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Research Article

Business Administration

Consumer purchase intention towards organic food products: A study in thanjavur Dt

T. Sivakami

ABSTRACT

Consumers are increasingly concerned about the environment and various issues related to the global level. This change has encouraged and the consumers has compelled to respond with 'environmentally' friendly products. Due to speedy growth of industry of organic foods and increasing the awareness among consumers, the health benefits and threats are the significant factors to consider. The present paper discusses consumer behavior with reference to the organic Products. This study was conducted in Thanjavur District and the sample size was 120 respondents. A questionnaire based survey method was used. It was found that maximum number of consumers got awareness about green products. But purchase intention of the consumers influenced with reference to the purchase of organic products. Hence, it is concluded that organisation should develop marketable advertisements to increase the purchase intention of organic food products.

Keywords: Green Marketing, Eco- friendly, Consumer purchase behavior, Purchase intention, Organic food products,

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*Corresponding author
T. Sivakami,
Assistant Professor
Department of Business
Administration, STET
women's College,
Mannargudi, Thanjavur
District, Tamil Nadu, S.
India

INTRODUCTION

Green marketing has attained a significant place in the present competitive and trendy world. Marketers have great insights to sell the organic products with increasing the awareness of environment protection, green world and eco-systems. Environmental pollution is increasing due to modernization and activities of human beings on the earth. The different kinds of pollution like air, water and soil pollution are caused by non-green products. The best alternative for all in the present world is adopting green marketing. The terms like Eco -friendly products, green marketing,

Environment friendly products, organic products are similar and they all mean the same which is the products do not harm to the environment. People who believe in health benefits, taste and protection of environment and believe to improve their life style can be the potential consumers of organic food. Moreover consumers are willing to "pay for the privilege of buying green" (Mintu-Wimsatt and Bradford, 1995).

Green marketing is the study of all efforts to consume, produce, distribute, promote, package and reclaim the products in a manner that is sensitive or responsive to ecological concerns (Dahlstorm, 2010).Green marketing refers to the process of

selling products and services based on their environmental benefits (Bukhari, 2011). During the last four decades, a progressive increase in environmental consciousness has emerged as the environment moved from a fringe, to a mainstream issue (Grant, 2007; Goleman, 2009). Coddington (1993) also mentioned the change in the perspective of the consumers. Consumers were worried about the impact of environmental damage on their health and safety. Their anxiety compelled the marketers to incorporate environment issue in their decision making. Further two important attitudes, i.e. confidence in food and health consciousness have emerged as main attractions for the consumers towards organic products.

Organic Food Products - An overview

Organically grown food is food that has been produced without the use of synthetic pesticides, synthetic fertilizers or sewage sludge, bioengineering, or ionizing radiation (USDA, 2002a). There is no common definition of "organic" due to the fact that different countries have different standard for products to be certified "organic". In simplest words organic foods are minimally processed to maintain the integrity of the food without artificial ingredients, preservatives or irradiation. Food which is produced without using conventional pesticides can be labeled as organic food. "In terms of food that comes from living animals – meat, eggs and dairy products, the animal must not be fed antibiotics or growth hormones" – Organic Foods Production Act, 1990.

Organic foods are those that are environmentally safe, produced using environmentally sound methods that do not involve modern synthetic inputs such as pesticides and chemical fertilizers, do not contain genetically modified organisms, and are not processed using irradiation, industrial solvents, or chemical food additives. Households, who perceive organic foods as healthier, are more likely to purchase organic food, and they have a higher willingness to pay than other households (Andersen, 2007).

Consumer's Perception of Organic food:

The consumers who want to adopt eco-friendly products in the present or in the future are green consumers. Green consumer behavior can be defined as consumers who have a positive attitude towards green products and are interested to adopt green practices in their life-style. Organic foods have become increasingly sought-after for their health benefits and higher quality, though some people remain unconvinced. Some reasons people do not buy organic foods are that they feel it is too expensive or because they simply are not aware that organic foods exist. Though organic foods may cost a little extra, the health benefits are worth the extra money, and if more people were aware of these

considerably healthier choices, organic food would be a more popular choice. Some people feel that the organic label is justify to charge more, though they do not realize that for something to be qualified as an organic food, there are multiple tests and checkpoints that must be passed, and an average certification fee of \$750 (Chait). Peter Ragaert and some associates conducted a study concerning consumer preference to minimally processed foods. One conclusion they came up with is that families having young children and more educated members of society are the largest percentage of organic foods consumers (Ragaert, et al., 2004). The main problems of organic consumers are irregular availability of organic products and too expensive than non-organic products. So that the organic consumers are not to purchasing more quantity of products (H.M. Chandrashekar).

Several studies indicate that organic food is commonly perceived by the general public to be a healthy and environmental friendly option (Tregear, Dent and McGregor 1994). The Newcastle study by Hutchins and Greenhalgh (1997) reported that 30% chose "better for the environment" as the sole or joint reason for purchasing organic food. A survey by Mintel (Jones 2000), found 16% to be buying organic food out of concern for the environment.

Need for the Study:

This is the correct time for all organizations to rejuvenate their strategies and processes to reduce the level of pollution on the environment. Food is necessary for all people who live in the world, to do their regular and routine tasks. Now a days people have more conscious about their health, and also to spend more than the normal. There is a need to understand the purchase intention of organic food products. So many studies focusing on purchase intention of organic foods, this study emphasis the consumer's purchase intention of organic foods.

REVIEW OF LITERATURE

Literature for the study has been collected from different sources. Most studies on consumer perception however find that the consumer believes that organic is safer than conventional food. (Rimal and Balasubramanian 2005). A study in Australia by Lea and Worsley (2005) also found that most of the respondents believed that organic food was healthier, tastier and better for the environment than conventional food. Chen and Michel C (2005) conducted a research on health benefits and risks on Organic Fruits and Vegetables. They found that organic produce can potentially be more beneficial, but certainly not more harmful, than conventional produce for the health of the consumer.

Greek consumers (Fotopoulos and Krystallis 2002) seem to be informed about environmental and health issues. They seek information about the nutritional value of food and demand more products free from chemical residues. Most Greek consumers associate organic consumption mainly with fruit and vegetables. (Tsakiridou, et al. 2008). Bhattacharya (2001) conducted an investigation on consumer's attitude towards green marketing in India, and stated that marketers should launch more aggressive campaigns about green products as the consumers are suspicious about the quality of green products. The consumers are not sure whether they are going to pay premium prices for green products in India.

Canavari et al. (2002) present preliminary test results of a study of the way in which an increased awareness of food safety can influence consumer behaviour regarding specific products. They look at consumer attitudes towards organic apples, examining the relationship of price, quality and quantity; and they analyze the structures determining willingness to pay for pesticide elimination and willingness to pay a premium price of organic apples. The data are collected not merely from consumers of organic food but consumers in general, whether they actually prefer organic food or not. As such the study is somewhat outside the scope of the current project, which is to detect the concerns among people who actually buy organic food. Nonetheless we have included the study because it might add to the overall picture of attitudes to organic food.

Zanoli et al. (2002) show that organic products are associated with health and tastiness. Health, well-being and pleasure are considered by the respondents to be the most important values when they chose to buy organic. On the negative side, organic products are perceived to be difficult to find and to be expensive

Combs, Zhu, and Chipoorutana (2011) considered four dimensions – food safety concern, labelling of green products, price quality inference and attitude towards green labeled products. The researchers conducted a study among Chinese consumers and organic food products were selected for the study. The researchers observed no significant relationship between price-quality and consumers actual purchase of green labeled food products. Essoussi & Zahaf (2008) have classified the organic food consumers as classic or emergent consumers. The former being well-educated, professional or white collar worker, willing to pay a premium for organics and to search out sources of organic food products (e.g. producer or farm markets). The latter is also well educated, a professional but committed to personal health, and shopping in supermarkets as convenience is an important factor in his/her purchasing decision.

Carrate, Castana, Felex, Centeno and Gonzalez (2012) argued that consumers are confused and are more interested in personal benefits rather than in environmental values, and it is the responsibility of the marketers to communicate the benefits of green products and low priced green alternatives should be provided because there can be a lot of potential from low-income group consumers in the long term.

RESEARCH METHODOLOGY

Descriptive research design was adopted for the present study. Among various sampling methods, Simple random sampling was used to facilitate the need to generalize the results of the population parameter. A self-administered questionnaire was framed to collect the data. Initially, the respondents were asked whether they had any idea about green products, and if the answer was 'yes', then given the questionnaire to the respondent. The questionnaire which consists of two parts. The first part of the questionnaire was framed to obtain the personal details. The second part was designed to collect the data about awareness, attitude, purchase intention about organic foods.

A five-point Likert scale was designed to collect information about consumer behavior of organic foods. The sample size was 135 respondents. This study was conducted in Thanjavur City. The respondents were carefully selected from different groups like employees, students and business people. The data were entered in Statistical Package for Social Sciences Version 14. Various statistical tools and techniques were used to analyze the data.

RESULTS AND ANALYSIS

The primary data collected from the respondents have been analyzed with the help of statistical tools like ANOVA single factor, Chi-square test, Regression analysis and percentage analysis. The following analysis depicts the purchase intention of organic foods.

According to the Table 1 depicts the outline of the respondents. It is observed that 61% of the respondents are male and 39% of the respondents are female. It is evident that 9% of the respondents come under the category below 30 years and above 51 years and the rest of the respondents under the category of 31-50 years. In respect to the educational status of the respondents, 53% of the respondents are under graduated and 25% of the respondents have completed Post graduate courses and rest of the respondents come under other category. Out of 135 respondents 36% belong to private employees, 20% belong to government employees, 36% belong to Business man, and the remaining 7% belong to others category. Regarding Income per month 7% of the respondents come under

the category below 10,000, 36%,30%,22%,4% are and within 50,000 respectively.[Table 1]
come under within 20,000, within 30,000,within 40,000

Table 1 Socio-Economic Profile of the Respondents

Gender	No of Respondents	%
Male	82	60.7
Female	53	39.3
Total	135	100
Age(Years)	No of Respondents	%
Below 30	12	8.9
31-40	66	48.9
41-50	45	33.3
Above 51	12	8.9
Total	135	100
Qualification	No of Respondents	%
UG	71	52.6
PG	34	25.2
Others	30	22.2
Total	135	100
Occupation	No of Respondents	%
Private Employee	49	36.3
Government	27	20.0
Businessman	49	36.3
Others	10	7.4
Total	135	100
Income per month	No of Respondents	%
Less than 10,000	10	7.4
10,001-20,000	49	36.3
20,001-30,000	41	30.4
30,001-40,000	30	22.2
40,001-50,000	5	3.7
Total	135	100

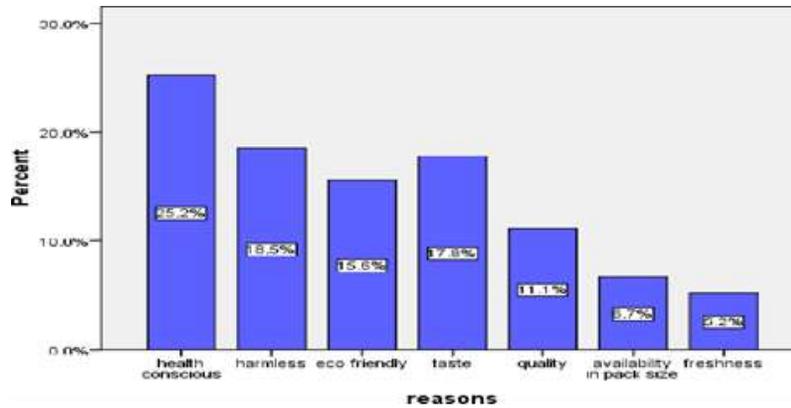
Source : Primary Data

H2: Reasons for purchasing organic food

Respondents responded health conscious as the main reason for the purchase of organic food (25.21 percent). Ecofriendly (15.6 percent), Taste (18.7 percent), Quality (11.1 percent), and Availability in Pack size (8.7 Percent), Freshness (5.2 percent) (Figure 1). Today’s consumers were given more concentration of their health. 18.5 Percent consumers believe that risk-free contents available in organic food.(Harmless 18.5

percent), Taste of the product was also the vital factor to determine the purchase of the consumers of organic food. The result which revealed that 17.8 percent of the respondents preferred taste as the reason for purchase. 15.6 percent of the respondents supported ecofriendly technology. Quality of the product was a very important factor for consumers of organic food (11.1 percent). Quality followed by availability in pack size (8.7 percent), freshness (5.2 percent).

Figure 1: Reasons for purchasing organic food



H3: No Association between occupation and purchasing pattern of the respondents.

Regression analysis was conducted to test the H3, is there any association between occupation and purchasing pattern of organic food. The result explains that P value of 0.058 was less than the level of significance (0.1). It supports H3 that means no association between respondent’s occupation and purchasing pattern of organic food. (Table 3)

H4: No Association between Price and Regular purchase of the respondents

To test H4 by using regression analysis, is there any association between price and regular purchase of organic food. The result revealed that the P value of 0.075 was less than the level of significance (0.1). It supports H4 which means no association between price and regular purchase of organic food. (Table 4).

Table 3: No Association between occupation and purchasing pattern of the respondent

Mode		Unstandardized		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.71	.267		6.43	.000
	purchase pattern	.271	.141	.164	1.915	.058

Table 4: No Association between Price and Regular purchase of the respondents

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.050	.070		14.972	.000
	price	.049	.027	.154	1.797	.075

DISCUSSION

Irrespective of the age, all consumers were got awareness about organic food product. Especially married men and women, the age above 31 and within 40 got more awareness about it. Consumers were satisfied with organic food for variety of reasons. Healthy conscious came first in their mind over harmless and ecofriendly technology. It also helps in maintaining their status in the society. Consumers were quite happy with this food. Some percent of consumers feel that organic food is costly. But at the same time, they believe that higher price can be paid for the healthy contents of their family. Irrespective of the occupation, some percent of the consumers purchase pattern were regularly. They were switch to the organic food to inorganic food because of irregular availability. It can be inferred that the marketers need to fix their marketing strategy to fulfil the need of the potential consumers effectively.

CONCLUSION

Consumer intention plays a major role in Organic food products segment. In the changing purchase behavior among consumers, the marketers of organic foods need to be innovative and dynamic. The study brought out the fact that the people were aware of images and availability, but not loyal entirely to organic food products. Now a days, consumers were given more concentration to their health issues. Organically grown products are available in the markets but in limited amounts though the growing demands are there for such products. Consumers are willing to pay price premium for organic products which could be viewed as the cost of investment in human health. Knowledge and awareness about organic products could affect attitudes and perceptions about the product and, ultimately, buying decisions of the consumers. Vegetables followed by fruits are the most preferred and highly demanded by the respondents. Quality characteristics affect consumers' preferences for organic products; with the most important including health and nutritional value, taste, and fresh and general appearance. Consumers' willingness to purchase is influenced by continuous supply, availability in packages, attitude of the consumers, satisfies changing taste and maintaining status in the society.

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