

Exploring Young Consumers' Trust and Purchase Intention of Organic Cotton Apparel

Xiao Tong, The University of Alabama, USA
Jin Su, Indiana University of Pennsylvania, USA

Keywords: Apparel, organic cotton, purchase intention, trust,

Introduction and Research Background

Organic cotton, the most widely available organic fiber, is cotton that is produced and certified to organic agricultural standards. Its production sustains the health of soils, ecosystems and people by using natural processes rather than artificial inputs. Sales of organic cotton have grown significantly in recent years, as consumers increasingly seek out sustainable, chemical-free fiber. Organic cotton fiber is now the largest non-food organic category in the U.S. market, with organic cotton fiber sales in the U.S. totaling over \$1.1 billion in 2014, up 18 percent from 2013 sales (Organic Trade Association, 2016). The global market value for organic cotton apparel and textile products in 2014 was US\$15.7 billion, a 67% growth in market value from 2013 to 2014 (Textile Exchange, 2016). Clothing retailers such as Patagonia and American Apparel and discount retailer such as Walmart have sold clothing made from organic cotton. As the textile and apparel industry works towards being more environmentally conscious, it is equally important to involve consumers in the process and encourage eco-conscious consumption of apparel products (Connell, 2011).

Since organic products are credence goods, consumers cannot directly verify whether these products comply with official standards. Therefore, they may not trust the organic claim. Organic labels are the primary source of consumer trust in organics. The Global Organic Textile Standard (GOTS) is the worldwide leading textile processing standard for organic fibres. Previous studies suggest that consumers are more likely to trust the organic products sold by a retailer when it is considered socially responsible. Since organic products are generally more expensive than their conventional counterparts, we think consumers may also rely on price information as a quality cue for organic apparel products. Considering consumer trust is essential for growing the organic clothing market, this study aims to investigate the key factors that may influence young consumers' trust and purchase intentions of organic apparel products. Specifically, this study explores the relationships between corporate social responsibility (CSR) reputation, product price, organic label, and consumer trust and purchase intentions by surveying college students. A sample of college students is used in this study because younger consumers with higher levels of education have been found to be more dedicated to purchase organic products (Dettmann & Dimitri, 2009).

Research Design and Methodology

The experiment we conducted used a 2 x 2 x 2 factorial design. Eight scenarios were developed to manipulate three independent variables: *CSR reputation (poor vs. good)*, *price (low vs. high)*, and *organic label (absent vs. present)* (Table 1). Consumer trust and purchase intentions were measured by existing scales (Mohr & Webb, 2005; Dodds, Monroe, & Grewal, 1991).

An intercept survey approach was used to administer a written questionnaire to a convenience sample of college students on the campus of a large state university. In the experiment task, participants were asked to imagine that they are purchasing a shirt on the internet and had

come across a description of an organic cotton shirt. The description contained generic attributes information about the cotton shirt. Retailers’ name and logo, product price, and the availability of organic label were embedded in the introduction description. After reading the description, participants are required to complete a questionnaire that collected information on the dependent measures (consumer trust and purchase intentions), manipulation check, as well as standard demographics.

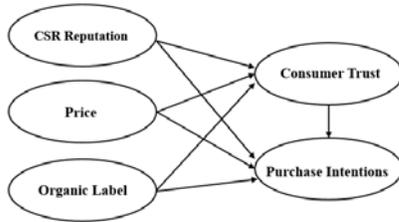


Figure 1. The Conceptual Model

Table 1. Fractional Factorial Design

Attributes	Levels
1. CSR reputation	1. Poor: <i>Walmart</i> 2. Good: <i>Patagonia</i>
2. Product price	1. Low: <i>\$19</i> 2. High: <i>\$79</i>
3. Organic label	1. Absent: <i>NOT carry the GOTS organic label</i> 2. Present: <i>carry the GOTS organic label</i>

Data Analysis and Results

Of the 330 collected questionnaires, 305 responses were considered valid and were used in the study. Most participants were between the ages of 18 and 25 (94%), and 182 respondents were women (60%). We conducted a multivariate analysis of variance (MANOVA) with CSR reputation, product price and organic label as independent variables and consumers’ trust and purchase intentions as dependent variables. The results, presented in Table 2, reveal that only CSR reputation has a significant effect on consumer trust in organic cotton apparel. Both CSR reputation and product price showed a significant impact on consumers’ purchase intentions towards organic cotton apparel. This implies that retailers’ CSR reputation plays a crucial role in earning consumers’ trust and influencing their purchase decisions. However, in this study, organic label did not have a significant effect on consumers’ trust and purchase intentions. The linear regression results ($\beta = 0.42$, t value = 12.70, $P < 0.001$) provide evidence of the positive impact of consumer trust on consumers’ purchase intentions towards organic cotton apparel. This suggests that consumers trust is an important mediator of consumer intentions to purchase organic apparel products.

Table 2. MANOVA and Univariate Results

Independent Variables	Consumer Trust		Purchase Intentions	
	<i>F</i> (1, 297)	Significance	<i>F</i> (1, 297)	Significance
CSR reputation	14.71	0.00***	31.28	0.00***
Product price	0.45	0.50	7.61	0.00**
Organic label	0.54	0.46	0.64	0.43
Organic label x CSR reputation	0.19	0.66	0.23	0.63
Organic label x Product price	1.47	0.23	0.8	0.37
CSR reputation x Product price	0.12	0.73	0.05	0.82
Organic label x CSR reputation x Product price	1.54	0.22	0.21	0.65

*** $P < 0.001$; ** $P < 0.01$

Selected References:

Connell, K. Y. H. (2011). Exploring consumers' perceptions of eco-conscious apparel acquisition behaviors. *Social Responsibility Journal*, 7(1), 61 - 73.

Mohr, L. A., & Webb, D. J. (2005). The effects of corporate social responsibility and price on consumer responses. *Journal of Consumer Affairs*, 39(1), 121-147.

Organic Trade Association (2016). Organic cotton fact 2015. Retrieved February 22, 2016 from <http://www.ota.com/organic-cotton-facts-2015>.