

BUYING BEHAVIOUR OF URBAN RESIDENTS TOWARDS ORGANICALLY PRODUCED FOOD PRODUCTS

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ABSTRACT

Consumer behaviour refers to the actions of consumers in the market place and the underlying motives for those actions. There has been a growing awareness of the fragility of the environment. Marketers saw increasing consumer interest in the environment as a marketing opportunity to target organically grown produce concerned consumers. Hence, this study conducted on the behavioral aspect of the consumer. Organic foods are made according to certain production standards. The Government of India has set up a NIOF. The formulate rules, regulations, and certification of organic farm products in conformity with international standards. All this arguments leads the marketers to find answer, to whether their socio economic studies helps the residents to buy organic food products and whether the attitude about organic food product is positive and influences to buy organic food products and in order to know the above queries, the present study has been carried out during 2012 in Bangalore Karnataka. An empirical study entitled “Buying Behaviour of Urban Residents towards Organic Food Products” has been carried out. The study was carried out in Bangalore City with the sample size of 200 household respondents who are familiar with Organic Food Products by adopting multistage sampling technique. The data collected were analysed using descriptive statistics.

KEYWORDS: NIOF- National Institute of Organic Farming, NPOP- National Program for Organic Production

INTRODUCTION

Consumer behaviour refers to the mental and emotional process and the observable behaviour of consumers during searching, purchasing, and post consumption of a product or service. Consumer behaviour refers to the actions of consumers in the market place and the underlying motives for those actions. Marketers except that by understanding what causes consumers to buy particular goods and services they will be able to determine which products are needed in the market place, which are obsolete, and how best to present the goods to the consumers. Consumer behaviour is defined as the process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services.

The Organic products must be grown and manufactured in a manner that adheres to standards set by the country they are sold in India according to National Program for Organic Production (NPOP). Organic food must be produced without the use of sewer-sludge fertilizers, most synthetic fertilizers and pesticides, growth hormones, irradiation and antibiotics etc.

METHODOLOGY

Bangalore city was selected purposively as the area of the study owing to reason that, it is the number one biggest city in Karnataka. The study was conducted in two places of Bangalore city (Malleswaram and Sanjaynagar) where the organic products outlets are available and consumers aware of organic products. The study covers the period of three months from March to June –2012. The study was mainly based on primary data first hand information was collected and used in the study. A structured interview schedule was used for the collection of data from the samples selected. Familiarity of organic food products in the main criteria in sample selection

RESULTS / FINDINGS OF THE STUDY

- Distribution of Respondents Based on Socio Economic Status
- Distribution of Respondents Based on Purchase Behaviour

Distribution of Respondents Based on Socio Economic Status

Results of the Table 1 reported that majority of the respondents (69.50percent) belong to the age group between 20 and 40 years, female respondents constitutes (60 percent) and remaining (40 percent) were male. Majority of the respondents (66.50 percent) were married and 33.50 percent were Unmarried. As far as the occupation is concerned 48.00 percent of the respondents with full time employment, 28.50 percent of the respondents were Homemakers, and 11.00 percent were casual Labourers. The classification of the respondents based on education showed that 39.00 percent were Graduates, 30.00 percent were post graduates and remaining 31 percent of respondents had education up to higher secondary level. Further, the respondents were classified based on their monthly income. About 30 percent of the respondents have monthly income is under the category of below Rs.10, 000, 24.50 percent of the respondents belong to the income level of Rs.10,000 to Rs.20,000, 22 percent of the respondents belong to the income level of above Rs.30,000, 12.50 percent of the respondents do not have income, as they were students and depend on their parents to meet with their needs, and 11 percent of the respondents belongs to the income level of Rs.20,000 to Rs.30,000. With regard to food habit, most (40 percent) of the respondents were Vegetarian and 30 percent of the respondents were mostly Vegetarian and remaining 30 percent of the respondents were Not Vegetarian.

Distribution of Respondents Based on Purchase Behaviour

The respondents purchase behaviour of organic food products and their Patten of purchase are presented in Table 2. Further, purchase is consumer commitment for the product. However, consumer behaviour is shaped to the large extent by external or social factors such as family relationship, Cultural and other aspects of external environment. However, it is noted from the table 2 that when both organic and non-organic food products are available in the market, 36 percent of the respondents choose to buy organic products Sometimes, Further, 27 percent of the respondents to buy choose always, and 24 percent of the respondents choose frequently whereas 13 percent of the respondents expressed their unwillingness to buy organic food products. With regard to frequency of purchase of organic product, 20 percent purchased once in a week, 16 percent of the respondents purchased organic food products 2 to 3 times per month and about 14.5 percent of the respondents daily, 11 percent respondents once in a month and about 6.5 percent of the respondents once a year. Majority of the respondents (61.50 percent) were willing to pay price premium up to 5 percent above the price

of conventional food products, 19 percent of the respondents were willing to pay price premium of 5 percent to 15 percent and 8.5 percent were willing to pay above 15 percent. About 16 percent of the respondents were unwilling to pay any premium price. Further, with regard to quantum of purchase of organic food products in the year of increasing price, 46.0 percent of respondents purchased less quantity of organic food products, 41.00 percent of the respondents were not buying the organic food products and remaining 13 percent of the respondents continuing their purchase with high quantity of organic food products even with the rise in price level. However, awareness is a major promotion tool. The awareness facilitate the viewers to understand the message by visual, oral and both oral and visual. It is useful to create maximum interest and offered adequate knowledge of the organic product. About 20 percent of the respondents first time heard about organic food products from friends, relatives, and their associates 18.50 percent of the respondents were from in store, 23 percent of the respondents from Newspaper, and Television and remaining 19 percent of the respondents were familiar with organic food products through Radio, Magazines and Internet and then remaining 19.50 percent of the respondents were not familiar about organic food before and were not sure of about the sources which provided awareness about organic food products. However, it is understood that advertisement influenced 17.50 percent of the respondents to purchase organic food products, the peer groups (15.00 percent) were also the influencing factors in purchase of organic food products, and culture influenced 16 percent of the respondents, whereas parents, Reference groups, Religion, Environmentalist, and Personal reference had considerable influence in purchase of organic food products.

The respondents (24 percent) purchasing the organic food products for about 1 to 3 years and 23.50 percent of the respondents were purchasing for about 6 to 12 months and 16 percent of the respondents purchased for more than 3 years and remaining 17.50 percent of the respondents never bought organic food products. With regard to place of shopping for organic food products, the respondents (30 percent) bought from organic food store and 25.00 percent from super market, 22.50 percent, respectively from Grocery shop and processing center.

The organic certification, granted by agencies such as the soil association, can play a crucial part in the choices made by the consumers. Indeed, and even though these labels are rarely understood, they ensure that consumers recognize which products has been produced according to the regulated practices of organic farming. In order to buy organic food products, as in the market, about 31 percent of the respondents expressed that Labeling is essential, about 29.50 percent of the respondents expressed that it is required for Wide marketing, 19 percent expressed the necessity for Stamping, 20.50 percent of the respondents considered organic food products as equilent to conventional or local food. However, majority (59.50 percent) of respondents recommended organic foods to others.

Table 1: Distribution of Respondents Based on Socio Economic Status (N=200)

Variables	Number	Percent	
Age (in years)	20-30	79	39.50
	30-40	60	30.0
	40-50	28	14.00
	50-60	33	16.50
Gender	Male	80	40.00
	Female	120	60.00
Marital Status	Married	133	66.50
	Unmarried	67	33.50
Education	Primary	40	20.00
	Higher Secondary	22	11.00
	Graduate	78	39.00
	Post Graduate	60	30.00

Table 1: Contd.,

Occupation	Self employed	41	20.50
	Employed	55	27.50
	Casual Labour	22	11.00
	Students	25	12.50
	Homemakers	57	28.50
Monthly income (in Rs)	Below 10,000	60	30.00
	10,000-20,000	49	24.50
	20,000-30,000	22	11.00
	Above 30,000	44	22.00
	Nil	25	12.50
Number of family members Below 18 years	Upto 2	136	68.00
	2 to 4	1	0.50
19 – 40 years	Upto 2	183	91.50
	2 to 5	17	8.50
40 – 65 years	Upto 2	191	95.50
	2 to 4	9	4.50
Above 65 years	Upto 1	195	97.50
	1 to 2	5	2.50
Food Habit	Vegetarian	80	40.00
	Mostly Vegetarian	60	30.00
	Not Vegetarian	60	30.00

Table 2: Distribution of Respondents Based on Their Purchase Behaviour (N=200)

Variables		Number	Percent
Ever buy organic food products	Yes	146	73.00
	No	54	27.00
Purchase when organic and non-organic food products are available	Always	54	27.00
	Frequently	48	24.00
	Sometimes	72	36.00
	Never	26	13.00
Frequency of purchase	Daily	29	14.50
	Weekly	40	20.00
	Monthly	22	11.00
	2-3 times per month	32	16.00
	Once a year	13	6.50
Willingness to pay premium price	Upto 5%	123	61.5
	5% - 15%	38	19
	15% - 30%	17	8.5
	Unwilling	32	16
Quantum of purchase in rise in price	Buy more	26	13.00
	Buy less	92	46.00
	Not at all	82	41.00
Familiarity through	TV	20	10.00
	Radio	11	5.50
	Magazines	12	6.00
	Newspaper	26	13.00
	Internet	15	7.50
	Friend/relative/associate	40	20.00
	In store	37	18.50
	Not sure	39	19.50
Sources of Influence	Advertisement	35	17.50
	Personal reference	10	5.00
	Peer groups	30	15.00
	Parents	28	14.00
	Reference groups	23	11.50
	Culture	32	16.00
	Religion	21	10.50
Environmentalist	21	10.50	

Table 2: Contd.,

Duration of purchase	More than 3 years	48	24.00
	1-3 years	32	16.00
	6-12 months	47	23.50
	0-6 months	38	19.00
	Never	35	17.50
Place of purchase	Super market	50	25.00
	Grocery shop	45	22.50
	Processing center	45	22.50
	Organic food stores	60	30.00
	Public distribution system	Nil	Nil
Recognition of organic product as a healthy food	Labeling	62	31.00
	Marketing	59	29.50
	Promotion	41	20.50
	Stamp	38	19.00
Recommending organic foods to others	Yes	119	59.50
	No	81	40.50

CONCLUSIONS

Consumer behaviour plays a major role in Organic food products. The marketers of organic foods need to be innovative and dynamic in order to compete with the changing purchase behaviour in the Organic food products market among urban residents. The importance of organic food products was ignored for quite a long period. As results of environmental sustainability, importance is shifted towards Organic food products rather than commercial food products. The study brought out the fact that the people were well aware of images and availability, but not loyal entirely to organic food products. The respondents without doubt attracted towards Organic food products. So the marketers must create promotions which are both realistic and moral and the product availability in terms of volume and variety are required to become successful in marketing organic food products.

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