



RESEARCH ARTICLE

A STUDY ON PURCHASE INTENTION OF CUSTOMERS TOWARDS ORGANIC PRODUCTS IN SIVAKASI.

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Abstract

Nowadays consumers tend to purchase high quality food for their life. For quality foods, it consists of two important dimensions including food safety and sustainability. Due to interest in product response to food safety, human health concerns, animal welfare considerations and environmental concerns are growing progressively. Mostly consumers are receiving more information and knowledge of risky from pesticide, insecticide, fungicide and herbicide used in food production. Consequently, consumers now concern about health and safe according to their foods. Therefore, organic food with less chemical residuals has become more popular across the world. Attitude and knowledge has become a crucial and prime factor in changing the perception of consumers towards organic foods. It is necessary to be familiar with what consumers perceive about organic food and the factors that lead them to demand organic food, due to the growing organic market and its rising potential to expand. The study has concluded that consumers buying behaviour acts as a predictor and has a direct influence on the decision process when purchasing of organic products. Consumers have positive behaviour towards purchasing organic products, when it comes to actual purchase, price, environmental concerns and quality are the key influencing factor.

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Introduction:-

Knowledge of the buying motives of consumers is essential for a marketer. The changes in the market are brought by the consumers. The needs and desire of the consumers and their buying behaviour greatly depend upon their income, social status and psychology etc.¹ Nowadays consumers tend to purchase high quality food for their life. For quality foods, it consists of two important dimensions including food safety and sustainability. Due to interest in product response to food safety, human health concerns, animal welfare considerations and environmental concerns are growing progressively.

Mostly consumers are receiving more information and knowledge of risky from pesticide, insecticide, fungicide and herbicide used in food production. Consequently, consumers now concern about health and safe according to their foods. Therefore, organic food with less chemical residuals has become more popular across the world. Attitude

and knowledge has become a crucial and prime factor in changing the perception of consumers towards organic foods. It is necessary to be familiar with what consumers perceive about organic food and the factors that lead them to demand organic food, due to the growing organic market and its rising potential to expand. The present study focuses on the attitude and purchase intention towards consumers' buying behaviour of organic products.

Review of Literature:-

Demand for organic food is steadily increasing in developed countries, while developing countries still need to go along way. To take advantage of the market potential in organic food, organic industry needs to educate consumers. Attention should be concentrated on price and availability as well as development of direct sale and specialized shops. (Mohammad Altarawneh, 2013). Organic agriculture is one among the broad spectrum of production methods that are supportive in the environment. The increasing environment and health hazards consciousness associated with agrochemicals and consumers' preference to safe and hazard-free. Organic agriculture offers comparative advantage in areas with less rainfall and relatively low natural and soil fertility levels (Ramesh P, Mohan Singh and Subba Rao, 2015). Nearly 70% of Internet users believe some companies are misrepresenting themselves as organic to command a premium price. 60% would like a new way online and to help them easily differentiate the true organic. With the recent launch of .ORGANIC, a new web domain is available only to verified organic companies and products (Afilias, 2014). Environmental concerns do not show any significant effects on the intention to consume organic food products. However, media and advertising was tested to be a significant predictor of the intention variable in this analysis (Laily Paim, 2015).

Objectives of the Study:-

- To understand the demographic profile of organic food consumers.
- To determine consumer's purchase intention and attitude towards organic food.
- To measure the satisfaction of the consumers towards organic food.

Hypotheses:-

To achieve the above objectives the following null hypothesis have been formulated and tested using chi-square test.

- **H₀₁:** There is no significant relationship between gender and the level of satisfaction of the respondents towards buying behaviour of organic food.
- **H₀₂:** There is no significant relationship between age and the level of satisfaction of the respondents towards buying behaviour of organic food.
- **H₀₃:** There is no significant relationship between educational qualification and the level of satisfaction of the respondents towards buying behaviour of organic food.

Methodology:-

The survey has been undertaken to analyze the consumer's behaviour and purchasing intention of organic food. The study is based on both primary and secondary data.

The data collected are classified and analyzed keeping in view the objectives of the study. For the purpose of analysis the statistical tools such as Percentage, Garrett Ranking Technique, Weighted Ranking Technique and Chi – Square Test has been used.

Results and Discussions:-

The demographic profile of the respondents was obtained by using four parameters namely gender, age, monthly income and educational qualification. The same is presented in the Table 1

Table 1:- Demographic Profile of the Respondents

Descriptive Statistics	Particulars	No. of Respondents	Percentage
Gender	Male	113	75.3
	Female	37	24.7
	Total	150	100
Age	Below 20	13	8.7
	21 – 40 years	113	75.3
	41 – 60 years	21	14.0

	Above 60 years	3	2.0
	Total	150	100
Monthly Income	Below Rs.5000	17	11.3
	5000 – 10000	76	50.7
	10000 – 15000	28	18.7
	Above 15000	29	19.3
	Total	150	100
Educational Qualification	School Level	59	39.3
	Graduate	60	40.0
	Post Graduate	11	7.3
	Professional	20	13.4
Total		150	100

Source: Primary data

It is seen from Table 1 that male (75.3%) constituted majority of the respondents in the sample data when compared to female (24.7%). Most of the respondents belonged to the age group of below 21- 40 years of age (75.3%) while respondents above 60 years of age were the least (2%). It is also observed that majority of the respondents in the sample had a monthly income of Rs.5000 – 10000 (50.7%), Majority of the respondents is graduates (40%).

Most Preferable Organic Products:-

There are more varieties of organic products available in the market such as fruits and vegetables, cereals and spices, nuts and pulses, drink items and baby products. Hence, it is necessary to find out the most preferable organic product of the respondents. Table 2 describes the respondent's classification of \ on the basis of the most preferable organic products.

Table 2:- Most Preferable Organic Products

Organic Products	No. of Respondents	Percentage
Fruit and vegetables	60	40.0
Cereals and spices	37	24.7
Nuts and pulses	16	18
Tea and coffee	10	6.7
Baby products	27	10.6
Total	150	100.0

Source: Primary data

The Table 2 reveals that among 150 respondents, more than 40 per cent prefers organic fruits and vegetables, 24.7 per cent of the respondents prefers organic cereals and spices, 18 per cent of the respondents prefers organic nut and pulses, 10.6 per cent of the respondents prefers organic baby product and remaining 6.7 per cent of the respondents prefers tea and coffee.

Monthly Amount Spent:-

Occurrence of the spending is common in any product. Table 3 exhibits the amount spent monthly by the respondents for the purchase of organic products.

Table 3:- Monthly Amount Spent

Monthly Amount Spent	No. of Respondents	Percentage
Below 1000	51	34
1000 – 2000	76	50.7
Above 2000	23	15.3
Total	150	100

Source: Primary data

Table 3 shows that, 50.7 per cent of the respondents are spending on an average Rs. 1000 – Rs. 2000 per month for buying organic products. 34 per cent of the respondents are spending below Rs. 1000 per month and 15.3 per cent of the respondents are spending above Rs. 2000 per month.

Factors Influencing The Purchase Of Organic Products:-

There are several factors like price, promotion, influence of others, availability, choice, accessibility and so on influence the consumers to purchase the organic products. The respondents are asked to state the importance purchase consider towards the factors that influence them to buy the organic products and the results are exhibited in the Table 4.

Table 4:- Factors Influencing the Purchase of Organic Products

Factors	Not at all Important		Somewhat Important		Quite Important		Very Important		Extremely Important		Total	Mean Score	Rank
	NR	S	NR	S	NR	S	NR	S	NR	S			
Knowledge about organic food	37	185	78	312	11	33	13	26	11	11	567	37.80	I
Price	34	170	54	216	17	51	24	48	21	21	506	33.73	VI
Accessibility to shops	52	260	33	132	27	81	24	48	14	14	535	35.67	III
Sales promotional activities	51	255	44	176	28	84	14	28	13	13	556	37.07	II
Influence of others	17	85	57	228	20	60	37	74	19	19	466	31.07	VIII
Wider choice	34	170	51	204	26	78	19	38	20	20	510	34.00	V
Shelf life	32	160	63	252	19	57	24	48	11	11	528	35.20	IV
Cooking time	29	145	51	204	33	99	19	38	18	18	504	33.60	VII

Source: Computed data

The Table 3 exposes that according to the opinion of the consumers of organic food, Knowledge about organic food tops the list with a maximum mean score of 37.80 among all the issues that are considered by the consumers while purchasing organic products. ‘Sales promotional activities’, ‘Accessibility to shops’, ‘Shelf life’, ‘Wider choice’, ‘Price’, ‘Cooking time’ and ‘Influence to others’ secure successive ranks after ‘Knowledge about organic food’. Influence to others is the least factor insisted by the consumer which secured a minimum score of 31.07.

Motives Behind Buying Organic Products:-

Healthy, freshness, taste, safety, nutritional value, price, quality, easily available, supply and varieties are some of the motives behind buying organic products. The respondents are asked to rank the motives according to their preferences. Garrett Ranking Technique has been used to identify the main motives behind buying organic products. Table 5 summarises the details regarding motives behind buying organic products.

Table 5:- Motives behind Buying Organic Products

Buying Motives	Garrett Value	Average score	Garrett Rank
Healthy	8346	55.6	II
Freshness	7641	50.9	VII
Taste	9408	62.7	I
Safety	8271	55.1	III
Nutritional value	7854	52.4	V
Price	7955	53.0	IV
Quality	7782	51.9	VI
Easily available	7325	48.8	VIII
Supply	6448	43.0	X
Varieties	6858	45.7	IX

Source: Computed data

The Table 5 reveals that Taste secured first rank with a maximum score of 62.7, Healthy secured second rank with a score of 55.6, Safety secured third rank with a score of 55.1, Price, Nutritional value, Quality, Freshness, Easily accessible, Varieties have secured successive ranks. Supply, with the least score of 43.0 occupies the tenth position.

Demographic Profile Of The Respondents Has No Relevance On The Level Of Satisfaction Towards Buying Behaviour Of Organic Food:-

There are specific factors, which influence the level of satisfaction of the respondents towards purchasing of organic products. Three independent variables such as gender, age and educational qualification of the respondents are taken to identify the most influencing factor. The level of agreement of the respondents towards buying behaviour of organic products has been classified into three categories viz., low level, medium level and high level for analytical purpose. Likert's five point scaling techniques have been used to determine the level of attitude. If the score values are greater than $\bar{X} + S.D.$, it has been taken as high level attitude towards buying behaviour of organic products. If the score values are less than $\bar{X} - S.D.$, it has been taken as low level attitude towards organic products. The difference between $\bar{X} + S.D$ and $\bar{X} - S.D$ has been classified as medium level attitude towards purchasing of organic products. In order to analyse the relationship between demographic profiles and their level of satisfaction towards purchasing of organic products, chi-square test has been used.

Gender And The Level Of Satisfaction Of The Respondents:-

The number and percentage of respondents fall in low, medium and high levels of satisfaction based on gender are shown in Table 6. The following null hypothesis has been formulated and chi-square test has been used to test the significance.

H₀1: There is no significant difference between gender and the level of satisfaction of the respondents towards buying behaviour of organic food.

Table 6:- Gender and the level of satisfaction of the respondents.

Demographic Variable		Level of Satisfaction			Total
		High	Medium	Low	
Gender	Male	44 (38.9)	67 (59.3)	2 (1.8)	113 (100)
	Female	17 (45.9)	18 (48.6)	2 (5.4)	37 (100)
	Total	61 (40.7)	85 (56.7)	4 (2.7)	150 (100)
Chi – Square		Value	DF	P Value	
		2.275	2	.321	

Source: Computed data; Figures within the parenthesis represent percentage

From the Table 6, as $p > .05$, the null hypothesis is accepted at 5 % level of significance. It is concluded that the level of satisfaction of the respondents towards buying behaviour of organic food does not vary with gender.

Age and The Level Of Satisfaction Of The Respondents:-

The number and percentage of respondents fall in low, medium and high levels of satisfaction based on age are described in Table 7. The following null hypothesis has been formulated and chi-square test has been used to test the significance.

H₀2: There is no significant difference between age and the level of satisfaction of the respondents towards buying behaviour of organic food.

Table 7:- Age and the Level of Satisfaction of the Respondents.

Demographic Variable		Level of Satisfaction			Total
		High	Medium	Low	
Age (in years)	Below20	3 (23.1)	9 (69.2)	1 (7.7)	13(100)
	21 to 40 Years	49(43.4)	62 (54.9)	2 (1.8)	113 (100)
	41 to 60 Years	9 (42.9)	11 (52.4)	1 (4.8)	21 (100)

	60 years and above	0 (0)	3 (100)	0 (0)	3 (100)
	Total	61 (40.7)	85 (56.7)	4 (2.7)	150 (100)
Chi – Square		Value	DF	P Value	
		5.922	6	.432	

Source: Computed data; Figures within the parenthesis represent percentage

As $p > .05$, the null hypothesis is accepted at 5 % level of significance. It was concluded that satisfaction level of the respondents towards buying behaviour of organic food is similar, irrespective of their age.

Educational Qualification And The Level Of Satisfaction Of The Respondents:-

The number and percentage of respondents fall in low, medium and high levels of satisfaction based on educational qualification are depicted in Table 8. The following null hypothesis has been formulated and chi-square test has been used to test the significance.

H₀₃: There is no significant difference between educational qualification and the level of satisfaction of the respondents towards buying behaviour of organic food.

Table 8:- Educational Qualification and the Level of Satisfaction of the Respondents.

Demographic Variable		Level of Satisfaction			Total
		High	Medium	Low	
Educational Qualification	School level	34 (40)	44 (60)	1 (0)	79 (100)
	Graduate	15 (31.9)	30 (63.8)	2 (4.3)	47 (100)
	Post Graduate	10 (55.6)	7 (38.9)	1 (5.6)	18 (100)
	Professional	2 (33.3)	4 (66.7)	0 (0)	6 (100)
	Total	61 (40.7)	85 (56.7)	4 (2.7)	150 (100)
Chi – Square		Value	DF	P Value	
		5.922	6	.432	

Source: Computed data; Figures within the parenthesis represent percentage

As $p > .05$, the null hypothesis is accepted at 5 % level of significance. It was concluded that satisfaction level of the respondents towards buying behaviour of organic food does not vary irrespective of their qualification.

Suggestions:-

- Allocation of separate shelves for organic products in departmental stores and retail store is required.
- The price of organic products should be competitive so as to increase its sale.
- Packaging facilities for the organic products should be improved.
- To develop more marketing area as there is no regulated market facility available in organic products it is necessary.
- Government should take necessary steps for improving the supply of organic products.
- Marketers should raise the awareness among consumers about regional products to support local farmers.

Conclusion:-

Organic food consumption is increasing because of concerns over environmental and health issues associated with food production. The increase in consumers' interest in organic food products has been attributed among other issues to the growing demand for food free from pesticides and chemical residues. Consumers buying behaviour acts as a predictor and has a direct influence on the decision process when purchasing of organic products. Consumers have positive behaviour towards purchasing organic products, when it comes to actual purchase, price, environmental concerns and quality are the key influencing factor.

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