

## Factors Influencing Alcoholic Beverage Purchase Intention In The Beer Category from the Students Consumer Perspective at the National University of Laos

Osoulineda Khouansavanh<sup>1</sup>, Anang Muftiadi<sup>2</sup>, Arianis Chan<sup>3</sup>

<sup>1</sup>(Universitas Padjadjaran, Indonesia)

<sup>2</sup>(Universitas Padjadjaran, Indonesia)

<sup>3</sup>(Universitas Padjadjaran, Indonesia)

\*Corresponding Author: [osoulineda20001@mail.unpad.ac.id](mailto:osoulineda20001@mail.unpad.ac.id)

**ABSTRACT:** *This research aims to explore the theory of planned behavior (TPB) by investigating the underlying factors that influence Laos Students' consumers' purchase intentions for alcoholic beverages in the beer category. The conceptual model includes three components: Attitude toward behavior, subjective norms, and perceived behavior control that influence consumer purchase intention. This study used online questionnaires to collect survey data at the National University of Laos in August 2022. The respondents were chosen using the simple random sampling method. This study's sample consists of 405 National University of Laos students. Factor analysis and structural equation modeling were used to analyze the data (SEM). According to the findings of this study, consumers' purchase intentions are significantly influenced by their attitude toward behavior and perceived behavioral control.*

**KEYWORDS** - alcohol consumption, Laos students, purchase Intention, Theory of planned behaviour

### I. INTRODUCTION

According to the Kirin Beer University Report (2019), 188.8 billion liters of beer were consumed globally in 2018, beer is the most consumed alcoholic beverage in the world. Laos is one of the countries in Southeast Asia that has a diversity of cultures, languages, religions, ethnicities, and friendly people. One of the unique traditions that are often favored and become a habit of the Lao people is consuming alcoholic beverages. Alcohol consumers in Laos consume 25.9 liters of total alcohol consumption per year and the annual beer consumption rate is 50% of total alcohol consumption [1].

As for alcohol consumption in the Lao People's Democratic Republic, although Laos has many ethnic groups that have their own culture and customs, alcohol consumption plays an important role in Laotian society. There are many opportunities to consume alcohol in Laos such as a newborn welcoming ceremony, a new house celebration, the Lao New Year or a boat racing festival. According to the Global Status Report on Alcohol and Health 2018 and Health reported by the World Health Organization, the three types of alcoholic beverages consumed in Laos are beer, wine and spirits.

The modern business world demands an understanding of consumer buying intentions that support business progress, the profit or loss of a business will be largely determined by the consumer. Customers need products or services offered by the company and vice versa, companies also need income from customers so that the company's production activities can continue to run. Therefore, one of the efforts that need to be considered by the company is consumer behavior. Understanding consumer behavior is very important in business, namely to find advanced opportunities for existing products and new product launches.

The current Lao beer market, there are only two large companies that produce and market beer products. However, the company that has gained a large market share is Lao Brewery Company Ltd. whose beer products use the Beerlao brand. Currently, the productivity of beer in Laos is not sufficient to meet the gradually increasing demand of beer consumers. Therefore, the Lao beer market offers broad growth prospects in the future.

Every consumer has a different thought process and attitude in buying a particular product. Due to changes in fashion, technology, trends, lifestyle, income, other similar factors, as well as changing consumer behavior. Students are an age group who want to try new things, have a lot of social interaction, socialize lifestyle, and so on.

So, the authors are interested in studying the behavior of consuming alcoholic beverages against students at the Lao National University in the beer category and finding the factors that influence purchase intention, especially Lao students in consuming alcoholic beverages in the beer category that has never been studied before in Laos.

## II. LITERATURE REVIEW

### **Consumer Behavior**

According to [2] consumer behavior is the choice of consumers during the process of searching, evaluating, purchasing, and using products and services that are believed to satisfy needs. Consumer behavior refers to the actions of consumers in choosing, buying, and consuming goods and services to meet their needs [3].

### **Theory of Planned Behavior**

TPB (Theory of Planned Behavior) is based on the assumption that humans are more likely to behave rationally, by considering the available information and referring to the information obtained, by considering the implicit or explicit consequences of their actions. Intentions and behavior are functions of three basic determinants of a person, according to the theory of planned behavior: personal, social influence, and aspects related to control problems (Ajzen, 2005). That is, an individual is more likely to adopt a behavior if he is positive about the behavior in question, receives support from his immediate environment/other individuals related to the behavior, and believes that the behavior can be performed well. TPB (Theory of Planned Behavior) is an extension of TRA (Theory of Reasoned Action), which adds an element of perceived behavioral control to the TRA model. TPB has shown success in predicting and explaining behavior in a variety of fields.

### **Attitude Toward the Behavior**

Attitude is an individual's assessment of positive and negative attitudes towards certain institutional objects, people, events, behaviors, and interests. Attitude is determined based on the results of a person's evaluation of the behavioral consequences associated with the behavior, which is determined by determining a strong relationship between the consequences and the behavior. In general, the more people believe that behavior will produce positive consequences, the more people will like the behavior; conversely, the more people believe that the resulting behavior is negative, the more people will dislike that behavior (Ajzen, 2005).

Several previous studies have stated that attitude influences consumer purchase intentions. The research found that attitudes positively affect the purchase intentions of WOM and e-WOM through social media. Furthermore, a study conducted found that attitudes have a positive impact on consumers' intention to shop online. Empirical results from structural equation modeling show that consumer attitudes are the most important predictor of their intention to purchase suboptimal food and research supports this claim.

### **Subjective Norms**

Subjective norms are social demands that encourage people to engage in certain behaviors [6]. If a person's belief states that he should or should not take action based on the opinions of others, that belief will have a positive or negative impact on his intention to perform the behavior [7]. Beliefs derived from relevant references are defined as normative beliefs or normative belief. In general, if the most important person in a person's life believes that he should do or not do something, he will feel social pressure to do or not do it (Ajzen, 2005).

Then, Hasbullah et al., (2016) stated in his research that subjective norms are factors that are generally related to consumer behavioral intentions to buy a product online. There are also studies that provide similar results, such as research [9], finding that subjective norms can influence behavioral intentions in online shopping.

### **Perceived Behavior Control**

Individuals' perceived behavioral control can be defined as the difficulties they experience in performing a behavior [6]. According to PCB, increasing the individual's belief in having sufficient resources and opportunities to perform a successful behavior, with the fewer obstacles that need to be increased, the greater their control in carrying out the behavior (Ajzen, 2005). Internal control is determined by how much people believe they know, have some skills, are disciplined, and can act. External factors, such as the availability of resources, time constraints, and cooperation with coworkers, can inhibit or facilitate the intended behavior, depending on how strongly the individual feels about the behavior [10].

According to Yang et al., (2015), behavioral control is a variable related to behavioral intentions, in addition to subjective norms and beliefs. Then, [12] proposed research on online clothing shopping, and the findings support all hypotheses, including one of the behavioral control factors that positively influence behavioral interest. Also, [13] found that behavioral control influences behavioral intentions in online shopping consumption. then [14] show that behavioral control influences behavioral intentions as well as subjective attitudes and norms. [15] states that behavioral control, such as attitude, is one of the variables that both have a positive effect on consumer behavioral intentions.

### **Purchase Intention**

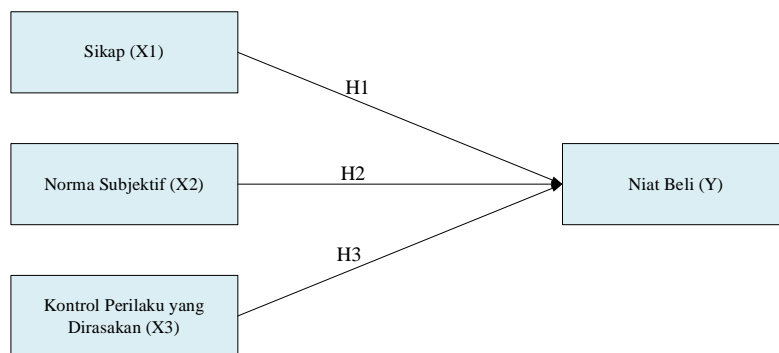
Intention is defined in the literature as a person's plan, commitment, or decision to take an action or achieve a certain goal, purchase intention is the direct cause of a person's behavior. The consumer's intention to perform a behavior is considered to be the main determinant of his future behavior. In his TPB, [16] Ajzen explains that when behavior is under one's control, intentions can predict behavior with a high degree of

accuracy. So, if the intention to perform is greater, the behavior can be measured. If a person is motivated by a certain behavior, he or she can make a decision that ultimately has the intention to buy [17]. The dependent variable of this study is purchase intention which can be defined as mental strength to act in a certain way as a means of purchase [18].

Purchase intentions are usually related to consumer behavior, perceptions, and attitudes. Purchasing behavior is an important factor in consumers' ability to access and evaluate certain products [19]. Purchase intention is used to test the implementation of a new sales channel, determine whether managers are eligible to develop the concept, and determine the geographic market and consumer segments to target through the channel [20]. Buying intention is a determinant of a consumer taking an action, such as buying a product or service [21].

**Theoretical Framework**

The variables used are depicted in Figure 1, and each relationship between an independent variable and a



dependent variable represents a hypothesis.

**Figure1.** Conceptual Framework

**Research Hypotheses**

**Hypothesis 1 (H<sub>1</sub>):**

H<sub>01</sub>: Attitude hasn't an effect on the intention to buy alcoholic beverages in the beer category.

H<sub>a1</sub>: Attitude positively affects the intention to buy alcoholic beverages in the beer category.

**Hypothesis 2 (H<sub>2</sub>):**

H<sub>02</sub>: Subjective Norm hasn't an effect on the intention to buy alcoholic beverages in the beer category

H<sub>a2</sub>: Subjective Norm positively affects the intention to buy alcoholic beverages in the beer category.

**Hypothesis 3 (H<sub>3</sub>):**

H<sub>03</sub>: Perceived Behavioral Control hasn't an effect on the intention to purchase alcoholic beverages in the beer category.

H<sub>a3</sub>: Perceived Behavior Control positively affects the intention to buy alcoholic beverages in the beer category.

**III. RESEARCH METHODS**

This study adopted a question from [22] for the Attitude toward behavior variable consisting of five questions. Subjective Norms consist of six questions adapted from [23]. The perceived behavioral control variable consists of nine questions adopted from (Gao et al., 2015). The purchase intention variable adopted four questions from[22].

This study is a quantitative study using the Structural Equation Modeling (SEM) method processed data analysis with SmartPLS 3.0. Analytical methods and measurement models with tests of validity and reliability were used for data processing in order to be able to determine significance levels and relationships between variables. The data collection technique is to distribute the questionnaire online to 405 respondents via Google Forms. The questionnaire for this study consisted of 24 questions.

**IV. RESULT AND DISCUSSIONS**

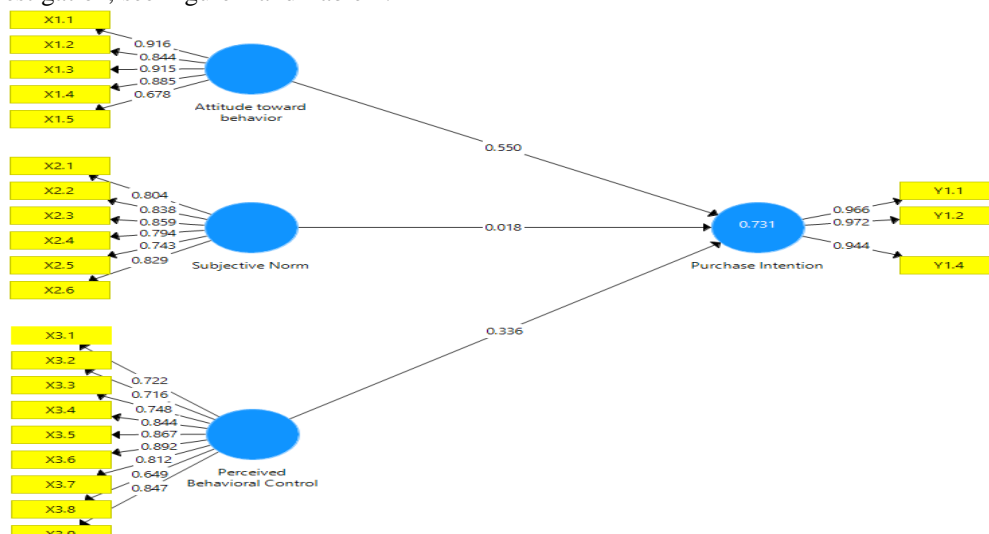
**Characteristics of Respondents**

Respondents based on male gender were 181 people or 44,7%, while women consisted of 224 people or 55,3%. The majority of respondents in this study who were not married were 386 people or 95.3% of the total respondents. Respondents who are married are 19 people or 4.7%. From the sample taken as many as 405 respondents among students, it turns out that there are 4 groupings and 138 of the most are students in the second year as much as 34.1%, then last year students as many as 91 people or 22.5%, then first year students as many as 89 people or 22% and the last, third year students as many as 87 people or 21.5%. Respondents with income less than or equal to 1.5 million LAK represent 62.5% (253 people) of the total respondents. Meanwhile,

respondents with income of more than 1.5 million LAK represent 37.5% (152 people). Based on age groups, there are 4 age groups, namely respondents aged 18-25 years as many as 363 people (89.6%) and respondents aged 26-30 years as many as 30 people (7.4%), respondents aged 31-36 years as many as 9 people (2.2%). Meanwhile, the more advanced age group of respondents, i.e. age 36 years, was only represented by 3 people (0.7%) of the total respondents. The habit of consuming beer per week is the respondents who consume beer less than three times a week as many as 300 people or 74.1%. Meanwhile, respondents who consume beer four times a week are 15 people or 3.7%. Then, respondents who consume beer more than five times a week are 90 people or 22.2%.

**Structural Equation Modeling-Partial Least Square (SEM-PLS)  
Outer Model**

The indicator will be regarded as reliable, according to [24], if its correlation value is greater than 0.70 (>0.70). However, the loading factor value of 0.40 to 0.60 is still appropriate in research that is still in the development stage. For a summary of the loading factor values for each indicator from each variable utilized in this investigation, see Figure 2 and Table 1.



**Figure 2.** Loading Factor Value  
Source: Data processed (2022)

**Table 1.**  
**Recapitulation of Loading Factor Values**

Attitude toward behavior (X <sub>1</sub> )		Subjective Norms (X <sub>2</sub> )		Perceived Behavioral Control (X <sub>3</sub> )		Purchase Intention (Y)	
X1.1	0.916	X2.1	0.804	X3.1	0.722	Y1.1	0.966
X1.2	0.844	X2.2	0.838	X3.2	0.716	Y1.2	0.972
X1.3	0.915	X2.3	0.859	X3.3	0.748	Y1.3	0.944
X1.4	0.885	X2.4	0.794	X3.4	0.844		
X1.5	0.678	X2.5	0.743	X3.5	0.867		
		X2.6	0.829	X3.6	0.892		
				X3.7	0.812		
				X3.8	0.649		
				X3.9	0.847		

Source: Data processed (2022)

The results in Table 1 demonstrate that all of the indicators are above the threshold of 0.4. Three standards for PLS data analysis. Average Variance Extracted (AVE), Cronbach Alpha, and Composite Reliability are included in the measurement model[25].

Table 2. Measurement Model Analysis Criteria

Variable	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Attitude toward behavior (X <sub>1</sub> )	0.903	0.917	0,929	0.726
Subjective Norms (X <sub>2</sub> )	0.897	0.904	0,921	0.659
Perceived Behavioral Control (X <sub>3</sub> )	0.926	0.947	0,938	0.628
Purchase Intention (Y)	0.958	0.958	0,973	0,923

Source: Data processed (2022)

According to Table 2, all variables pass the construct validity and reliability tests, with Cronbach's alpha > 0.6, AVE value > 0.5, and composite reliability > 0.7. As a result, it can proceed on to the inner model analysis.

**Inner Model**

The inner model of the structural analysis of the model is performed to ensure that the structural model is built robustly and accurately. Several indicators can be used to evaluate the inner model, including the coefficient of determination (R<sup>2</sup>), predictive relevance (Q<sup>2</sup>), and goodness of fit index (GoF). According to [26], a value of R-Square > 0.67 is classified as strong for the coefficient of determination (R<sup>2</sup>) obtained from the value of R-Square of 0.74. The Predictive Relevance value (Q<sup>2</sup>) is 0.495, which is stated to have a high predictive capability because it is greater than 0.35[26]. A GoF value of 0.572 indicates that the GoF value is large because it is greater than 0.35[27], and thus the model formed can be used for hypothetical testing.

**Hypothesis Test**

In SEM SmartPLS 3.0, hypothesis testing is done by bootstrapping and is measured by P-Values from the level of significance (5%) if the hypothesis is significant.

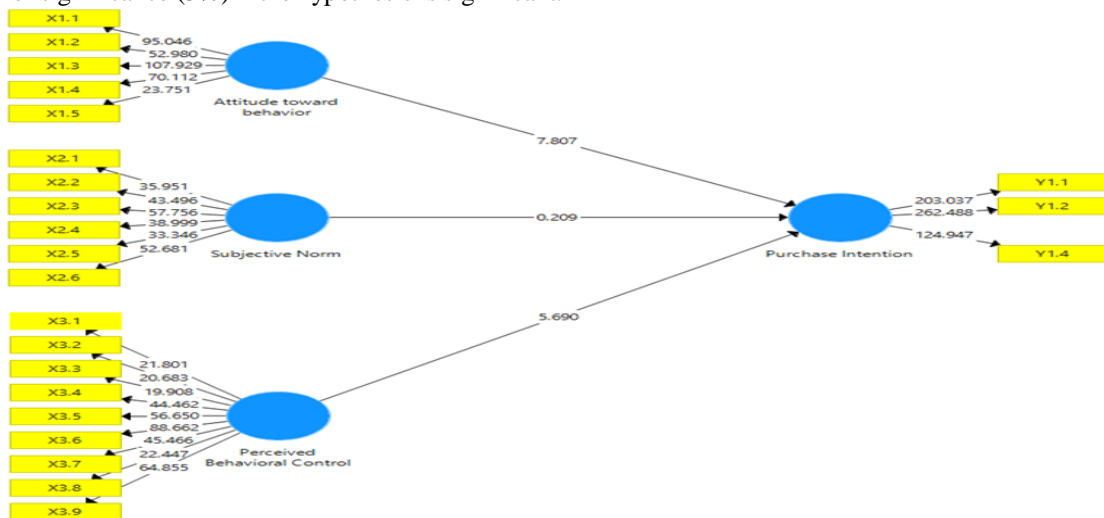


Figure 2. Results of Bootstrapping Research Models

Source: Data processed (2022)

The path coefficients of each free variable against the dependent variable are then examined. Table 3 illustrates this:

Table 3. Path Coefficient

No		Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
H1	Attitude toward behavior -> Purchase Intention	0.550	0.548	0.071	7.724	0.000
H2	Subjective Norm -> Purchase Intention	0.018	0.018	0.084	0.219	0.826
H3	Perceived Behavioral Control-> Purchase Intention	0.336	0.34	0.054	6.241	0.000

Source: Data processed (2022)

Based on Table 3, According to the results, hypothesis H1 and hypothesis H3 have values below the significance level of 5%, indicating that the hypothesis has a positive and significant influence on dependent variables, whereas hypothesis H2 has only a positive and insignificant influence because the p-value is more than 5%, which is 8,26%.

## V. CONCLUSIONS

Based on the findings of the research and discussion, it is possible to conclude that H1: there is a significant relationship between Attitude toward Behavior and Purchase Intention (accepted) H2: The relationship between Subjective Norms and Purchase Intention is insignificant (rejected) H3: Perceived Behavioral Control has a significant influence on Purchase Intention (accepted).

## REFERENCES

- [1] *Global status report on alcohol and health 2018*. 2018.
- [2] L. Schiffman and Joe Wisenblit, *Consumer behavior*, Twelfth ed. 2019.
- [3] J. Y. Liew, N. S. M. Zain, D. S. Hashim, T. H. S. T. A. Bakar, M. Mahshar, and F. Rosli, "An exploration of the key factors affecting consumer buying behaviour of instant food products: A case study of Kota Bharu," *IOP Conf. Ser. Earth Environ. Sci.*, vol. 756, no. 1, 2021, doi: 10.1088/1755-1315/756/1/012014.
- [4] I. Ajzen, *Attitudes, Personality & Behavior*. 2005.
- [5] I. Ajzen, *Attitudes, Personality, and Behavior (Mapping Social Psychology)*. 2005.
- [6] I. Ajzen and M. Fishbein, "A Bayesian analysis of attribution processes," *Psychol. Bull.*, vol. 82, no. 2, pp. 261–277, 1975, doi: 10.1037/h0076477.
- [7] C. J. Armitage and M. Conner, "The theory of planned behaviour: Assessment of predictive validity and 'perceived control,'" *Br. J. Soc. Psychol.*, vol. 38, no. 1, pp. 35–54, 1999, doi: 10.1348/014466699164022.
- [8] N. A. Hasbullah, A. Osman, S. Abdullah, S. N. Salahuddin, N. F. Ramlee, and H. M. Soha, "The Relationship of Attitude, Subjective Norm and Website Usability on Consumer Intention to Purchase Online: An Evidence of Malaysian Youth," *Procedia Econ. Financ.*, vol. 35, no. October 2015, pp. 493–502, 2016, doi: 10.1016/s2212-5671(16)00061-7.
- [9] X. Olivier and N. S. Terblanche, "A study of factors affecting customers' intentions to continue online shopping with mobile phones," *Manag. Dyn.*, vol. 27, no. 1, pp. 2–19, 2018, [Online]. Available: [https://search.proquest.com/docview/2092466297?accountid=14777%0Ahttp://xv91x6cm3j.search.serialssolutions.com?ctx\\_ver=Z39.88-2004&ctx\\_enc=info:ofi/enc:UTF-8&rft\\_id=info:sid/ProQ%3Aabiglobal&rft\\_val\\_fmt=info:ofi/fmt:kev:mtx:journal&rft.genre=article&rft.j.](https://search.proquest.com/docview/2092466297?accountid=14777%0Ahttp://xv91x6cm3j.search.serialssolutions.com?ctx_ver=Z39.88-2004&ctx_enc=info:ofi/enc:UTF-8&rft_id=info:sid/ProQ%3Aabiglobal&rft_val_fmt=info:ofi/fmt:kev:mtx:journal&rft.genre=article&rft.j.)
- [10] R. R. V. Tenkasi and L. Zhang, "A test of the theory of planned behavior: Influencing behavioral change to go 'Green,'" *Res. Organ. Chang. Dev.*, vol. 26, pp. 127–165, 2018, doi: 10.1108/S0897-301620180000026004.
- [11] X. Yang, Q. Wang, and C. Sia, "Investigation on the Factors Determining Consumers' Use of Online Intermediated Shopping ( OIS ): A Behavioral Intention Perspective," no. January, 2015, doi: 10.4018/joeduc.2015010104.
- [12] S. Maria, C. Loureiro, and M. Breazeale, "Pressing the Buy Button : Generation Ys Online Clothing Shopping Orientation and Its Impact on Purchase Page Proof Instructions and Queries," no. October, 2016, doi: 10.1177/0887302X16633530.
- [13] Y. Tao, "RESEARCH ON THE INFLUENCING FACTORS OF EXCESSIVE CONSUMPTION ONLINE -- BASED ON THE THEORY OF PLANNED," vol. 37, pp. 532–543, 2017.
- [14] N. A. Y. Tabari and E. Abroud, "Factors Affecting Customer ' s Tendency to Online Shopping," *Int. J. Econ. Perspect.*, vol. 11, no. 3, pp. 549–556, 2017.
- [15] A. Garay, L., Font, X. & Corrons, "Sustainability-oriented innovation in tourism: an analysis based on the decomposed theory of planned behavior," *J. Travel Res.*, vol. 58, pp. 622–636, 2019, doi: 10.1177/0047287518771215.
- [16] Icek Ajzen, "The theory of planned behavior," *Organ. Behav. Hum. Decis. Process.*, vol. 50, no. 2, pp. 179–211, 1991, doi: 10.1016/0749-5978(91)90020-t.
- [17] P. Kotler, K. L. Keller, M. Brady, M. Goodman, and T. Hansen, *4th European edition*. 2019.
- [18] X. Wang, F. Pacho, J. Liu, and R. Kajungiro, "Factors influencing organic food purchase intention in Tanzania and Kenya and the moderating role of knowledge," *Sustain.*, vol. 11, no. 1, 2019, doi: 10.3390/su11010209.

- [19] V. Mirabi, H. Akbariyeh, and H. Tahmasebifard, "A Study of Factors Affecting on Customers Purchase Intention Case Study: the Agencies of Bono Brand Tile in Tehran," *J. Multidiscip. Eng. Sci. Technol.*, vol. 2, no. 1, pp. 267–273, 2015.
- [20] V. G. Morwitz, J. H. Steckel, and A. Gupta, "When do purchase intentions predict sales?," *Int. J. Forecast.*, vol. 23, no. 3, pp. 347–364, 2007, doi: 10.1016/j.ijforecast.2007.05.015.
- [21] K. Ariyanti and S. S. Iriani, "Pengaruh Persepsi Nilai dan Persepsi Resiko Terhadap Niat Beli Kosmetik Organik," *J. Ilmu Manaj.*, vol. 2, no. 4, pp. 1186–1196, 2014.
- [22] J. Paul, A. Modi, and J. Patel, "Predicting green product consumption using theory of planned behavior and reasoned action," *J. Retail. Consum. Serv.*, vol. 29, pp. 123–134, 2016, doi: 10.1016/j.jretconser.2015.11.006.
- [23] E. S. T. Wang and H. C. Lin, "Sustainable Development: The Effects of Social Normative Beliefs On Environmental Behaviour," *Sustain. Dev.*, vol. 25, no. 6, pp. 595–609, 2017, doi: 10.1002/sd.1680.
- [24] E. U. N. Sholiha and M. Salamah, "Structural Equation Modeling-Partial Least Square for Modeling District/City Health Degrees in East Java," *J. Sains Dan Seni Its*, vol. 4, no. 2, pp. 169–174, 2015, [Online]. Available: <http://id.portalgaruda.org/index.php?ref=browse&mod=viewarticle&article=415116>.
- [25] I. Ghozali, *Structural equation modeling: Metode alternatif dengan partial least square (pls)*. Semarang: Badan Penerbit Universitas Diponegoro., 2008.
- [26] W. W. Chin, W. W. Chin, and W. W. Chin, "The partial least squares approach to structural equation modelling. In Marcoulides G. A. (Ed.)," *Mod. Methods Bus. Res.*, vol. 295, no. 2, pp. 295–336, 1998.
- [27] M. Tenenhaus, V. E. Vinzi, Y. M. Chatelin, and C. Lauro, "PLS path modeling," *Comput. Stat. Data Anal.*, vol. 48, no. 1, pp. 159–205, 2005, doi: 10.1016/j.csda.2004.03.005.

**\*Corresponding Author: Osoulineda Khouansavanh<sup>1</sup>**  
**<sup>1</sup>(Department Business Administration, Universitas Padjadjaran, Indonesia)**