

# FACTORS INFLUENCING THE BUYING INTENTION OF ORGANIC TEA CONSUMERS IN COIMBATORE DISTRICT

- **Dr.M.Gopanasamy\***, Assistant professor, Department of Commerce, ChikkannaGovt Arts College, Tirupur-641 602, Tamilnadu, India.
- **Mr. Kumar.S<sup>1</sup>**, Research scholar, Department of Commerce, ChikkannaGovt Arts College, Tirupur-641 602, Tamilnadu, India.

## Abstract

Rising trend of population and concern for nutrition, health, quality of foods and environment in recent times has resulted a change in consumption of organic foods especially Organic Tea. In this connection, several studies have been conducted about the awareness and nature of consumption of organic foods and concluded that it is significantly higher in developed countries than developing ones. Most of the studies were limited to developed countries. Very few research studies have been conducted in detail with regard to various factors that influence consumers perception with respect to organic tea products in Coimbatore district. The rise in per capita purchasing power, accompanied by the increase in awareness regarding the social, environmental and health benefits of organic products, has not only increased the demand for such products but also incentivized the development of the organic value chain, as evidenced by continuous developments in industries such as e-commerce, supply chain, storage and processing. The present study aims at analysing factors influencing consumer awareness levels and buying perception regarding Organic Tea with the help of structured survey of 385 respondents in Coimbatore district.

**Keywords: Environment, Organic Tea, Health, Lifestyle, Premium**

## 1.1 Introduction:

Organic farming is practiced with varying levels of success in 178 countries. However, the North American and European Union regions (as single markets) generate the bulk of the global sales. The global sales increased to US\$89.7 billion in 2016 from US\$7.9 billion in 2000. According to Snehaghai and NaleeniRamawat, "Consumption of Tea has always been a social and more of a habitual concept for most of the Indian consumers. Increasing health awareness and widespread diseases will lead to a consumption of Organic Tea and Green Tea with more natural flavours". It is the most popular consumed drink in India. As per Market overview; Production and trade; Retail facts; Consumer behavior 2016, "Turkey is the largest tea-consuming country in the world, with a per capita tea consumption of approximately 6.96 pounds per year. In contrast, India has an annual consumption of 0.72 pounds per person". In cities and towns people are more aware about the health benefits of different type's organic tea products. So the demand for such product increases in these areas.

## 1.2 NEED FOR THE STUDY:

The study on consumer's perception about organic tea is very significant. Because it is very essential to understand the various factors that influence the perception of consumers with regard to organic tea products. Rising trend of urbanization and concern for nutrition, health, quality of foods and environment in recent times has resulted a change in consumption of organic foods especially Organic Tea. Hence this study is made to explore the factors which influence the consumers to consume organic Tea.

## 1.3 REVIEW OF LITERATURE

- A brief review of literature related to the study is given below. Banerjee (2005) viewed organic tea sector as a very small part of the tea industry but the number of organic tea producers and the volume of organic tea traded in the world market have recorded a high growth over the last few years. According to him this increasing trend has been found due to several factors like awareness among the tea producers about the problem of soil erosion, consumes awareness on pesticides etc.
- Liu, Shangwen, Zhangyu, Amin and Zhichang (2004), in their study conducted in Bijing reported that the income per person was calculated 10.7 times more (2600 Yuan) during 2003 than the income of five years back (242 Yuan) by cultivating organic tea.
- Lin and Chen, (2004) found that 66 percent organic tea producers export their tea directly to Japan, USA, Germany etc. through posts. They also found that organic tea price range from 20 US dollar to 260 US dollar per kg.
- Dabbert, Haring and Zanolli (2004) identified that the marketing of organic products needs to take consumers' motives into account for buying organic products. According to them, the consumer's choices of organic products reflect their general values, ethical standards, levels of personal satisfaction and well-being.
- Hazra, (2006), analysed the reasons for increase in the number of organic producers and volume of organic tea in the world market and found awareness of environmental problems by the tea farmers, increased consumers awareness of pesticide residues and belief that organic teas are generally of better quality due to avoidance of artificial additives.

## 1.4 OBJECTIVE OF THE STUDY

To analyse the factors which influence the buying intention of organic tea.

## 1.5 RESEARCH METHODOLOGY

**Research design:** The research design for the study is exploratory. The major emphasis under such research design is usually on discovery of ideas and insights.

**Aim:** The main aim of the study is to explain the factors that influencing the perceptions of consumer towards Organic tea.

**Primary Data:** The primary data required for the study has been collected with the help of convenience sampling and structured questionnaire. Under structured questionnaire the question for the study is definite, concrete and pre-determined.

**Study Area:** The study is conducted in the Coimbatore district. It is one of the most wealthy and developed area with many literary intellectuals and plays a significant role in the tea industry.

**Secondary Data:** Secondary data has been collected from various journals, reports, and magazines.

**Size of Sample:** For the present study, 385 respondents have been selected by using convenience sampling and accordingly questionnaires have been distributed among them.

### 1.6 Demographic profile of the Respondents and the factors influencing the purchase of organic Tea.

**Table 1: Gender of the Respondents**

S.No	Gender of the Respondents	Frequency	Percent
1	Male	163	42.3
2	Female	222	57.7
	<b>Total</b>	<b>385</b>	<b>100.0</b>

From the table 1 it revealed that majority 57.7 per cent of the respondents were female and 42.3 per cent of the respondents were male.

**Table 2: Age group of the Respondents**

S.No	Age group of the respondents	Frequency	Percent
1	21 – 25 years	70	18.2
2	26 – 30 years	81	21.0
3	31 – 35 years	83	21.6
4	36 – 40 years	80	20.8
5	More than 40 years	71	18.4
	<b>Total</b>	<b>385</b>	<b>100.0</b>

From the table 2 it can be inferred that 21.6 percent of the respondents were in the age group of 31 – 35 years. 21 percent of the respondents were in the age group of 26 - 30 years, 20.8 percent of the respondents were in the age group of 36 - 40 years, 18.4 percent of the respondents were in the age group of more than 40 years and 18.2 percent of the respondents are belonged to the age group of 21 – 25 years.

**Table 3: Educational qualification**

S.No	Educational qualification	Frequency	Percent
1	Secondary	54	14.0
2	Higher secondary	61	15.8
3	Diploma	71	18.4
4	Graduation	112	29.1
5	Post graduation	87	22.6
	<b>Total</b>	<b>385</b>	<b>100.0</b>

It is evident from the table 3 that 29.1 per cent of them have completed their graduation, 22.6 per cent of them have completed their post graduates, 18.4 per cent of them have completed their diploma, 15.8 per cent of them have completed higher secondary school education and 14 per cent of them have completed secondary school education

**Table 4: Monthly Income**

S.No	Monthly Income	Frequency	Percent
1	10001 – 20000	92	23.9
2	20001 – 30000	138	35.8
3	30001 – 40000	107	27.8
4	More than 40000	48	12.5
	<b>Total</b>	<b>385</b>	<b>100.0</b>

From the table 4 it was understood that majority 35.8 per cent of the respondents have monthly income ranging between 20001 - 30000 followed by 27.8 per cent of the respondents have the monthly income in the range of 30001 - 40000, 23.9 per cent of the respondents have the monthly income in the range of 10001 – 20000 and 12.5 per cent of the respondents have the monthly income more than 40000.

**Table 5: Marital status**

S.No	Marital status	Frequency	Percent
1	Married	263	68.3
2	Un married	122	31.7
	<b>Total</b>	<b>385</b>	<b>100.0</b>

The above table 5 showing marital status of respondents indicates that most of the respondents were married (68.3 per cent) followed by single respondents (31.7 per cent).

**Table 6: Family type**

S.No	Family type	Frequency	Percent
1	Nuclear	231	60.0
2	Joint	154	40.0
	<b>Total</b>	<b>385</b>	<b>100.0</b>

From the table 6 it was understood that majority 60 per cent of the respondents belonged to nuclear family and 40 per cent of the respondents belonged to joint family.

**Table 7: Flavours preferred**

S.No	Preferred flavours	Frequency	Percent
1	Original	27	7.0
2	Lemon	112	29.1
3	Aloe Vera	37	9.6
4	Ginger	80	20.8
5	Mint	68	17.7
6	Honey	61	15.8
	<b>Total</b>	<b>385</b>	<b>100.0</b>

It can be observed from the table 7 that 29.1 per cent of the respondents prefer the lemon flavour, 20.8 per cent of the respondents prefer the ginger flavour, 17.7 per cent prefer mint flavour, 15.8 per cent prefer honey flavour, 9.6 per cent prefer aloe vera and 7 per cent of the respondents prefer the original flavour.

**Table 8: Brand Preferred**

S.No	Brand Preferred	Frequency	Percent
1	Lipton	107	27.8
2	Twining	28	7.3
3	Organic India	46	11.9
4	Tajmahal	101	26.2
5	Tetley	20	5.2
6	La plant	19	4.9
7	Happy valley	16	4.2
8	Gaia organics	12	3.1
9	Chamong	11	2.9
10	Himalaya	25	6.5
	<b>Total</b>	<b>385</b>	<b>100.0</b>

It can be observed from the table 8 that 27.8 per cent of the respondents prefer the Lipton, 26.2 per cent of the respondents prefer the Tajmahal, 11.9 per cent of them prefer organic India, 7.3 per cent prefer twining, 6.5 per cent prefer Himalaya, 5.2 per cent prefer Tetley, 4.9 per cent prefer la plant, 4.2 per cent prefer happy valley, 3.1 per cent prefer Gaia organics and 2.9 per cent of the respondents prefer the Chamong.

**Table 9: Factors influence you to purchase organic tea**

S.No	Statement	1	2	3	4	5	Mean	Rank
1	Better packaging	99 (25.7%)	71 (18.4)	78 (20.3)	77 (20)	60 (15.6)	3.19	VIII
2	Affordable Price	119 (30.9)	108 (28.1)	77 (20)	40 (10.4)	41 (10.6)	3.58	IV
3	Improved taste	149 (38.7)	49 (12.7)	62 (16.1)	96 (24.9)	29 (7.5)	3.50	V
4	Product quality	117 (30.4)	112 (29.1)	93 (24.2)	26 (6.8)	37 (9.6)	3.64	I
5	Recommendation from friends	90 (23.4)	118 (30.6)	60 (15.6)	59 (15.3)	58 (15.1)	3.32	VII
6	Health consciousness	59 (15.3)	128 (33.2)	58 (15.1)	50 (13)	90 (23.4)	3.04	IX
7	Better benefits	61 (15.8)	62 (16.1)	117 (30.4)	87 (22.6)	58 (15.1)	2.95	X
8	Life style	87 (22.6)	164 (42.6)	58 (15.1)	47 (12.2)	29 (7.5)	3.61	II
9	Due to medical reasons	107 (27.8)	136 (35.3)	52 (13.5)	61 (15.8)	29 (7.5)	3.60	III
10	Knowledge about organic tea	139 (36.1)	59 (15.3)	39 (10.1)	90 (23.4)	58 (15.1)	3.34	VI

1 – Highly Important      2 – Important      3 – Indifferent      4 – Not so important      5 – Not important at all

Out of the various factors selected for study, Product quality has influenced most of the customers and ranked as I with a mean score of 3.64, the second, third, fourth ranks were secured by the factors of life style, medical reason, and affordable price with a mean value of 3.61, 3.60, and 3.58 respectively. The fifth, sixth, seventh, eighth ranks were secured by the factors of improved taste, knowledge about organic tea, recommendation from friends, better packaging, with a mean score of 3.50, 3.34, 3.32, 3.19 respectively. The ninth, tenth ranks were secured by the factors of health consciousness, and Better benefits.

## 1.7 CONCLUSION

Thus from the above analysis we may conclude that product quality has become the most important determinant of the factors influencing consumer preference towards purchase of organic tea products. It is essentially very important to study the factors that have an impact on consumer perception towards organic tea products. This study will be helpful for the producers and marketers of organic tea products to understand the importance of various factors on the overall consumer preference towards consumption of organic tea. The marketers should adopt a more competitive strategy to raise the sales of Organic Tea because consumers have a higher buying potential and also concern for health, safety and environment. A few promotional activities like free tea tasting, sampling of tea bag and organizing health Camps should be organized on a regular basis. Besides, there is also necessary to introduce new offers such as rewards cards, gift coupons to increase customer's satisfaction towards their brand and increase sales.

## 1.8 REFERENCES

- A study of consumer perception and preferences towards organic tea in Delhi-ncr International Journal of Research in applied, natural and social sciences (impact: ijranss) Issn(p): 2347-4580;issn(e): 2321-8851 vol. 4, issue 7, July 2016, 101-110
- Banerjee, B (2005) Organic Tea cultivation and Marketing, pp.
- Dabbert, S. and Haring, A. M. and Zanoli, R. (2004) Organic Farming Policies and prospects. Zed Books Ltd., London, UK. Pp. 169.
- Hazara, G. N. (2006). Organic Tea cultivation and Marketing, "Production of organic tea in different countries" Chapter 3 pp-37.
- Kuhar, A., and Juvancic, L. (2008) Determinants of purchasing behavior for organic and integrated fruits and vegetables in Solvenia. Agricultural Economics Review, 11 (2), 70-83.
- Lin, M. L and Chen, T.C. (2004) Tea cultivation in Taiwan. Proc. Intl. Conf. on O-CHA (tea) culture and sci., Nov. 4-6, 2004 Shizuoka, Japan, pp. 820=823
- Liu. X., Shangwen, F., Zhangyu, Amin, S., and Zhichang, W. (2004) The development of organic tea in Chinese mainland. Proc. Intl. conf. on O-CHA (tea) Culture and Sci., 4-6, 2004 Shizuoka, Japan, pp. 732- 735.

