

Determinant Purchase Intention for Organic Products

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Abstract

Technological developments have changed consumer purchasing behavior, especially among generations Y and Z. Generations Y and Z are the largest users of social media. Social media is one of the factors influencing generations Y and Z in making purchases. On the other hand, there is a development of environmentally friendly and nonenvironmentally friendly products. Consumers have choices in purchasing products. Currently, companies are increasingly encouraged to produce environmentally friendly products. Environmentally friendly products have consequences on higher prices. The purpose of this study is to examine the purchasing behavior of generations Y and Z on environmentally friendly products. The research was conducted quantitatively. The research objects were generations Y and Z, especially those who are familiar with environmentally friendly products, especially organic products. Sampling was conducted using nonprobability purposive sampling. All instruments and variables were tested for validity and reliability. Validity, reliability, and hypothesis testing were performed using PLS-SEM. The test results showed validity and reliability for all instruments and variables used in the study. Hypothesis testing showed that price, sales promotion, and WOM influenced purchase intention for organic products. Meanwhile, product quality did not influence purchase intention. In addition, gender strengthened the influence between price and sales promotion on purchase intention, whereas product quality and WOM were not significant. Recent research suggests that sales promotion is more important for organic products among generations Y and Z than for others. Product quality is not a factor influencing purchase intention for organic products.

Keywords: price, product quality, sales promotion, e-word of mouth, purchase intention

1. Introduction

Industry 4.0 has led to rapid changes in product development, distribution, and communication. This has led to the development of products such as eco-friendly products, organic products, fast products, and others. Furthermore, product distribution to consumers has also expanded, not only offline but also online. On the other hand, the development of digital communication is accelerating, especially social media, which has become a practical communication tool today. Furthermore, companies are implementing pricing strategies to attract consumers to make purchases.

A look at the available data shows that generations Y and Z are the largest users of social media. Social media usage influences purchasing behavior patterns. Information is readily available on social media, including news, products, and other information. If product information aligns

with the desires of generations Y and Z, it will lead to purchases.

Figure 1 shows that women are the largest social media users. They use social media for an average of 21 hours and 50 minutes per week. Social media users account for 62.9% of the Indonesian population, or approximately 180 million people.

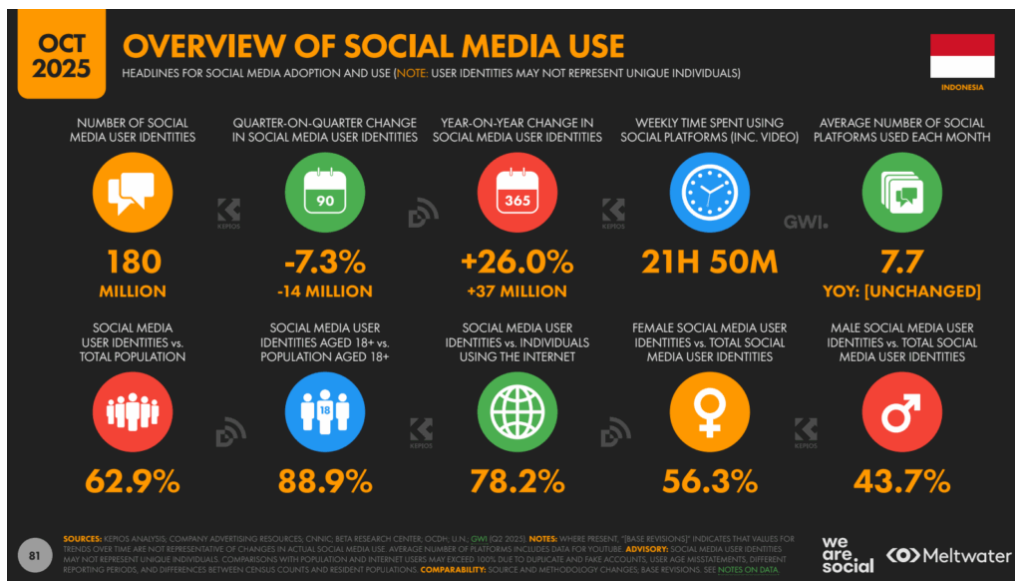


Figure 1. Social media users, Source: (We are social & Meltwater, 2026)

Figure 2 shows that WhatsApp is the most widely used social media platform, at 90.8%, followed by Instagram, Facebook, YouTube, and TikTok, with over 70 percent of users. This illustrates the high frequency of use of these platforms, which can increase or change purchasing behavior.

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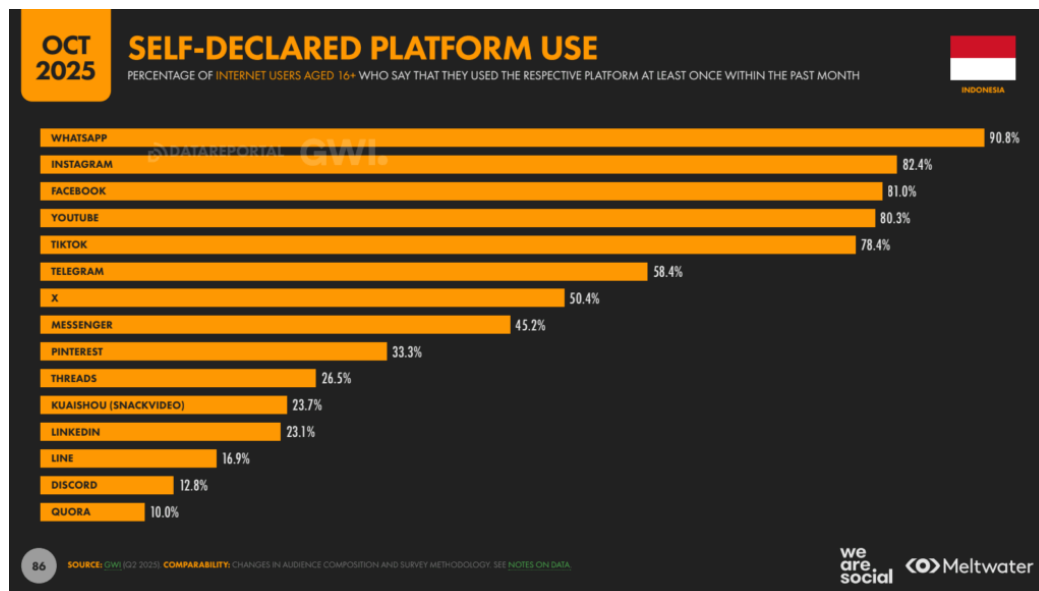


Figure 2. Platform social media, Source: (We are social & Meltwater, 2026)

Figure 3 shows that the average person watches YouTube for 16 minutes and 49 seconds per day. This long viewing time presents an opportunity for companies to advertise their products through YouTube. Therefore, digital communication is growing and influencing people to view these advertisements. Many products are advertised on YouTube.

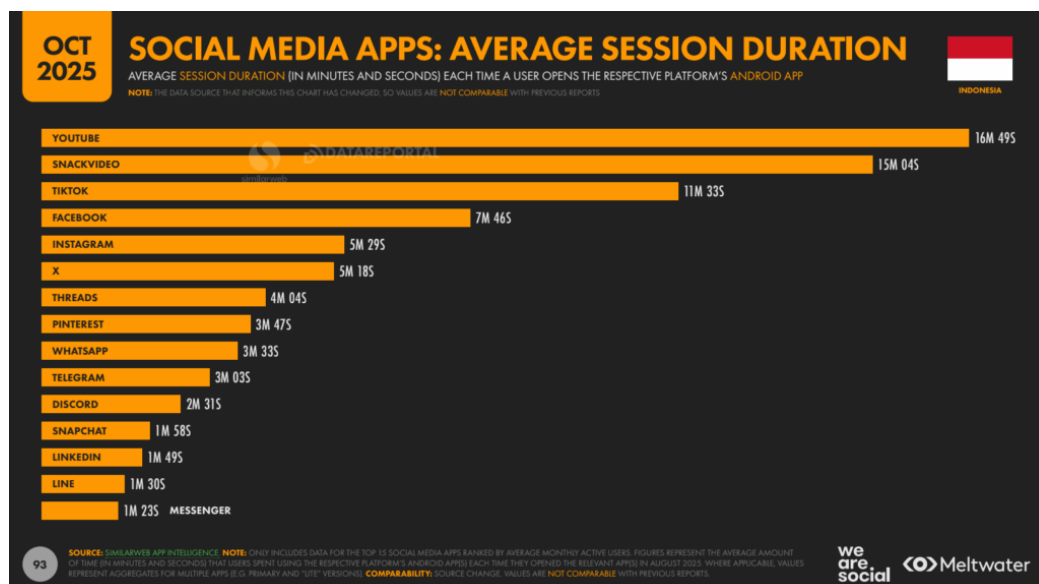


Figure 3. Average time spent viewing social media, Source: (We are social & Meltwater, 2026)

Figure 4 shows the use of brand search sources. Social media rank second. Social media has become a tool for consumers to find product information.

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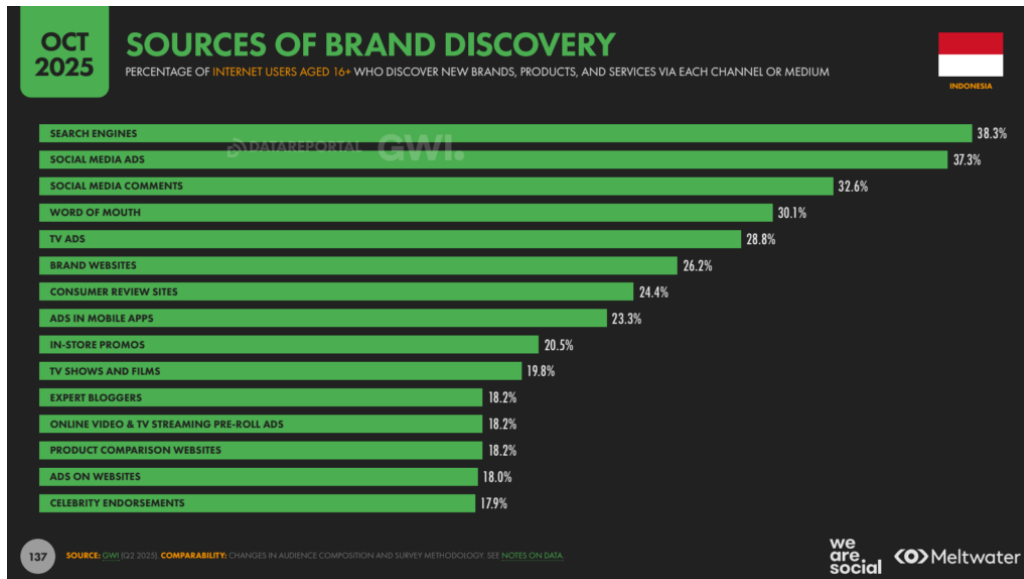


Figure 4. Brand searching, Source: (We are social & Meltwater, 2026)

The growth of consumers seeking product information using social media will increase social media advertising costs by 2025. Social media advertising and influencers are also on the rise. Social media communication is particularly effective among generations Y and Z. They are the highest social media users, making them easily influenced by product advertising. Furthermore, they are attracted to existing influencers, increasing product communication through influencers.

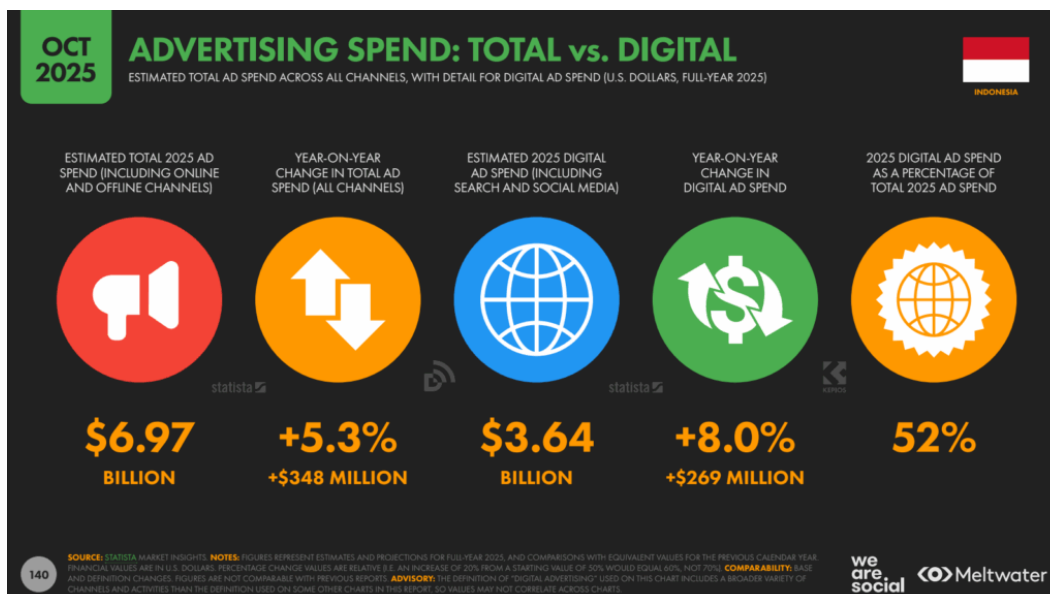
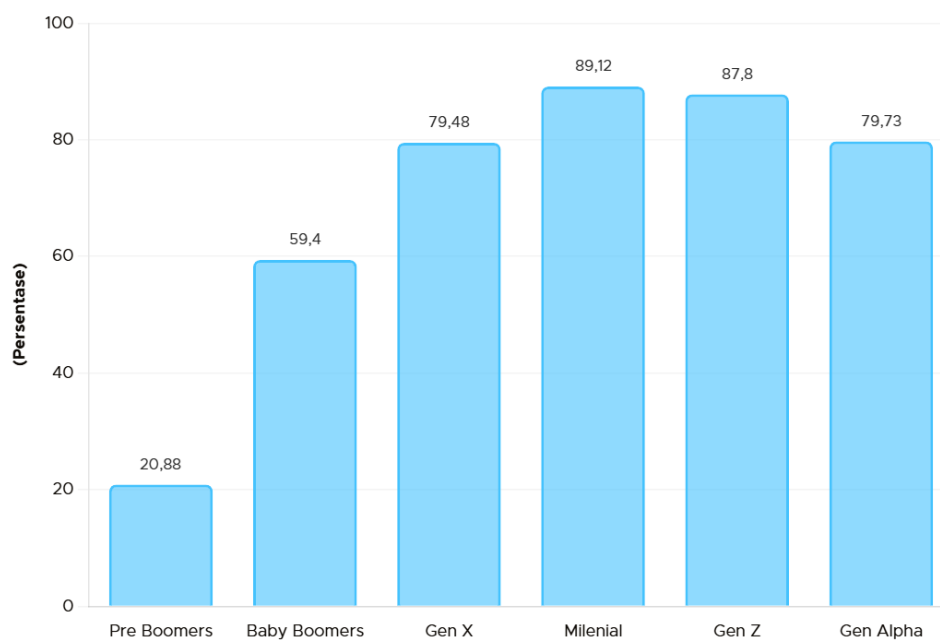


Figure 5. Advertising cost, Source: (We are social & Meltwater, 2026)

Table 1 shows that the largest number of internet users are millennials, followed by Generation Z. Baby boomers were born between 1946 and 1963, whereas Generation X was born between 1963 - 1981 (Gabrielova & Buchko, 2021). Millennials were born between 1981-1995, and Generation Z was born between 1995-2012 (Gabrielova & Buchko, 2021). Generation Alpha was born between 2010-2025 (Manuel & Sutanto, 2021).

Table 1. Internet users by generation by 2025



Sumber: Asosiasi Penyelenggara Jasa Internet Indonesia (APJII)

GoodStats

Source: (Wafa, 2026).

Considering the large number of internet users from the Baby Boomer generation to Gen Alpha, digital communication becomes more effective. Increasing internet usage leads to increased word-of-mouth promotion. If a product satisfies consumers, it will generate word-of-mouth (Soelasih & Sumani, 2021). Positive word-of-mouth increases consumer confidence in the product, leading to purchases. Conversely, negative word-of-mouth will pose risks to the product. Word-of-mouth occurs between consumers and those who have used the product.

The purpose of this study was to test the variables of price, product quality, sales promotion, and word-of-mouth on purchase intentions, with gender moderating the impact of organic products. This study differs from previous research by incorporating gender moderation in examining the purchasing behavior of Generations Y and Z.

2. Literature Review

2.1 Price

Price is the amount of money paid to obtain a product. A reasonable price will influence

consumers' purchasing decisions (Soelasih, 2014). Research by Widyastuti (2018) found that price influences organic product purchasing decisions. Consumers compare the price paid with the product benefits received. Price reasonableness does not moderate the relationship between online switching intention and repurchase intention (Raj et al., 2026). Although price is a primary consumer consideration, research by Raj et al. (2026) indicates that price does not moderate this relationship, meaning that other besides price influence consumer purchase intention.

Research by Silitonga and Soelasih (2025) indicates that price has the greatest influence on purchase intention. This finding differs from Widyastuti (2018), which indicates that price is not the primary factor influencing organic product purchases. This contrasts with research by Wang et al. (2020), where price sensitivity moderates perceived food quality and organic food purchase intention. In organic products, perceived price does not affect purchase intention but consumer attitudes (Bazhan et al., 2024).

2.2 Product Quality

Consumers pay attention to product quality when making purchases. Product quality is a primary factor in purchasing organic products (Widyastuti, 2018). Meanwhile, research by Silitonga and Soelasih (2025) shows that product quality is not the primary consideration in purchasing products. Consumers pay attention to the perceived food quality of each product they purchase (Wang et al., 2020). This perceived food quality influences organic food purchase intention (Wang et al., 2020).

Health-conscious consumers will pay attention to the products they consume. Product quality and safety are consumer priorities when purchasing organic products (Rana & Paul, 2017). Health awareness fosters knowledge about organic products, which influences consumer attitudes and, consequently, purchase intention (Bazhan et al., 2024).

2.3 Sales Promotion

Sales promotions influence purchase intention (Silitonga & Soelasih, 2025). Chang (2017) found that sales promotions, both directly and indirectly through customer involvement, influence purchase intention. Sales promotions did not affect purchase intention for organic vegetables (Ruswanti et al., 2019). Sales promotions did influence purchase intention for fast-moving products (Qazi et al., 2021)

Research by Abdelkhair et al. (2023) showed that sales promotions influence purchase intention for convenience products. Previous research has shown mixed results. Not all sales promotions conducted by companies influence purchase intention. Sales promotions will have an effect if the product being sold is a general product, but if the product meets specific criteria, such as organic products, consumers will consider product quality more.

2.4 Word of Mouth

Word of mouth can be positive or negative. Positive word of mouth influences consumer purchasing decisions, and vice versa (Soelasih & Sumani, 2021). Companies need to pay

attention to consumer word of mouth. E-word of mouth influences purchase intention for beauty products (Silitonga & Soelasih, 2025). Research by Li and Jaharuddin (2021) shows that word of mouth moderates purchase intention for organic food purchases. Meanwhile, research by Zayed et al. (2022) shows that e-word of mouth does not affect purchase intention. E-word of mouth influences consumer attitudes, which ultimately shape purchase intention (Zayed et al., 2022). E-word also influences green purchase intention (Al-Gasawneh & Al-Adamat, 2020). Previous research indicates that word of mouth influences purchase intention for all products.

2.5 Purchase Intention

Purchase intention for organic products is influenced by consumer health awareness (Angwyn et al., 2022). Consumers concerned about their health will choose organic products. Purchase intention is influenced by product, price, sales promotion, and electronic word of mouth, while place has no influence on beauty product purchases (Silitonga & Soelasih, 2025). Meanwhile, research by Widyastuti (2018) shows that product price and quality influence purchasing decisions, while a healthy lifestyle does not.

Based on the theoretical study above, a research model was created in Figure 6.

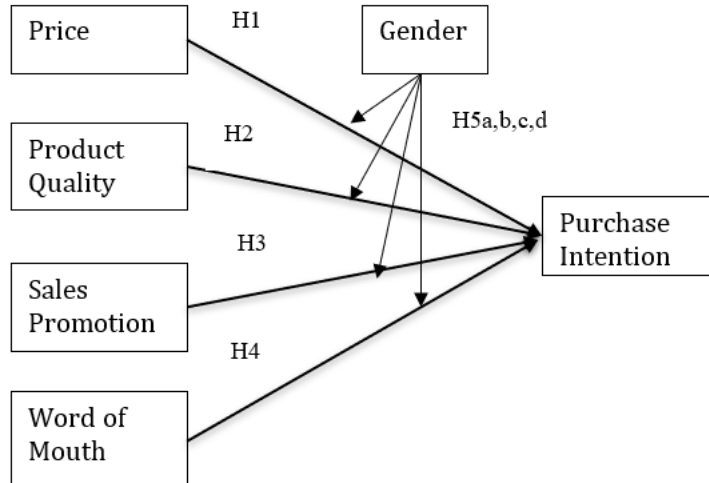


Figure 6. Research model

Based on the existing theoretical review, the following research hypotheses are formulated:

H1: There is an influence between price and purchase intention for organic products among generations Y and Z.

H2: There is an influence between product quality and purchase intention for organic products among generations Y and Z.

H3: There is an influence between sales promotion and purchase intention for organic products among generations Y and Z.

H4: There is an influence between word of mouth and purchase intention for organic products among generations Y and Z.

H5: There is an influence between price (a), product quality (b), sales promotion (c), and word of mouth (d) on purchase intention for organic products among generations Y and Z, with gender as a moderator.

3. Research Method

The research was conducted quantitatively. The research subjects were Generation Y and Z consumers who purchased organic products. The research population was unknown, so the sample was determined using a total of indicators and variables multiplied by 5 for a minimum and 10 for a maximum (Hair et al., 2019). The number of indicators in this study was 25, resulting in a sample of 125–250 respondents. A total of 200 respondents were selected for this study. Sampling was conducted using a nonprobability purposive sampling method. Purposive sampling was used because the respondents must be Generation Y and Z consumers and familiar with organic products. Respondent data in the study are presented in Table 1.

Table 1. Respondent Characteristics

Characteristics	Amounts	Prosentase
Gender		
Male	67	33.5
Female	133	66.5
Age		
17 - 30	127	63.5
31 - 45	73	36.5
Education		
Senior High School	56	28
S1	125	62,5
S2	19	9.5

The respondents were predominantly female, with the majority aged 17-30. The highest educational attainment was a bachelor's degree. This indicates that most respondents were from Generation Z, who are less concerned about organic product consumption.

The instrument used was tested for validity and reliability. The results of the validity and reliability tests are shown in Table 2.

Table 2. Reliability and validity

Variables/instrument	Loadings	Cronbach's Alpha (CA)	Composite Reliability (CR)	Average Variance Extracted (AVE)
Price (P)		0,859	0,905	0,703
P1	0,849			
P2	0,851			
P3	0,839			
P4	0,815			
Product Quality (PQ)		0,865	0,908	0,712
PQ1	0,850			
PQ2	0,862			
PQ3	0,855			
PQ4	0,807			
Sales Promotion (SP)		0,842	0,894	0,678
SP1	0,820			
SP2	0,806			
SP3	0,859			
SP4	0,806			
Word of Mouth (WoM)		0,849	0,898	0,688
WoM1	0,844			
WoM2	0,828			
WoM3	0,835			
WoM4	0,811			
Purchase Intention (PI)		0,862	0,906	0,706
PI1	0,817			
PI2	0,865			
PI3	0,844			
PI4	0,836			

Table 2 shows that the loading factor, Cronbach's alpha, and composite reliability values are above 0.7, while the AVE value is above 0.5. The minimum outer loading value is 0.7 (Dijkstra & Henseler, 2015). The minimum Cronbach's alpha value is 0.7 (Hair et al., 2014). The

minimum AVE value is 0.5 (Henseler et al., 2016) The validity and reliability test results meet the requirements so that the instruments and variables can be used in this study. After the instrument and variable tests, the model test is continued. The model test results are presented in Table 3.

Table 3 Heterotrait-Monotrait Ratio (HTMT)

	Gender	Price	Price*Gender	PQ	PQ*Gender	Purchase Intention	SP*Gender	Sales Promotion	WOM	WOM*Gender
Gender										
Price	0,049									
Price*Gender	0,031	0,058								
PQ	0,114	0,684	0,208							
PQ*Gender	0,073	0,204	0,684	0,129						
Purchase Intention	0,113	0,813	0,230	0,675	0,140					
SP*Gender	0,063	0,194	0,744	0,197	0,622	0,181				
Sales Promotion	0,104	0,786	0,202	0,651	0,201	0,807	0,178			
WOM	0,122	0,828	0,152	0,638	0,173	0,797	0,179	0,767		
WOM*Gender	0,074	0,148	0,763	0,171	0,609	0,182	0,698	0,182	0,119	

The results of the model test using HTMT show a valid model construct with a value below 0.9 (Henseler et al., 2015) for each variable so that the model can be used in this study.

4. Finding and Discussion

In hypothesis testing using PLS-SEM, the research model indicates a moderating variable, namely gender. The results of the hypothesis test are shown in Table 4.

Table 4. Hypothesis test result

	Hypothesis path	β	t-value	p-value	Result
H1	Price -> Purchase Intention	0,362	4,435	0,000	Supported
H2	Product Quality -> Purchase Intention	0,098	1,564	0,118	Rejected
H3	Sales Promotion -> Purchase Intention	0,247	3,841	0,000	Supported
H4	WoM -> Purchase Intention	0,213	2,943	0,003	Supported
H5a	Price*Gender -> Purchase Intention	-0,296	3,002	0,003	Supported
H5b	PQ*Gender -> Purchase Intention	0,155	2,360	0,018	Supported

H5c	SP*Gender -> Purchase Intention	0,092	1,330	0,184	Rejected
H5d	WoM*Gender -> Purchase Intention	0,028	0,395	0,693	Rejected

Hypothesis testing results indicate that price, sales promotion, and WOM influence purchase intention, while product quality has no effect. Gender moderates the effect of price and product quality on purchase intention. Gender does not moderate the effect of sales promotion or WOM on purchase intention.

Price influences purchase intention, supporting research by Soelasih (2014), Widyastuti (2018), and Silitonga and Soelasih (2025). However, the results of the H1 test do not support Bazhan et al. (2024) and Raj et al. (2026). H2 indicates that product quality has no effect on purchase intention. These results do not support research by Widyastuti (2018), Silitonga and Soelasih (2025), Wang et al. (2020), Rana and Paul (2017), and Bazhan et al. (2024) which indicates that product quality influences consumers' purchase decisions.

H3 indicates that sales promotion influences purchase intention. The results of this study support those of Silitonga and Soelasih (2025), Chang (2017), Qazi et al. (2021), and Abdelkhair et al. (2023). However, the results of the H3 test do not support the research of Ruswanti et al. (2019). H4 results indicate that WOM influences purchase intention. This result supports the research of Soelasih and Sumani (2021), Silitonga and Soelasih (2025), Li and Jaharuddin (2021), and Al-Gasawneh and Al-Adamat (2020). However, these results do not support the research of Zayed et al. (2022).

For H5a and H5b, gender moderates the relationship between price and product quality on purchase intention. Meanwhile, in H5c and H5d, gender does not moderate the relationship between sales promotion and WOM on purchase intention.

For organic products, the results are different from those of nonorganic products. Consumers pay more attention to price when purchasing organic products, as these products are more expensive than nonorganic products. Good product quality, moderated by gender, leads to purchase intention. The quality of organic products differs from that of nonorganic products, fostering consumer trust. Therefore, the perceived health benefits of organic products leave consumers with no doubts about these products. This is why organic product quality has effect on purchase intention, with gender as a moderating factor.

Consumers who use organic products can reduce pollution waste. Reduced pollution waste leads to better natural environment. Environmental sustainability is a top priority because environmental damage causes disasters in consumers' lives. Therefore, organic products can help reduce environmental damage. The positive nature of organic products for the environment should increase their use. To increase the use of organic products, companies need to produce organic products that are affordable for consumers. Affordable organic products will increase purchase intention. Consumers are aware of the high quality of organic products, but the constraint is the high price, making them less attractive to purchase.

The influence of social media on generations Y and Z leads to a high level of word of mouth among them. Consequently, they become aware of organic products, which in turn increases their purchase intention. The majority of respondents in this study were women. Women are more sensitive to price and product quality. Therefore, gender factors can strengthen the relationship between price and product quality on purchase intention. To increase purchase intention, companies need to pay attention to price and product quality. The results of the hypothesis test strongly support price as the primary factor, with a β value of 0.362, with the price β value being the highest compared with the other β values.

5. Conclusion

The results showed that product quality did not affect purchase intention, particularly for organic products. Price, sales promotion, and WOM did influence purchase intention. Gender moderated the effect of price and product quality on purchase intention, particularly for organic products, among generations Y and Z. These results indicate that organic product purchases are primarily driven by price, sales promotion, and WOM. Price is a key factor for consumers when purchasing organic products. Companies have an opportunity to create organic products at affordable prices for consumers.

This study was limited by the relatively small number of respondents, particularly those from Generation Y. The study could focus on a single generation to further examine consumer behavior toward organic products. Furthermore, the study could be expanded to include trust in organic products.

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