The Relationship of Thai Consumers’ Health Consciousness and Perceived Value

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Abstract

The aim of this study is to investigate the relationship between Thai consumers’ health consciousness and their perceived value of vegetable oil products. As a result of increasing in consumers’ health consciousness, the study collected data from 500 vegetable oil, soybean and palm oil consumers from Songkhla province, Thailand. The questionnaire was developed using five-point Likert-scale of health consciousness and perceived value based on Jayanti & Burns (1998) and Shaharudin, et. al. (2010). The result shows that, most respondents were female, aged over 20 years old with bachelor degree, and primarily consume soybean oil. Consumers’ level of health consciousness is generally high with average score of 3.80. Most of the respondents are interested in heath information of the products that are related to their health. For perceived value, their perceived value of vegetable oil is medium with an average score of 3.36. However, they perceive highly that consuming vegetable oil is good for health. The results also show that there are no significant differences between health consciousness and perceived value of soybean and palm oil consumers. Furthermore, the result shows that the Pearson-correlation between consumers’ health consciousness and perceived value is significant with a moderate correlation value of 0.45 in a positive direction. In conclusion, if targeted customers have a high level of health consciousness, showing a product’s information related to their health will help increase their perceived value of the vegetable oil products or vice versa.

Key words: Health consciousness, Perceived value, Vegetable oil
JEL Classification : C 19, G13, G 14
1. Introduction

Nowadays, consumers around the world are highly concerned about their health because it forms their way of life (Lorinczi, 2008). Consumers have increasingly sought substantial information on health-enhancing products and services, especially in the United States (Royne et al., 2014). While this trend of consumer health consciousness has accelerated, there is also an increase in the proportion of expenditures on food outside their home from 32% in 1980 to 44% in 2010 (Ellison et al., 2013). This style of living might result in a risk of diet-related diseases (Mai and Hoffmann, 2012). In addition, people are taking various approaches to prevent the diseases and to become healthier, for instance consuming more natural and unprocessed food (Jay-Russell, 2010). This healthy lifestyle well practiced in the developed countries. However, a developing country like Thailand has revealed that 77 percent of Thai consumers have been more health conscious since only 2009. It has been indicated that Thai consumers are spending their time to find out the healthy foods as one of the top activities moving towards health conscious behavior (Bangkokbiznews.com, 2009). This provides support of health consciousness for consumers in which reveals a significant increase in consumption of vegetable oil, compared to lard oil. When vegetable oil products first launched in the Thai market (Kingpayome, 2003). Naylar, Droms, & Haws (2009) suggested that consumers who are highly concerned about their health tend to try products that they perceived as good for their health.

As consumers become highly concerned about their health, companies have introduced a great deal of health related products (Hong, 2011). Companies also provide substantial information over the internet to educate and to facilitate consumers who seek health-related information (Jay-Russell, 2010, Iversen and Kraft, 2006). While consumers have been equipped with various ways of information, it has been identified that the information has caused confusion in consumers (Royne et al., 2014), and in consumers’ experience (Jay-Russell, 2010). For example, three sources of information have provided regarding oil products (i.e., soybean, palm, and lard oil) in the late 1980s. The first source of information on advertising indicates that quality oil products should remain the same texture, even though in the refrigerator. This advertising has affected consumers’ attitude towards quality oil products in which they perceived that the lard and palm oil might affect to their health more than soybean oil. The second source affirms the point that palm oil is cheaper, higher in nutrition, and lower in cholesterol (Nopporn, 1998). The last one suggests that palm oil and soybean oil have to use for different purposes. While consumers perceived that there are several benefits of products, it has been found that their decision has been based on price more than other factors (Nopporn, 1998, Kingpayome, 2003). Based on this generalization, it leads to the focus of this study to find whether this holds true in health conscious consumers.
Accordingly, this research investigates the relationship between consumer’s health consciousness and their perceived value of the product, especially Thai consumers.

2. Literature Review

2.1 Health consciousness

As a result of an increase of in health policies, health consciousness has increased since the Mid 1980s and is a cause of consumers’ healthiness (Ayo, 2012). Health consciousness has been researched and tested in many contexts, however, its conceptual and operational definitions are not consistent (Hong, 2011).

Becker et al. (1977), stated that health consciousness is an assessment of the level of readiness to have health actions. Jayanti and Burns (1998) defined health consciousness as the integrating of health concerns into an individual’s life activities. Iversen and Kraft (2006) also pointed that health consciousness refers to how individuals pay attention to one’s health. In order to crystallize its definitions, Hong (2011) synthesized its meaning from the previous marketing related researches together with cultural and societal contexts, and defined health consciousness, based on a personal health perception aspect, as individual’s attentiveness, responsibilities, and motives to be healthy. Hence, the health conscious consumer is the one who prefer to do somethings for having a good health together with taking healthy actions (Ling-Yu and Shang-Hui, 2013), such as consuming healthy food products (Mai and Hoffmann, 2012).

Royne et al., (2014) found that health consciousness affected consumer’s attitude on dietary supplement products which caused their perceived benefits of the products. However, when numeric calories labels are presented on food package, the research by Ellison, Lusk, and Davis (2013) shows low impact to health conscious consumers. In contrast, the consumers who have less health consciousness seem to be more interested in the numeric calories labels. They give more explanation as the differences in education and knowledge levels between high and low health conscious consumers. Moreover, Hong (2011) found that the health consciousness has both a direct and indirect effect on how individual accept the health messages in the media. He also stated that the level of health consciousness can be applied to health message design. In order to satisfy the customers, Mai and Hoffman (2012) suggested to segment a market based on health conscious level into two groups, Taste Lover (TL) and Nutrition Fact Seekers (NFS). They described that TL does not care about the nutrition and safety, while NFS will select the food choices carefully to be sure that the selected foods have no harm to their health. Finally, their research confirms that health conscious consumers consider whether the food product’s attributes can have an effect on their healthy condition.
2.2 Perceived value

As stated by Zeithaml (1988) it is not easy to define the perceived value clearly, because it depends on consumer’s perspective and understanding of what the value to him/her is. However, it is undeniable the importance of perceived value, especially in a business context and there has been more attention to this construct since 1990s, and this has been added into the Marketing Science Institute’s research priorities list in 2006-2008 (Sánchez-Fernández and Iniesta-Bonillo, 2007).

Although, its definition is not crystal clear, Zeithaml (1988: 14), whose research is most cited in describing perceived value, provides this definition “the consumer’s overall assessment of the utility of a product based on perceptions of what is received and what is given”. From her research, perceived value can be grouped into four types of value based on a consumer’s perspective, which are 1) low price, 2) meet the needs, 3) price and quality, and 4) get and pay. Later, Woodruff (1997: 142)’s article entitled “Customer Value: The Next Source for Competitive Advantage” defined perceived value as “customer’s perceived preference for an evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate (or block) achieving the customer’s goals and purposes in use situations”. So, it can be implied that value is a trade-off between benefits and sacrifices based on the standards, rules, criteria, norms, and goals (Sánchez-Fernández and Iniesta-Bonillo, 2007).

Because of its variety, Zeithaml (1988) also concluded that the benefits of value consist of intrinsic and extrinsic attributes, quality, and other abstractions that depend on a consumer’s evaluated frame of references. Thus, perceived value can be viewed as uni-dimensional or multi-dimensional construct as suggested by Sánchez-Fernández, and Iniesta-Bonillo (2007)’s research streams on perceived value, and presented in Figure 1. For the uni-dimensional approach, this study focuses on the means-end theory or Zeithaml’s approach that shows the relationship between perceived value and behavior as stated previously. For a multi-dimensional approach, this research focuses on consumption-value theory that categorized value into five groups, which are functional, social, emotional, epistemic, and conditional. However, Sweeney and Soutar (2001) suggested that functional value would be the key factor for consumer’s decision making to buy or not buy the products and services. They also concluded that the perceived value occurs throughout the purchase process, and can be generated even though there is no product or service being bought or used.
2.3 Health consciousness VS Perceived value

The research of Shaharudin et al. (2010) investigated the impact of perceived value toward an intention to purchase organic products in Malaysia. They also employed health consciousness into the study because organic food can symbolized as a healthy food without pesticides, fertilizers, and other dangerous substances. Although there was no evidence to show the relationship between perceived value and health consciousness, they stated that increasing the perception of organic products would rise up the level of health consciousness among the consumers as well. Further, Gorowara and Chaipoopirutana (2014) had done the same research in Thailand, but the relationship between health consciousness and perceived value of organic food is not clearly presented. In fact, there is a lack of evidence to show the relationship between these two constructs as presented in the paper of Azzurra and Paola (2009) and Kim et al. (2011). The results can imply that there is some relationship between health consciousness and perceived value of organic food whether in South Korea or Italy. Thus, this research hypothesizes that the relationships of the two constructs exist.

3. Methodology

3.1 Research Questions

Although there is some evidence showing the possibility of a relationship between health consciousness and perceived value, no research papers confirm their association exactly. Further, those researches focus only in organic food products, while other general consumption food product has never been applied. Thus, this paper has only one question: Is there any relationship between health consciousness and perceived value of product, especially for vegetable oil products?
3.2 Modeling Volatility

In this paper, only two constructs, health consciousness and perceived value, are employed to test their relationship. As presented in Figure 2 the model has been applied from Jayanti and Burns (1998), Shaharudin et al. (2010), Hong (2011), and Mai and Hoffmann (2012).

![Research framework model](image)

Figure 2: Research framework model

3.3 Data

In this study, five hundred of self-administered questionnaires were collected from the respondents who live in Songkhla Province, Thailand. To be qualifying, the respondents screened just only the one who had ever consumed both palm oil, and soybean oil. The questions measuring health consciousness are on five-point Liker-scale, and adapted from Jayanti and Burns (1998), and Michaelidou and Hassan (2007). As well as perceived value that is adapted from Shaharudin et al. (2010). The questionnaire has evaluated for its validity by a professor in marketing, and reliability by pre-testing for Cronbach’s alpha. The results show that the questionnaire is valid and reliable with Cronbach’s alpha 0.906 for health consciousness, and 0.845 for perceived value. Descriptive and Inferential statistics were employed to analyze and test the hypothesis. The results are shown in the following section.

4. Results and Discussion

4.1 Descriptive

From 500 of respondents, the result shows that most of them were women (69.80%), aged between 20-29 years old (50.40%), of average income lower than 10,000 THB (54.40%), holding a bachelor’s degree (56.40%), have 3-4 members per family (56.60%), and consumed soybean oil (59.80%).

For health consciousness and perceived value, the average score and standard deviation have been analyzed, and the results are shown as presented in Table 1 and 2.
Table 1: Average score and standard deviation of Thai consumers’ health consciousness

<table>
<thead>
<tr>
<th>Variables</th>
<th>( \bar{X} )</th>
<th>S.D</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Worry about harmful chemical in food</td>
<td>3.79</td>
<td>0.947</td>
<td>High</td>
</tr>
<tr>
<td>2. Concerned about consumed food</td>
<td>3.74</td>
<td>0.892</td>
<td>High</td>
</tr>
<tr>
<td>3. Usually read the ingredients on food label</td>
<td>3.72</td>
<td>0.901</td>
<td>High</td>
</tr>
<tr>
<td>4. Read health-related articles</td>
<td>3.86</td>
<td>0.828</td>
<td>High</td>
</tr>
<tr>
<td>5. Interested in health-related information</td>
<td>4.02</td>
<td>0.852</td>
<td>High</td>
</tr>
<tr>
<td>6. Concerned about health all the time</td>
<td>3.68</td>
<td>0.956</td>
<td>High</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3.80</strong></td>
<td><strong>0.675</strong></td>
<td><strong>High</strong></td>
</tr>
</tbody>
</table>

From Table 1, it is confirmed that most of Thai consumers were concerned about their health, or health conscious, that is consistent with the previous research of Ayo (2012). Further, overall health consciousness is high, while their highest consciousness is on health-related information. This situation corresponds with the U.S.A. (Royne et al., 2014), because they can access health-related information sources easily via online (Jay-Russell, 2010, Iversen and Kraft, 2006).

Table 2: Average score and standard deviation of perceived value of vegetable oil

<table>
<thead>
<tr>
<th>Variables</th>
<th>( \bar{X} )</th>
<th>S.D</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Quality value for money</td>
<td>2.97</td>
<td>0.982</td>
<td>Medium</td>
</tr>
<tr>
<td>2. Get the necessary vitamins and minerals</td>
<td>3.38</td>
<td>0.818</td>
<td>Medium</td>
</tr>
<tr>
<td>3. Get the essential nutrients</td>
<td>3.36</td>
<td>0.784</td>
<td>Medium</td>
</tr>
<tr>
<td>4. Good for the body</td>
<td>3.46</td>
<td>0.826</td>
<td>High</td>
</tr>
<tr>
<td>5. Increase health</td>
<td>3.32</td>
<td>0.890</td>
<td>Medium</td>
</tr>
<tr>
<td>6. Follow the advice of government institutions</td>
<td>3.69</td>
<td>0.857</td>
<td>High</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3.36</strong></td>
<td><strong>0.605</strong></td>
<td><strong>Medium</strong></td>
</tr>
</tbody>
</table>

Table 2 shows the consumers’ perceived value of vegetable oil products, soybean and palm oil specifically. Although their perceived value is not totally high, the consumers perceive that vegetable oil is good for their body as a health-enhancing product (Naylor et al., 2009).

4.2 Hypothesis testing

From the literature review, although it is just a clue, we hypothesize there is some relationship between health consciousness and perceived value. And, the result is shown in Table 3.

\( H_0: \rho = 0 \)

\( H_1: \rho \neq 0 \)
Table 3: Correlation coefficient between Thai consumers’ health consciousness and perceived value

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Health consciousness</th>
<th>Perceived value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>r&lt;sub&gt;xy&lt;/sub&gt;</td>
<td>P-value</td>
</tr>
<tr>
<td>1. Health consciousness</td>
<td>1.000</td>
<td>0.000</td>
</tr>
<tr>
<td>2. Perceived value</td>
<td>0.450</td>
<td>0.000</td>
</tr>
</tbody>
</table>

The result shows that there is a significant to moderate correlation between health consciousness and perceived value (Taylor, 1990) with a positive direction. Thus, the result can be applied to explain why health conscious consumers still make a decision based on price (Nopporn, 1998, Kingpayome, 2003) instead of its value to their health.

5. Conclusions and Recommendations

As stated earlier, this research aims to investigate the relationship between health consciousness and perceived value of Thai consumers toward vegetable oil product, soybean and palm oil specifically. In general, Thai consumers have a high health consciousness, especially when searching for health related information. Although, their perceived value toward vegetable oil is moderate, they diligently follow the government’s advice to use vegetable oil as good for the body. It has found that the relationship between the two variables is positively moderate.

The recommendations presented into three groups. Firstly, for vegetable oil companies, they have to focus more on a marketing communication strategy. Although, vegetable oil is good for health, the consumers need and value information about nutrition, vitamins, and minerals. The marketers should provide trusted information through media that consumers are familiar with it. Secondly, for the government, the result indicates that health conscious consumers tend to believe and follow the government’s advice and information. Thus, the Thai government must promote health related information together with encouraging consumers to ask for a government stamp of approval on healthy products. Finally, for academia, this research presents some signals of the importance of the relationship between health consciousness and perceived value. Thus, more research needed to confirm their significant relationship.

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References


