

# Consumers Behaviour towards Organic Food

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**Abstract:-** Today, a combination of 'Physical & Mental Fitness' and 'Climatic Aggravation' is accountable for raising the alarm in society. The government, NGOs, researchers, academicians, scientists, and others are all concerned about the climatic disaster and health difficulties. Today's world has correctly recognized that the true riches is health. Growing health consciousness resulted in the birth of a lovely creature. The timeless concept of "Organic." As we all know, food is the most important media that has a significant impact on our health. So, organic apparel and farming, as well as other corporate activities, are gaining traction.

The study is focusing three parameters i) awareness among consumer ii) health conciseness iii) price and iv) Availability of product. Exploratory research is done among the working professional and students by using structured questioner and Descriptive Research using open ended questioner and analysis tools such as SPSS and keyword analytics.

It is found that most of the consumer are aware about the organic products and positive health effects of using organic products. But pricing and availability of products act as a limitation for the expansion of organic market share.

**Keywords:-** Consumer Behavior, Purchase Intention, Consumer Perception, Organic Food

## I. INTRODUCTION

Even while environmental sustainability is the ultimate demand from our next generation, it is difficult to achieve now. One of the most significant, according to Zepeda and Nie (2012) environmental dangers Due to the high cost of typical industrial agriculture, it is not sustainable. Its operation necessitates the expenditure of energy and materials. In the agriculture sector, the Green Revolution has ushered in a new era of chemical fertilisers were used to boost crops without regard for the environment. Impact on the environment as a result, organic agriculture has been proven to be a long-term viable option. Agriculture production

system to deal with social, ecological, and economic challenges industrialised agriculture's effects.

Because of worries about intensive agriculture practises and their potential impacts on humans and the environment, a substantial number of individuals are interested in organically produced foods. Organic food sales have increased by five billion dollars each year in recent years, indicating that global demand for organic foods is on the rise (Willer and Klicher, 2009). Because of the region's rapidly rising populations and economy, it has become a major producer and exporter of organic goods (Willer and Klicher, 2009). Organic foods are gaining popularity in many developing nations because they can provide public-sector environmental benefits as well as private-sector international trade exchange.

## II. ORGANIC FOOD

Food grown without the use of synthetic chemicals is referred to as "organic." In 1940, Lord Northbourne coined the phrase "Organic farming." Organic farming dates back to the early 1800s. The organic movement encompasses all organizations and individuals active in the organic movement around the world. Organic agriculture and other organic products are encouraged. Organic farming is, without a doubt, a relatively new concept, but it is gaining popularity. Recently, production and marketing of organic products has exploded in recent years. Organic grocery stores now have a sizable market share a percentage of the market for grocery shopping.

In India, recent years a number of organic brands establishes their market.

The prominent organic brands are: -

1. Organic tattva
2. 24 Mantra
3. Praakritik
4. Organic India
5. Pure and Sure
6. Nutriorg
7. Adya Organics

### ➤ *Theory of Planned Behavior (TPB) Model*

The theory of planned behaviour (TPB) was used to fulfil the research objective in this study. Essentially, the TPB model introduced by Ajzen (1991) may be used to quantify human activities, implying that it can anticipate customer behaviour if the conduct is deliberate. For large variety in actual conduct, there are three key variables to predict an intention to do behaviour: (a) attitudes, (b) subjective norms, and (c) perceived behavioural control. Not to mention that several research have proven that the TPB model may be successfully applied to consumer habits as well as health behaviours (see Conner & Sparks, 1995). (Godin & Kok, 1996). The intention to perform, according to the TPB model, is the immediate antecedent of conduct. Therefore, when the consumers have greater intention to engage in behavior, they are more likely to perform it.

Similarly, several organic research had applied the Theory of Planned Behavior. As a result, because it has been utilised in numerous research studies, particularly organic studies, it can be used to predict the purchase intention of organic goods. According to Montano et al. (1997), this theory has been shown to give an appropriate framework for conceiving, assessing, and detecting elements that influence behaviour and behavioural intention, as well as a methodical approach to developing information campaigns. Robinson and Smith (2002) also found that attitudes, subjective standards, and perceived behavioral control all independently influence the purchasing of sustainable items.

### III. HYPOTHESIS

There are number of factors that effect purchase behaviors of a consumer. Referring to the early literature there are several factors, although we will only be focusing on factors given below:

#### A. *Knowledge or Awareness:*

Consumer awareness or knowledge is one of the most important aspects that lead a consumer's decision to buy or consider a product to be on their wish list (Carlson et al., 2009). It also influences the trust among consumers, lack of knowledge can influence a negative consumer perspective toward the product. Knowledge gathering is one of the major processes in decision making be it follows the EKB or Bettman Model of decision making.

**H01: There is a no relationship between knowledge and consumer behavior towards organic foods.**

**H1: There is a positive relationship between knowledge and consumer behavior towards organic foods.**

#### B. *Health Consciousness*

Consumers who are concerned about their health might use health awareness to determine the contents of organic and non-organic products on the market. "Readiness to take health actions" is defined as "health consciousness" (Becker

et al., 1977, as cited in Michaelidou & Hassan, 2008). People who are health conscious are aware of and worried about their well-being, as well as motivated to improve or maintain their health and prevent illness by engaging in healthy habits and being self-aware of their health (Newsom et al., 2005; Kraft & Goodell, 1993). As a result, customers are increasingly buying organic foods as a long-term investment in their health (Grossman, 1972).

Some studies have found that a health issue is a major reason for people to buy organic foods. In fact, as customers lose faith in the quality of conventional foods, they will become interested in food-related health issues. Furthermore, when purchasing organic foods, the majority of consumers will be worried about maintaining or improving their health. According to research by Oude Ophius (1989) and Schifferstein and Oude Ophius (1998), health consciousness is a broader concept that reflects a person's ready to do something for his or her own health. It can be measured as the degree of readiness to conduct healthy acts.

**H02: There is no relationship between Health consciousness and consumer behavior towards organic food.**

**H2: There is a positive relationship between Health consciousness and consumer behavior towards organic food.**

#### C. *Price:*

The price of a product has been found to have an impact on demand for organic goods. Because of the growing demand for organic goods, the price of organic foods usually remains high in many marketplaces. According to Kim, Suwunnamek, and Toyoda (2008), Japanese consumers were ready to pay 10% more for organic items than conventional foods, but favoured domestic organic products over imported organic products. When customers believe organic goods are more nutritious than conventional foods, price was not deemed a deterrent. Regular organic consumers, on the other hand, mention rising pricing of organic items as an issue less frequently than occasional organic consumers.

Furthermore, according to a study conducted by Volckner & Hofmann (2007), price is not only assumed as a cost in the eyes of consumers, but also as a signal of product quality. This is because these factors influence their overall opinion of the goods and, as a result, their purchasing decisions. Even if the items are not 100% organic, consumers are prepared to pay a higher price for organic foods. Consumer groups differ in their acceptance of price premiums.

**H03: There is no relationship between price and consumer behavior towards organic food**

**H3: There is a relationship between price and consumer behavior towards organic food**

**D. Availability**

Organic goods have been added to the shelves of traditional supermarkets in response to the increased demand for organic foods in the market. This allows customers to purchase organic foods. Rather than purchasing organic foods only from organic retailers, consumers can do it at a regular supermarket. Organic foods are now more available to consumers. According to Dettmann & Dimitri (2007), due to increased marketing methods involved in promoting organic products through conventional supermarkets and large retail establishments. Other research findings, on the other hand, imply that organic food is difficult to come by in many places. We'd like to look into this further because availability is one of the elements that encourages people to buy organic foods.

There is evidence to suggest that consumers struggled to find environmentally friendly products due to a lack of knowledge (Brown, 2003). Previous research has found that

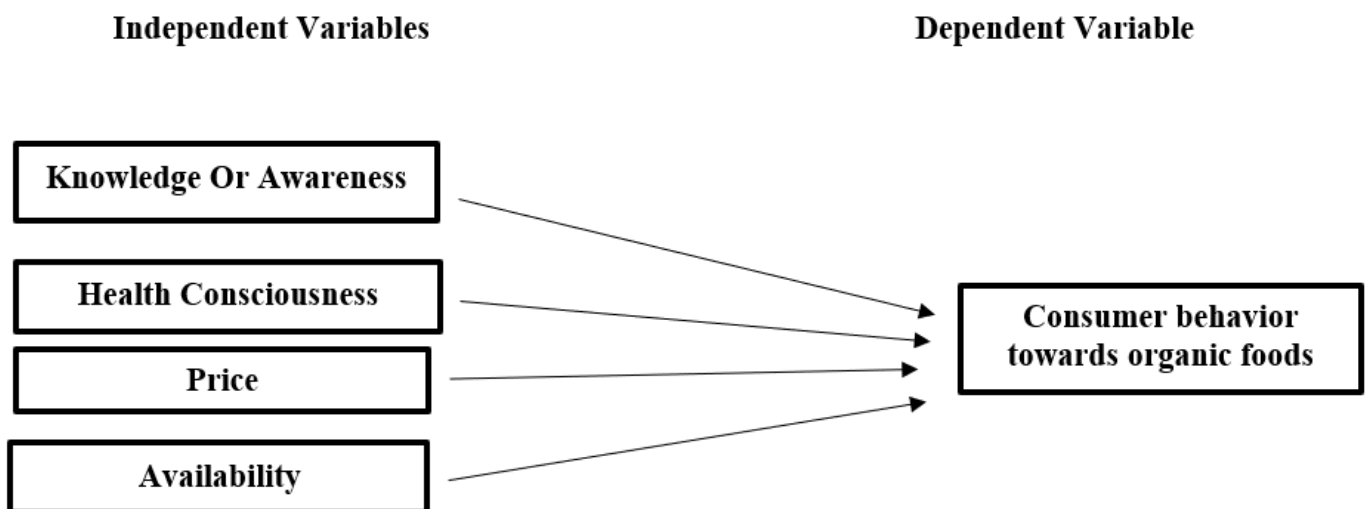
one of the barriers to consumers purchasing organic products is the absence of organic food availability in stores.

"Market mavens might be defined as individuals who have information about many different kinds of items, places to purchase, and other parts of the market who initiate interaction with consumers and respond to consumer requests for market information," Feick and Price (1987) write. As a result, interactions with consumers who have a high level of market knowledge as well as a high level of product availability may lead to a more favorable attitude toward consumer purchasing behavior.

**H04: There is no relationship between Availability and consumer behavior towards organic foods.**

**H4: There is a positive relationship between Availability and consumer behavior towards organic foods.**

**IV. CONCEPTUAL FRAMEWORK**



**V. RESEARCH DESIGN**

A successful research design can help the researcher to specify the objectives and strategies to be used as well as the approaches for the research (Lewis & Thomhill, Saunders, 2000). Therefore, this research used the questionnaires to collect the required data and information from students and working professionals in order to examine consumer behavior towards organic foods. According to Roscoe (1975), the rule of thumb when selecting the appropriate sample size is at least 30 and below 500 since this range of sample size can maintain the sample error at an acceptable level. To maintain the accuracy level we sent the questioner to 71 respondent. Most of the questions in the questionnaire applied the 5-point Likert scale technique. After distributing the questionnaires to respondents, the collected data was then analyzed by using the quantitative approach.

**VI. SAMPLE SET**

The respondents are almost 54.9% (39 respondents) male and 45.1% (32 respondents) female. Although the age group is scattered majority of them 90.1% (64 respondents) are of 18-29 years, 1.4% (1 respondent) of 30-40 years, 4.2% (3 respondents) of 41-50 years, 2.8% (2 respondents) of 51-60 years and above 60 again 1.4% (1 respondent). The data reveals that out of the 71 respondents, the majority of the respondents chose that they purchased organic foods, which made up of 66.2% (47 respondents) of the respondents. There are 33.8% (24 respondent) respondents who never purchase organic foods before. Only 2 (2.1%) respondents regularly purchased organic foods to consume, which can be said that fully support on consumption of organic foods.

**VII. ANALYSIS AND RESULTS**

*A. Descriptive Analysis of Variables*

| Variables            | Sample Size | Mean  | Standard Deviation | Type of Variable* |
|----------------------|-------------|-------|--------------------|-------------------|
| Consumer Behavior    | 71          | 3.614 | 0.831              | DV                |
| Awareness            | 71          | 3.85  | 0.629              | IV                |
| Health Consciousness | 71          | 4.014 | 0.665              | IV                |
| Price                | 71          | 3.964 | 0.744              | IV                |
| Availability         | 71          | 3.986 | 0.955              | IV                |

Table 1:- Descriptive Analysis of Variables.

\*DV – Dependent Variable, IV – Independent Variable

*B. Correlation Pearson Analysis*

The strength of a linear link between two variables is measured using Pearson's correlation coefficient. The first relationship is between awareness or knowledge and customer behavior, with an r-value of 0.687 or 68.7% at the 95% confidence interval. According to the rule of thumb, this figure shows a moderate relationship. The second correlation is between consumer behavior and health consciousness; the r-value is 0.329, or 32.9 percent, at the 95 percent confidence

interval. This shows that these two factors have a least modest association. The r-value for price and consumer behavior is 0.775 or 77.5 percent at the 95 percent confidence interval, indicating a strong association. The last independent variable, availability, correlates with consumer behavior, yielding an r-value of 0.720 or 72 percent at the 95 percent confidence range, indicating a moderate association between the two variables.

|                      | Consumer Behavior | Awareness | Health Consciousness | Price | Availability |
|----------------------|-------------------|-----------|----------------------|-------|--------------|
| Consumer Behaviour   | 1                 |           |                      |       |              |
| Awareness            | 0.687             | 1         |                      |       |              |
| Health Consciousness | 0.329             | 0.616     | 1                    |       |              |
| Price                | 0.775             | 0.604     | 0.415                | 1     |              |
| Availability         | 0.720             | 0.666     | 0.616                | 0.642 | 1            |

Table 2:- Correlation Statistics for All Variables.

*C. Multiple Regression Analysis*

The effects or influences of several independent factors on a dependent variable can be determined using multiple regression analysis. The standard coefficient for awareness or knowledge is 0.366, for health consciousness is 0.225, for price is 0.141, and for availability is 0.321, as shown in Table 1.3. R-square is a formula for predicting the variation in a dependent variable (customer behavior) based on the independent factors.

This figure implies that the independent factors, which include knowledge, health consciousness, pricing, and availability, can predict 64.6 percent of the variance in consumer behavior. Meanwhile, the adjusted R-square aims to produce a more accurate figure in order to assess the population's R-squared. As a result, the adjusted R-square value is 0.624, while the R-square value is 0.646. In addition, the F value of 29.682 is substantial, as shown in the table

above. The entire regression model, which includes knowledge, health consciousness, and availability, does a good job of describing the differences in consumer purchase intentions for organic foods.

When the p-value is minimal in comparison to the alpha level, it signifies that the independent variable consistently predicts the dependent variable. As a result, only awareness and availability could be used to forecast customer behavior with any degree of accuracy. The remaining factors do not have a statistically significant association with the dependent variable because their p-values are greater than 0.05. As a result, neither health consciousness nor price could be utilized to predict customer attitudes toward organic foods.

In conclusion, consumer behavior toward organic foods was positively affected by awareness and availability, and these hypotheses were validated by a p value less than 0.05.

| Independent Variable    | Dependent Variable<br>(Consumer Behaviour) | Significant<br>(p-value) |
|-------------------------|--|--------------------------|
| Awareness               | 0.366                                      | 0.015                    |
| Health Consciousness    | 0.225                                      | 0.078                    |
| Price                   | 0.141                                      | 0.218                    |
| Availability            | 0.312                                      | 0.003                    |
| R <sup>2</sup>          |  | 0.646                    |
| Adjusted R <sup>2</sup> |  | 0.624                    |
| F Change                |  | 29.682                   |

Table 3: Relationship between Independent Variables and Dependent Variable

| Hypothesis   | Remarks       |
|--|---------------|
| H01: There is a no relationship between knowledge and consumer behaviour towards organic foods.                | Not Supported |
| H1: There is a positive relationship between knowledge and consumer behaviour towards organic foods.           | Supported     |
| H02: There is no relationship between Health consciousness and consumer behaviour towards organic food.        | Supported     |
| H2: There is a positive relationship between Health consciousness and consumer behaviour towards organic food. | Not Supported |
| H03: There is no relationship between price and consumer behaviour towards organic food                        | Supported     |
| H3: There is a relationship between price and consumer behaviour towards organic food                          | Not Supported |
| H04: There is no relationship between Availability and consumer behaviour towards organic foods.               | Not Supported |
| H4: There is a positive relationship between Availability and consumer behaviour towards organic foods.        | Supported     |

Table 4: Testing Hypothesis based on Multiple Regression Analysis

H1 is validated and H01 not validated by the table above, which suggests that a better degree of awareness will lead to increased customer purchase behavior for organic foods. This was related to the discovery that information had a significant impact on consumer behavior (sig.  $t = 0.015$ ). This research demonstrates that customer purchasing behavior for organic foods is influenced by their level of knowledge. This finding is in line with Hill and Lynchehaun's (2002) findings, which show that a lack of understanding regarding organic foods has a direct impact on organic food purchase and consumption.

Following that, health consciousness has no significant impact on customer behavior (sig.  $t = 0.078$ ). This research demonstrates that there is no link between consumer behavior and health consciousness. As a result, null hypothesis H02 is accepted. This could be because consumers are aware of the health benefits of organic foods but do not consider them as a major consideration in their decision to purchase organic foods (Michaelidou & Hassan, 2008).

H3 which claims that price influences customer behavior toward organic foods, is not supported by the data (sig.  $t = 0.218$ ). This suggests that pricing has no bearing on customer buying habits when it comes to organic foods. Consumers did not view pricing as a significant criterion

when purchasing organic foods because they were frequent customers and organic foods had become a lifestyle choice for them (Aschemann Hamm, Naspetti and Zanoli, 2007).

The final hypothesis asserts that there is a substantial association between availability and consumer behavior toward organic foods, and this hypothesis is backed up by its (sig.  $t = 0.003$ ). Previous research has showed that a shortage of organic food in stores can be a barrier to consumers purchasing organic items (Beardworth et al., 2002; Davies, 1995).

## VIII. CONCLUSION

Environmental sustainability is increasing at a higher rate in the modern day. The terms "sustainable," "organic," and "green" created a stir in society. Because India has traditionally been an agricultural powerhouse, organic food is now more important than ever. Where society enthusiastically embraces these ideals and people are on the verge of altering their lifestyle and eating habits. Still, it's a shame that where one set of people is rushing to alter their entire lifestyle to organic, we can see that the other group's eating habits haven't changed even a smidgeon.

This study shows that the factor that have an evident or significant contribution towards the consumer behavior towards the organic food is depends on awareness or knowledge and availability, and both are the behavior factors.

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