



Analysis of Correlation between Purchase Motive and purchase behavior of Local Food Consumers in South Korea

Kang Soon Hwa¹ and Ju Sang Hyeon^{*2}

¹Dept. Of Advertising & PR & Event Planning,
Woosuk University, Korea
liveevent@hanmail.net

^{*2}Dept. Of Public Administration,
Chonbuk National University, Korea
ju1414@jbnu.ac.kr

Abstract

Background/Objectives: This study was conducted to analyze purchase motives of consumers who visit local food stores and use basic data by encouraging them to buy goods and developing as well as offering preferred or satisfying goods in perspective of consumers. It investigated the effects of local food buying motives and consumption value on local food buying behaviors in order to achieve this purpose.

Methods/Statistical Analysis: This study used quantitative access to study local food purchase drive, consumption value, and purchase behavior. 293 questionnaires were used to perform statistical analysis in survey. In addition, frequency analysis for identifying the demographic characteristics of subjects and exploratory factor analysis for verifying reliability using Cronbach's Alpha coefficients to understand the reliability and internal consistency as well as for investigating the commonality and validity of variables were conducted. It also conducted regression analysis to understand the association among local food buying motives of consumers, consumption value, and purchase behavior.

Findings: Our study demonstrated that local food buying motive and purchase value showed a positive association with purchase behavior. Local food in South Korea is a crucial factor in terms of a significant motive for regional development in the future. Particularly it is necessary to introduce the fourth industrial revolution technology in agricultural production, distribution, consumption, and front and rear industry in order to contribute to the development of rural areas and encourage Korean agriculture as a future growing industry.

Improvements/Applications: Findings from this study can be used for evidence of launching relevant policy, provide insightful implications to local government policy, and become an appropriate research for developing local society and building up capacity.

Key Words : Local Food, Purchase Motive, Purchase Behavior, Consumption Value, Local Food Farmer's Market.

1 Introduction

Local food protects agricultural producers, guarantees the stability on food for consumers, ensure the revitalization of local farming and the diversity of local foods in a way that it established the distribution system of alternative crops centered on regions [1, 2]. In addition, it retains a social implication that not only involves phsiyical distance of consuming agricultural products produced in certain regions in those areas, but also involves social distance that all subjects have continuity and perform economic activities ranging between agricultural production and consumption. Therefore, local food movement increasingly emerges as a recent major issue in the local society in South Korea as cooperation, sharing, and trust are important values as developing methods for the local society [3]. Local food in South Korea appeared in the 2000s. Yongjin Nonghyup store, opened in 2008, is the best example located in Yongjin, Wangju-gun in Jeollabuk-do. Agricultural products are actively repurchased as farmers display local food, decide price, conduct remaining pesticide inspection to ensure the safety of products on the principle of havesting and selling them on that day,

and relieve concerns over food products by consumers by installing organic agricultural food booth. There are 80 local food stores on February 2017. It is recognized as a distribution mechanism by which producers pay little commissions and directly sell local food to consumers. Furthermore, it reduces distribution expenditures such as transportation, personnel expense, and saving costs by consuming local food within certain regions and serve as a center for building regional image as a store that sells local agricultural products, processed food, and special regional products as well as for regional economic activation. As this usefulness and efficiency of direct stores are popular, there is an increasing numbers of other cities and municipalities seek for various policies to open new direct stores [4]. However, domestic local food stores undergo difficulties for growth due to lack of business models and small size. This study thus aims to explore the effects of local food purchase motive and consumption value on local food purchase behavior as research on the association between local food purchase motive of consumers and purchase behavior. In addition, it will be used as basic data to develop and provide preferable and desirable products in terms of consumers and contribute to establishing marketing strategies such as growing advanced methods through fusion and diversification of local food.

2 Theoretical discussion

2.1 Review on earlier studies

As high social interests in local food, it studies cases analysis associated with local food and domestic cases in terms of marketing. First, Wi et al.(2013) presented an example of Wakayama Kinosatosi farming direct store and added that it functions as a hub for providing safe crops, succeeding local cuisine culture, and local revitalization [5].

Kim(2013) mentioned in his case study on direct stores in Japanese agricultural union that successful factors included differentiation from retail food stores, trust between farms and consumers, special local products, better place for tourism and public transportation, various products, regional agriculture revitalization, and exchange between urban and rural areas. Hwang [6, 7] analyzed the his-

tory, flow, and current status of agricultural food store in Japan. In addition, he classified stores into independent, local autonomous operation, and local association(JA) types, evaluated center of local revitalization and independence as well as circulation of local economy, and summarized its functions and roles in rural areas. Hawng et al.(2013) analyzed the current status and successful factors of Yongjin Nonghyup local food store. He selected autonomous government cooperation and support, voluntary efforts by farmers, geographical condition, agricultural structure of small quantity batch production, consumer-centered store management as successful factors [6]. In addition, Baek et al.(2013) presented pursuing health, pursuing economic profits, pursuing eco-friendliness, boosting consumers' trust by ensuring safe quality of products, reasonable price decision, fresh vegetable, expanding the sale of fruits, and expanding the awareness of local food as major shopping motives that affect consumer satisfaction at Yongjin store [8]. Lee(2017) proposed in a study on methods of experience tourism commercialization associated with local food direct store that consumer reliability should be enhanced by pursuing health, fresh food, and security that leads to the safe quality of products, expand the marketing extent, create a business model for experience tourism commercialization related with local food direct stores, and the sixth mixed industrialization industry that connects cities with rural areas should be actively launched [2]. Kang(2015) drew experience tourism factor through local food-based experience tourism and experience factors, and proposed the growth of more developed project by diversifying local food fusion for the advancement of local food-based sixth industry[9]. Despite numerous studies on local food conducted over the past years, most studies focused on problems of the distribution system of agricultural products or the justification of local food as the direct transaction system of producers and consumers [10]. Thus, the use of analysis data on purchase motive and purchase behavior of consumers who visited local food stores is expected to not only give academic contributions to drawing implications on the improvement of local food policy and institutions, but have substantially social values in launching the local government policy.

2.2 Analysis frame

This study conducted survey and in-depth interview with experts to meet our goal to encourage purchase and develop preferable and desirable products in terms of consumers by exploring research trend of local food and analyzing purchase motives of consumers who visited local food stores and to draw a desirable direction of local food revitalization and tourism product associated with direct stores among Yongjin Nonghyup local food store visitors. Based on Baek(2013), Lee(2017), and Kang & Ju(2017) papers as theoretical evidence of this study model, purchase motive of local food consumers, consumption value, and purchase behavior were found to have influential relationship. Therefore, it formulated the association that affects purchase motive of local food consumers, consumption value, and purchase behavior and built a study model like Figure 1 based on findings from the above earlier studies. The study model includes the following specific questions. First, purchase motive of local food consumers may affect purchase behavior. Second, purchase motive may affect consumption value. Third, consumption value will give impacts on purchase behavior.

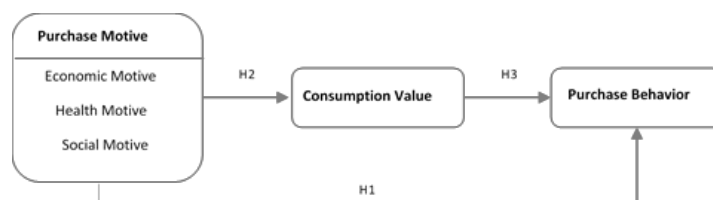


Figure 1: Research Model

2.3 Survey design and analysis method

The purpose of this study is to analyze the influence of local food purchase motive and consumption value on purchase behavior as the association of buying motives of consumers and purchase behavior with local food in South Korea. Consumers with twenty years old who bought local foods at Yonggin Nonghyup local food store were recruited as subjects. Consumers who visited the local food store participated in face-to-face interview from October 16,

2017 to October 31, 2017. Questionnaires were distributed and 293 were analyzed as valid samples. Surveyors received the preliminary survey education and performed survey. They were advised to give full explanation to respondents, give additional explanation, and help them revise written contents. For study methods, SPSS 23.0 program was used for analysis. First, frequency analysis was conducted to examine the demographic characteristics of subjects. Second, exploratory factor analysis was carried out to understand the commonality and validity of testing reliability and variables using Cronbach's Alpha coefficients in an effort to see the reliability and internal consistency of questionnaires. Third, it performed regression analysis to figure out the correlation among local food purchase motive of consumers, consumption value, and purchase behavior.

3 Results

3.1 Demographic characteristics of subjects

Results from the demographic characteristics of respondents are presented as follows. In 293 collected samples for this study, 241 (82.3%) were women and 52(17.1%) were men. For the age distribution, it was found that 101(34.5%) belonged to 40s, 92(31.4%) belonged to 50s, 62 (21.2%) pertained to 30s, 26(8.9%) pertained to 60s, and 12(4.1%) were 20s. For educational status, 210(71.7%) were college graduates, 56(19.1%) were high school graduates, and 27(9.2%) were more than master degree. It showed relatively higher educational status. For job distribution, 138(47.1%) were housewives, 56(19.1%) were self-employed, 55(18.8%) were professionals, 15(5.1%) were farmers, and two(0.7%) were sale and service officers. Lastly for monthly income, 104(35.3%) were between 3.01-4 million won, 85(29.0%) were over 4 million won, and 71(24.2%) were between 2.01-3 million won.

3.2 Reliability and validity of measuring scale

1) Analysis of reliability and validity of measuring scale

Reliability analysis and factor analysis were carried out to test reliability and validity of used measuring categories. Entire cat-

egories and composition categories used Cronbach's Alpha coefficients to verify the reliability of survey questions and varimax among orthogonal rotation factor analysis for testing the validity. Cronbach's coefficient as test for internal consistency was used as a coefficient of reliability to examine the stability, consistency, and predictability of collected questionnaires. As a result, Cronbach's α turned out more than 0.8 and earned reliability. Explorative factor analysis included 12 categories of local food purchase motive of consumers, analyzed major elements; thus, factor analysis was conducted by five times repeated rotation of varimax with Kaiser normalization. Three factors were extracted from local food purchase motive of consumers and these factors show 71.582% of distributed explanatory power of total variants. Bartlette sphericity test and KMO sample conformity test showed that the significant probability turned out 0.000 in Bartlett sphericity test and found that it was appropriate for factor analysis. The assessment of KMO sample conformity test showed 0.853, which was quite moderate.

Reliability test on consumption value and reliability coefficient of measuring instruments showed all over 0.9. Overall, it shows high internal consistency and reliability on categories were found to have adequate level of reliability. Distributed explanatory power of result factory turned out 65.824% in Exploratory factor analysis on consumption value. Bartlette sphericity test and KMO sample conformity test revealed that the significant probability turned out 0.000 in Bartlett sphericity test. In addition, KMO sample conformity test resulted in 0.892, which was remarkably higher. Bartlette sphericity test suggested the significant probability of 1303.342($p=.000$) and found appropriate for the use of factor analysis.

3.3 Reliability and validity of measuring scale

1) Correlation between local food purchase motive and purchase behavior

Multiple regression analysis was implemented by setting local food purchase motive as an independent variable and purchase behavior as a dependent variable. It demonstrated significant impacts in terms of verifying the association between purchase motive and purchase behavior. It was adopted as economic motive($\beta.374$)health

motive(β .290)and social motive(β .250) were influential(Table 1).

Table 1: Correlation between local food purchase motives of consumers and purchase behavior

subordination variable	independent variable	non-standardized regression coefficient		standardized regression coefficient	t	Significant probability
		B	Standard error	β		
purchasing behavior	(constant)	16..014	.120		133.405	.000
	Economic motive	.90 4	. 120	.374	7.520	.000***
	health motive	.703	. 120	.290	5.843	.000***
	social motive	.605	. 120	.250	5.033	.000***
	R2= .535 p<.001 F= 38.674					

***:p<001, **:p<01, *:p<05

2) Correlation between local food purchase motives of consumers and consumption value

Multiple regression analysis was carried out by setting local food purchase motive as an independent variable and consumption as a dependent variable. It showed significant influence in verifying the association between purchase motive and consumption value. As social motive(β .336), health motive(β .232)and economic motive(β .184) were found to affect, it was adopted (p<.001) (Table 2).

Table 2: Correlation between local food purchase motives of consumers and consumption value

subordination variable	independent variable	non-standardized regression coefficient		standardized regression coefficient	t	significant probability
		B	standard error	β		
consumption value	(constant)	-.1..540E-16	.105		.000	1.000
	Economic motive	.463	.105	.232	4.402	.000***
	health motive	.672	.105	.336	6.382	.000***
	social motive	.367	.105	.184	3.490	.001***
	R2= .447 p<.001 F= 24.096					

***:p<001, **:p<01, *:p<05

3) Correlation between local food consumption value and purchase behavior

Regression analysis was performed by setting local food consumption value as an independent variable and purchase behavior as a dependent variable, which shows significant influences in verifying the association between consumption value and purchase behavior. As consumption value (β .521) was found to give impacts, it was adopted ($p < .001$) (Table 3).

Table 3: Correlation between consumption value of local food with purchase behavior

subordination variable	independent variable	non-standardized regression coefficient		standardized regression coefficient	t	significant probability
		B	standard error	β		
purchasing behavior	(constant)	16.014	.121		132.464	.000
	consumption value	.630	.061	.521	10.408	.000***
	R2= .521 p<.001 F= 108.327					

*** : $p < .001$, ** : $p < .01$, * : $p < .05$

4 Conclusion

Serving as a major impetus for revitalizing rural areas, local food gains a large attention from countries given that it guarantees food safety, health, and nutrition at the same time. In South Korea, community crisis is heightening as economic and social polarization deepen in shadow of economic development growth despite noteworthy national growth and remarkable performance spotlighter by the world. In response to these negative problems, multiple efforts ranging between fundamental contemplation on the market economic system that engenders poverty and social isolation to solutions on social isolation triggered by job instability and welfare degradation are launched by public society in South Korea. This study will first identify the value of local food in terms of social economy and contribute to see the real aspect of local food and formulate responses and policy as a major drive for reinterpreting the concept of local food and revitalizing rural areas. Second, agricultural competitiveness can be reinforced, the value of front and

rear industry can be created, and the quality of live in rural areas can be improved by for end users to use robots, drones, self-driving agricultural machines, rural remote medical service generated from the development of IoT, big data, clouding computer, deep learning, and AI as core technologies in the fourth industrial revolution to apply in farms. Findings from this study can be used for evidence of launching relevant policy, provide insightful implications to local government policy, and become an appropriate research for developing local society and building up capacity. On top of that, results will serve as a basis for creating a comprehensive rural economy revitalization strategy and evidence of policy in metropolitan areas.

References

- [1] Kang, S.H. & Ju, S.H. (2017). The Influence of Local Food base Experience Tourism on the Consumption Value and Brand Loyalty. *Korean Journal of Local Government & Administration Studies*, 31(2), 44-63. Retrieved from <http://www.riss.kr/link?id=A104186096>
- [2] Lee, J.J. (2017). Study of Experience Tourism Merchandising Linked to Local Food Farmer's Market. **Woosuk University**. Retrieved from <http://www.riss.kr/link?id=T14476263>
- [3] Ju, S.H. (2017). An Analysis and Policy Implication of the Local Food Success Factors. *The Korean Journal of Local Government Studies*, 19(3), 291-315. Retrieved from <http://www.dbpia.co.kr/Journal/ArticleDetail/NODE06567861>
- [4] Kim, J.H. (2015). Regional Circulation Symposium through Local Foods' Sixth Industrial Community. Connection. *ChungNam Institute*. 15(12), 93-104. Retrieved from https://www.cni.re.kr/post/?uid=1515SM123&search_post=%25EA%25B9%2580%25EC%25A2%2585%25ED%2599%2594&single_post=reports
- [5] Wi, T.S. & Hwang, S.C. (2013). A Study on the Use of Vegetable Imports and Domestic Distribution. *Korean*

- Food Marketing Association, 29(1), 73-92. *Retrieved from* <http://www.riss.kr/link?id=A60045632>
- [6] Hwang, S.H. & Chung, J.H. (2013). Success factors and Implications of Yongjin Nonghyup Local Food Direct. Korean Food Marketing Association. Nonghyup Economic Research Institute CEO Focus 303. *Retrieved from* <http://www.krei.re.kr/krei/selectBbsNttView.do?bbsNo=25&key=103&nttNo=42900>
- [7] Hwang, S.H., Hong, S.H. & Chung, J.H. (2014). Study for Consumer's Attributes of Local Food Store. Korean Food Marketing Association. Conference. 38-57. *Retrieved from* <http://kiss.kstudy.com/thesis/thesis-view.asp?key=3232760>
- [8] Baek, S.W & Kim, S.H. (2013). Shopping Motives and Customer Satisfaction in the Local Food store. Korea Journal Food Marketing Economics. 30(2), 47-66. *Retrieved from* <http://www.riss.kr/link?id=A60045632>
- [9] Kang, S.H. (2015). E-book development for Wanju local food-based farmers. The Korean Association of Public Administration, conference. 2105(12), 454-462.. *Retrieved from* <http://www.dbpia.co.kr/Journal/ArticleDetail/NODE06698401>
- [10] Yoon, B.S., Kim, S.U. & Kim, C.K. (2011). Farmers' Market Consumers and Embeddedness: An Empirical Study of Consumers' Attitudes at Wonju Farmers' market. The Korean Rural Socio-logical Society, 21(2), 223-262. *Retrieved from* <http://www.riss.kr/link?id=A103377974>

