

# Consumer perception towards organic food product-A study with reference to Chennai city

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## ABSTRACT:

**Back Ground:** In marketing consumer perception is important one to consider. Because without knowing consumers mind set, marketers can't do promotional activities. So studying consumer perception is pre marketing activities. This study describes the mind set of consumers towards organic food products.

**Aims:** Objectives of the study focuses on consumer perception towards organic food products. Find Real time experience of organic food consumers on goodness of organic food products. And to observe the source of information consumers received about organic food products.

**Finding:** Consumers around south Chennai have positive opinion about organic products. Majority of respondents are purchasing organic food for their health awareness. Most of the consumers felt price they paying for organic product is higher than they expecting. Consumers are getting information about organic product from different sources, and it's depending upon the educational status of the consumers. Majority of consumers trusting organic product on the basis of word of mouth. People are trusting words which is coming from their surroundings.

## Introduction:

Now a day's every people using this fashion word called "Organic". Simple meaning of organic is growing naturally, it will fix to the entire field not only in the agriculture. Example: A student studying for final exam from the beginning of the year, without getting any boost at final stage, getting good mark is also called as organic way of growth. In the same way, one business organization doing its best for attaining maximum profit by its own capacity without bribing, without any shortcut is also called as organic way of growth. But most people come to know about the word "organic" after introduction of organic farming by farmers. "Necessity is the mother of invention", to prove this popular saying, our society was in the necessity of foods without chemicals, fertilizers etc., lifestyle diseases such as diabetic, blood pressure, cancer are growing diseases in our country. So people are in the era of using organic food, for their healthy life style. Rather spending for hospital, spending in organic food is much better. In Indian context there are much opportunity for organic farming, all most all the grains grew in Indian climate. Before few years organic farmers are exported organic products to middle east and south east Asian countries but now there are plenty of opportunities in Indian market itself. Indians are now well aware about dangerous of fertilizer products and goodness of organic product. By seeing many videos in social media, marketers are exposed to people how they adulterate, what they mixing to ripe the fruits etc. So large no of people turned towards organic product but still some constrains are there for them to continuous purchasing like higher price, availability, confidentiality about the product, limited no of shop, awareness level, buying capacity etc. In short Indian markets have lot of opportunities in this marketing segmentation.

## CONSUMER PERCEPTION:

Understanding the consumer perception is very important factor in marketing. Because consumer perception is depend upon individual consumers mindset, if one marketer can identify the consumer's mindset then they can easily market the product. If consumers have negative idea towards the product, here marketers should change the way and mode of play to give positivity towards the product. Consumer perception is depend upon so many factors like knowledge about the product, previous experience etc. Simply sense organs are playing important role in perceiving knowledge. Consumer perception goes through three stages namely selection, organization and interpretation. In selection consumers observe all the information in which they are interested. And some information will come from others continuously will also influence a consumers mindset. In this stage consumers collects all the information according to their needs, interest, expectation, physiological limitation etc. In Second stage consumers organize all the information which they got from stage one. Here consumer categorize the information according to their priority, like by which source they got the information, mode of communication, by familiar resources or by unfamiliar resources etc. After organizing consumers will interpret the information whether the information received is trustable or not. Here previous experience of the consumers, experience from friends and family plays a vital role. Finally at this stage consumers will have two perceptions towards the product or services which are positive attitude towards the product or negative attitude towards the product.

Daily human being comes across few thousands of information on their day to day activity. Ideally one can't have attention towards all the information. Generally human attitude will concentrate on information which related to them. For instance, if one person in need of paid services which related to program organizing for his son's birthday, now only all the related information will come to his ears. Like he may daily come

cross the event management company on his way to office but till this need he may not notice that, but after this need arise he will notice and get all the information on his go. After collecting all the necessary information from known and other event management company, his mind started organizing all the information and start giving priorities according to his needs, expectation and economic strength. Finally he will select one event management company and reject all others. This process is called consumer perception on selecting the product or services.

### CONSUMER BUYING BEHAVIOUR:

Consumer behavior tells about the psychological process that consumers undergo to choose a product. It contains pre purchasing activities to post purchasing (sometimes they drop the purchasing plan too) activities of consumers. The definition of consumer behavior by **Solomon et al (1995)** describes “consumer buying behavior as a process of choosing, purchasing, using and disposing of products or services by the individuals and groups in order to satisfy their needs and wants”.

There are many influencing factors which influence consumers in their buying behavior such as cultural, social status, family, social groups, personal beliefs, earlier experience, peer groups, advertisement, word of mouth, festivals, offers etc. consumers buying behavior (purchasing decision) depends upon all the above said factors. First consumers should identify their needs and wants. For example, perhaps in your home television is not working, technician said you need to change picture tube. Here you identify your problem or a need.

Next step is information search, what are all the ways to solve your problem or need. In the above example you enquire about the validity for that picture tube, or your son or daughter asking to change new television which is latest in the market, or you plan to buy at the festival time when you get more offers from marketers, or not to use television for some times instead of watching favorite programs in apps. Likewise consumers will think and search for best solution.

Next step automatically your mind start evaluate the alternatives, which option is best, with your previous experience, knowledge, word of mouth etc. Finally, that magic purchasing going to happen. Here too so many enquires will took place in showroom, which brand is best, which is five star ranked, guarantee warrantee and other services etc. Post purchasing activities is also equally important, so marketers should follow and evaluate their feedback. If consumer not satisfied they will return the goods, this also comes under the post purchasing activities.

Three components of consumer behavior are cognition, affect (feelings) and behavior. **Cognition** is process of acquiring knowledge about the product. Without any knowledge consumers doesn't purchase blindly. First consumers need to enlighten themselves about the product by varies modes like social media, advertisement, through sales person, word of mouth, peers group, online review. After consumers get enough insight they will proceed further.

Consumers have certain **feelings** towards certain product or brands. These feelings based on their previous experiences, it may favorable or unfavorable to marketers. If the consumers having positive feelings or positive effect they will continue the same product or brand, if they had negative feeling or affected negatively stops consuming those products.

**Behavior** intension may differ from an individual as a own and in a group. For example, if one individual, personally doesn't like to use certain brand laptop, he won't purchase it but in office as a group employer order that brand for the purpose of work no other go for him, he is supposed to use that brand laptop for official use. These three components of consumer behavior are interconnected with themselves and with the external environment.

So marketers should better understand the consumer behavior pattern, to segment the potential customers in the market, to properly place all the p's of marketing mix( promotion, price, product, people, process, place, packaging and positioning). And to make proper and appropriate marketing strategies for each and every segment.

### OBJECTIVES:

- To find the consumer perception towards organic food product.
- To find the real-time experience of organic food consumers on goodness of organic food products.
- To observe the source of information consumers received about organic food products.

### METHODOLOGY:

The research method used in this study is convenient sampling in non probability sampling method through online. The researcher forwarded the link to health oriented groups in Chennai to fill the online questionnaire. Researcher received 113 respondent in which researcher accepted 102 questionnaires because the left over respondents are not the organic product consumer or they unaware about the organic products. SPSS software was used in this research to calculate the collected data. Non parametric test like chi square, ANOVAs were used in this study to test the hypothesis.

### LIMITATION OF THE STUDY:

The researcher circulated the questionnaire to particular few groups in Chennai, so the data got through questionnaire are not representing the whole universe.

Sometimes the respondent gave bias information for many reasons, So the information given by the respondents are not 100% practical and true.

### NEED OF THE STUDY:

In this busiest world most of the people suffering from many kind of health disorders because of lack of awareness about dangerousness of junk food and fast food. And unaware about healthy food. So these kinds of studies are very essential for this modern era. While circulating these kinds of questionnaire to public makes the awareness about the term at least. So many kinds of studies on organic food habit are very essential for our society.

**Review of literature:**

Emma lea and Tony worsley(2005) had found in their research, that women are more conscious than men in consuming organic food products in Australia. Women believe organic products have more nutritional value than conventional food products. Authors have used statistical tools such as cross tabulation, multi regression analysis for their research.

Marija Radman, had found in the research, that consumers of organic product in the country of Croatia believe organically grown, pesticides free food products are very healthy and good for health. Not all the consumers are familiar with term organic but for the consumer who knows about organic are regular buyers of organic products. Author used chi-square test, ANOVA, correlation analysis and univariate analysis to found the results of the survey study.

**ANALYSIS:****Consumer perception and buying behavior:**

H0: There is no difference between consumer perception towards organic food and buying behavior.

H1: There is different between consumer perception towards organic food and buying behavior.

**Table 1 Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14.273 <sup>a</sup>	8	.075
Likelihood Ratio	14.771	8	.064
Linear-by-Linear Association	7.445	1	.006
N of Valid Cases	102		

Source: Primary data.

**Interpretation:**

Here P value is smaller than the table value. So Null hypothesis were rejected. From the collected data it was clear that Consumers having positive perception towards organic food are purchase often and they recommending organic products to others. Consumer who having negative perception towards organic food or who don't believe the product which they purchasing is organic, are purchasing rarely and very rarely. And they are not recommending the organic products to others.

**Real time experience of organic food consumers on goodness of organic product:**

H0: There is no relationship between goodness of organic food products and their belief.

H1: There is relationship between goodness of organic food products and their belief.

**Table 2 Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.576 <sup>a</sup>	16	.703
Likelihood Ratio	14.865	16	.535
Linear-by-Linear Association	.090	1	.764
N of Valid Cases	102		

Source: primary data

**Interpretation:**

Here P value is higher than the table value So researcher accepted the null hypothesis. Therefore there is no relationship between goodness of organic food and their belief. Whether the respondent believes in organic product or not, the goodness of the product is not dependent on the respondent belief system.

**Mode of trusting:**

H0: Mode of trusting will have no significant impact on age and gender.

H1: Mode of trusting will have significant impact on age and gender

**Table 3 Anova**

Dependent Variable: Trusting organic product.

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	12.289 <sup>a</sup>	7	1.756	.839	.558
Intercept	602.195	1	602.195	287.778	.000
Gender	1.419	1	1.419	.678	.412
Age	2.951	3	.984	.470	.704
Gender * Age	4.442	3	1.481	.708	.550
Error	196.702	94	2.093		
Total	1573.000	102			
Corrected Total	208.990	101			

a. R Squared = .059 (Adjusted R Squared = -.011)

Source: primary data

**Interpretation:**

Here calculated value is higher than the table value. So null hypothesis was accepted. Therefore Source which makes to trust the organic product has no significant impact on age and gender. So all the age group and both gender are trusting the organic products by their comfortable mode.

**Source of information:****H0:** There is no relationship between education status and source of information.**H1:** There is relationship between education status and source of information.**Table 4 Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	36.138 <sup>a</sup>	8	.000
Likelihood Ratio	11.582	8	.171
Linear-by-Linear Association	.177	1	.674
N of Valid Cases	102		

a. 8 cells (53.3%) have expected count less than 5. The minimum expected count is .03.

Source: Primary Data

**Interpretation:** Here calculated value is lesser than the table value, so null hypothesis were rejected. Source of information were strongly depend upon education status. That means different level of educational background getting information from different source of information.

**Findings:**

Following findings are from the respondents of Chennai city, particularly these findings are representing the perception towards organic food of south Chennai consumer.

- 38.9% of people consuming organic food product regularly.
- Majority of the people, getting to know about organic product through word of mouth.
- 79.2% of people were purchasing organic product for health awareness.
- 64.8% of people purchasing organic product in nearby stores.
- 40% of people trusting organic product by its label and information on packaging, and next majority of people believing through word of mouth.
- 67% of respondent felt price is important constrain in purchasing organic food product.
- 69% of respondents agree that taste of organic food product is superior to the conventional food.
- Only 8% of the people tells organic food products are easily available, others disagree with this statement.
- 73% of people said they will recommend organic food for others.
- 87% of people said they can see the traces of goodness in organic food products.
- 46% of respondents told because of environmental pressure they chosen organic products.

**Conclusion:**

In this informative world, everybody come across the word organic, and automatically it getting in to consumers mind in positive way. By this study researcher found consumer perception on organic product. Still most people using conventional food for cooking even though, they have

knowledge about organic products and its goodness. The reason for that is so simple; don't have enough supply, price of the organic product, not available on regular basis, pre-purchase expenses are high, reliability etc. If all these hurdles are rectified consumers will purchase without any hesitation on reliability and quality. Most of our respondent said they purchasing organic food for their health purpose, many does not think about farmers and environment side. People are lacking awareness on environmentally positive side of organic farming. Both farmers and consumers are inter- linked. They depend each other, So government should take steps to make them work for each other.

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