

## **CONSUMERS KNOWLEDGE AND OUTLOOK TOWARDS ORGANIC FOOD PRODUCT**

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### **ABSTRACT**

Present consumers have given their attention to food quality and safety. Our technology goes forward to create more food production. So far usually developed foods have huge adverse health effects due to the presence of higher pesticide residue, more nitrate, heavy metals, hormones, antibiotic residue, and also genetically modified organisms. Organic products gained a significant place in the minds of consumers. The Consumers' purchase behaviour for food products is undergoing significant changes across the world. Thus, this research study is conducted to analyse the consumers' willingness to pay for organic food products.

Key Words: Organic Farming, Organic Food, Biodiversity, Chemical Fertiliser, Organic Fertiliser, Environment, Soil Health

### **INTRODUCTION:**

#### **CONSUMER REVOLUTION ACTION ON ORGANIC PRODUCT:**

Organic products gained a significant place in the minds of consumers. The Consumers' purchase behaviour for food products is undergoing significant changes across the world. Everyone is concerned about their health and rely on the products that are produced, stored and processed without using any chemical residue and artificial fertilisers. The increasing demands of a growing population, pressure has also put on agriculture to increase the yield of crop production.

#### **TRADITIONAL AGRICULTURE**

Small plots, simple tools, surface water, organic fertiliser and a mixture of crops constitute traditional agriculture. They produce enough food to feed their family and to sell it in the market.

## **MAIN ORGANIC AGRICULTURAL PRODUCTS IN INDIA in\\**

1. Basic cereals/grains/pulses
2. Vegetable and Greens
3. Fruits
4. Meat/Egg
5. Herbs
6. Spices

## **HEALTH BENEFITS OF EATING ORGANIC FOOD**

Organic food has higher nutritional content than chemical-rich foods. They contain more vitamins and minerals. The nutrients present in organic food can be beneficial in preventing dangerous diseases like heart diseases, blood pressure problems, migraine, diabetes and cancer.

### **1. Better Overall Health**

### **2. Antioxidant Content**

### **3. Improved heart conditions**

### **4. Antibiotic resistance**

### **5. Stronger immune system**

### **6. Organic products are poison free**

### **7. Consumption of highly nutritious food products**

### **8. Environmental safety**

## **REVIEW OF LITERATURE**

Sneha. M (2018) Analysed in this paper “Organic foods have a huge health concept towards the consumers and respectively they are willing to pay more. Organic food consumption has rapidly increased in the last few years as a direct impact on consumers and their buying behaviour due to the consciousness of healthy lifestyle. On the Northern level, the buying of organic food products is low in Chennai. This study shows consumers in Chennai are likely to prefer organic foods in the upcoming years and accordingly the awareness of organic foods and its health benefits will be spread.

M. Elayaraja (2019) analyses in this paper Organic is a growing market throughout the world, as more and more people understand the importance of consuming organic products. Organic products are produced without the use of any artificial chemical. Fertilisers, and pesticides. Consumers prefer organic food due to safety, human health, and environmental

concern and also due to attributes like nutrition value, taste, freshness, and appearance of organic food matters a lot for consumers. The study aims at understanding the consumer perception towards organic products .

Dr. Shrimathy Ramalingam, (2021), in this paper clearly explains In the present era, consumers are becoming more health conscious due to the increasing health hazards. So consumption of organic food products has increased to a greater extent than ever before. This study aims to research about the key factors influencing consumers' willingness to pay more for organic food products. The results showed that education and quality attributes of organic food products are the motivating factors to pay a premium price for organic food products.

### **OBJECTIVES**

- ❖ To analyse the factors influencing the consumer to make purchase decision for organic food product
- ❖ To Examine the consumer's willingness to pay for organic food products
- ❖ To suggest suitable opinion towards to promote the organic food products

### **SIGNIFICANCE OF THE STUDY:**

This study attempts to evaluate the consumer's knowledge and willingness to pay for organic food products. It also attempts to identify the factors affecting the willingness to pay for organic food products. The demand for organic food products among various demographic factors have also been analysed in this study.

### **STATEMENT OF THE PROBLEM**

Nowadays Indian consumers have become more conscious about food safety and quality due to the increasing ailments like obesity, high cholesterol, cancer, and other similar common health problems. As a result, the Indian organic food market has grown dramatically in recent years. Also the increase in disposable monthly income and awareness also influences the organic food market. There is a change in mindset of Indian consumers these days. Though organic foods are more expensive than regular food products, consumers express more willingness to purchase. Thus, this research study is conducted to analyse the consumers' willingness to pay for organic food products.

### **DATA COLLECTION METHOD AND SAMPLING**

The researcher is paying attention to study based on primary and secondary data. The primary data will have been collected from selected consumers on Simple Random sampling techniques, with the help of questionnaires. A sample of 100 consumers of organic products

was selected among buyers available in Organic food products. Through this data understand the demand factor in organic products and the consumers outlook.

**RESEARCH TOOL**

The analyst has utilised Chi – Square Test, Percentage Analysis and Friedman Test for Rank to decide the degree of buyer mindfulness.

<b>Family Members</b>	<b>Frequency</b>	<b>Percentage</b>
2-4 members	61	61.0
4-6 member	31	31.0
6-8 members	8	8.0
<b>Educational Qualification</b>	<b>Frequency</b>	<b>Percentage</b>
Below Secondary	14	14.0
Higher Secondary	18	18.0
Graduate	31	31.0
Post graduate	27	27.0
<b>Monthly family income</b>	<b>Frequency</b>	<b>Percentage</b>
Less than 20,000	59	59.0
Rs.20,000 -40,000	10	10.0
Rs.40,000-60,000	19	19.0
Rs.60,000-80,000	12	12.0
<b>Occupation</b>	<b>Frequency</b>	<b>Percentage</b>
Salaried employee	47	47.0
Business	7	7.0

Retired Pensioner	32	32.0
House wife	14	14.0
<b>Source of information</b>	<b>Frequency</b>	<b>Percentage</b>
Advertisement	35	35.4
Magazine	12	12.1
Newspaper	33	33.3
Family member	12	12.1
Own interest	7	7.1

The above table shows that Married respondents have more preference for organic food products as compared to unmarried respondents. More post graduate respondents prefer to buy organic food products. Age groups of 31-40 respondents have interest in buying organic food as compared to other age groups. People of earning income group from Less than 20000 have desire to buy organic food. It explained most of the salaried employees have given attention on choosing the organic food product and majority of 2-4 family member respondents have good perception on buying organic food product in vallioor taluk.

### **ROLE OF HUSBAND AND WIFE IN DECISION MAKING**

Family consumption choices are greatly influenced by both the husband and wife. Husband - wife influence and wife dependent upon the product and service category. Purchase of organic products based on their dominance. Even in financial matters, a female head of household makes decisions. Sometimes parents' purchase decisions are influenced by the input of their child.

### **HYPOTHESIS**

The data was collected to test following Hypothesis:

Hy 1: There is no significant relationship between Education Qualification and Aware of the organic food product

Hy2. These is no significant relationship between occupation and Health factors / benefits organic food product for consumer

	Aware of the term organic product	Educational Qualification
Chi-Square	42.480 <sup>a</sup>	15.500 <sup>b</sup>
df	3	4
Asymp.Sig	.000	.004

**INTERPRETATION:**

From the table above shows there exists a significant relationship between Educational Qualification and Aware of the term product ( $p < 0.005$ ) this implies that education is an essential step towards Aware of the term product. Hence reject the null hypothesis.

	Monthly Family Income	Health factors/ Benefits
Chi-Square	41.081 <sup>a</sup>	29.232 <sup>b</sup>
df	3	4
Asymp.Sig	.000	.000

Interpretation: From the table above shows there exists a significant relationship between Family income Health and to choose organic products ( $p < 0.005$ ) this implies that monthly income influences health benefit to choosing organic product. Hence reject the null hypothesis .

Particulars	Mean score	Mean rank
Quality	4.57	1
Quantity	5.10	2
Taste	5.36	5
Health benefit	5.62	8
Packing ann Labelling Certification	5.20	3

Price	5.85	9
Availability of the product	5.37	6
Nutrition value	5.56	7
Freshness	5.32	4

N	100
Chi-Square	45.220
df	9
Asymp.Sig	.000

The survey brings to limelight the perception towards organic food products. It is quite interesting to observe that first rank in the analysis quality with a mean score of 4.51 points in the 5 point scale. It is followed by Quantity with mean scores of 5.10. points respectively.

Particulars	Mean score	Mean rank
Pesticides/ Chemical free	2.97	1
No adulteration	3.75	2
Eco-friendly	3.89	3
More nutritious	4.33	6
Competitive price	5.22	7
Traditional based	3.93	5
Health factors	3.92	4

N	100
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Kendall's W <sup>s</sup>	.098
Chi-Square	56.863
df	6
Asymp.Sig	.000

**FINDINGS:**

1. 33 percent of the respondents belong the age group of 31 -40 years
2. 75 percent of the respondents constitute Married persons.
3. 31 per cent of the respondents constituted Post graduate persons.
4. 59 per cent of the respondents have the monthly income less than 20000
5. 41.3 per cent of the respondents constituted Salaries persons.
6. 61 per cent of the respondents are constituted total family members 2-4
7. 72 per cent of the respondents have a preference for organic products.
8. 51 per cent of the respondents are interested in purchasing organic products at local shops.
9. 42 per cent of the respondents are given very favourable opinions related to organic products.
10. 35.4 percent of the respondents received information through advertisements for buying organic products.

**SUGGESTION**

The producers and marketers of organic food products can develop their strategies based on the socio demographic factors, psychographic variables, product attributes, and market attributes. Education and income are the important factors that are likely to affect the WTP for organic food products. So the marketers shall make use of this information in their segmentation, targeting, and positioning strategy. Similarly, the consumers are product- centric and focus much on product quality and health attributes rather than the other product attributes. The regulators and policymakers may also utilise the knowledge on the willingness of the consumers to pay for organic food products and protect the interest of the consumers by regulating the excessive high pricing of the products.

**CONCLUSION**

This study provides practical insight into the willingness of consumers to pay and correlates the factors influencing the willingness to pay for purchasing organic food



products. Unquestionably, the respondents believe that organic food products are rich in quality, good for their health and come with the authentic traditional taste of India. Consumers opined that prevention is better than cure. So they exhibited greater interest to pay premium pricing for organic food products as an investment for health.

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