



FACTORS DETERMINING THE PURCHASE OF ORGANIC FOOD PRODUCTS: AN ANALYTICAL OVERVIEW

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ABSTRACT Sustainable food production became more and more vital after facing with social, ecological and economic impacts of industrialized agriculture. Societies find solution by demanding for low-input, regional and seasonal products with the respect of environment, health and social welfare of the region. There have been organizations and policies have been established in developed countries to take measures in food production. Organic Agriculture as one solution to problems of industrialized agriculture based on holistic production management systems which aims creating integrated, humane, environmentally and economically sustainable agricultural production systems. The present has been made a s an attempt to analyse the factors determining the organic food products in the city of Coimbatore.

KEYWORDS : Environment, health, social welfare and organic food products

INTRODUCTION AND PROBLEM DISCUSSION

Over the past decade, the consumption pattern of consumers has been changed especially in food consumption. All consumers wish to intake organic food because of the perception that it is good for health and grown with use of natural resource with quality and safety in food and in fact it is free from chemical residues. In India, the level of organic products consumption is low, but the production is constantly increasing. Currently, local producers prefer the western European market, because for them it works as a vacuum cleaner providing a suitable price for the value supplied to consumers by organic products, or more in line with production and marketing costs. Indian consumers are willing to consume organic foods for various reasons, buy imported products distributed through hypermarkets chains at a very high price. This parallelism between the two sides of economic exchange can be reduced with marketing communication programs by both parties.

Previous researches have shown a discrepancy between consumption declared by the consumers and statistical data regarding the organic food product sold by merchants. Although the attitude towards organic food consumption is generally favorable, this positive predisposition could not transform in buying act, one of the main barrier being the impossibility of identifying a certified organic food. While a consumer thinks he or she has bought organic food, in reality they don't, because of confusion among them over other products offering similar benefits for consumer. Consumers who don't know how to distinguish an organic food from an conventional, in many case buy foods positioned as healthy or eco-friendly, and sometimes fake or even counterfeit. Hence, with the above settings the present research will be made to find answers for the following question;

1. What are the factors that induce the consumers to purchase the organic food products over others?

REVIEW OF LITERATURE

Sushilkumar and Jabir (2011) study conducted on the analyzing the factors affecting consumer awareness on organic food products in India. Two hundred respondents covered the national capital, New Delhi and Uttar Pradesh capital, Lucknow. Growing the demand for consumers concerns on organic food products safety, health and environment, resulted increased demand for organic food across the world includes India. The organic product industries in India are export oriented with rapid production growth. As the state of consumer knowledge on various attributes of organic products are fundamental for inducing the demand of organic food products, study understood that the level of consumer awareness becomes important. Based on awareness on organic products label, potential consumer of organic products grouped into 5 categories namely humanists, food phobic's, health eaters, environmentalists and hedonists by using factor analysis. Then legit regression model has been estimated to identify the most likely socio demographic and other factors affected the consumer awareness of organic products.

Dr. R. Parmaswaran and S. Ramakrishnan (2012) analysed the impact of customer satisfaction on economic success considering as an example the organic food retail trade. Furthermore, the influence of customer purchase behaviour on customer loyalty is examined. The study is based on 100 customer interviews and an analysis of management ratios of 05 organic food shops. The results show that customer satisfaction is a relevant key to economic success.

OBJECTIVES OF THE STUDY

The objective of this study is;

1. To investigate the problems faced by consumers while purchasing organic food products.
2. To examine the impact on the level of satisfaction posed by the perceptions, attitude and purchase intention of the respondents.

METHODOLOGY

Sample design

The population targeted for this study consisted of respondents from the Coimbatore city who have been the consumers of organic food products. The samples have been chosen from the retail outlets of organic food products in the five zones of the city. The sampling technique adopted for the study is convenience sampling since the sample respondents are selected on the basis of the accessibility. A sample size of 550 respondents is chosen and to whom the questionnaires were distributed. From the questionnaires received, 50 questionnaires aggregating the five zones were incomplete and henceforth the total respondents were restricted to 500.

Period of the study

The primary data from the respondents has been collected from the consumers of organic food products from the retail outlets during the months of March and April, 2018.

Collection of data

The present research work is mainly based on primary data and that has been collected from the respondents through the structured questionnaires. Other information relevant for the research has been collected from secondary sources such as journals, magazines, published and unpublished research works and websites.

STATISTICAL TOOLS USED FOR ANALYSES

1. Factor Analysis

HYPOTHESIS FOR THE STUDY

H₀: There is no impact on the level of satisfaction posed by the perceptions of the respondents.

ANALYSIS AND DISCUSSION

FACTORS INFLUENCING THE PURCHASE OF ORGANIC FOOD PRODUCTS

Table 1 Factors Loaded

S. No	Variables Loaded	Name of Factors
First set of Factors	Price of product	Temperament
	Taste of product	
	Income of consumer	
	Quality of product	
	Brand name	
	Information of the product	
Second set of Factors	Source of nature	Origin and feature
	Packaging and design	
	Products' origin	

Third set of factors	Less vulnerability to environment	Societal Importance
	Health consciousness	
	Convenience	
Fourth set of factors	Availability in market	Market and usage
	Durability	

From the above table only those factor loadings which are greater than or equal to 0.5 are considered. It can be seen in the above table that six variables namely Price of product, Taste of product, Income of Consumers, Quality of product, Brand name and Information of product are loaded as First Factor and named as Temperament. On the Second Factor, three variables namely Source of nature, Packaging and design and Products' origin are loaded. Based on their underlying relationships, this Factor is named as Origin and feature. On the Third Factor, three factors namely Less vulnerability to environment, Health consciousness and Convenience are loaded. This factor is named as societal importance. On the Fourth Factor, another two variables namely Availability in market and Durability are loaded. This Factor is named as Market and usage.

IMPACT ON THE LEVEL OF SATISFACTION POSED BY THE PERCEPTIONS OF THE RESPONDENTS

H_{01} : There is no impact on the level of satisfaction posed by the perceptions of the respondents.

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Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1	.726 ^a	.834	.210	.92543		
a. Predictors: (Constant), Perception						
ANOVA ^a						
Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	14.280	2	6.140	16.406	.002
	Residual	400.066	498	.819		
	Total	414.346	500			
a. Dependent Variable: Level of Satisfaction						
b. Predictors: (Constant), Perception						
Coefficients ^a						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1 (Constant)	3.15	.743		5.555	.000	
Level of Satisfaction	.252	.210	.143	0.842	.026	
a. Dependent Variable: Level of Satisfaction						

The above table represents the multiple regression analysis over the perception and level of satisfaction of the consumers of organic food products in the Coimbatore city. It is quite evident from the table that R² value has been 0.834. It depicts that possible significance posed by the perception of the consumers on their level of satisfaction. Furthermore, the F value 16.406 and the p value of 0.002, which is significant at 5 per cent level represents the rejection of null hypothesis, which certainly comprehends that there is a significant impact on level of satisfaction of the consumers posed by their own perceptions.

CONCLUSION

India has tremendous potential, largely untapped, for a major breakthrough in organic agriculture. With the effort of government to streamline regulatory mechanisms for improve of organic produce and awareness among local consumer for domestic consumption will pave way for faster development of organic farming. And all give assistant to farmer to grow the organic product.

Consumer behaviour is playing the major role while buying not only organic product any product. So the organic shops and product supply is limited but demand for it is more so farmer and all so government are think to improve or increasing production of organic product as well as good packaging, quality and market system it helps to improve the standard of living farmer and all it healthy to environment and all so it helps to government. The seller of the organic product is all so increase. The marketers of organic foods need to be innovative and dynamic in order to complete with the changing purchase behaviour in the Organic food products market among urban residents.

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