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FACTORS INFLUENCING/AFFECTING PURCHASE BEHAVIOUR OF CONSUMERS TOWARDS ORGANIC FOOD PRODUCTS

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ABSTRACT

This paper measures the effect of several factors on the behaviour of consumers who purchase organic food products in the Vellore district, Tamilnadu. A quantitative survey revealed for a factors influencing /affecting purchasing behaviour of consumers on organic to be influenced by health consciousness, perceived quality, concern over health safety, trust in organic labelling and price premium. The effect of the current economic recession was found to be statistically insignificant on behaviour. Organic food is generally looked upon as an alternative to conventional food for consumers who are concerned about food safety and quality. Despite this, many consumer perceptions about safety and quality are not substantiated by scientific evidence. A detailed questionnaire was prepared and made survey for the sample size of 200 customers and using statistical tools of chi-square, ANOVA, and correlation.

INTRODUCTION

Organic food is becoming more and more popular, as people look for ways to live a healthier, pesticide-free, environmentally friendly, and sustainable lifestyle. The production standards for organic certification for crops require that the farmers use no pesticides, artificial fertilizer, human or other waste, and that they are not processed using ionizing radiation or other additives. Animals grown for food must be reared without the routine use of growth hormone or antibiotics. Neither plants nor animals can be genetically modified. Making a commitment to healthy eating is a great start towards a healthier life. Beyond eating more fruits, vegetables, whole grains, and good fats, however, there is the question of food safety, nutrition, and sustainability. How foods are grown or raised can impact both your health and the environment. specific requirements must be met and maintained in order for products to be labelled as "organic. Organic crops must be grown in safe soil, have no modifications, and must remain separate from conventional products. Farmers are not allowed to use synthetic pesticides, bioengineered genes (GMOs), petroleum-based fertilizers, and sewage sludge-based fertilizers are given antibiotics, growth hormones, or any animal-by-products. Organic foods are items that are produced, packaged without using chemicals including items such as vegetables, fruit, meat, milk and cotton.

OBJECTIVES OF THE STUDY

1. To identify the buying pattern of organic food
2. To study the variables affecting the consumer behaviour to organic food in turn affects the purchase intention
3. To study the influence of consumers health consciousness towards organic food buying
4. To analyse the market potential for organic food in the market

LITREATURE OF REVIEW

Birgit Roitner et.al (2008) has found in their study that consumer perception of organic foods in Thailand (Bangkok). A survey was conducted among 848 respondents having purchased organic vegetables or fruits in the past [1]. Healthier and environmentally friendly are the main reasons for purchasing organic food products. Older people had bought organic vegetables and not bought by higher income and education level people. The main barrier is that consumers do not clearly differentiate between pesticide safe labels and organic labels.

Padel & Foster, (2005), Stobelaaret al., (2006) have stated that “have analyzed the awareness of consumers about food hazards. The result of the study indicates that female consumers and individuals with more education and income possess better awareness of food hazards and knowledge of food hazards. A large number of studies are available in the literature which identified reasons for purchasing of organic food products.[2]



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Vermeir and Verbeke (2004) have stated that “have proved that consumers weigh up health benefits of organic food products on a higher scale than its environmental benefits or benefit to the community in their decision to purchase organic food products [3] Shijiu Yin, Linhai Wu, Lili Du, Mo Chen (2010), “The development of global market for organic foods were increased only in recent decades. The China’s participation towards organic food industry was growing rapidly even though their domestic market is small. The authors have conducted survey in three cities at China specifically among 432 consumers in order to find out the factors affecting the choices of consumers over organic food. The outcome of the survey says that the purchase behavior of Chinese towards organic food is affected by income, trust in organic foods, degree of accepting the food price and concern about self health. Yet the factors age, educational qualification and environmental protections do not have so much to do with purchasing behavior of the Chinese consumers of organic foods comparatively [4]. Riccardo Vecchio, Ellen J. Van Loo and Azzurra Annunziata (2016) “ the researchers are intended to find out the willingness of consumers to pay for conventional, organic and functional yogurts through two different information experiments namely basic and additional information. During first experiment the respondents were provided yogurt labeled with conventional, organic or functional with basic information. While the second treatment have experimented the consumers by providing yogurts with additional information. To obtain values for these concerned product 100 Italian consumers were involved for the process of experimenting using the Vickrey fifth-price sealed bid mechanism. The research outcomes says that the additional information given through selected health claims show the increased willingness to pay for functional yogurt among the people whereas in contrast the same is not adding any premium in organic yogurt. Further the researchers found that the socio demographic variables like age, gender, kids in the family ,special diets are also positively affecting the paying behavior of consumers for functional and organic yogurts.”[5]. Pirjo Honkanen, Bas Verplanken and Svein Ottar Olsen (2006), “the researchers have given questionnaire to investigate the ethical motives, attitude and intention to consume organic foods. Around 1283 Norwegian adults were chosen as sample to find the relationship between attitude, the ethical food choices made and intention to consume organic foods. Knowledge about environmental and animal rights and their issue had a strong influence towards consuming organic foods. The research says that as far as people are concerned about these issues, their positive attitude towards consumption of organic foods are also increasing. It is also found that the political motives also have its share in influencing positive attitude among people though religion is not important to make food choices”.[6] Tullia Gallina Toschi, Alessandra Bendini, Sara Barbieri, Enrico Valli, Marie Louise Cezanne, Kirsten Buchecker and Maurizio Canavari (2012), “the influence of sensory profiling on consumer acceptability towards buying organic or conventional yogurt has been analyzed in Italian market. The producers and distributors generally prefer that the sensory properties of food products are essential for the success and taste of the products. To examine this, the researchers investigated consumer preference, expectation and the impact of sensory properties present in conventional and organic yogurts. To do this research work the sensory profiling and six non flavored conventional Italian yogurts has been taken as a source to continue the research. The data analyzed that heavy and light users and also blind and labeled test are showing some differences in the investigation. To start with consumer preferences, the creamy mouth feel, smooth visual appearance, less acid and taste are considered as major likeness. Also the conventional yogurt do not preferred by consumers as it is not creamy as organic yogurt. Yet the research findings say that the conventional yogurt scored higher when it is labeled as organic. But sensory profiling isn’t making any differences in odor, taste and texture between organic and conventional samples. In spite of this, the organic yogurt are most preferable choices of consumers. [7] Johannes Kahl, Farnaz Alborzi, Alexander Beck, Susanne Bügel, Nicolaas Busscher, Uwe Geier, Darja Matt, Tabea Meischner, Flavio Paoletti, Sirlu Pehme, Angelika Ploeger, Ewa Rembialkowska, Otto Schmid, Carola Strassner, Bruno Taupier-Letage and Aneta Załęcka (2014), “According to the EU regulations introduced in 2007 about the principles, criteria described for the organic foods the researchers have done a research to define the organic foods, organic farming and organic processes as well. They verified the existing paradigms and principles of the same. Also the organic processes connect with the system such as minimal, sustainable, careful and gentle processing along with its principle and criteria were examined. The concept and definitions of organic food was analyzed with the example of milk heated using different treatment. The multidimensional approach was used to define the clear paradigm , principles and evaluations of organic foods and process”.[8] Aneta Załęcka, Susanne Bügel, Flavio Paoletti, Johannes Kahl, Adriana Bonanno, Anne Dostalova and Gerold Rahmann (2014), “the food quality observes the influence of organic production and structured the quality as primary production and processing. As for as the research findings concern the organic food contains lesser pesticides and more health related compounds like polyphenols which present in plant products and polyunsaturated fatty acids in milk and meat products. Further it is interpreted in the research that comparing the organic foods which possess a origin with the conventional foods do not seems to be appropriate as the term conventional do not have a clear definition as organic foods do. The research work was also carried on to see the impact of technologies on quality of organic

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principles as most of the food is processed”. [9] Salome Wägeli, Meike Janssen and Ulrich Hamm (2016), “ the research has been conducted among 597 Germans in order to know the buying behavior of German organic consumers preferences and willingness to pay for local organic animal products produced with local feed. In general in Germany, a high share of organic animal product is produced by using imported protein feeds. Sometimes the product labeled as “local” is also produced with imported feed. During the purchase the animal products are not usually labeled with any information, thus the consumer behavior towards buying organic foods as labeled is very doubtful. Yet the research analyzed whether the use of local feed make any product differentiation in the organic animal product market. The research outcome says that the information about imported feed is an important tool to promote organic products produced along with local feeds. Further it is experimentented that local feeds are good choices to make product differences if effort is put in to raise awareness about organic feeds among the consumers”. [10] M.G. McEachern and P. McClean(2002), “Number of researchers, documentations has been produced to study the consumers purchasing behavior of organic food products. Yet the research is not sufficient. Generally the food choices of people are based on their ethical beliefs. Even in those ethical beliefs it is again dominated by differences among individual, groups and countries. The researchers investigated the degree to which ethical beliefs are connected buying behavior of Scottish consumers towards organic dairy products. They further examined the relationship between Scottish consumers’ perception, belief and purchasing decision and buying behavior towards organic dairy products. It is analyzed that the consumers purchase behavior is self centered which looks for better taste and safer to eat rather just buying something as selfless. Hence, it is figured out that for the marketing development of organic dairy products instead of relying on few consumers it is advisable to campaigns about the importance of ethical, social and environmental benefits over consuming organic products along the people”. [11] Liza Oates, Marc Cohen and Lesley Braun(2012), “The researcher intended to analyze the Australians consumption of organic foods. The previous researchers have said that the percentage of Australian consumers of organic foods is very small. To give better description of Australian organic consumers the ‘Organic Consumption Survey’ and ‘Organic Food Intake Survey’ were conducted online in 2010 in order to disseminate information about the levels of consumption and characteristics of regular organic consumers. The researchers have continued the experimentation in the same research area where the outcome said that among 318 participants 80.3% were females, 80.3% were 25–55 years old, 61.2% were living in urban areas, 68.9% born in Australia and 55.5% were in a healthy weight range .As a result it is noted that organic fruits were in top list of highest consumption and meat products at the bottom. Also found that the majority of participants consumed at least 65% organic food in their diet, including 35% certified organic food. A better understanding of the consumers is very essential in order to survive in the organic industry and in food marketing”. [12] Francisco J Mesías, Federico Martínez-Carrasco, José M Martínez and Paula Gaspar (2011), “The researchers have taken the background information that the growing demand for organic consumption among the consumers are rely on the aspects like healthy food stuff ,safe to eat and welfare of animals. The importance was given to analyze the attributes related to consumer preference over organic food stuffs. One example chosen for analysis was egg. It was clear that consumers do not invest more on egg as it is not healthy in terms of cholesterol, hence to fill the gap, the introduction of variant production of egg was used as an alternative in turn to create customer segmentation based on their preferences. The research was conducted among 361 Spanish consumers to know whether the alternative of egg create any preferences in the market. It is found that price, hens feed and their rearing conditions are the major determinants of consumer preferences. Further found that some segments of consumers are willing pay for alternatives”. [13]

METHODOLOGY

According to Clifford woody defines research as, “A research comprises defining and redefining problem, formulating on hypothesis or suggested solutions, collecting, analysing or evaluating data, making deductions and suggested solutions to identify the problems to formulate the hypothesis”. The design is descriptive research and sampling technique is simple random sampling. SPSS software is used to calculate chi square, correlation and one-way ANOVA its help to find out results.

As data collection was not possible from the entire city of Vellore due to paucity of time and resources. A sample of 200 respondents of organic food customers were selected for the study.



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DATA ANALYSIS AND INTERPRETATION

1.1 Percentage Analysis

Table No:1 Demographic Profile

S.NO	FACTORS	NO.OF RESPONDENTS	PERCENTAGE
1	AGE		
	20-25	32	16
	26-30	57	29
	31-35	49	24
	36-40	31	15
	ABOVE 41	31	15
2	GENDER		
	MALE	91	46
	FEMALE	109	55
3	MARITAL STATUS		
	SINGLE	60	30
	MARRIED	140	70
4	EDUCATIONAL QUALIFICATION		
	SSLC	20	10
	HSC	37	19
	DIPLOMA	37	19
	UG	69	35
	PG	37	19
5	INCOME LEVEL		
	15000-20000	50	25
	21000-25000	56	28
	26000-30000	34	17
	31000-35000	42	21
	ABOVE 36000	18	9
6	OCCUPATION		
	GOVT.SECTOR	34	17
	BUSINESS	56	28
	STUDENT	25	13
	PRIVATE	58	29
	HOME MAKER	27	14

Source : Primary data

Interpretation

From the above table, it is interpreted that 29 percent of the workers belongs to age group of 26-30 years, 55% of respondents are female respondents , 70% of the respondents are married, 35% of the respondents are UG qualified , 28% of the respondents income is between 21000-25000, 29% of the respondents are private sector and 28% of the respondents are business people.



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Table No:2 Chi-Square

S.NO	VARIABLES	CHISQUARE VALUE	DF	N	SIGNI.LE VEL
1	Consumption of organic food and income of respondents	15.257	16	200	S
2	Awareness of organic food and educational qualification of respondents	11.971	16	200	S
3	Decide to buy organic food and occupation of respondents	19.297	15	200	S
4	Price of organic food and age of respondents	12.024	4	200	S
5	Price of organic food and marital status of respondents	9.677	4	200	S

Primary data

Interpretation

From the above table it is inferred that There is a significant relationship between consumption of organic food and income of the respondents; There is a significant relationship between awareness of organic food and educational qualification of the respondents; There is a significant relationship between decide to buy organic food and occupation of the respondents; There is a significant relationship between price of organic food and age of the respondents; There is a significant relationship between price of organic food and marital status of the respondents.

Table : 3 Correlation

S.NO	VARIABLES	CORRELATION VALUE	N	SIGNI.LE VEL
1	Satisfy of organic food and quality of organic food	0.09	200	NS
2	Interest of organic food and purchase of organic food	0.069	200	NS
3	Government regulation of organic food and food safety of organic food	0.258	200	S

Source : Primary data

Interpretation

From the above table it is inferred There is no significant relationship between satisfied and quality of organic food; There is no significant relationship between interest and purchase of organic food; There is a significant relationship between government regulation of organic food and food safety of organic food.

Table No:4 Anova

S.NO	VARIABLES		SUM OF SQUARES	DF	MEAN SQUARE	F	SIGNI.L LEVEL
1	Consumption of organic food and income of the respondents	Between groups	5.860	4	1.465	1.124	S
		With in groups	258.833	194	1.303		
		groups total	258.693	198			
2	Satisfy of organic food and gender of the respondents	Between groups	1.250	2	0.625	0.476	S
		Within groups	257.443	196			
		Total	258.693	198			
3	Satisfy of	Between	1.824	4	0.456	0.344	S

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	organic food and age of respondents	groups With in groups Total	256.869 258.693	194 198	1.324		
4	Environmental benefits of organic food and educational qualification of the respondents	Between groups With in groups Total	9.113 326.407 335.520	4 195 199	2.278 1.674	1.361	S
5	Nutrition value of organic food and educational qualification of respondents	Between groups With in groups Total	0.520 294.100 294.620	4 195 199	0.130 1.508	0.086	S
6	Influence to buy organic food and marital status of respondents	Between groups Within groups Total	0.111 136.684 136.795	1 198 199	0.111 0.690	0.161	NS

Source : Primary data

Interpretation

From the above table it is inferred that There is a significant relationship between consumption and income of the organic food respondents; There is a significant relationship between satisfied and gender of the respondents; There is a significant relationship between satisfied of the organic food and age of the respondents; There is a significant relationship between environment benefits and educational qualification of an organic food respondents; There is a significant relationship between nutritional value and educational qualification of the respondents; But there is no significant relationship between influence to buy organic food and marital status of the respondents.

FINDINGS

- 34% of the customers buy organic food twice a week.
- 38% of the respondents are neutral compared with organic food
- 34% of the respondents are wanted to improve labelling in organic food.
- 35% of the respondents are given importance for appearance of organic food.
- 42% of the respondents are given importance and improve for overall quality of organic food.
- 38% of the respondents are given neutral response for the availability of organic food in super markets
- 41% of the consumers respond to improve for promoting and advertising of organic food.
- 36% of the consumers are given importance at all value of organic food .
- 31% of the respondents are given importance for social status of people purchasing organic food.
- 38.5% of the consumers are having previous knowledge and awareness of organic food products.
- 36% of the respondents are given neutral response for all government regulation and policies are related to sale of organic food.
- 34% of the respondents are given importance to information about nutritional value of organic food.
- 33% of the consumers decided to buy organic food for nutritional value .
- 37% of the respondents are continue to buy a organic food for healthy diet purpose.
- 33% of the respondents are given neutral response to check out organic food products because of advertisements and promotions.
- 33% of the respondents are neutral response to trial with organic food products.
- 32% of the respondents are neutral response with experienced to the benefits of using organic food.
- 39% of the respondents are neutral response to buying organic food products when they become available.
- 35 % of the respondents are agreed with brand names and labelling of some organic food products.

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SUGGESTIONS

- ❖ Production of organic food products should be increased by encouraging the farmers to go for organic farming. To increase awareness on consumers towards organic food is needed and the availability of organic food in all types of market is needed.
- ❖ Preferably, the farmers should be motivated by government policies.
- ❖ To persuade buy organic good products, the variables like familiarity, personal ideology, social interaction and monetary cost and habits had greater influence in buying organic food products.
- ❖ Producers and marketers to increase the promotional efforts and advertising of the organic foods definitely to reach the customers also increase the consumption.
- ❖ Farmers to increase the production of fruits, vegetables and grains grown using organic practices have more antioxidants.
- ❖ Encourage many other Organic shops to be opened in both urban and rural areas
- ❖ Educate on Organic content in rural areas and preferably to sell at affordable prices
- ❖ Quality, Certifications and labeling should be made mandatory for Organic shop. So customers trust the branded organic food products.

CONCLUSION

Centralised certification and labeling would go a long way to convert those who are infrequent organic purchasers and sceptical of the perceived benefits. Organic marketing should be designed to target low self-transcendent variables because consumers are more likely to be influenced by messaging explaining how organics could benefit them personally, rather than on a larger or social level. (For example, personal health benefits are more important than social factors. The price premium has been shown to create perceptions of quality, which appear to be unfounded after scientific review. Consumers perceive qualities in organic food which have generally not been proven. Consumers are very concerned about overall food safety. Fear of pesticide residue and concern over genetically modified food are playing a large role in pushing consumers towards organic. Conventional food marketers concerned about losing market share would be well advised to counter some of the negative publicity surrounding the conventional food system. Retailers have experienced low conversion rates to organic products. Tesco found that when it eliminated the price barrier customers were willing to try organic, but in many cases the quality of products was not enough to persuade customers to repurchase when the price premium was re-introduced.

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