



WHY CONSUMERS PREFER ORGANIC FOOD PRODUCTS IN BANGALORE CITY

Dr. H.A Raghavendra

M.Com, MBA, MPhil, CA Inter, PhD. Professor, Department of PG Studies in Commerce and Management Sambhram Academy of Management Studies M.S. Palya, Bangalore – 560 097.

ABSTRACT

The present day consumer has become more health conscious and responsive about the risk free life style and much conservative of his food habits. It is essential for the marketers to study the attitude of the consumers to understand their food style to provide their requirement at their convenience. The results of the study show the factors which persuade the consumers to buy organic food products, which have to be tapped by the prudent marketer in Bangalore to make organic food products more popular and consumer friendly. The findings of the study have significance in the present day scenario that the state policy makers can develop a suitable law to protect the interests of organic grower and seller and also the consumers and make organic food more popular.

KEYWORDS : Organic, healthy nature, freshness and Green Movement.

INTRODUCTION:

'Organic' refers to the products that are produced without the aid of chemical fertilisers or pesticides (Hutchins and Green Halgh, 1997). Organic also refers to a relatively a low presence of pesticide residue in organic food compared to conventional food (Essoussi, et. al., 2008). They are produced in agreement with standards right through all aspects of production and are then certified by an authoritative body. Organic food products refer to the food raised, grown, stored and / or processed without the use of synthetically produced chemicals or fertilizers, herbicides, pesticides, fungicides, growth hormones and regulators or generic modification.

REVIEW OF LITERATURE:

Branislav et al., 2011 advocated that a great number of consumers were not adequately informed about the importance of consumption of food produced in the system of organic production. This influenced their trust towards organic products. Ergin and Ozsacmaci, 2011, indicated that the consumers demanded for organic food products where they believed them to be healthier, tastier, fresher and that organic products were environmentally friendly. Parichard and Huang, 2012, explored that the main motive to purchase organic food was environmental and health benefits. Smith and Pladio, 2015, observed that the health consciousness and quality had initiated to influence purchase intentions. Zeinab et al (2012) revealed that the influence of knowledge, quality, price consciousness and familiarity of organic food products influenced the organic buying behaviours. Hill and Lynchehaun (2002) found that knowledge was fundamental to the effective marketing of organic foods. Gill et al (2002) indicated that consumers concerned about healthy diet and environmental degradation were the most likely to buy organic food and were willing to pay a high premium.

Statement of problem:

The present day market is highly sensitive and the marketer should understand the perspicacity of the consumer to supply the right type of goods inclined by him. It is very essential for an organic seller to understand the factors influencing the buying behaviour of the consumer and its impact on the purchasing level of consumer buyer. This will enable him to derive strategies to improve his market position in respect of organic food products and his margin too.

Objectives of Study:

1. To study the consumers' behaviour towards organic food products in Bangalore.
2. To study the factors which persuade consumers of Bangalore towards organic food products.
3. To evaluate the influence of the independent variables towards buying behaviour of consumers of Bangalore towards organic

foods.

Scope of the study:

The present study is carried out to analyse the consumers' fondness towards organic foods. The study covers the entire range of organic food products irrespective of packed and non packed foods offered in the market and the consumers who are already using the organic foods and also non organic food products at present. Area of the study is the entire city of Bangalore covered under Brihath Bengaluru Mahanagara Palike (BBMP).

Significance of the Study

The study assumes significance since it is expected to create awareness among the consumers on consumption of organic products. It throws light on the new strategies to be adopted by the sellers of traditional organic products and the emerging non-organicones.

Table No.1. Consumers' Profile (Highest Values)

Particulars		No. of respondents	per cent
Age	41-60 years	189	42.0
Gender	Female	345	76.0
Occupation	Service	191	42.0
Family size	3 members	238	52.0
Ednl. qualifications	Graduation	165	36.0
Monthly income	> Rs. 60,000 pm.	184	41.0
Food habits	vegetarians	331	73.0
Money spent on food every month	Rs11,001 to Rs.14,000	133	29.5

Source: Primary data

METHODOLOGY:

The population of Bangalore city as per the recent 2011 Census is 85, 20, 435. Sample size is calculated by using YAMANE'S formula (Yamane, 1967) at 95% significance level. Out of 500 questionnaires distributed among the consumers the researcher could collect 454 fully filled questionnaires. The analysis of the study was made through the percentage analysis and Statistical Package for Social Science (SPSS).

Hypotheses:

H01: There is no significant reason for the purchase of organic foods by the consumers.

Ho2: There is no significant relation between the variables and

preference of consumers towards organic food products.

Analysis of Reasons for Buying Organic Food Products:

The consumers were solicited to give their preferential ratings on the individual reasons for the purchase of organic food products. The following were the analysis of these ratings.

(5: Strongly Agree, 4: Agree, 3: I can't say, 2: Disagree and 1: Strongly Disagree)

Table No: 2. Consumers' preferential rating towards organic food products

	5	4	3	2	1
Healthy nature of organic food products	45%	42.5%	2.5%	5%	5%
Safety and freshness of OFP	53%	37%	7%	3%	0%
Eco friendly nature of OFPs	59.5%	35.5%	0%	4.5%	0.5%
Taste of organic food	66.5%	29.5%	2.5%	0.5%	1%
Support to Green Movement	30%	39%	21%	9%	1%
Reasonable price of organic food	29.5%	55.5%	10%	4%	1%
Support to local and small farmers	31%	35%	6%	18%	10%

Source: Primary data

Statistical Analysis:

Table No: 3 Reasons for Buying Organic Food Products

Descriptive Statistics		
	Mean	S.D.
Healthy Nature	4.59	.915
Safe & Fresh	4.40	.750
Eco-friendly	4.54	.608
Tasty	4.60	.665
Support for Green movement	3.44	.799
Reasonable price	4.09	.801
Support Local and small farmers	3.05	.236

Source: Primary data

The descriptive statistics show that the factors like safety, eco friendliness, reasonable price, taste of the organic food products, support to the green movement and local farmers have a significant influence on the purchase decision of the consumers. The mean value of all the factors being more than 3 shows clearly that these values are spread wide and has a significant influence on the perception of the consumers.

Table No: 4

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.705
Bartlett's Test of Sphericity	Approx. Chi-Square	171.871
	df	21
	Sig.	0.000

Source: Primary data

KMO measure is 0.705 which is more than 0.7 shows that the data are worth of its selection and it also explains the sampling adequacy of

variable. Chi square value is 171.871 at significance level less than 0.01. It shows that the importance of variables in influencing the locational choice originally.

Table No: 5

COMMUNALITIES		
	Initial	Extraction
Healthy	1.000	.793
Safe & Fresh	1.000	.550
Eco-friendly	1.000	.588
Tasty	1.000	.597
Green move	1.000	.483
reasonable price	1.000	.604
Support farmers	1.000	.215

Source: Primary data

Communalities output shows that the healthy nature of Organic food is the main reason for its purchase. It is followed by reasonable price, taste, eco-friendliness, etc at later stages. Support to farmers is the least influencing factor.

Table No: 6

TOTAL VARIANCE EXPLAINED					
Component	Initial Eigen values			Extraction Sums of Squared Loadings	
	Total	% of Variance	Cumulative %	Total	% of Variance
1	2.276	32.508	32.508	2.276	32.508
2	1.116	15.937	48.445	1.116	15.937
3	1.038	14.824	63.269	1.038	14.824
4	.825	11.782	75.051		
5	.690	9.858	84.909		

Source: Primary data

63.269% variance is accounted by components 1, 2 and 3 of which the first component alone accounts for 32.508%. The second and third components hold 15.937% and 14.824% respectively.

Table No: 7

ROTATED COMPONENT MATRIX			
	Components		
	1	2	3
Safe & Fresh	.730		
Reasonable price	.719		
Tasty	.718		
Eco-friendly	.608		
Healthy		.889	
Green movement		.577	
Support to farmers			.899

Source: Primary data

Components 1 comprising of safe & fresh, reasonable price, taste and eco friendliness are the factors considered as highly effective in decision making in which safe and fresh is a real motivation for the buyers for avoiding health hazards caused due to presence of high quantity of pesticides and chemical manures. Healthy nature and support to the green movement are secondary to the first component and support to the farmers comes after the two

components.

Proof of Hypotheses:

The analysis proves that the Null hypotheses are rejected and alternative hypotheses are accepted. The variables like healthy nature, safety and freshness, eco friendliness, taste, reasonability of price, support to the farmers and green movement have a significant relation with the buying behaviour of the consumers in purchase of organic food products.

Findings of the study:

The study reveals that the safe and fresh nature, reasonable price, taste and eco friendly nature of organic food products influence the buying behaviour of consumers. It is followed by healthy nature, support to the green movement and support to the organic farmers. The study also infers that the organic consumers are well aware of the benefits of organic foods.

CONCLUSION:

The perceptual factors have a significant impact on the buying behaviour of the consumers of organic foods. The health benefits of organic foods have not been spread among the general public to the desirable extent. The need of the hour is to spread the awareness among the potential and real consumers about the benefits of consuming organic food and building a healthy and hygienic world.

REFERENCES:

1. Attanasio Sonia, Carelli Angela, Lucio Cappelli and Papetti Patrizia (2013) "Organic Food: A Study on Demographic Characteristics and Factors influencing purchase intentions among consumers in Pontina Province" *International Journal of Latest Research Science and Technology: Volume 2, Issue: 6*, pp.128-132.
2. Bilal Basha, Mohammed, Mason Cordelia, Farid Shamsuddin Mohd, Hussain Iqbal Hafezali, Salem Abdelnabi Milad and Ali Azlan (2015) "Consumer Acceptance Towards Organic Food" *GJISS Volume 4(3)* pp.29-32.
3. Elif Akagun Ergin and Bulent Ozsacmaci (2011) "Turkish Consumers' perceptions and consumption of organic foods" *African Journal of Business Management Vol.5 (3)*, pp: 910-914.
4. Essoussi, Leila Hamzaoui, and Mehdi Zahaf. "Clustering organic food consumers using purchasing patterns." *Journal of European Management*, No.1 (03) 2008
5. Hill, H. and Lynchehaun, F. (2002). "Organic milk: Attitudes and consumption patterns". *British Food Journal*, Vol.104 (7), pp.526-542.
6. Hutchins, R and Greenhalgh, L (1997) "Organic confusion: sustaining competitive advantage". *British Food Journal*, 99(9), 336-338.
7. Ishak Nawawi, Ismail Khalid and Md Shoki Bin Md Ariff. (2014) "Consumers Perception, Purchase Intention and Actual Purchase Behaviour of Organic Food Products" *Review of Integrative Business Economics Research*; volume 3(2) 2014.
8. J.M.Gil, A. Gracia and M. Sanchez (2000) "Market segmentation and willingness to pay for organic products in Spain", *International Food and Agribusiness Management Review 3 (2000)* pp.207-226. ELSIVIER.
9. Justin Paul, Jyoti Rana, (2012), "Consumer behaviour and purchase intention for organic food", *Journal of Consumer Marketing*, Vol. 29 Issue: 6, pp. 412 – 422.
10. Lyons, K, Lawrence, Lockie, S. G. and Mummary, K (2001) "Eating Green: Motivations behind organic food consumption in Australia". *European Society for Rural Sociology*, 41(1), 23-40.
11. Parichard Sangkumchalianga and Wen-Chi Huang, 2012, Consumers' Perceptions and Attitudes of Organic Food Products in Northern Thailand" *International Food and Agribusiness Management Review*, Vol. 15, Issue 1.
12. Vesna Bryiy-Stipjeviy, Kristina Petljak and Irena Guszak "Organic Food Consumers Purchase Patterns – Insights from Croatian Market", (2013) *Mediterranean Journal of Social V Sciences, MCSER Publish, Rome-Italy*, Vol.4, No.11, Pp. 472-480.
13. Vlahovic Branislav, Pushkaric Anton and Jelocnik Marko (2011) "Consumer Attitude to Organic Food Consumption in Serbia" *University of Ploiesti Bulletin, Economic Sciences Series*. Vol. LXIII, No. 1/2011, pp.45-52
14. Widyasari and Haryanto, Oktavian Jony (2010) "Analysis effect of Environment Attitude, Health Consciousness and Knowledge in Developing Product Perception and Intention to Buy: A study on Organic Food Product" *Asian Marketing Journal Vol.II No.2*. Pp.45-54.
15. Yamane, Taro (1967) *Statistics: An introductory Analysis*, 2nd Edition, New York, Harper and Row.
16. Zeinab Seyed Saleki, Seyedeh Maryam Seyed Saleki, Mohammad Reza Rahimi, "Organic Food Purchasing Behaviour in Iran", *International Journal of Business and Social Science*, Vol.3, No.13, July 2012.