

APPLYING THE THEORY OF PLANNED BEHAVIOR TO CHINESE MILLENNIALS' PURCHASE BEHAVIOR ON FOREIGN FAST FOOD RESTAURANTS

Eun-Kyong Choi
Nutrition, Hospitality, and Retailing Department
Texas Tech University

Bobbi Crill Padgett
Nutrition, Hospitality, and Retailing Department
Texas Tech University

Deborah Fowler
Nutrition, Hospitality, and Retailing Department
Texas Tech University

and

Ben K. Goh
Nutrition, Hospitality, and Retailing Department
Texas Tech University

ABSTRACT

This study is designed (a) to determine the purchase intentions for any U.S. fast-food restaurant meal by Generation Y Chinese consumers, (b) to validate the Theory of Theory of planned behavior (TPB) in Asian culture, and (c) to determine if acculturation could enhance the validity of the TPB. This study will provide further support for the external validity of the TPB. The findings will enhance the existing literature on the universal applicability of the model and serve as useful references for further investigations of the validity of the model under other cultural settings and other behavioral categories. The implications from this study could provide U.S. restaurant chains with useful insights into fine-tuning their marketing strategies to stimulate the desired behavior for purchasing any U.S. fast-food restaurant meal in the Asian market.

Keywords: *the theory of planned behavior, Chinese millennial generation, purchase behavior, foreign fast-food restaurants.*

INTRODUCTION

Many U.S. fast-food restaurants are moving into foreign countries to seek growth opportunities due to a saturated domestic market and decreasing sales. Advances in technology, growing gross national products of other nations, and multinational trade agreements are also allowing fast food restaurants to move internationally more easily than ever before. By going global, these businesses benefit from cost reductions through economies of scale, increases in sales, and increased competitive power. However, the fast-food industry must have knowledge of local consumers' needs and behaviors if they are to succeed in a chosen foreign market (Koopman, 2000).

China is the emerging country target by fast-food restaurants around the world. In 2008, the fast-food industry in China was estimated at \$51.7 billion dollar and is expected to be around \$66 billion in 2009 ("Fast food a \$66b," 2008). China's expanding food industry has attracted attention from foreign investors. The Chinese population is expected to grow to 1.46 billion by 2030, this coupled with consumption patterns evolving to mirror western habits, make the Chinese market very lucrative.

Chinese Generation Y consumers were born between early 1980's and mid 1990's. There are 200 million Generation Y consumers, who grew up in an era when their country was being transformed from a centrally controlled to a market economy. Generation Y consumers are open to Western ideas and products (McEwen et al., 2006).

The Theory of Planned Behavior (TPB) offers a structured framework for predicting and explaining human behavior by way of beliefs and attitudes (Ajzen, 1991). Some researchers have used Ajzen's TPB to explain consumer food choice behavior (Bredahl 2001; Thompson and Thompson 1996). However, most of these studies using the theory have been within Western cultures where the theory was developed and have not studied the cultural differences in consumer behavior and the effects on theoretical frameworks. Therefore, more research is needed on cultural differences when looking at consumer perceptions and behaviors and the integration of these theoretical frameworks in other countries. Furthermore, little research has currently been conducted using the TPB to explain restaurant meal purchases. Most studies used the Theory of Reasoned Action which does not include perceived control. Therefore, this study was designed (a) to determine purchase intentions of a U.S. fast-food restaurant meal by Generation Y Chinese consumers, (b) to validate the TPB in Asian culture, and (c) to determine if acculturation could enhance the validity of the TPB.

Based on the purpose of the study and pertinent findings reported in the literature, the following hypotheses were formed:

Hypothesis 1: Behavioral beliefs will significantly predict attitudes of Generation Y Chinese consumers' buying intentions associated with a U.S. fast-food restaurant meal.

Hypothesis 2: Normative beliefs will significantly predict subjective norms of Generation Y Chinese consumers' buying intentions associated with a U.S. fast-food restaurant meal.

Hypothesis 3: Control beliefs will significantly predict perceived control of Generation Y Chinese consumers' buying intentions associated with a U.S. fast-food restaurant meal.

Hypothesis 4: The attitudinal component of behavior will be a significant predictor of buying intention associated with a U.S. fast-food restaurant meal.

Hypothesis 5: The normative component of the behavior will be a significant predictor of buying intention associated with a U.S. fast-food restaurant meal.

Hypothesis 6: The control component of the behavior will be a significant predictor of buying intention associated with a U.S. fast-food restaurant meal.

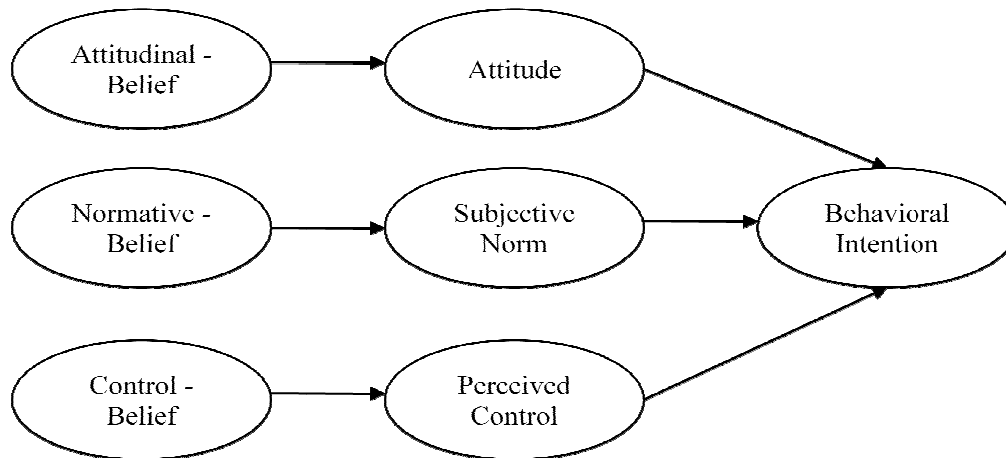
Hypothesis 7: The attitude component will explain more variation in Generation Y Chinese consumer's purchase intentions associated with a U.S. fast-food restaurant meal than subjective norms.

Hypothesis 8: Adoption of U.S. cultural products will significantly affect Generation Y Chinese consumers' purchase intentions for a U.S. fast-food restaurant meal.

Hypothesis 9: Adherence to traditional Chinese values will significantly affect Generation Y Chinese consumers' purchase intentions for a U.S. fast-food restaurant meal.

Hypothesis 10: Past behavior will not significantly affect Generation Y Chinese consumers' purchase intentions for a U.S. fast-food restaurant meal.

Figure 1
Conceptual research model



METHODOLOGY

A self-administered questionnaire was constructed regarding the subject's (a) purchase intentions for a U.S. fast-food restaurant meal, (b) attitudinal, normative, and control beliefs regarding a U.S. fast-food restaurant meal, (c) attitude, subjective norm, and perceived behavioral control for a U.S. fast-food restaurant meal, (d) adoption of U.S. cultural products and adherence to traditional beliefs, norms, and values (e) past purchase behavior regarding a U.S. fast-food restaurant meal, and (f) demographic characteristics.

The data will be collected in October 2011 from university students who are 18 years and older in Mainland China. The collected data will be statistically analyzed using SPSS 17.0 and AMOS 16.0. The data analysis will include descriptive statistics, correlations, confirmatory factor analysis, and structural equation modeling.

This study will provide further support to the external validity of the TPB. The findings will enhance the existing literature on the universal applicability of the model and serve as useful references for further investigations of the validity of the model under other cultural settings and other behavioral categories. The implications from this study would provide U.S. restaurant chains with the useful insights into fine-tuning their marketing strategies to stimulate the desired behavior of the purchase of a U.S. fast-food restaurant meal in the Asian market.

REFERENCES

- Ajzen, I. (1991). The theory of planned behavior. *Organizational behavior and human decision processes*, 50, 179-211.
- Bredahl, L. (2001). Determinants of consumer attitudes and purchase intentions with regard to genetically modified foods - results of a cross-national survey. *Journal of Consumer Policy*, 24, 23-61.
- Fast food a \$66b industry in China by 2009. (2008). Retrieved May, 27, 2007, from http://www.chinadaily.com.cn/bizchina/2008-06/30/content_6806595.htm
- Thompson, N. J., & Thompson, K. E. (1996). Reasoned action theory: An application to alcohol-free beer. *Journal of Marketing Practice: Applied Marketing Science*, 2(2), 35-48.
- McEwen, W., Fang, X., Zhang, C., & Burkholder, R. (2006). Inside the mind of the Chinese consumer. *Harvard Business Review*, 7(3), 117-125.
- Koopman, J. C. (2000). Successful global retailers: A rare breed. *Canadian Manager*, 25(1), 22-24.