

A STUDY ON CONSUMER BUYING BEHAVIOUR TOWARDS ORGANIC PRODUCTS

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Abstract:

The purpose of this study is to better understand how consumers purchase organic goods. The study, which uses a descriptive research design, seeks to comprehend the attitudes, motivations, and preferences that influence consumers' choices to buy organic goods. A sample size of 245 respondents was obtained through the use of probability sampling in the sample technique. Additionally, customer behaviour toward organic products is greatly influenced by elements like perceived awareness, health consciousness, environmental concerns, pricing, trust, and brand reputation. The distribution and relationships between variables can be better understood using statistical studies such as the Friedman test, Spearman's correlation, Kruskal Wallis H test, Mann-Whitney U test, and Normality test.

Keywords: Organic products, Buying Behaviour, Attitude of Consumers

INTRODUCTION

Because different nations have varied requirements for products to be certified "organic," there is no universal meaning of the term. To put it simply, organic products undergo little processing to preserve their integrity without the use of artificial additives, preservatives, or radiation.

Organic items are produced using environmentally friendly procedures and growing techniques that take into account both the finished product's qualities and the production processes. Consumer behaviour has grown in importance and popularity as a topic for scientific study. The increasing significance of health care, especially the need for a high degree of physical fitness, has an impact on this. It is now clear that human nutrition and physical exercise are related to health. When thinking about issues pertaining to a healthy lifestyle, they are vital components.

Developing Organic Product Strategies: Recognizing Customer Preferences Health Consciousness

Customers are becoming more cautious in today's health-conscious environment. unnatural substances in their diet. They give preference to goods that enhance wellbeing and are said to as safer substitutes. Emphasizing the superior nutritional value of vitamin-rich organic vegetables, One Antioxidants and minerals may also appeal to customers who value their health, high-quality diet.

Awareness: The advantages of organic products must first be explained to consumers. This involves teaching kids about ethical issues, environmental sustainability, and health benefits related to selecting organic.

Environmental Concerns: In today's environmentally conscious world, consumers are increasingly worried about the influence of their purchasing decisions on nature . Organic products resonate with these concerns as they are created using sustainable agricultural practices that prioritise soil health, biodiversity, and natural resource conservation.

Price: When it comes to organic products, which are frequently seen to be more costly than

their conventional equivalents, price sensitivity is a major element influencing customer purchasing decisions. Businesses can use price tactics that make organic products more inexpensive and available to a wider range of customers in order to get beyond this obstacle.

Trust and Brand Reputation: In the organic market, where customers are paying more attention to product labels and certifications, trust is crucial. For companies offering organic products, developing a positive brand reputation and establishing trust are essential. This entails acquiring respectable organic certifications, being open about sourcing and production methods, and continuously producing high-quality goods that satisfy customers.

NEED OF THE STUDY

Studying how consumers purchase organic goods is crucial for companies looking to take advantage of a developing market niche. Businesses can effectively customize their product offers and marketing methods by looking at consumer preferences, motives, and decision-making processes. Targeted outreach and engagement are made possible by identifying important demographic trends and consumer base groupings. Additionally, evaluating elements like product availability, cost sensitivity, and confidence in certifications aids companies in removing possible obstacles to purchases. The study's ultimate goal is to offer practical insights that enable companies to satisfy customer demands, boost their competitiveness, and promote long-term growth in the market for organic goods.

OBJECTIVES OF THE STUDY

1. To determine how much consumers know about organic products and their advantages.
2. To look into how consumer preferences for organic products are impacted by health consciousness.
3. To determine how much environmental issues affect consumers' decisions to buy organic products.
4. To investigate how consumers' decisions to buy organic products are influenced by perceived price and availability.
5. To examine how customer trust and brand reputation relate to organic product purchases.

SCOPE OF THE STUDY

The research on consumer purchase behaviour with regard to organic products includes an examination of the attitudes, preferences, and motivations that influence customers' choices. It entails investigating a number of variables that impact customer decisions, including price sensitivity, environmental concerns, health consciousness, and confidence in organic certifications. The study's objectives are to analyse demographic traits, evaluate the effects of marketing tactics, look at the function of product packaging and labelling, and look at the impact of social media and digital platforms. The study aims to offer useful insights into comprehending and forecasting consumer behaviour toward organic products in modern marketplaces by thoroughly evaluating these factors.

REVIEW OF LITERATURE

Dr. Sangeetha Natarajan (2016): This study discusses the growing significance of food safety and the growing inclination of modern Indian customers towards organic products. The market for organic food is expanding quickly due to factors like shifting lifestyles, increased health consciousness, and the emergence of contemporary retail establishments. The study examines consumer awareness, preferences, motives, and attitudes regarding organic food purchases

using an exploratory research approach and primary data gathered using self-structured questionnaires. Likert's Five-point scaling, summary statistics, Chi-square, correlation, and path coefficient analysis were among the analysis methods used. Bar charts were used to visually represent the results. **Anupam Singh and Priyanka Verma (2017)** investigated the reasons behind consumers' purchases of organic goods. They polled 611 Indian customers and discovered that attitudes about organic food are influenced by a number of factors, including availability, price, subjective norms, health consciousness, and knowledge of organic food. Although people's attitudes and intentions mitigate this link, these characteristics also influence whether or not they intend to purchase organic food. Additionally, whether or not people actually purchase organic food depends on their age, income, and level of knowledge. The results enable retailers, organic food firms, and regulators better understand customer behaviour and offer recommendations for growing the organic food market. **B. Krishnakumarea and S. Niranjana (2017)**: This study, which was carried out in the Tirupur district of Tamil Nadu, looks at how customers purchase organic food goods. It surveyed 240 respondents, 120 of whom were organic and 120 of whom were not. It investigates awareness levels and demographic relationships with organic food knowledge using chi-square tests and MANOVA analysis. The findings show differences between organic and non-organic customers according to factors like gender, family income, occupation, and level of education. Additionally, consumers of organic food in the Tirupur district are favored by psychological characteristics such as attitude, perception, belief, and intention. **N Sharma, R Singhvi (2018)**: Although organic food is becoming more popular due to decreased productivity and higher costs, consumer preferences are changing for health and environmental reasons. It is essential to encourage farmers to switch to organic farming and to spread knowledge about the advantages of organic food. Researching consumer attitudes can offer important information for the expansion of the organic food sector, particularly in India. The literature now in publication emphasizes the demand for organic products in India and around the world as well as the variables affecting consumer attitudes. For the current study to significantly advance knowledge about and support for organic food consumption behaviors, these gaps must be filled. **S. Pahari, I. Ghosal, and B. Prasad (2023)**: This study explored Indian consumers' intentions to buy organic food online, identifying important factors influencing these choices and analyzing the relationship between buying intentions and attitudes about organic food. Perception and health consciousness were found to be important determinants of attitudes toward organic products, which in turn influenced customer purchase behavior, according to studies conducted with regular buyers of organic food. The study also found that purchasing organic food online was linked to customers' improved mental and physical well-being. These results are significant both theoretically and practically, helping stakeholders in organic food to develop focused marketing strategies to address consumer concerns and capitalize on. **In 2023, Kalyani R and Prabhavathi Y** Using information from 120 Bangalore buyers, this study investigates the opinions of Indian customers on organic food. The findings show that although consumers believe organic food to be healthier, they are discouraged by its greater price. Quality, certification, and health advantages are important variables that influence purchasing. Social media plays a big part in spreading knowledge, and branded organic establishments are preferred. The frequency of purchasing varies, with daily buying of fruits and vegetables and sporadic purchases of juice. All things considered, safety is of utmost

importance, and purchasing decisions are influenced by social, psychological, and personal variables, which helps to create a thorough model of consumer behavior for organic food items.

RESEARCH METHODOLOGY

DESCRIPTIVE RESEARCH DESIGN

Descriptive research studies are those that focus on presenting the features of a certain individual group.

PROBABILITY SAMPLING

With probability sampling, a researcher chooses members of a population at random based on a few predetermined criteria. With this selection criterion, every member has an equal chance to take part in the sample. the process of choosing a sample from a population using the randomization principle, often known as chance or random selection.

PILOT STUDY

The purpose of this pilot study, which included 30 customer responders, is to ascertain the proper sample size, which was found to be 245. We obtain information through surveys and interviews in order to improve our sampling plan and guarantee representativeness using the formula below.

The necessary sample size is $n = (Z^2 * (PQ)) / E^2$ $n = (1.96^2 * (0.80*0.20)) / 0.05^2$ $n = (1.96^2 * 0.1600) / 0.05^2$ $n = 245$.

- Z is the Z-score that corresponds to the amount of confidence you want.
- p is the estimated percentage of the population that possesses the relevant trait.

The margin of error is shown by E.

SAMPLE SIZE

The number of observations used to calculate the estimates of a particular population is known as the sample size. The population was used to determine the sample size. The size of the sample for There are 245 in this study.

DATA ANALYSIS AND INTERPRETATION

Table : 1 NORMALITY TEST

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
AWARENESS	.514	245	.000	.422	245	.000
HEALTH CONSCIOUSNESS	.192	245	.004	.935	245	.000
ENVIRONMENT CONCERNS	.172	245	.000	.949	245	.000
PRICE	.147	245	.000	.954	245	.000
TRUST AND BRAND REPUTATION	.126	245	.000	.977	245	.001

Source: Computed Data

NULL HYPOTHESIS(H0): The data follows normal distribution

ALTERNATE HYPOTHESIS(H1): The data does not follow normal distribution Tests of Normality

INFERENCE:

The Kolmogorov-Smirnov test for normality was performed on the sample data, and the findings indicate that the significance value (P value) is less than 0.05, or $P < 0.05$. The null hypothesis, which states that the sample has a normal distribution, was thus refuted. The alternative theory is accepted. The sample data does not follow the normal distribution.

NON-PARAMETRIC TEST

MANN-WHITNEY U TEST

Table : 2 Test Statistics

	AWARENESS	HEALTH CONSCIOUS NESS	ENVIRONMENT CONCERNS	PRICE	TRUST AND BRAND REPUTATION
Mann-Whitney U	7049.500	6925.500	6965.500	6.864E3	7036.000
Wilcoxon W	12302.500	12178.500	12218.500	1.716E4	12289.000
Z	-.726	-.684	-.608	-.792	-.474
Asymp.Sig. (2- tailed)	.468	.494	.543	.428	.635

Source: Computed Data

H0: In terms of the factors, there is no discernible difference between the mean rank of men and women.

H1: The mean rank of men and women differs significantly depending on the factors.

INFERENCE

The sample data was subjected to the Mann-Whitney U test, which revealed that all of the variables had significance values (P values) greater than 0.05, or $P > 0.05$. As a result, the null hypothesis (H0) is approved. The mean rank of men and women does not significantly differ from one another.

KRUSKAL WALLIS H TEST

Table : 3 Test Statistics

	Awareness	Health Consciousness	Environment Concerns	Price	Trust And Brand Reputation
Chi-Square	3.948	9.902	17.824	5.686	7.993
df	3	3	3	3	3
Asymp. Sig.	.267	.019	.001	.128	.046

Source: Computed Data

H0: When it comes to criteria like pricing, brand reputation, health consciousness, awareness, and environmental concerns, there is no discernible variation in the mean rank of the age.

H1: The mean rank of the age group differs significantly depending on characteristics including price, trust, brand reputation, health consciousness, awareness, and environmental concerns.

INFERENCE

After applying the Kruskal Wallis H test to the sample data, it was discovered that every variable's significance value (P value) was greater than 0.05, or $P > 0.05$. As a result, the

alternative theory is disproved. The mean rank of the age in relation to the factors differs significantly.

SPEARMAN'S CORRELATION

Table : 4 Correlations

			Awareness	Health Consciousness	Environment Concerns	Price	Trust And Brand Reputation
Spearman's rho	AWARENESS	Correlation Coefficient	1.000	.013**	.021**	.024	.031
		Sig. (2-tailed)	.	.843	.747	.711	.624
		N	245	245	245	245	245
	Health Consciousness	Correlation Coefficient	.013	1.000	.563**	.480*	.413**
		Sig. (2-tailed)	.843	.	.000	.000	.000
		N	245	245	245	245	245
	Environment Concerns	Correlation Coefficient	.021	.563**	1.000	.547*	.373**
		Sig. (2-tailed)	.747	.000	.	.000	.000
		N	245	245	245	245	245
	PRICE	Correlation Coefficient	.024	.480**	.547**	1.000	.437**
		Sig. (2-tailed)	.711	.000	.000	.	.000
		N	245	245	245	245	245
	Trust And Brand Reputation	Correlation Coefficient	.031	.413**	.373**	.437*	1.000
		Sig. (2-tailed)	.624	.000	.000	.000	.
		N	245	245	245	245	245

Source: Computed Data

H0: There is no connection between elements like consumer purchasing patterns in businesses.

H1: Factors like customer purchasing patterns in businesses are related to each other.

INFERENCE

The significance value (P value) for each variable is greater than 0.05, or $P > 0.05$, according to the correlation analysis done on the sample data. Health consciousness, awareness, environmental concerns, price, trust, and brand reputation are most strongly correlated.

FINDINGS

Women make up the majority of responders (58.4%). The majority of responders (38.8%) are in the 26–30 age range. It is evident that 53.1% of respondents are single, and 53.1% of respondents work for private companies. Most responders (57.6%) make between Rs. 30,000 and Rs. 40,000. The majority of survey participants are aware of organic products (86.9%), compare organic and non-organic products (67.8%), and take reputation into account when buying organic items (70.6%). Most respondents—56% of them—agree that organic products enhance general health. It is evident that the majority of respondents—54%—agree that

purchasing organic goods promotes environmental sustainability. It is evident that the majority of respondents—60%—agree that the greater cost of organic products slightly discourages their purchasing. It is evident that 49% of respondents strongly agree that purchases of organic products have an impact on brand reputation. The sample data was subjected to the Mann-Whitney U test, which revealed that all of the variables had significance values (P values) greater than 0.05, or $P > 0.05$. As a result, the null hypothesis (H_0) is approved. The mean rank of men and women does not significantly differ from one another. After applying the Kruskal Wallis H test to the sample data, it was discovered that every variable's significance value (P value) was greater than 0.05, or $P > 0.05$. As a result, the alternative theory is disproved. The mean rank of the age in relation to the factors differs significantly. The significance value (P value) for each variable is greater than 0.05, or $P > 0.05$, according to the correlation analysis done on the sample data. Health consciousness, awareness, environmental concerns, price, trust, and brand reputation are most strongly correlated.

SUGGESTIONS

In line with the majority demographic's focus on perceived health benefits and general wellness, health consciousness product development should give priority to the creation of organic products designed to address particular health concerns that are common among consumers, according to a study on consumer purchasing behavior. In order to overcome price sensitivity issues and promote consumer adoption of organic solutions, offer special discounts and loyalty rewards to encourage trial and repeat purchases. Engagement and sales may rise if you concentrate on the social media sites where your target audience is most active, use SEO techniques to raise organic search ranks, and use content marketing to inform customers about the advantages of organic products.

CONCLUSION

In summary, this study uses a survey of 245 people to examine how consumers purchase organic goods. The survey's findings provide insightful information about the variables affecting consumers' decisions to buy and use organic goods. It is evident that a sizable percentage of consumers are drawn to organic products due to its perceived effectiveness, all-natural makeup, and lack of unfavorable side effects. The majority of respondents reported using organic products for cosmetics, skin care, and health supplements.

This implies that organic products are growing in popularity as a dependable and safe alternative to Western medications. Although consumers are prepared to pay more for higher-quality goods, high prices may discourage them from making a purchase. The study also emphasizes how social media and internet marketing affect consumers' attitudes toward Ayurvedic goods. Manufacturers of organic products may find this study helpful in understanding consumer preferences and developing successful marketing plans to advertise their goods.

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