

A study on Consumer Intention towards Organic Products with reference to Coimbatore city

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Abstract - The results reveals that preference towards organic food product represent the strongest relationship with buyers' intention to buy organic food product followed by the buyers' belief that buying organic product is healthy and it gives balanced diet. However, other aspects like awareness on government support and information on product location are found to be immaterially related to the intention to purchase organic products. There is a need to open more organic products shops in Coimbatore. Data was collected in and around Coimbatore district. A total of 150 completed questionnaires were gathered, using stratified sampling method. The findings gave useful information to organic producers to help them to develop effective marketing strategies and to enhance purchasing behaviour among consumers in Coimbatore district.

Key words: Awareness of Organic products, Preference, Purchase intention.

I. INTRODUCTION

Organic product marketing is a type of marketing mostly preferred by the consumers now-a-days. The main reason behind this is all people intensely aware of the health hazards of chemicals in veggies and fruits and also pesticides. Organic products are made completely from natural substances. Most of the public belief that organic food is safer, it tastes good & more nutritious. These beliefs from the public have increased demand for organic food. An increasing number of consumers are also of the public opinion that organic food tastes good and of quality value. Agriculturists come forward to plant organic food products to serve the society with a great value product. Instead of using pesticides they can use natural things to strengthen the soil. Organic products are better in quality than conventional one. Organic products provide a variety of benefits; organic foods have more valuable nutrients, such as antioxidants, than their predictably grown counterparts. Present scenario of marketing is more complex that at one end attractive brands and colourful packages are dominating in the store shelves and the other side it is mushrooming of new organic brands shelves and outlets which is really confusing the customers. As there is a slow penetration in the organic way, it is right time to explore the thought process of the customers in making their organic choices and to find the reasons for shifting. The results of the study may give useful insights in understanding the pulse of the customers and to predict the market changeovers for the future.

OBJECTIVES OF THE STUDY

1. To study the customer intention towards organic products.

2. To study the customer preference and changeover reasons to organic products.
3. To understand the purchase intention process based on the demographic profile of the respondents.

II. REVIEW OF LITREATURE

Gracia et al (2007) conducted a study on purchase behaviour of consumer's on organic food product in south Italy. Data was collected through survey method from 200 consumers of Naples. Results indicate that consumers those who are more eager to get organic food products are likely to buy a larger quantity of products. The purchase intention depends on knowledge on organic product and their attitude towards the product. Likewise, health and environmental benefits are the two main aspects which drive both final purchase decision and intention among consumers. To conclude, knowledge about organic products and income of therespondents have a positive impact in the final purchase decision of consumers .

Magistris and Gracia (2007) define that the organic food product has an important relationship with intention and positive attitude in buying organic food with regard to environmental issues , health and a higher level knowledge and income. It is establish in many researches that there exists a positive relationship between the buying behavior and their intention

Lillywhite et al (2013) examined organic food purchases and preferences among Jordan consumers, USA. This study is done with primary data which were collected utilizing a mall-intercept survey with sample of 147 from six grocery stores of Jordan. It is found that price and unavailability of

products were the main problem whereas health, safety and taste concerns are the primary motto in buying organic food products among Jordanian consumers.

Mesias Diaz et al (2010) conducted a study on —consumer knowledge, consumption and willingness to pay for organic tomatoes in Spain. Data was collected from 361 Spanish consumers through personal interviews. Findings of the study reveal that consumers lack in knowledge and proliferation of labels creates confusion among consumers. Further the study observed that there is an association among organic food knowledge, consumption and willingness to pay premium in case of organic food products. Price acts as an impediment is buying organic foods.

Donovan et al (2002) had done a study on consumer preferences for organic meat in Ireland. Data was collected through questionnaire from 250 Irish consumers. Respondents purchased organic meat placed importance their health and food safety. They believed that in terms of value, quality, safety, and labeling and production method the organic meat is superior compared to its conventional counterpart. Further it is found higher income group consumers were more willing to buy organic meat and growing awareness about food safety and pollution are the two main organic food purchase determinants.

Honkanen et al (2006) examined —ethical values and motives that drive organic food purchase among consumers in Norway. Results of the study indicate environmental concern and animal rights strongly influences the attitudes of the consumers. Respondents who have more positive attitude towards organic food products consume more. Political motives also plays a wide role in influencing the attitudes of the consumer

Schifferstein et al (1998) examined the health related determinants with regard to organic food consumption in Netherlands. The Data was collected from the customers of natural and health stores. Results indicate that absence of chemicals ,better taste and environment friendliness were the major reasons to go for organic foods among customers. Organic food purchasers conveyed that consuming organic food is a part of their life.

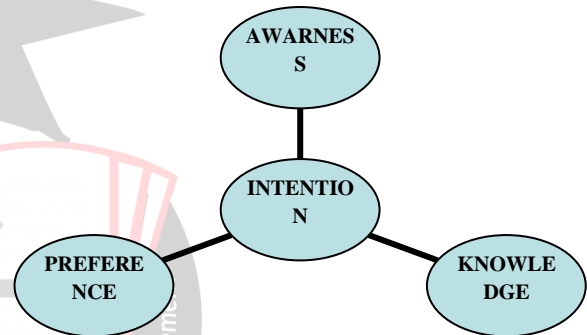
Makatouni (2002) studied about the motivators of organic food among UK consumers. Data was collected from the supermarkets through interview method. Sample size was 40 and the participants were the parents with the children aged 4 -12 years. Results illustrates that the fundamental motivating factors among the consumers in relation with organic food purchase are human, animal and environment related factors.

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Lea et al (2005) had done a study in Australia regarding organic food beliefs, demographics and values. Questionnaire-based mail survey was adopted from random respondents consists of 500 Australian adults. Study found that greater part of the respondents reported organic foods is tastier, healthier and better for the environment. However the major difficulty observed were expensive and lack of availability. Women are likely to hold positive attitude when compare to men. The prime interpreter of the belief with relation to organic food is personal value aspects related to nature, environment, and equality.

FRAMEWORK AMONG RESEARCH VARIABLES



III. RESEARCH METHODOLOGY

The research type is descriptive as it deals with the opinion and perception of the customers. To meet out with the research objectives the following research design are set. Area of the study is decided as Coimbatore district. Customers who buy organic products for their regular purchases and groceries are considered as population of the study. The proposed sampling type is stratified sampling. First strata from the population are geographical based and the second strata are based on different age group of customers. The proposed sample size is 150 as the population is infinite. Standard and structured questionnaire in a form of interview schedule is planned to collect the primary data. The secondary data may be taken from the sources of internet, magazines and journals.

The research study is descriptive method , and a total of 150 respondents are to be consider.

Sources of Data:

Primary data: Primary data to be collected from interview and through questionnaire.

Secondary data: Secondary data to be collected from other sources like websites, books and journals.

Sampling unit: People of Coimbatore district.

Sampling method: stratified sampling

Sample size: 150

TOOLS USED

The following scientific tools are used to analyze the data

- ❖ Simple percentage method
- ❖ Correlation

I. Simple percentage analysis:

PARTICULARS		RESPONDENTS	PERCENTAGE %
Age(Years)	Less than 30	24	16
	31 - 40	57	38
	41-50	48	32
	Above 51	21	14
Gender	Male	53	35
	Female	97	65
Marital Status	Married	103	69
	Unmarried	47	31
Educational Qualification	Schooling	37	25
	Under Graduate	51	34
	Post graduate	22	15
	Others	13	9
Occupation	Public/Private employee	44	29
	Student	17	12
	Business	32	21
	Home maker	57	38
Monthly Income(Rs)	Less than 20000	31	21
	20001 - 40000	69	46
	40001 - 60000	32	21
	Above 60001	18	12
Family members	Below 3	9	6
	3-4	19	13
	4-5	58	39
	5-6	45	30
	More than 6	19	13

II. Chi square:

HYPOTHESIS

- I. There is a significant association between age and health benefits of the respondents. Chi square test was used to analysis the hypothesis.

Table 1: Age and health benefits of the respondents- cross table

		Health Benefits					Total
		Strongly disagree	disagree	neutral	agree	Strongly agree	
Age	<25	5	5	0	3	1	14
	25-35	19	31	1	12	2	65
	36-45	5	3	3	3	3	17
	46-55	5	12	0	5	5	27
	>55	4	14	1	3	5	27
Total		38	65	5	26	16	150

Table 2: significant association between age and health benefits of the respondents- chi square test

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.127 ^a	16	.040
Likelihood Ratio	25.021	16	.069
Linear-by-Linear Association	3.828	1	.050
N of Valid Cases	150		

It is identified that the P- Value of .040 is less than 0.05 So, the null hypothesis is rejected and alternative hypothesis is accepted. Hence it is conclude that there is a significant association between age and health benefits of the respondents

- II. There is a significant association between Income and first purchase of organic products of the respondents. Chi square test was used to analysis the hypothesis.

Table 3: Income and Price of the product - cross table Crosstabulation

		Price of the product					Total
		Strongly disagree	disagree	neutral	agree	Strongly agree	
income	<9999	3	8	7	3	2	23
	10000-19999	3	8	4	4	4	23
	20000-29999	2	7	5	9	6	29
	30000-39999	9	12	2	10	4	37
	>40000	8	12	3	6	9	38
Total		25	47	21	32	25	150

Table 4 : A significant association between Income and Price of the product - chi square test

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.588 ^a	16	.291
Likelihood Ratio	18.698	16	.285
Linear-by-Linear Association	.000	1	.986
N of Valid Cases	150		

It is identified that the P- Value of .291 is more than 0.05. So, the null hypothesis is accepted Hence it is conclude that there is no significant association between Income and Price of the product.

IV. FINDINGS

PERCENTAGE ANALYSIS

Demographic profile to buy organic food

It is found from the study that out of 150 respondents, 38% of respondents falls under age group of 31-40 years, 65% of respondents were female, 65% are married, 34 % of respondents were under graduate, 38 % of respondents belongs to home maker, 46% of respondents were earning 20001-40000 as monthly income and 39% of respondents have 4-5 members in their family.

V. SUGGESTIONS

- There is a need to open more organic products shops in and around Coimbatore city.
- The main intention to buy organic product is healthy and balanced diet
- The awareness of organic products is necessary among consumers.
- The influence of advertisement of organic food products plays a vital role among consumers.
- The price is the major barrier for non-buying of organic food products.
- The availability of organic products is less in many areas.
- Ensuring quality of organic products by farmers through certification by the Organic Certification Department, which help them to take decision.

VI. CONCLUSION

The previous analysis shows that preference towards organic food product represent the strongest relationship with buyers intention to buy organic food product followed by the buyers belief that buying organic product is healthy and it gives balanced diet. It seems that income and price of the product has no significant relationship. However, other aspects like awareness on government support and information on product location are found to be

immaterially related to the intention to purchase organic products. Availability of products is less in few areas that should be improved in upcoming years. Since only more than one third of the consumers are buyers of organic products because they are not ready to pay higher price. But there is a greater market potential for organic products in Coimbatore . Consequently, it is very much important if communication message or educational activities can be initiated at the earlier stage before the buying behaviour becomes habit. Events such as organic product fairs, awareness program, health related programs should be held and showed among young consumers at their early age before they reach the stage of defining their future identity and values.

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