



Customers' Awareness and Attitude in Purchasing Herbal Products in Kuala Terengganu

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ABSTRACT

The growth of the herbal industry in Malaysia has sparked the economy and it is identified as one of the new incomes to the country. This industry is expected to bring more job opportunities to the citizen in Malaysia. Demand for herbal products also has been increasing for the past few years. This study aims to contribute the general understanding of customer awareness and attitude in purchasing herbal products and show the relationship between demographic profile and customer awareness and attitude in purchasing herbal products. This study was conducted in Kuala Terengganu and the online Google form was used as study instrument for data collection. There were around 150 respondents that answered the questionnaire. The questionnaire was divided into 2 sections. The first section which is section A, discusses the socio-demographic profile of the respondents. The second part which is section B were in Likert-scale design to obtain the customers' awareness and attitude in purchasing herbal products. Data that were collected in this study were analysed using a statistical tool which is Statistical Package for Social Science (SPSS). The Descriptive analysis was used to provide simple summaries of the respondents while the Cross-tab with Chi-Square analysis was chosen to be used to test the statistical independence of the variables. From this study, the variable Age is the only demographic factor that shows a significant relationship towards the customers' awareness and attitude in purchasing herbal products. Other demographic factors such as Gender, Education, Occupation, and Income shows independent and no relationship towards the customers' awareness and attitude in purchasing herbal products. This study could be beneficial to researchers and marketers in understanding customer buying behaviour.

Keywords: Customer, Herbal Products, Awareness, Attitude, Purchasing Behaviour

INTRODUCTION

For thousands of years ago, plants had been one of the sources of medicine in every culture in the world. The plants that have been used as medicine is called herbs. Herbs can be referred to as any part used for flavouring or medicine having nutritional or medicinal value. Herbs are mainly used for medicinal purposes. Many kinds of research have been done to discover the benefits of herbs aside from the medication purpose. In developing and low-income countries, herbs and spices are mainly used as substitutes for medicine since medicine is considered expensive. Since 2011, Malaysia has identified herbs as a new source of economic

growth. Under the National Key Economic Area (NKEA), herbs have been classified as a potential agriculture commodity, and are expected to create more job opportunities and generate the country's income (Mohd Hafizudin et al., 2019). Malaysia saw the opportunity to grow and make a profit from the herbal industry due to higher demand in local and also global markets. Malaysia is a country blessed with natural resources and the government used the resources for economic growth. Malaysia is also one of the largest contributors to the world's biodiversity (Mohd Hafizudin et al., 2019). According to Bidin and Latiff (1995), Malaysia has around 2000 species of herbs that have been grown and use as medicines and therapies in society. Although the herbal industry is considered a small industry, commercial herbal crops are still cultivated in all areas in Malaysia (Mohd Hafizzudin et al., 2019). The World Health Organization had estimated around 80% of people all around the world use herbal products as substitutes to medicine. For the past few years, lots of demands have been made by the consumer to consume herbal products. Many herbal products have been produced and enter the local and global markets. This might be due to society who wants to change into a healthier lifestyle. Herbs are generally known to have many benefits to people who consume them. However, lots of herbal products that are in the market are untested and the effect on those who consume herbal products is poorly monitored (Martins Ekor, 2014).

The objectives of this study are shown below:

1. To identify the customers' awareness and attitude in purchasing herbal products.
2. To identify the relationship between demographic profile and customers awareness and attitude in purchasing herbal products.

LITERATURE REVIEW

Customer Purchasing Decision

Before a customer decides to buy a product, they will go through a few steps. They will first find the product that should satisfy their needs, contain good quality and affordable price and lastly, it should give them the value-added features. According to Anjana SS (2018), customer buying pattern is different when it comes to the product quality, price, status, features, and packaging. Kotler (2012) stated that the buyer's decision process consists of five stages namely recognition of needs, information seeking, evaluation of alternatives, purchase decision, and post-purchase behaviour.

Social Factor

Social factors can influence consumer behaviour. Every individual has someone who influences their purchasing behaviour. Social influences indicate that a person can cause a change in someone else's feelings, attitude, thoughts, and behaviour whether intentionally or unintentionally (Chow et al., 2012). Family members such as a spouse, children, and parents can exert a strong influence on the consumer's purchasing behaviour (Yakup Durmaz, 2014). Family members can also influence an individual's buying behaviour. A family can be defined as a social group that consists of two or more people living together as a result of marriage or kindred ships (Odabasi and Baris, 2011). While growing up, a person can be influenced by it surrounding and environment and family members are one of the big influences on a person.

Personal Factor

A person's buying behaviour is influenced by personal factors such as age, occupation, economic conditions, lifestyle, personality, and self-concept (Rani, 2014). Khaniwale (2015) stated that each individual has a unique set of characteristics by nature and the factors like age and life-cycle, occupation, economic status, lifestyle, personality, and self-concept have a significant influence on their buying behaviour. An individual's lifestyle, habits, and attitude evolve depending on the age and stage of life. Based on a person's lifestyle, it can tell on how they live their lives and on how they spend their money. One of the factors that influence on the buying

behaviour of consumers is the lifestyle of the consumers such as their interest, choices, preferences, values, and also opinions (Rani, 2014).

Psychological Factors

Callwood (2013) stated the psychological factors that can influence an individual's decision in purchase are categorized as individual's motivations, perceptions, learning, and his/her beliefs and attitudes. Everyone has different kinds of needs. The needs can be psychological arising from the need for acknowledgment or belonging. Abraham Maslow is one of the famous psychologists that study human needs. Based on his study, he suggests that human needs are arranged in a hierarchy. It started from the bottom which is the most basic needs to higher level needs. Every human being sees the world differently according to his or her situation. Yakup (2014) defined perception as to how the consumer received the information around them through their senses. We have learned from our earlier experience and seek to maintain balance or consistency by relating to and interpreting new stimuli in terms of past or learned stimuli (Blythe, 2008). Consumers who had a bad experience with herbal products are more likely to refuse to consume them again.

METHODOLOGY

The study location of the study was in Kuala Terengganu. The population of people in Kuala Terengganu is around 384,000 people. Number of consumers that were obtained in this research was 150 respondents. Random sampling was used as a sampling method. The respondents came from different lifestyles and backgrounds. The statistical tools used in this study is Descriptive Analysis and Cross-Tabulation with Chi-Square Analysis. Descriptive Analysis was used to describe the basic features and provide simple summaries about the respondents. To identify the relationship between demographic profile and customers' awareness and attitude in purchasing herbal products, the cross-tabulation with Chi-Square Analysis was used to determine the relationship. This analysis was used to determine the relationship between variables and help to identify if the variables of the study are related to each other or not.

RESULTS AND DISCUSSION

Socio-demographic Profile of Respondents

The table 1 below shows the descriptive analysis of socio-demographic profile of respondents.

Table 1. Socio-demographic Profile of Respondents

Variables	Frequency (n)	Percentage (%)
Gender		
Male	34	22.7
Female	116	77.3
Age		
Below 20 years old	30	20
20 – 29 years old	96	64
30 – 39 years old	3	2
40 years old and above	21	14
Level of Education		
SPM	26	17.3
STPM/Diploma	33	22
Degree/Master/Ph.D	91	60.7
Occupation		
Student	108	72
Employed	27	18
Unemployed	14	9.3

Senior Citizen	1	0.7
Income		
Below RM1,000	120	80
RM1,001 – RM3,000	20	13.3
RM3,001 – RM4,000	3	2
RM4,001 and above	7	4.7

Gender

Table 4.1 results shows more than half of the respondents with the percentage of 77.3 percent were female while 22.7 percent were male. According to Stjernberg et al. (2006), females seem to be the more frequent users of food supplements, and among both men and women, higher use is seen among the elderly population. This implies that the customer for herbal products is consumed majority by the female.

Age

Based on the results, it shows that majority of the respondents were at the age between 20 to 29 years old with a percentage of 64%. This is because it is easier for them to be part of this study since they have the knowledge on how to use the internet to answer the questionnaire. They also were more prone to be the consumers of the herbal products.

Level of Education

From the total of respondents, 60.7 percent of the respondents were Degree/Master/Ph.D students, 22 percent were STPM/Diploma students and the remaining 17.3 percent were SPM students whom show less participation. Since the majority of them were university students, it is assumed that they were more sensitive and conscious about herbal products.

Occupation

Table 1 shows that the highest percentage occupation of the respondents were students with a percentage of 72%, This might also be due to respondents which was dominated by students are more exposed to the trend nowadays. They are easier to be influenced by the advertisement to buy the herbal products.

Income

Based on the results shown in Table 4.1, the monthly income for a majority of the respondents was in the category below RM1,000 with the percentage of 80%, 13.3% earned between RM1,001 to RM3,000 while 4.7% earned RM4,001 and above. The 4.7% of respondents earned between RM3,001 to RM4,000. The majority of the respondents were students. Hence, the income that they got mainly from scholarships and loans.

Cross-Tabulation with Chi-Square Analysis

The Chi-Square analysis was used to compute the statistical significance of the cross tab and to test the statistical independence. To determine the relationship between demographic profile and customer awareness and attitude in purchasing herbal products, a few hypotheses have been tested in this study.

Table 2. Relationship between demographic factors and customer awareness and attitude in purchasing herbal product

Variables	Chi-Square	Df	Asymptotic Significant	Decision
Gender	77.548	64	0.119	Fail to Reject H_0
Age	247.470	192	0.04	Reject H_0
Education	153.253	128	0.063	Fail to Reject H_0
Occupation	207.176	192	0.215	Fail to Reject H_0
Income	197.324	192	0.381	Fail to Reject H_0

Gender

Table 2 shows the relationship between demographic factors and customer awareness and attitude in purchasing herbal products. Based on the results, the findings discover that the variables gender was independent and have no significant relationship toward customers' awareness and attitude in purchasing herbal products. This can be referred to as the alpha level which should be less than 0.05 to be associated with a 95% confidence level. It shows that the p-value (Asymptotic significant) of the Gender was 0.119, which is bigger than the alpha value which is 0.05.

Age

As shown in the table above, the p-value of variable Age was 0.04 which is less than the alpha value that is 0.05. It indicates that the statistical test is significant and there is some relationship with customers' awareness and attitude in purchasing herbal products resulting in the variables to accept the null hypotheses.

Education

Education also shows no relationship towards customers' awareness and attitude in purchasing herbal products. The findings show that Education is independent of the customers' awareness and attitude in purchasing herbal products since the p-value is 0.063 which is bigger than the alpha value which is 0.05.

Occupation

The table above shows that the p-value for Occupation was 0.215 which is bigger than the alpha value that is 0.05. This implies that there is no relationship between Occupation towards customers' awareness and attitude in purchasing herbal products. It shows the summary of the relationship between Income and customers' awareness and attitude in purchasing herbal products.

Income

The p-value of Income was 0.381 which is bigger than the alpha value which is 0.05. Thus, it indicates that Income is independent and have no significant relationship with customers' awareness and attitude in purchasing herbal products, resulting the variable to accept the null hypotheses.

CONCLUSION

Lots of herbal products have been entering the market in Malaysia and the demands for herbal products have been increasing these days. Herbs market in Malaysia have the potential to grow bigger and it is expected to create more jobs opportunity. This study aims to know the relationship between demographic profile and customer awareness and attitude in purchasing herbal products. The majority of the respondents also were aware of the existence of herbal products. This indicates that many of them were up-to-date with the trend which is to move towards a healthier lifestyle. However, most of the respondents in this study were not the consumer of the herbal products. Consuming herbal products without taking advice from the doctor or pharmacist is not a good choice. By consuming unnecessary herbal products without supervision from the doctors, it can lead to health problems in the future. Some study shows that herbal products should be consumed by appropriate dosage and under the control of doctors or pharmacist. Otherwise, it could lead to health problems. The results from the statistical test indicated that there was a significant relationship between age and customer awareness and attitude in purchasing herbal products. Other demographic variables such as gender, education, occupation, and income show that there is no significant relationship with the customer awareness and attitude in purchasing herbal products. The limitation of this study were time constraint and face-to-face interviews cannot be done. For future studies concerning this topic, it is recommended to choose a large sample size so the results of the study will be more precise and accurate.

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