

CONSUMER ANALYSIS OF ORGANIC FOODS IN CHENNAI

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Abstract: Organic foods are chemical free and now it is playing the major role all over the world. The study deals with consumer analysis of organic foods in Chennai, this tried to understand the consumer needs towards the organic foods and how far the foods easily available to the consumers. Therefore, organic foods and their availability in several outlets and nearby stores brings out the major change in Chennai. Organic foods have a huge health concept towards the consumers and respectively they are willing to pay more. Organic food consumption has rapidly increased in the last few years as a direct impact on consumer and their buying behavior due to the conscious of healthy life style. On the note Northern level, the buying of organic food products is low in Chennai. This study results consumer in Chennai are likely to prefer organic foods in the upcoming years and accordingly the awareness of organic foods and its health benefits to be spread.

Index Terms - Organic foods, Chennai, Consumer satisfaction, Buying Behavior.

I. INTRODUCTION

Organic food plays a vital role in developed countries. Where in developing country is has less importance. Organic food usually price up to 20 to 30 % more than normal food items which is one of the major challenges in Chennai market as majority of the consumers are quite price sensitive. However, at the same time it is increasing health consciousness and increasing disposable income among Chennai is constantly increasing the demand for organic food. Though the consumers prefer organic foods, its availability is likely to be less. Chennai climate has the capacity to grow several kinds of organic foods. Organic foods not only focuses on chemical free, health hazards but it also boost up farming. Consumers in Chennai are likely to prefer organic foods at any cost and if this grows, it helps to increase the farmers income. Government initiatives aimed at improving the current scenario of organic farming in the country by providing financial and technical support to organic farmers According to “**Chennai Organic Food Forecast & Opportunities, 2017**”, Chennai organic food market is anticipated to grow at a significant CAGR of around 19% during 2012-2017. In Chennai, greater of the demand for organic foods is originated from Tier I cities (such as Mumbai, Delhi, Chennai, Bangalore, Gurgaon and Pune). The major players in Chennai organic food market are Conscious Foods, Sresta, Eco Farms, Organic Chennai, Navdanya and Morarka Organic Foods. The consumer's preference towards organic food is growing but the availability is less when compared. The government needs to focus on retailers and outlets to improve with its availability in all regions so as to result in growth of organic foods and its range up to 50 to 60 percent by 2020.

II DESIGN OF THE STUDY

2.1 Objectives of the study:

- To study the consumer awareness towards organic foods
- To study the consumer view towards availability of organic foods
- To study the buying behavior of organic food consumers

2.2 Limitations of the study:

- II. The survey is subjected to the bias and prejudices of the respondents. Hence 100% accuracy can't be assured
- III. The research was carried out in short span of time, where in the researcher could not broaden the study.
- IV. This study was not conducted to the entire population. So it was limited to 160 samples.

2.3 Research Methodology

This study is based on the primary data. A well-planned questionnaire were given to the customers, to know the consumer awareness and view towards organic foods. After the pilot study, the questionnaire is administered to 149 respondents based upon the region and to those who buy organic foods.

III RESULTS AND DISCUSSIONS:

The demographic profile of the sample is given below

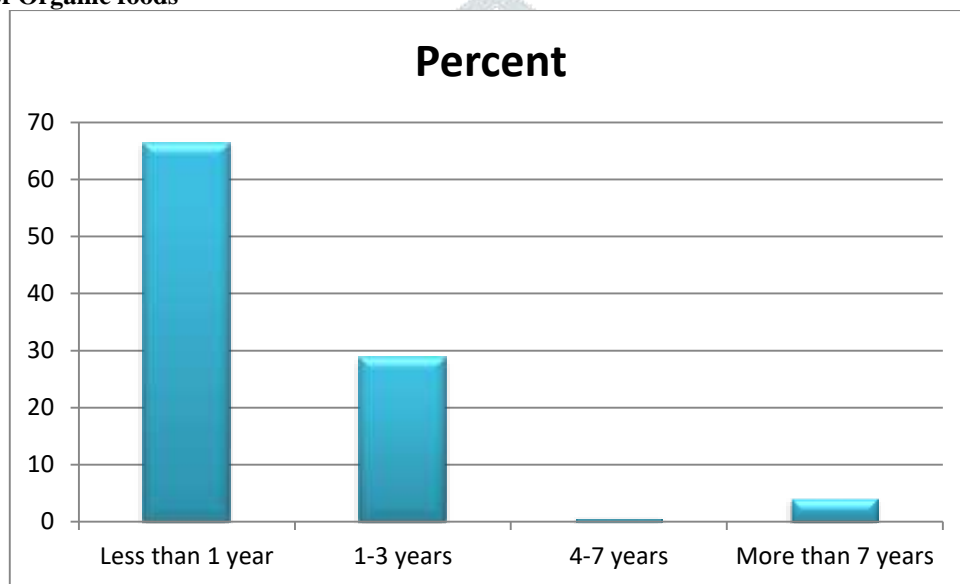
Table 1 - Profile of sample

Variable	Category	Percent
Gender	Male	49
	Female	51
Age	21-25 years	27.51678

	26-30 years	42.28188
	Above 30 years	30.20134
Occupation	Student	0.671141
	Employed	86.57718
	Unemployed	4.697987
	Homemaker	8.053691
Income	Below 10,000	4.697987
	10,000-25,000	28.85906
	26,000-35,000	35.57047
	Above 35,000	30.87248

The following table shows how long they are using organic foods

Figure 1 - Usage of Organic foods



In the table it is inferred that 66 % of the people use organic foods less than 1 year, 28% use it for 1-3years, 0.6% respondents use for 4-7years and 4% of respondents use it more than 7 years. Most of the respondents are found to be using less than 1 year. The reason for not using organic foods are as follows.

The reason for not using organic foods are explored and the details are as follows

Table 2- Reason for not using organic foods

Variable	Reason	Frequency percentage
Public is Well aware about organic foods	Strongly disagree	3.355705
	Disagree	10.06711
	Neutral	43.62416
	Agree	39.59732
	Strongly agree	3.355705
Customer view about organic products	Low cost and more health concern	18.12081
	Low cost and Less health concern	13.42282
	High cost and more health concern	56.37584
	High cost and less health concern	12.08054
Where do you usually buy organic products	Online	24.83221
	Producer or Farm	34.89933

	Organic/ Health store	3.355705
	Supermarket/Retailer	36.91275

The major problem of consumers for not using organic foods is that public is not well aware about the organic foods. The awareness level is found to be 39% and customer view about organic food is organic foods are more health concern but at the same time they are more expensive. It is found to be 56% of the public consider it as expensive. 36% were found to buy through retailers and less outlets were found in Chennai.

Table 3- Relationship between Occupation and the source of information about organic products

Occupation	Individual Characteristics	Chi square Value	P Value	Result
Student	Friends/Relatives	30.143(a)	0	H0 accepted
Employed	Television Program /Advertisements	13.536	0.14	H0 accepted
Unemployed	Newspaper /Books	0.232	0.63	H0 accepted
Home maker	Don't Know / Not Sure	0.536	0.53	H0 accepted

It can be inferred from above results shows that occupation and source of information influences usage of organic foods and there is no association between any other combinations of occupation and individual characteristic of respondents.

To understand overall consumer analysis of organic foods, various statements were included, in the questionnaire and the responses to those statements are given below

Table 4 – Consumer analysis of organic foods

From the above table it is inferred that people buy rare and also the strongly agree for goodness towards organic foods. It can be

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Organic food products are 'healthier'	4.026846	9.395973	32.88591	53.691	3.5577
Cost of organic food products is too high	0.671141	45.63758	42.28188	11.409	4.5421
Public buy organic products only when price discounts are offered	8.724832	32.21477	32.88591	26.175	3.4567
People are well aware about organic food products people are well aware about organic food products	3.355705	10.06711	43.62416	39.597	3.355705
Organic food products are free from hazardous chemical contamination	4.026846	28.85906	43.62416	23.49	1.2346
Buying organic products means I support local farmers and agriculture	6.040268	16.10738	42.28188	35.57	4.321
Organic food products- it prevents from various diseases	3.355705	22.14765	34.22819	40.268	2.3466
Organic food products- promote animal welfare	2.013423	22.81879	46.30872	28.859	2.3333
Organic cosmetic products prevent skin diseases	15.43624	24.83221	39.59732	20.134	4.5122
My health is improved and I am feeling healthy after using "organic food products	14.7651	36.24161	36.91275	12.081	7.431
On using organic food products there is no significant change in health	25.50336	45.63758	24.16107	4.698	2.4555
Organic foods are 100 percent chemical free	4.026846	28.85906	37.58389	29.53	3.4566

improved through creating the awareness level and promoting through several factors. They also seek for availability in an easy manner.

IV CONCLUSION

The objective of this study was to assess the consumer philosophy, purchasing level, satisfaction and buying behavior and availability of organic foods in the market. It was found that females with average income ranging from 26 to 30 years are more adapted to regular purchase of organic foods. It was concluded that marketer should consider in marketing products, product positioning and availability of organic foods. The increase frequency of viewing the advertisement of organic food products and

better taste would influence the purchase organic food products. With the effort of government to streamline regulatory mechanisms for improve of organic produce and awareness among local consumer for domestic consumption will pave way for faster development of organic farming and products by 2020.

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