngsters are peculiar by nature and believes in expressing their opinion. They are highly brand sensible and materialistic as they do
not like to compromise on the latest product in which their friends and peers are using. The reality of this puzzling environment gets them surging forward to achieve their life’s goal with no reluctance and doing everything they can to be perceived differently against their peers. In addition Gen Z are more aware of security, more cautious and more connected. Friends have great influence on the purchase decision of Gen Z (Sophocleous, 2013; Clarke et al., 2010). Compared to Gen Y, Gen Z are smaller in number but they are rapidly growing. Furthermore, the parents of Gen Z happens to be the most educated and more pragmatic in building of their families.

3. Personal Values

Personal value gives an internal reference to what is good, beneficial, important, valuable, excellent, desirable and helpful on observation of consumer behavior (Schwartz, 2003). According to Schwartz (2006), values are concepts or beliefs about desirable end-states or practices that rise above particular circumstances, guide choice or evaluation of behavior and events and are requested by relative importance. Personal values of consumer’s serve as a focal point in many cognitive tasks, for example attitude formation or decision-making about a brand purchase. However, the empirical relationships between personal values and behaviors is generally low (Michael, 1984). Personal values are also recognized as an important factors in environmental buying (Burgess, 1992), with several studies confirming the relationship between personal values and environmentally friendly behavior (Lee, 2011; Van der Werff, Steg, & Keizer, 2013), and between personal values and sustainable ethical behavior (Mirosa et al, 2013). Personal values also affect product choice consumption of organic products (Kriway & Mecking, 2012; Schosler, De Boer, & Boerema, 2013). Consequently, personal values change due to increasing environmental concerns and are increasingly important for businesses to understand consumer behavior from environmental aspects (Fraj & Martinez, 2006).

Personal values have been incorporated into conceptual model based on the constraint in the literature review. In the context of natural consumption, consumer’s purchasing behavior might not fully rely on functional and social values, but rather concerns about the environment (Achabou & Dekhili, 2013). These implications correspond to personal values which refer to consumers’ beliefs that natural products are healthier than conventional products, and more environmentally friendly. Therefore, the current study incorporates four dimensions of personal values namely health consciousness, environmental consciousness, appearance consciousness, and need for uniqueness. These dimensions were chosen based on existing literature and discussed next and the model is illustrated below:

4. Health Consciousness

According to Schifferstein & Oude Ophuis (1998), health consciousness refers to consumer’s behavioral act in relation to health actions. Based on past studies, health consciousness consumers think about the preferred position of prosperity and put forward a push to keep up a healthy life (Newsom et al., 2005). Health conscious consumers understand that their actions will affect their health. Consumers buy environmentally friendly products concerns both on the environmental as well as concern for their own health. In a study of Greek consumers, Arvanitoyannis et al. (2004) found that the large majority of organic food buyers believe that organic food is healthier than conventionally grown food and that about half of them were willing to pay more for the organic version. Thus, health conscious people are concerned with their health, and more likely to be interested to improve their health and living condition (Lee, Conklin, Cranage, & Lee, 2014). In addition, the use of natural cosmetics has become a major trend in recent years as consumers are becoming more mindful that the people are responsible for the world in which we live in (Kotler & Armstrong, 2004). Appreciating the delicate balance of the natural world and strive to maintain the harmony, cosmetic users concerns would prefer using environmentally- friendly products that is safe and harmless to the users and to the world. Thus, the following hypothesis is proposed:
H1: Health consciousness is positively related to purchase intention of natural beauty products in Gen Z

5. Environmental Consciousness

The problems regarding environmentalism has become a significant issues as a result of environmental destruction which are triggered by products, productions process and environmental disaster, (Easterling et al., 1996). The role of environmental concerns on consumer purchasing intention is becoming clear on the consumption of environmentally friendly products. For consumers, the change in consumerism from the 1960s to the period of 1990s have seen changes in terms of the power voiced out by the consumers (Makower, 1993). During this period consumer appears to be more aware that the environment is fragile than they once believed and there are limits to the use of natural resources (Krause, 1993). Specifically it has been proposed that consumers with higher level of environmental concern will be more likely to engage in environmental friendly behavior. These claims have been supported by a number of researches done in previous in which reported that number of consumers expressing environmental concerns and claiming to have purchased environmentally friendly products (Roberts, 1991; Shetzer et al., 1991). Nevertheless, many studies were done on the relationship of environmental consciousness and organic consumption (Salleh et al, 2010), others have found environmental consciousness as an important determinants on consumer decision to buy automobile (Hellier et al, 2003) and green hotel (Davies et al, 2012) but rarely on natural beauty products. Thus, the developed hypothesis is:

H2: Environmental consciousness is positively related to purchase intention of natural beauty products in Gen Z

6. Appearance Consciousness

Many studies were conducted on the relationship between appearance and behavior (Kim & Chung, 2011). In a study done among students by Jain et al., (2013), it was found that they are affected by their concern on physical appearance when purchasing fashion clothing and luxury apparel. Other studies also have confirmed that women who have high desire on improving their physical appearance also have high score on appearance consciousness (O’Mahiny, 2007). In addition, physical appearance consciousness are also related to consumption of luxury cars, dietary products, cosmetics surgery and others (Wang & Waller, 2006). Based on this, appearance consciousness is assumed as a predictor of purchase intention toward natural beauty products. Thus, the following hypothesis is proposed:

H3: Appearance consciousness is positively related to purchase intention of natural beauty products in Gen Z.

7. Need for Uniqueness

Consumers are using their consumption experience in order to make them feel special and unique as well as to differentiate themselves from other consumers (Lynn & Harris, 1997). When a consumer differentiate her/himself from others it is labelled as “consumer’s need for uniqueness” and this is accordance to the theory of uniqueness. According to this theory people engage in a variety of activities, actions and consumption patterns that help them maintain some sense of difference with respect to others. A study from Snyder and Fromkin (1980) have shown that the feeling for uniqueness can influence a person’s attitudes, beliefs, behaviors, product choices, and even choice of mates. In another word, the intention to distinguish one-self from another is referred as a behavior of determined and pervasive psychological phenomenon. In this study, the role that generation Z play in the form of need for uniqueness is denoted as the characteristic of differentness comparative to others through purchase and owning goods or services for the purpose of enhancing
one's social image and self-image (Tian, Bearden, & Hunter, 2001). Thus, the following hypothesis is proposed:

\[ H4: \text{Need for uniqueness is positively related to purchase intention of natural beauty products in Gen Z.} \]

8. Theoretical Framework

Based on the objective of this study that is to examine the influence of student trainees' bullying experiences and emotional dissonance on their subsequent career intentions, the above theoretical framework was developed (Figure 1). The instrument used was adopted from Rayner & Hoel (1997), Chu & Murrmann (2006) and Zahari (2004) earlier related studies.

9. Methodology

9.1 Sample and data collection method

The study was carried out among students at selected University in Klang Valley area as a preliminary research and shall be expanded to other students in different locations in Malaysia. Students were selected according to their age group between 18 to 23 years old, which are currently doing their undergraduate programs. More than 80% of them are living in the urban area. Based on systematic random sampling, a total of 200 questionnaires were distributed to the selected respondents however only 168 questionnaires were returned which contained the complete necessary information and were thus usable. The questionnaire items cover respondents’ socio-demographic and economic background, their personal values response as well as their purchase intention on natural beauty products.

9.2 Instrumentation

The following Table 1 indicates the measures of the study variables used in the study. The instrument items were adopted from previous studies by Michaelidou and Hassan (2008), Roberts (1996), Wang and Waller (2006), Tian et al.(2001), Sondoh et al. (2007).

<table>
<thead>
<tr>
<th>Health Consciousness</th>
<th>Environmental Consciousness</th>
<th>Appearance Consciousness</th>
<th>Need For Uniqueness</th>
<th>Purchase Intention of Natural Beauty Products</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Consciousness</td>
<td>Environmental Consciousness</td>
<td>Appearance Consciousness</td>
<td>Need For Uniqueness</td>
<td>Purchase Intention of Natural Beauty Products</td>
</tr>
</tbody>
</table>

Figure 1: Theoretical Framework of the Study
Table 1: Instrument of the Study Variable

<table>
<thead>
<tr>
<th>Study Variable</th>
<th>No of items</th>
<th>Source of Scale</th>
<th>Type of Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Consciousness</td>
<td>6</td>
<td>Michaelidou and Hassan (2008)</td>
<td>5-point likert scale</td>
</tr>
<tr>
<td>Environmental Consciousness</td>
<td>6</td>
<td>Roberts (1996)</td>
<td>5-point likert scale</td>
</tr>
<tr>
<td>Appearance Consciousness</td>
<td>7</td>
<td>Wang and Waller (2006)</td>
<td>5-point likert scale</td>
</tr>
<tr>
<td>Need for Uniqueness</td>
<td>6</td>
<td>Tian et al. (2001)</td>
<td>5-point likert scale</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>6</td>
<td>Sondoh et al. (2007)</td>
<td>5-point likert scale</td>
</tr>
</tbody>
</table>

10. Finding & Discussion

10.1 Reliability analysis

The Cronbach’s alpha coefficient value for all variables in the study revealed a range of coefficient value from .870 to .938 accordingly.

Table 2: Cronbach’s alpha coefficient of the scales

<table>
<thead>
<tr>
<th>Scales</th>
<th>No. of items</th>
<th>Alpha value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Consciousness</td>
<td>6</td>
<td>0.870</td>
</tr>
<tr>
<td>Environmental Consciousness</td>
<td>6</td>
<td>0.813</td>
</tr>
<tr>
<td>Appearance Consciousness</td>
<td>7</td>
<td>0.911</td>
</tr>
<tr>
<td>Need for Uniqueness</td>
<td>6</td>
<td>0.899</td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>5</td>
<td>0.938</td>
</tr>
</tbody>
</table>

10.2 Descriptive statistics & analysis

The majority (45.2%) respondents are Malays. All respondents are single and currently studying in undergraduate programs with more than 80% of them live in the urban area. High percentage of the respondents (48%) staying in terrace houses. The statistics on monthly household income indicated 32.9% of the respondents’ family received RM1501 to RM5000 and 18.5% received less than RM1500 per month.

10.3 Basic Environmental Knowledge

Table 3 summarizes the number of respondents who answered each item in the knowledge scale correctly. The knowledge scale represents basic and general knowledge related to the environment. The results show that, in general, a high percentage of respondents answered correctly for almost all the 14 statements. From a total 14 questions, 11 questions received more than 80% correct answers. Only one question received less than 50% of the respondents answered correctly. Specifically, when asked if the country will never run short of its natural resources, only 52.9% obtained the correct answer. It is unfortunate that the respondents thought that the natural resources would never be depleted despite of massive development facing by the nation and all around the world.

Table 3: Environmental Knowledge

<table>
<thead>
<tr>
<th>Items of Knowledge Scale</th>
<th>Frequency of correct answers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All living things is important in maintaining balance in ecology</td>
<td>150</td>
<td>89.3</td>
</tr>
<tr>
<td>Natural resources should be preserved for future generation</td>
<td>162</td>
<td>96.4</td>
</tr>
<tr>
<td>The condition of our environment can affect our health</td>
<td>168</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Destruction of forests will cause biological imbalances 146 86.9
A country will never run short of its natural resources 89 52.9
Most rivers in Malaysia are contaminated 145 86.3
Malaysia is faced with serious garbage and landfill problems 160 95.2
Substitute energy (solar energy) can be utilized to replace electricity 166 98.8
Infrastructure development is a top priority than the natural environment 56 33.3
Usage of disposable goods should be encouraged for convenience 30 17.8
Unleaded petrol is better than leaded petrol as it is less harmful to the environment 146 86.9
Using public transport can help reduce air pollution 162 96.4
Vehicles improperly maintained will cause pollution 150 89.2

11. Statistical Analysis

Multiple regression analysis was utilized to determine the relationships between the independent variables and dependent variable. As shown in table 5.0, the F-value of 23.984 with p=0.000 showed that the overall model is statistically significant. Moreover, the R-square value of 0.371 indicates that the combined variables explained 37% variance in generation Z intention to purchase natural beauty products. The following tables summarized the findings of the multiple regression analysis.

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.609</td>
<td>.371</td>
<td>.355</td>
<td>.63734</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>38.970</td>
<td>4</td>
<td>9.742</td>
<td>23.984</td>
</tr>
<tr>
<td>Residual</td>
<td>66.211</td>
<td>163</td>
<td>.406</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>105.180</td>
<td>167</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.630</td>
<td>.368</td>
<td>1.715</td>
</tr>
<tr>
<td></td>
<td>Environmental Conscious</td>
<td>.397</td>
<td>.085</td>
<td>.339</td>
</tr>
<tr>
<td></td>
<td>Health Conscious</td>
<td>.186</td>
<td>.090</td>
<td>.151</td>
</tr>
<tr>
<td></td>
<td>Need for uniqueness</td>
<td>.157</td>
<td>.066</td>
<td>.186</td>
</tr>
<tr>
<td></td>
<td>Appearance Conscious</td>
<td>.154</td>
<td>.064</td>
<td>.181</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Purchase Intention
As shown in table 6.0, four variables namely environmental consciousness, health consciousness, appearance consciousness and need for uniqueness have unique contributions to variance in generation Z purchase intention on natural beauty products. Generation Z’s environmental consciousness with $\beta = 0.397$ and $p = 0.000$, has the highest unique contribution to variance in their purchase intention on natural beauty products. This is followed by health consciousness, $\beta = 0.186$ and $p = 0.039$. Consumer’s need for uniqueness is the third variable with unique contribution to generation Z purchase intention on natural beauty products with $\beta = 0.157$ and $p = 0.017$. Appearance consciousness has a minimal unique contribution to generation Z purchase intention with $\beta = 0.154$ and $p = 0.017$.

12. Conclusion and Future Recommendation

In this current study personal values was considered as intrinsic values operationalized by the dimensions of health consciousness, environmental consciousness, appearance consciousness, and need for uniqueness. The results indicated that environmental consciousness was ranked highest, followed by health consciousness, need for uniqueness and appearance consciousness. Hence, the main driver to purchase natural beauty products among the generation Z is environmental consciousness. This is in line with the research findings of previous studies such as Kim and Seock (2009) who found that consumers purchasing intention toward natural beauty products were influence by environmental issues. The current study posits that the dimension of personal values have significant positive impact on purchase intention. This study has confirmed that consumers intend to purchase natural beauty products when they hold a greater degree of concern about the environment, their health, appearance and being different. Thus, this study suggests that creating a positive attitude toward buying intention of natural beauty products may be a significant consideration for retailers to increase consumers’ purchase intentions for the products.

Earlier studies about generation Z mainly focuses on these young consumers’ interest on internet, gadgets, and information about brands (Swain, 2007), but the present study looks at a different perspectives of the generation Z a more serious matters, especially their concern toward the environment and health issues. The findings support the notion that the environmentally conscious consumers must be able to understand the basic environmental knowledge thus it will correlate with the higher environmental concerns.

Based on the study’s limitation, several suggestions for future research are made. First, the population must cover more number of university students from various public and private institutions. As most of the current study’s respondents live in the urban area, perhaps different results may derived from those living in the rural area. It is to be suggested that the future research could use both online and offline surveys, to compensate for the weakness of each methods. In addition most of University students rely heavily on online communications (social media) such as Facebook. Second, it would also be valuable to explore the factors influences attitude and purchase intentions toward stores offering natural beauty products. Third, it would be much contributing, if the same study to be extended to other group of generation Z in other Asian countries, in order to see whether there will be different set of values hold according to culture and way of living.

There could be practical implications of the results. For the practicing marketers, it might be seen that different advertising may work differently for different groups of consumers (Basil & Weber, 2006). An understanding of consumer values may have implication on public policy implementation as well. Understanding of what message will be resonate with different market segment will aid in designing messages with better persuasion. In addition, future research might help natural beauty products retailers to understand how consumer values influence attitude toward the store. It could suggest the establishing a positive attitude toward stores might play an important role in increasing consumers’ store purchase as well as enhancing store preferences. It is also suggested that retailers should develop an effective marketing strategies emphasizing on ecological beauty or product safety.

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to satisfy the values of potential consumers. As the group of respondents in this study are generation Z, the young consumers but is known as potential buyers for natural beauty products, it is suggested that retailers might want to change consumers’ perception of higher price to affordable prices using multiple marketing strategies (such as discount, viral video, new product development), which would make the young consumers believe that they are capable to buy natural beauty products.

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