

DETERMINANTS OF CONSUMER PREFERENCE TOWARDS ORGANIC FOOD PRODUCTS

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ABSTRACT

Changing food consumption patterns of consumers seems to be one of the big threats for leading healthy life. Usage of chemicals and fertilizers ruins the environment and human being health. As a result of organic agriculture started booming up in many countries in the world. Now consumers started using organic food as their daily intake. Hence, this research focuses on Consumer Preference towards organic food products in Chennai. The main objective of the study is to analyze the factors influencing consumer behaviour towards organic food products and to identify the problems while using the organic food products. The study mainly based on primary and secondary data. This research is descriptive in nature. Stratified simple random sampling technique has been used and 110 respondents were surveyed by using a well-structured questionnaire. The important finding of the study is the factors influencing consumer preference on organic food products, "Contain good Nutrition" with the average mean score of 95.78 contributed 1st rank, "Products are Healthy" with the average mean score of 92.42 contributed 2nd rank.

KeyWords: Consumer Preference, Organic Food Products and Consumer Attitude

1. INTRODUCTION

There is a rapid change in the pattern of food consumption among people across the global due to an increase in health issues, environmental protection and high awareness about the pesticides used in the food production. Consumers' preferences have probably changed over time. Now-a-days consumers are more concerned about the food they take and wish to have more nutritious food which is produced without any chemicals. It cause severe health damages to human being starting from a small head ache to the brutal diseases like cancer and it also exploits the agricultural land and the natural environment. 'Health benefits' was the first and primary reason for purchasing organic food. As a result of this consumers started looking for organic foods in the recent past. Since it holds nutrition and contains high levels of minerals, vitamins, antioxidants, and less saturated fat. This led the consumers to buy organic food and later the demand started increasing.

2. REVIEW OF LITERATURE

- Ranjithkumar et. al (2006) Investigated respondents' attitudes toward natural, organic foods. He discovered that people favour organic food due to its flavour and health benefits.
- Shaharudin et. al (2010) Discovered that consumers in Malaysia place a high value on health consciousness and the perceived value of buying organic food goods.
- Miguel Llorens et. al (2011) Customers prefer organic products because they are healthier, according to study of consumer behaviour and brand preferences in organic supermarket products in Spain.
- Sathyendra Kumar et.al (2015) Customer's attitude towards organic food products consumption and market potential of organic food product in Mysore City. It was found that most of the consumer especially in urban prefer organic food product.
- Mohana Soundari et.al (2017) Customers preferences towards organic products and found that customers prefer organic food product for its quality.

3. STATEMENT OF THE PROBLEM

Today's scenario many of the peoples are consuming organic food products. Due to increasing health issues, increasing diseases among people due to consumption of food products which were grown with the help of harmful synthetic pesticides and fertilizers. Consumers are well known about that organic food products bring benefit in terms of refreshing the human health and provide energy to the user. So

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this aroused a awareness and importance of naturally produced products among consumer. There is shift from the consumption of food products grown with the help of pesticides and synthetic fertilizers to the organic products which were grown naturally without use of synthetic fertilizers and pesticides so on. So, this gave rise to new emerging sector worldwide and in India as well. Thus, this research is conducted in Chennai to analyse the consumers' preference towards organic food products.

4. OBJECTIVES

The important objectives of the study are,

1. To analyze the factors influencing consumer preference towards organic food products.
2. To find out the consumer satisfaction towards organic food products.

5. METHODOLOGY

This research is descriptive and survey method is used for this study to analyze the consumer preference towards organic food products. Both primary and secondary data used for this study. Primary data was collected through a structured questionnaire. Secondary data has been obtained from journals, websites, and books. 110 sample respondents were approached for the study and collected through stratified simple random sampling technique.

6. DATA ANALYSIS

Garrett ranking technique is used to rank the factors influencing a consumer preference on organic food products. For this study the researcher identified 11 factors and asked the consumers to rank the factors in the order of influence to buying the organic food products. It is presented in the table.1

Table 1

Factors Influencing Consumer Preference on Organic Food Products (Garatte Ranking)

S. No	Factors	Mean score	Average	Rank
1	Contain good Nutrition	9578	95.78	I
2	Products are Healthy	9242	92.42	II
3	Products Quality	8761	87.61	III
4	Environmentally Friendly	8577	85.77	IV
5	Worthiness	8438	84.38	V
6	Taste of the Goods	8251	82.51	VI
7	Freshness	8022	80.22	VII
8	Product Availability	7942	79.42	VIII
9	Varieties of Products	7761	77.61	IX
10	Premium Price	7543	75.43	X
11	Better Service	6938	69.38	XI

Source: Computed data

The table 1 reveals that the factors influencing consumer preference on organic food products, "Contain good Nutrition" with the average mean score of 95.78 contributed 1st rank, "Products are Healthy" with the average mean score of 92.42 contributed 2nd rank, "Products Quality" with the average mean score of 87.61 contributed 3rd rank, "Environmental Friendly" with the average mean score of 85.77 contributed 4th rank, "Worthiness" with the average mean score of 84.38 contributed 5th rank, "Taste of the Goods" with the average mean score of 82.51 contributed 6th rank, "Freshness" with the average mean score of 80.22 contributed 7th rank, "Product Availability" with the average mean score of 79.42 contributed 8th rank, "Varieties of Products" with the average mean score of 77.61 contributed 9th rank, "Premium Price" with the average mean score of 75.43 contributed 10th rank and "Better Service" with the average mean score of 69.38 contributed 11th rank.

Table 2

Type of Organic Food Preferred by Customers

Type of Organic Food Preferred by Customers	No.of.Respondents	Minimum	Maximum	Mean	Std. Deviation
Fruits and Vegetables	110	2.00	5.00	3.3545	1.00992
Pulses and cereals	110	2.00	4.00	2.6727	0.76757
Coffee and Tea	110	1.00	4.00	2.4818	1.02027
Millets	110	2.00	4.00	3.5909	0.78162
Cooking Oil	110	4.00	5.00	4.4909	0.50221
Milk	110	4.00	5.00	4.7273	0.44740
Meat Products	110	1.00	5.00	4.1091	1.01679

The table 2 shows that the type of organic food preferred by the customers. The mean score of most of the products are greater than three which shows that for most of the products respondents agree to prefer organic food products. The mean score for organic cooking oil, milk and meat products are greater than 4 which shows very high preference for these products. The mean score for organic fruits and vegetables and millets is greater than three which shows the next higher preference

Table 3

Source of Information about Organic Food Products

Source of Information about Organic Food Products	Frequency	Percent
Newspaper	22	20.0
Pamphlets	14	12.7
Internet	2	1.8
Friends	69	62.7
Awareness Program	3	2.7
Total	110	100.0

The table 3 shows source of information about information about organic food products. 62.7% of respondents get to know about the organic products through friends and 20% through newspaper. This shows that word of mouth reference has more influence to prefer the organic food products.

Table 4

Opinion on Price of Organic Food Products

Opinion on Price of Organic Food Products	Frequency	Percent
Expensive	59	53.6
Moderate	49	44.5
Low	2	1.8
Total	110	100.0

Table 4 shows that 53.6% of respondents have the opinion that organic products are expensive and 44.5% respondents have the opinion that the prices are moderate.

7. FINDINGS & SUGGESTIONS

The important findings are given below,

The study express that the factors influencing consumer preference on organic food products, “Contain good Nutrition” with the average mean score of 95.78 contributed 1st rank, “Products are Healthy” with the average mean score of 92.42 contributed 2nd rank.

- The price of organic food products is very high. So, the expectation of consumers is that price should be reduced to medial and low-class people. The range of organic food products is very low. Therefore, the range of organic food items should be increased.

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- Number of retail outlets for organic food products is very low. So, the organic food producers' steps to open number of new retail outlets it will be convenient for consumers to buy them.
- The organic food producers and marketers may introduce some special offers to attract the new consumers and introduce comfortable shops and packages to cover all consumers in the study area.
- Government can increase the trend for consumption of organic food by increasing public awareness through various programs and advertisements in TV and other channels and further come forward to provide various loans and subsidy for organic producers.

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CONCLUSION

Consumer preference plays a major role in organic food products segment. 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. 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 conventional farming. It is concluded that health is an important reason for buying organic food. Indian consumers are aware of various organic food, and they perceive that it is too expensive comparing with the conventional products. The study expresses that the factors influencing consumer preference on organic food products, "Contain good Nutrition" with the average mean score of 95.78 contributed 1st rank, "Products are Healthy" with the average mean score of 92.42 contributed 2nd rank. So, the government can increase the trend for consumption of organic food by increasing public awareness through various programs and advertisements in TV and other channels and further come forward to provide various loans and subsidy for organic producers.

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