

Factors Influencing Consumers To Purchase Organic Products

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Abstract

Covid-19 has had a significant influence on the lives of everyone involved. The society has come to a grinding halt as a result of the lack of available vaccinations against the virus. People were able to live with their dietary habits in the majority of the locations, notably with herbal-based diets. As a result, people's focus has turned away from conventional meals and towards natural foods. Organic farming is given a high level of priority by the central government, which provides financial assistance to organic farmers. An effort is made in this context to study the elements influencing consumers' purchasing decisions on the selection of organic goods as well the challenges that they confront when acquiring and utilising organic products in the Coimbatore area. According to the findings, the majority of customers who buy organic products do so because they are unaware of the benefits of doing so.

Keywords: Organic products, buying decision, Consumers, Problems

Introduction

The organic food industry has grown at a rapid pace in recent years, although the total proportion of organic food in the entire food market remains tiny when compared to the whole food market. Organic food consumption represents a modest proportion of overall food consumption in both developed and developing nations, even those with fully developed organic industries such as Switzerland, Austria, and Denmark. The organic sector is heavily reliant on a small but dedicated group of customers who buy organic products on a regular basis, according to industry experts. The sustainability of organics is dependent on the demand of end consumers. The necessity to unveil the varying mindset of consumers in countries where organic consumption is comforting - but only a small amount of degree is recognized about the organic food consumers' trust, incitement, and worth driving their decision-making process when compared to other countries. In order to accelerate the purchase of organic food items, merchants must have a thorough understanding of consumer purchasing behaviour and psychographic characteristics. When researching organic food purchases, it is critical to consider the aspects that may influence a consumer's decision to purchase organic food. As

organic food consumption and production continue to grow at a rapid pace, it is necessary to do ongoing studies in order to inform on and understand the evolution of these markets.

The expansion of the international food market has been characterised by rapid, unexpected, and complicated developments in recent years. The world food business operates in a straightforward manner in an unambiguously powerful environment that need constant changes and reactions. These extreme processes enhance the market advantage of directing operations on the global market and are the result of a slew of changes that have happened over the time of contemporary economic development. In the last few years, there has been a significant shift in the agro-food marketing infrastructure. It is possible to enhance organised food retailing through the system, which has grown more systematised and customer-centric. Distributing channels, promotional strategies, permuted techniques, and food quality are becoming extremely important in this congested market environment. In this saturated market environment, Aside from that, customers have become more attentive with the nutritional value, health benefits, and overall quality of the food they intake. Therefore, organic products have risen in importance relative to other types of products. Organic goods have seen an increase in popularity in recent years, and for a variety of reasons, including environmental concerns.

Some people purchase items because they want to acquire environmentally sustainable goods, while others purchase things because they want to become more health-conscious about what they consume. William Young et al. (2010), examine that tags would assist consumers in focusing their purchase behaviour on environmentally friendly items. Natural and organic products have seen a significant growth in popularity over the last decade, thanks to consumers' rising sense of both health and environmental concerns. This increase in demand is likely to continue in the next years, despite the fact that the situation varies from one nation to another in terms of the types of products produced and the amounts produced. Organic food's long-term viability will be determined in great part by customer requirements.¹

Need for the study

Due to the growing public awareness of health risks and food hygiene, more customers are turning to organic products for their needs. It has been suggested that the growth in consumer interest in organic food is related to a growing need for food that is free from pesticides and chemical residues, among other factors. Organic food helps to maintain a healthy balance between ourselves, other living species, and the environment. It also encourages the use of no artificial preservatives and the preservation of food's uniqueness to the greatest extent possible. This eliminates the overuse of dangerous components and, as a result, guarantees the consumer health. The justification for doing this study is that regard for the environment can only come from well-informed individuals who are aware of, and completely devoted to, their access to a high-quality health- and environment-care system and their surroundings. However, before any significant shift can be implemented, it is vital to assess the existing status of customers' purchasing decisions. Accordingly, the factors influencing the purchasing choice of consumers about the purchase of organic food have been investigated in this research.

Statement of the problem

Consumer's food habits are shifting as a consequence of concerns about public health and the environment. Awareness in organically grown food is rising in every country in the globe. Organic food consumption is on the rise as a result of growing public awareness about the environmental and health consequences of agricultural production. The rise in consumer interest in organic food items has been ascribed to a variety of factors, including the increased need for food that is free of pesticides and chemical pollutants, among other things. The primary reasons for purchasing organic food items are the health and environmental benefits, as well as the responsibility to support small and local farms. Additionally, one key aspect that has been identified as a hurdle to the growth of organic foods is the consumer's desire to purchase organic foods. In order to increase the number of organic food items available to consumers and their faith in organic label, it is possible that increasing the availability and range of organic food products will be the most successful strategy for increasing the number of options.

Objectives

- To gain an understanding of the elements that influence the purchasing choice of natural foods.
- To identify the issues that customers face while purchasing organic products.

Review of Literature

Voon et al. (2011) in their research observes the factors that influence customers' propensity to purchase organic food in a Malaysian city by conducting a questionnaire survey among them. According to the findings, efforts to increase consumption growth should be concentrated on changing customer attitudes rather than on increasing consumption. Choo et al. (2004) In India, the purchase behaviour of innovative food products was investigated among creative groups. They discovered that Indian consumers' opinions about new packaged foods will have a beneficial impact on their willingness to purchase new processed foods. Raghavan and Megeh (2013) examined the purchasing intentions of customers when it comes to organic items in Chennai. The outcomes of the study revealed that the buyer's views of organic food products had the highest correlation with the buyer's desire to purchase organic food products in general. S.V.Ramesh and M.Divya (2015) it was shown that market demand has a significant influence on the adoption of organic production and processing. As a result, customers' awareness of and opinions about organic food products are shown in this. As per the findings of the survey, the primary motivations for choosing organic food items are the anticipation of a healthier and more ecologically friendly method of production and preparation.

Research methodology

There are several regions where organic food products are not available. In the venues where these organic food goods are offered, there are no precise records kept about the customers who shop there. For the goal of collecting information, the researchers and data collectors meet with the customers in order to pick a representative sample of those who have purchased the product. Utilizing the assistance of store owners and references supplied by the participants' relatives, data was collected from 200 customers using the snowballing approach between October 2020 and December 2020, with the help of the shop owners and references provided

by the respondents' relatives. The research is focused on the city of Coimbatore, and statistical approaches such as factor analysis and ranking analysis have been employed.

Limitations of the study

The research was limited to the city of Coimbatore. It's possible that the results are only relevant in this particular location. When compared to the whole population, the sample size is insignificantly small. In this study, the conclusions are based on information supplied by customers, and the sampling approach has its own set of limitations.

Results and Discussion

Factors influencing consumers to purchase organic products

In order to truly comprehend the variables that impact consumers' decisions to purchase organic products, the exploratory factors analysis using KMO and Bartlett's test were used to narrow down the components in order to get a better fit in the model.

Table 1 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.859
Bartlett's Test of Sphericity	Approx. Chi-Square	5648.236
	df	378
	Sig	.000

The data gathered has been subjected to a factor analysis, which has been conducted. The information has been tested using the SPSS statistical package. For the factor analysis, a total of 28 statements were employed. In addition to KMO, the Bartlett's test of sphericity was performed. The explanatory factor analysis approach is used to find the supplied components and study the link between consumption and the impact of purchasing environmentally friendly goods. A reliability analysis was performed in order to determine the acceptability of the data, and the result of the test was greater than 0.6, indicating that the data was suitable. The Kaiser – Meyer – Olkin measure of sample adequacy is computed, and the result is determined to be 859 percentile. It is stated that the sample is of sufficient quality for sampling purposes. Confirmation for the validity of the factor analysis of the data test is obtained via the use of the Bartlett test of sphericity (chi – square = 5648.236 and significant at.000), which determines the overall relevance of correlation matrices.

Table 2 Factors influencing on Purchase decision of organic products

	Component				Communalities
	1	2	3	4	
cons7	.917				.866
cons1	.916				.827
cons8	.914				.827
cons4	.903				.790
cons2	.894				.799

cons5	.892				.686
cons9	.888				.903
cons6	.850				.887
cons3	.848				.809
con2		.948			.871
con3		.941			.872
con5		.932			.835
con6		.932			.842
con7		.913			.808
con4		.898			.722
con1		.816			.826
satis1			.890		.798
satis2			.883		.734
satis3			.883		.842
satis7			.872		.838
satis6			.843		.792
satis4			.838		.799
satis5			.827		.786
aw1				.928	.790
aw2				.909	.715
aw3				.907	.705
aw5				.890	.727
aw4				.886	.771
Explained variance high each factor	25.791	20.930	18.761	14.756	
Cumulative explained variance	25.791	46.720	65.481	80.237	

Source: Computed data

The findings of the factor analysis depict the effect of participants on their decisions to purchase organic products. A license of organic products should guarantee that the product attributes are unique and that the certificate itself is built on the trust of the customers. This indicates that respondents considered organic items with environmental certifications to be of high-quality and value (.917). Since it has sensible economics underlying the strategy of a product purchase and is designated as the product's worth, respondents compare its price (.916) prior to purchasing organic items. The major social group connected with fear eating is the family. It may be necessary for the respondents to consume organic goods in order to protect their family members (.914) from financial difficulty. When it comes to culture, it is a collection of learned ideas that drives respondents' behaviour in a particular society. As a result, Culture (.903) has an impact on the respondents' inclination to purchase environmentally friendly items. The accessibility of conceptual and emotive components plays an important role in converting the good qualities of these components into final purchases at the time of consumption. If organic items are readily available, as is the case in the current circumstances,

respondents purchase organic products (.894). Organic goods' performance (.892) is considered by individuals who already use the same items, according to the respondents. There are many different types of dangers that consumers perceive. As a result, while purchasing a product, respondents take into consideration the statement of certification about environmental friendliness (.888). A product's value has an impact on an individual's behaviour toward products, and it has a strong bias for items that are environmentally conscious. So the respondents use branded organic items that are well-known (.850). A consumer enters a retail establishment (.848) with the goal of purchasing environmentally friendly items. If the product is not accessible, the responder may choose to switch from the current retailer and purchase a product from another store that specializes in ecologically friendly items instead. These are the variables that make up the first factor, which has been designated as "conscience about the use of environmentally friendly items." The second element is referred to as environmental awareness, and it is comprised of variables that are associated with ecologically responsible traits. The respondents were worried about purchasing organic items (.945), and it is hoped that this would lessen the detrimental effects on the environment of consumption by shifting consumers toward ecologically friendly products in the future. People who answered the survey make an attempt to purchase items that are low in contaminants (.934). In light of the large number of environmental complaints, the general public may be led to assume that specific environmental concerns have been sufficiently handled and resolved. The usage of environmentally friendly bags helps to limit the use of plastic bags (.931). It helps to move community in a more socially responsible direction and fosters environmentally conscious behaviour among businesses and their clients. Respondents encourage their friends (.926) to buy organic items because the group is the most potent inducer for changing people's environmentally conscious behaviour. If a corporation provides things that are ecologically unethical (.911), individuals are less likely to respond to such products while they are making a purchase. If the respondents are aware of the possible harm (.896) to the environment and do not purchase those items, the results are positive. Respondents described themselves as being ecologically conscious or environmentally conscious (.800).

The third factor named as satisfaction on the consumption of organic products. It represents green trust and good health (.878) for using organic products. In terms of social consequences and endanger the health of the consumer society, consumption has allowed people to become increasingly use organic products. Consumer satisfaction may provide an idea about how consumers perceive (.872) the benefits of organic products specific to personal relevant dimensions. It is possible to map the existing products and this enables other similar product to enter the consumer mind. Brand and Packaging (.872) has to satisfy a variety of consumers because packaging protects the product and brand that creates identification of product. While product quality (.860) plays an important role in consuming the products, in which the consumers' satisfaction count can force them to repurchase organic products. Product involvement (.832) was associated with product satisfaction. Mass Media advertising is the most powerful channel with an ability to reach a large or dispersed market repeatedly and persuasively, which increase hostility towards doubts regarding products. Price (.825) add to the value of the acquisition in terms of features, which carries a premium to satisfy organic products to consumers. Eco-Labeling (.815) of a product can communicate a great deal of

information which indicates ingredients. It also provides an opportunity to inform the consumer about the environmental performance of the product.

There is a fourth aspect, which is called "consciousness of organic products." Consumers are becoming more concerned about food safety as a result of well publicised cases of food poisoning and food additives. It leads to an increase in the popularity of organic items that are thought to have a safety benefit, such as organic food. It raises public knowledge of the health advantages (.926) of organic foods by promoting them. As a consequence of increased use of organic products, there is now a greater awareness of environmental problems among the general public. Because to environmental (.905) degradation, increased awareness of the benefits of organic goods leads to increased buying. As a result, customers are understandably concerned about the environment. The term "point of purchase" (.903) indicates that consumers' purchasing decisions are concluded in the place where they shop. The information is given in a certified format, which includes numerical and graphical symbols, so that it may be easily assimilated by customers at the time of purchase. Both the emblem (.876) and the certification (.876) rely on organic purchases to provide the information that makes them relevant to the public. A specific brand may be purchased by a customer because it assists the consumer in simplifying the purchasing process and because it assists the consumer in communicating its competitive advantage. As a result, the responders must be aware of the numerous organic product brands available (.874). According with results of the factor analysis, the high communality value (.903) in conjunction with the insight to consider the proclamation of certification regarding organic when purchasing a product has been determined. The consumption of branded organic goods and the value of the brand are associated with a high communality value (.887), indicating a strong affinity for organic products.

PROBLEMS IN PURCHASING THE ORGANIC PRODUCTS

The following 10 issues have been highlighted in order to better understand the difficulties associated with the purchasing of organic products. Less consciousness, a limited selection, poor packaging, a complicated to pinpoint location, higher cost, perishable product (rapid maturity date), not accessible on a regular basis, the advantages are unclear, it is hard to distinguish organic products from non-organic products, and a lack of interest in experimenting are some of the reasons for this. Simple ranking analysis has been performed in order to achieve this goal.

TABLE 3 DISTRIBUTION OF SAMPLES RESPONDENTS ACCORDING TO THEIR PROBLEMS IN PURCHASING ORGANIC PRODUCTS

S.No.	Factors	Total score	Mean score	Rank
1.	Less Awareness	1455	7.28	I
2.	Not enough choice	1114	5.57	V
3.	Improper packaging	884	4.42	IX
4.	Difficult to find location	1259	6.30	III
5.	More expensive	1293	6.47	II
6.	Perishable Product (Rapid Expiration)	914	4.57	VIII

7.	Not available regularly	937	4.69	VII
8.	The benefits are not clear	1078	5.39	VI
9.	Difficult to distinguish with non-organic Product	1192	5.96	IV
10.	Not interested to try	874	4.37	X

Source: Primary data

Fewer perception is one of the most significant problems, as indicated by the mean score of 7.28, followed by more expensive (6.47), hard to find location (6.30), indistinguishable from non-organic product (5.96), not enough choice (5.57), the advantages are not clear (5.39), not accessible frequently (4.69), perishable product (rapid expiry date) (4.57), inappropriate packaging (4.42), and not intrigued in trying (4.37).

Managerial Implications

- ✚ In the event that organic items are more expensive, consumers are less inclined to buy them. As a result, the cost of organic products should be decreased.
- ✚ In order to raise consumer awareness, it is also necessary for government agencies to formulate sustainable consumption policies.
- ✚ Monitoring consumer knowledge of green product consumption in specific geographic locations will be extremely beneficial to suppliers, manufacturers, marketers, and other relevant stakeholders in order to promote interest in green products.

Conclusion

As per result of the research, the respondents' attention goes to the fact that the customer is oblivious of his or her situation. Following the findings of the investigation, it was discovered that organic goods are incredibly costly, and that this was the primary reason for consumers not acquiring organic products, followed by the discovery that natural foods are not accessible in a comprehensive range of varieties. In order to increase the number of organic food items available to consumers and their faith in organic labels, it is possible that expanding the accessibility and range of organic food products will be the most successful strategy for growing the number of organic food products available. The availability of cognitive and emotive components plays an important role in converting the good qualities of these components into final purchases at the time of consumption. The decision to purchase organic products is not a single activity, but rather a series of acts that might be interconnected with other activities such as food intake, health awareness, and care about one's own health.

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