

An Economic Study on Organic Food Products and Consumer Attitude with Special Reference to Chennai City Tamil Nadu

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ABSTRACT

India is that the second largest country within the world on the idea of population and a significant part of the population square measure depends on agricultural activities. Currently every day there's seen the increasing trend towards organic agriculture. Organic merchandise square measure grownup beneath a system of agriculture while not the employment of chemical fertilizers Associate in nursing pesticides with an environmentally and socially accountable approach. Organic agriculture isn't a replacement thought in Asian nation. At the start of the nineteenth century, Sir Albert Howard, one amongst the foremost necessary pioneer of organic farming worked in Asian nation for several years learning soil- plant interactions and developing composting methodology. In doing thus, he capitalized well on India's extremely subtle ancient agriculture systems that had long applied several of the principal of organic farming.

The marketplace for organic food merchandise in Asian nation has been growing at a speedy pace over the previous few years. Rising health consciousness among class customers in major cities across Asian nation has been the key issue causative to growth within the market. in contrast to standard food, that involves use of chemical fertilizers and pesticides, organic food merchandise square measure factory-made victimization natural merchandise. As a result, organic food merchandise square measure free from chemical residues and square measure healthier compared to traditional food merchandise.

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I. INTRODUCTION

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The marketplace for organic food merchandise in Asian nation has been growing at a speedy pace over the previous few years. Rising health consciousness among class customers in major cities across Asian nation has been the key issue causative to growth within the market. in contrast to standard food, that involves use of chemical fertilizers and pesticides, organic food merchandise square measure factory-made victimization natural merchandise. As a result, organic food merchandise square measure free from chemical residues and square measure healthier compared to traditional food merchandise. Organic food merchandise embraces numerous food classes starting from fruits & vegetables, farm merchandise, processed foods, pulses & food grains to alternative merchandise like beverages, confectionaries, etc. Implementation of assorted standards to boost the standard of organic food made within the country is anticipated to propel growth in India's organic grocery store over consecutive few years.

MEANING AND DEFINITION OF ORGANIC PRODUCT

Organic Product The term —organic is nonmoving in —bio from Greek —bios that means life or manner of living. —Organic food merchandise was 1st coined within the Forties and refers to food raised, grownup and hold on and/or processed while not the employment of synthetically made chemicals or fertilizers, herbicides, pesticides, fungicides, growth hormones and regulators or generic modification.

A wide vary of customers of organic food and non-organic food were addressed and scrutinized to get their observations and visions towards organic food. Not all organic food customers square measure having identical methodology of approach towards organic food. after the applied math method guides U.S. to understand the relation and therefore the model of the buyer behavior trends in organic food in Asian nation. The Definition of the word "Organic", Associate in Nursing ecological management production system that promotes and enhances diverseness, biological cycles and soil biological activity.

The Department for Agriculture and Rural Affairs (DEFRA) states that: „Organic food is the product of a farming system which avoids the use of man-made fertilizers, pesticides; growth regulators and livestock feed additives. Irradiation and the use of genetically modified organisms (GMOs) or products produced from or by GMOs are generally prohibited by organic legislation. Organic agriculture is a systems approach to production that is working towards environmentally, socially and economically sustainable production. Instead, the agricultural systems rely on crop rotation, animal and plant manures, some hand weeding and biological pest control“.

CONCEPT OF CONSUMER BEHAVIOUR:

Consumer behaviour is the study how the products/services are selected, purchased, used and disposed by individuals, groups or organizations by referring to the actions of the individual consumers in the marketplace and the assumptions & motives for those actions. The buyer's decision process involves five step processes, which involves problem or issue recognition, search and gathering information, setting evaluation criteria and evaluating them, the purchase decision and the post decision. The purchase decision is decision making accompanied by physical action for which every brand struggles.

It is the study about individual, group of individual and the method people use to purchase and use the product or service to satisfy their wants. The study combines various subjects which include economics, sociology, psychology and marketing. Consumer behavior will make an attempt to find out the various factors which are behind the consumer decision making process for purchase of product.

LIST OF TOP TEN ORGANIC FOOD PRODUCTS OF INDIA-

Vegetables

Organic Vegetables with 68% consumption top the list. Vegetables like Spinach, Tomatoes, Cauliflower, Potato, Bitter gourd, Carrot, Capsicum, Green chili, Brinjal constitute a significant part of the offered organic vegetable option. The organic produce mostly has the exposure of humans rather than the toxic chemicals and fertilizers that are why they are hand weeded and densely planted.

Fruits

Organic Fruits constitute a 52% of consumption of organic food products in India and stand second. Fruits like Alphonso Mangoes, Pomegranates, Bananas, Peaches, Apples are the most bought organic plant products. No shots of Ethylene Hormones and Quick ripening chemicals like acetylene gas (released when calcium carbide comes in contact with water) are used. These are commonly used to ripen Apples, Bananas, and Mangoes. The Quality of organic fruits is so fine that you can feel the consistent sweetness up to the core of the fruit, unlike chemically ripened fruits.

Organic Pulses

Organic pulses make for 51% consumption by Indian consumers. The pulses that feature this category include Moong, Chana, Toor, Masoor, Urad, Arhar, Kidney Beans, etc. Organically grown pulses are sweeter and enriched with high nutritional elements. The aroma of cooked organic pulses speaks for itself and its elite level. To grow organic pulse crops, crop rotations, mulches and mechanical control like practices are used.

Fruit Juices

51% Organic fruit juices are now being popularly bought and consumed by Indian Populace. This category includes Coconut water, Orange juice, Apple juice, Pineapple juice, Aloe vera juice, Gooseberry juice, Amla juice.

Food Grains

Organic Food grains make for 50% of their consumption. Thanks to the awareness and health conscious factor that has elicited this behavior from the Indian consumers. Products include Wheat, Millet, Corn, Maize, and Rice. Instead of using Synthetic Nitrogen Fertilizers and persistent Herbicides and Pesticides, mulches, organic fertilizers, and Cow dung compost are used.

Milk

In the list of Organic Food products, 45% Organic Milk is consumed. Organic Milk simply means the milk obtained from cows that are not treated with growth hormones and antibiotics, are fed 100% Organic and allowed to graze. This is done to ensure the produced milk is free from any undesired chemicals because the cattle's produce is affected by what they eat.

Meat

Organic Meat is provided from animals raised without treating, feeding and exposing them to Radiation, Herbicides, Pesticides, Sewage Sludge, additives, preservatives or Genetically Modified Organisms. They are fed grass, grains, berries, seeds and green leafy plants. Organic Meat is enriched with Omega-3 and CLA and is a healthier option than non-organic meats.

Tea

Most Indians are diverting towards organic tea. The reason is more flavored leaves and higher nutritional values. Organic Tea cultivation relies up on the conventional methods of farming to produce high-quality green leaves. Hand weeding is done to avoid herbicides and weeded out plant material is mixed with Cow dung and used as the fertilizer. To repel the insects, cow urine is used.

Eggs

Organic Eggs produced from organic chicken are kept on a natural diet and grains devoid of antibiotics, chemicals, eggshells and ground bones. The chickens are not caged. The difference can be seen in the egg's yolk being slightly more orange.

Beverages

Organic Beverages that are consumed include coffee, Tulsi Green Tea, Jaljeera, Aam panna, Nimbupani, Sugarcan juice, toddy and kokum juice.

STATEMENT OF PROBLEM

There is wide range of consumer goods that comes under umbrella of Organic Products. It is vegetables, fruits, wheat, rice, pulses, sugar/ tea/coffee, jam/pickle/chutney, edible Oil/Ghee etc. that square measure provided by completely different organic merchandise producers offered in market. Though there have been several analyses has already taken place on this subject however no research has been in deep trouble the factors touching shopping for behavior of customers. This study has been conducted to grasp the buyer shopping for behavior towards organic food merchandise. It discusses regarding the subject and organic farming in Asian nation. It offers a detail informing regarding the history of organic food merchandise moreover as organic food business.

The objectives of this study square measure to research factors touching shopping for behavior for organic food merchandise, the impact of financial gain and value on shopping for intent of customers and major constraints, that act as barrier in sale of organic product. The study conjointly places a lightweight towards imitative taken by government to push organic farming in Asian nation and its future in coming back years. The information was collected with the assistance of structured form that contains demographic info regarding the respondent's ages, financial gain and occupation. during this study, it's found that client shopping for call get influenced by value feasibility, convenience, nutrition level, awareness, selling practices adopted by corporations for making product awareness, quality of product/food product, chemical contamination, taste etc. a giant majority of respondents aforementioned value feasibility act as a significant issue whereas shopping for organic product. Overall, the study has helped in getting to a conclusion that financial gain in a private doesn't abundant influence over the shopping for behavior of client towards organic food merchandise.

NEED OF THE STUDY

The awareness on the harmful effects of chemicals present in food is increasing among the consumers. The trend towards purchasing organic food is growing among people. A study to identify what actually induces consumers to turn towards organic food is important. Some of the prominent motivating factors to purchase organic foods include environmental concern, health concern and lifestyle, product quality and subjective norms. This empirical study is aimed at identifying the purchase intention of consumers towards organic foods. The study predicts the purchase intention of consumers based on the influences of factors like environmental concern, health concern and lifestyle, product quality and subjective norms on the attitude towards organic foods. The results of the study show that quality of products, environmental concern, health concern and lifestyle are the most commonly stated motives for purchasing organic foods.

SCOPE OF THE STUDY

Availability of organic input and output is critical for improve of organic forming in the country. Development of efficient marketing system is the need of the hour for strengthening the organic production in India. This paper made a humble attempt to understanding the consumer perception about organic product and marketing in Chennai city. Marketing of organic product is so poor in study area so the demand for organic product is increases but supply is very low. The major reasons are organic producer are low, adequate market facility is not there, few number of shops, lack of awareness, and so on. Therefore if farmer as well as government give interest to organic farming easily enhancing good marketing system in Tamilnadu.

OBJECTIVES OF THE STUDY

1. To examine if users and non-users are equally aware of organic food
2. To identify and extract the motivating factors that influences the purchase of organic food.
3. To study the relationship between environmental concern and attitude towards organic food products
4. To determine the impact of income and price on buying intent.

HYPOTHESES OF THE STUDY

The following hypotheses were framed from the above objectives.

H01 Awareness towards organic food is not equally distributed amongst the users and non-users of organic food

H11 Awareness towards organic food is equally distributed amongst the users and non-users of organic food

H02 There is no association between the motivational factor and purchase of organic foods

H12 There is an association between the motivational factor and purchase of organic foods

H03 There is no relationship between environmental concern and attitude towards organic food products

H13 There is no relationship between environmental concern and attitude towards organic food products

H04 Income of consumers do not have a significant association with price of organic food

H14 Income of consumers do not have a significant association with price of organic food

II. RESEARCH METHODOLOGY

The researcher has to understand the problem which gives him the direction how to solve the problem. Research methodology consists of series of actions or steps necessary to carry out research work effectively.

Data Collection:

Primary data was collected by questionnaire survey method. Research instrument is questionnaire, personal interviews. Single questionnaire was created and administered in Chennai city. In this study the target respondents were consumers of organic food products from Chennai city.

The cities in India have been classified on the basis of grading structure devised by the government of India. According to this gradation, Chennai belong to Tier I category of city (source for information on Tier I & II cities of India: www.maps.ofindia.com). Chennai was selected as a Tier I city or a Metro city with heterogeneous population of 9.88 million was selected for the study (source: Reports of Internet and Mobile Association of India [IAMAI] and Internet Market Research Bureau [IMRB]).

Questionnaire

The questionnaire had been created and administered in Chennai city by the researcher. The questionnaire comprised various aspects related to the study such as demographic factors of respondents, usage of social media, behaviour on social media towards electronic goods, buying behaviour, factors of social media advertising.

Sampling Technique

This study is conducted to know the consumer attitude towards organic products in Chennai city. For this purpose stratified random sampling technique is adopted. And the Chennai city of Tamilnadu is selected for the study.

Sampling Size

The sample frame consisted of urban Municipal Corporations and Municipal Councils in the state of Maharashtra with high populations and high literacy levels. The sample size was arrived as given below:

Formula for sample size calculation:

$$\text{Sampling Size} = \frac{Z^2 * (p) * (1-p)}{C^2} = 384.16 \text{ or } 384$$

Where:

Z = 1.96 (Z value for 95% confidence level)

p = percentage expressed as a decimal (0.5 used for the sample size needed)

c= confidence interval expressed as decimal (0.05)

Pilot Study

In order to make the tool for data collection more reliable and to remove the errors in creating the questionnaire, the Pilot Study was done. A Sample of 50 respondents were taken into consideration for Pilot Study and based on the findings from this study required changes were made in the Questionnaire.

Survey

The survey was carried out in metropolitan city Chennai. This city was selected because of their high populations and high literacy levels in the state of Tamilnadu. The questionnaire was administered to 400 users of organic product foods.

Data Collection

Data was collected with the help of the questionnaires that was administered to the respondents in the areas sampled.

Statistical tools used for data analysis

Statistical tools used for data analysis includes percentages, cross tabulations, simple correlation, regression, Chi Square test, The statistical package used for data analysis was SPSS.

III. LIMITATIONS OF THE STUDY

- The area of the study is limited to Chennai city, findings of the study may not reflect the entire Indian scenario
- The opinion of the respondents may not be good all the time, because of individual difference due to age, gender, income, occupation, consumer behaviour etc.
- There is an element of risk on the fitness associated with suggestions of the study due to the changing nature of consumers' behaviour from time to time.
- The findings are based on the responses of respondent's only. Some may have given biased response which the researcher may not know.
- Respondents had time constraints, since the survey was asked to be completed and to be returned immediately, the time pressure of the respondents may have affected the quality of data

IV. CONCLUSION

There is wide range of consumer goods that comes under umbrella of Organic Products. It is vegetables, fruits, wheat, rice, pulses, sugar/ tea/coffee, jam/pickle/chutney, edible Oil/Ghee etc. that square measure provided by completely different organic merchandise producers offered in market. Though there have been several analyses has already taken place on this subject however no research has been in deep trouble the factors touching shopping for behavior of customers. This study has been conducted to grasp the buyer shopping for behavior towards organic food merchandise. It discusses regarding the subject and organic farming in Asian nation. It offers a detail informing regarding the history of organic food merchandise moreover as organic food business.

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