

Cogent Business & Management



ISSN: (Print) (Online) Journal homepage: https://www.tandfonline.com/loi/oabm20

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To cite this article: Ricky Chee- Jiun Chia, Magdalene Efendi & Venus Khim-Sen Liew (2023) Consumer purchase intention on Boba drinks in Kuching during Covid-19, Cogent Business & Management, 10:2, 2177399, DOI: 10.1080/23311975.2023.2177399

To link to this article: https://doi.org/10.1080/23311975.2023.2177399

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	Published online: 04 May 2023.
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Received: 26 July 2022 Accepted: 24 January 2023

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Reviewing editor: Len Tiu Wright, United Kingdom

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MANAGEMENT | RESEARCH ARTICLE

Consumer purchase intention on Boba drinks in Kuching during Covid-19

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Abstract: Many businesses were badly impacted as consumer spending habit shifted due to Covid-19 outbreak. The purpose of this study is to investigate consumer purchase intention on Boba drink during Covid-19. By adopting Theory of Planned Behavior, this study explores the influence of perceived behavioral control, subjective norm, and attitude. Importantly, perceived risks is added to the conceptual model to study consumer purchase intention amid Covid-19. Boba drink is a popular beverage in every city in Malaysia, including Kuching, where one could easily spot a Boba drink outlet at almost every corner of the city. A total of 394 complete observations have been obtained from the respondents through a selfadministered online survey. The outcome of the analysis uncovered that perceived behavioral control and subjective norm have significant direct relation, while attitude and perceived risks have significant adverse relation with consumer purchase intention during Covid-19. This research offers insights to Boba drink sellers to devise appropriate strategies to market their beverages by targeting consumers' ability to buy the beverage, health-conscious belief, food safety, and attractive promotion to encourage consumers to buy their products during the pandemic.



Ricky Chee- Jiun Chia

ABOUT THE AUTHORS

Ricky obtained PhD in Economics from Yokohama National University, Japan. His research interest is in the fields of international finance, financial economics, finance and banking. As for research output, he has to date published more than 20 articles in refereed international and national journals, including those in Social Sciences Citation Index, SCOPUS and ERA indexing journal. Currently, Ricky is serving as the co-Editor-in-Chief for International Journal of Emerging Trends in Social Sciences (IJETSS) (RePec, IDEAS, EconPapers), Managing Editor for Labuan Bulletin of International Business and Finance (LBIBF) (MyCite, EconLit, Ebscohost, Cabell's Directory) and as an Academic Editorial Board for PLOS ONE (Scopus & Web of Science).

Magdalene Efendi is an avid Bubble Tea consumer. She used to work part-time in F&B industry for 7 years during her tertiary studies. She has a bachelor's degree with Honour in Human Resource Development and master's degree in Corporate Master's in Business Administration, obtained from the University of Malaysia Sarawak, Sarawak, Malaysia. She is currently pursuing a career in operations management.

PUBLIC INTEREST STATEMENT

Pearl milk tea or bubble tea, a kind of beverage that often comprises milk tea as the base flavor accompanied by chewy tapioca balls has gained much prominence in the mainstream nowadays and become one of the major beverage markets in the world. The market value was USD 2.15 billion in 2019 and USD 2.3 billion in 2020, and it is expected to grow to higher level of market value. The sudden surge of this trend has gained the interest of scholars to investigate the consumer behavior towards this drink. However, most of these studies focus on major cities in the world. Lack of attention on this topic is given to small and lesser-known cities like Kuching, the largest city in the state of Sarawak, and the 16th largest city in Malaysia.









Subjects: Marketing; Business; Business Management

Keywords: Consumer purchase intention; Boba drink; Covid-19; perceived behavioral control; subjective norm; attitude; perceived risks

1. Introduction

Boba drink is also known as pearl milk tea or bubble tea. It is a kind of beverage that often comprises milk tea as the base flavor accompanied by chewy tapioca balls (Thompson, 2020). It has gained much prominence in the mainstream nowadays and has become one of the major beverage markets in the world. Global Boba drink market value was USD 2.15 billion in 2019 and USD 2.3 billion in 2020, and it is expected to grow to USD4.3 billion by 2027 (Allied Market Research, 2020, April; Grand View Research, 2020; Newswire, 2022). In Malaysia, there are over 100 Boba drink brands with more than 4000 outlets throughout the country (Bubble Tea Malaysia, 2020). Straits Research had estimated that Malaysia's Bubble tea market value stood at US\$49.8 million and it is expected to grow at a rate of 6.9 per cent per annum until 2026 (Bloomberg.com, 2019). In Malaysia, there are Boba drink specialty streets in almost every city, where different Boba drink chains can be found in close proximity with one another in an area (Foong, 2019; Reiko, 2019). For instance, Saradise and Galacity are two commercial places in Kuching that are well known for having various Boba chains. The sudden surge of Boba trend has gained the interest of scholars to investigate the consumer behavior towards Boba drink. However, most of these studies focus on major cities in the world. Lack of attention on this topic is given to small and lesser-known cities like Kuching, the largest city in the state of Sarawak, and the 16th largest city in Malaysia.

The unprecedented Covid-19 pandemic has critically disrupted every business across the globe, including the food and beverages business. In 2020, more than 2000 food outlets closures and about 8 Boba outlets in SS15 Subang Jaya (a Boba famed drink street in Kuala Lumpur) went out of business due to the movement control order (MCO; Annuar, 2020; Carvalho, 2020). With that, the shop unit rental had drastically dropped from RM8000 to RM12000 in late 2019 to RM7000 to RM8,000 in Mid-2020 per month, in SS15 Subang Jaya (Chin, 2020). As pointed out by Chin (2020), the MCO had accelerated the process of closing due to the drop in demand and supply in Malaysia. The closure of businesses amid MCO including factories and restriction of movement including transportation of goods for safety purpose hampered the supply for Boba business. The precautionary action enforced by the government had caused reduced crowd in the outlets and the purchasing power among consumers lowered due to the uncertainty of the economy (Abdul Hamid, 2020; Medina, 2020). Additionally, the rising daily Covid-19 cases and a series of preventive measures discourage consumer from eating out and urge them to order take-out (Alhusseini & Algahtani, 2020). As a result, many outlets were forced to close due to the MCO. A report postulated that consumers are getting more health conscious because of the outbreak (Renzo et al., 2020). Despite the fact that sugar level can be calibrated to customers' likings, Boba drink is infamous for being unhealthy and could possibly contain illegitimate chemical substance that could be detrimental to the health (Choong, 2013; Whitehead, 2013). Thus, this study would like to address the purchase intention for Boba drink amid Covid-19.

The remainder of the study is arranged as follows. First, the theatrical framework reviews prior literature to examine the factors influencing consumer purchase intention. This is followed by the formulation of research model and hypotheses for the paper. The subsequent section explains the data collection method, the sample size, as well as the types of data analysis adopted in this study. Discussion on the findings of the study is provided prior to the conclusion.

2. Theoretical framework and hypotheses

Ajzen (1991) defined purchase intention as a thought-through internal response in which consumers agree to buy a particular good (Nguyen & Gizaw, 2014). It is the internal impulse of consumers that is stimulated by their assessment on their psychological, situational, personal,