

A Study on Consumer Awareness and Opinion of Price Towards Organic Food Products in Recent Trends

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Abstract - In recent times the consumption of organic food products has been increasing, consumers have been shifting from conventional food products to organic food products. In this research, the study on environmental factors like demographic, cultural, social and psychological factors which influence the consumers to switch to organic food products is going to be done. The analysis on consumer opinion towards to the price factor of the organic food products is made. The awareness of consumers towards the organic standard certificates, check for scientific evidence and motivators who encourage the consumers to buy the organic food products has been made. The study uses questionnaire to collect primary data from the consumers. The questionnaires are collected directly from the consumers and it is analyzed. The analysis is made by statistical tool like percentage analysis, chi-square, correlation on SPSS software.

Key Words: Demographic factors, price, awareness of organic food products

1. INTRODUCTION

Organic food products are grown under system of agriculture without use of harmful fertilizers and pesticides with environmentally socially responsible approach. The term "organic" refers to the way agricultural products are grown and processed. There is an increase in demand for organic products as the consumers belief that organic food products are safe, more nutritious and environment friendly.

The market for organic food is currently exhibiting strong growth. The major driven factor is rising in levels of health awareness. The global organic food market projected to grow at CARG of 9% over the forecast period 2019-2024. Due to constantly increasing demand for organic food and the limited supply in relation to demand organic foods, the area under organic farming has increased worldwide, ever since 2011. The worldwide production areas were reported to be 57.8 million hectares in the year 2016, which is an increase from 37.2 million hectares in 2011.

The consumer interest towards buying of organic food products is increasing day by day. The preference of palm sugar instead of white sugar, organic milk available near them, organic crystal salt in replacement of normal salt, intake of millets, ragi as breakfast, country chicken and eggs in place of broiler chicken and eggs, expectation of organic infused daily usable products etc is increasing day by day. They prefer as they consider organic food products are free from pesticides and harmful chemicals. The health consciousness of the consumers is greatly increased. Organic food products are better for environment where organic farming reduces pollution, herbicides, fungicides, antibiotics or chemical fertilisers. Natural fertilisers like manure, food waste, domestic waste etc are used for the cultivation of organic food products.

1.1 OBJECTIVE

1. To determine the consumer awareness towards buying of organic food products.
2. To evaluate the consumer opinion towards the price of the organic food products.

2. LITERATURE REVIEW

Shayista Akhtar and Gazala Nisar (2016) aims to study the awareness towards organic foods: a comparative study amongst adolescents with Srinagar district of Kashmir. The main scope this study made an attempt on awareness of organic food among the adolescents. The major findings of this study was adolescents having awareness about organic foods. However, adolescents' girls were more aware than adolescents' boys.

S. Priya and M. Parameswari (2016) revealed consumer attitude towards organic products. The main objective of the study to find out the awareness of consumer about the organic product. The major findings of the study revealed that awareness about organic food is among the people and their intention to buy organic food is perfectly shaped by the beliefs. Finally, they concluded that strong intent and attitude values towards the benefits of the organic product.

R. Ayswarya and Dr. S.Vansathi (2018) analyses the consumer perception towards organic products in Tiruchirappallai Corporation. The main objective of this study to examine the consumer perception towards organic product which relate to demographic profile of the consumer. The major findings of this study towards organic products relates to eco-friendly and health benefits.

Chaitra Bharath and H.M. Chandrashekar (2018) focused study on the consumer awareness of organic certification of food products in Mysore city. Objectives of the study to evaluate the awareness among the organic food consumers regarding the certification of organic food. The major findings of this study was lag in adoption of organic food and lack of awareness on premium price has be charged on the organic food products.

3. RESEARCH METHODOLOGY

The research design of the study is descriptive research. The descriptive research is concerned with describing the characteristics of particular individual or group. The studies concerned with specific prediction, with narration of facts and characteristics concerning individual, group or situation are examples of descriptive research. A sample of 120 is collected directly from the respondents by questionnaire method. Questionnaire can be classified ad both qualitative and quantitative method. Quantitative method is used with questions of closed-ended with multiple choice questions and likert scale questions. Likert scale are like agree or disagree, satisfied or dissatisfied types of questions. The percentage analysis, chi-square analysis and correlation analysis is used.

4. ANALYSIS

4.1 PERCENTAGE ANALYSIS:

TABLE 4.1: CONSUMER AWARENESS TOWARDS ORGANIC PRODUCTS

Consumer awareness	No of respondents (Percentage)					Total
	Always	Usually	Sometimes	Seldom	Never	
I buy organic food products only after user recommendation	53 (44.17)	34 (28.33)	20 (16.67)	8 (6.67)	5 (4.16)	120 (100)
Will you recheck whether it is original product	43 (35.83)	43 (35.83)	25 (20.83)	5 (4.18)	4 (3.33)	120 (100)
Will recheck price with different brands	38 (31.67)	45 (37.5)	23 (19.17)	9 (7.5)	5 (4.16)	120 (100)
Check for scientific evidence on packaging	45 (37.5)	34 (28.33)	20 (16.67)	13 (10.83)	8 (6.67)	120 (100)
Search for more information of products in different online platforms	42 (35)	38 (31.67)	21 (17.5)	14 (11.67)	5 (4.16)	120 (100)
Check the list of	45 (37.5)	33 (27.5)	21 (17.5)	12 (10)	9 (7.5)	120

ingredients on label						(100)
Check for organic standard certificates	30 (25)	48 (40)	21 (17.5)	14 (11.67)	7 (5.83)	120 (100)

SOURCE OF DATA: Primary data

4.1 INTERPRETATION

From the above table 4.1.13.1 the consumer awareness towards organic products is recorded. The buying of organic products is made only after user recommendation, 44.17% of respondents says always, 28.33% of respondents says often, 16.67% of respondents says sometimes, 6.67% of respondents says seldom and 4.16% of respondents says never. Consumer awareness towards recheck its original product, 35.8% of respondents says always, 35.83% of respondents says often, 20.83% of respondents says sometimes, 4.18% of respondents says seldom and 3.33% of respondents says never. Consumer awareness towards rechecking price with different brands, 31.67% of respondents says always, 37.5% of respondents says often, 19.17% of respondents says sometimes, 7.5% of respondents says seldom and 4.16% of respondents says never. Consumer awareness towards checking for scientific evidence on packaging, 37.5% of respondents says always, 28.33% of respondents says often, 16.67% of respondents says sometimes, 10.83% of respondents says seldom, 6.67% of respondents never. Consumers Search for more information of products in different online platforms, 35% of respondents says always, 31.67% of respondents says often, 17.5% of respondents says sometimes, 11.67% of respondents says seldom and 4.16% of respondents says never. Consumer Check the list of ingredients on label, 37.5% of respondents says always, 27.5% of respondents says often, 17.5% of respondents says sometimes, 10% of respondents says seldom and 7.5% of respondents says never. Consumers Check for organic standard certificates, 25% of respondents says always, 40% of respondents says often, 17.5% of respondents says sometimes, 11.67% of respondents says seldom and 5.83% of respondents says never.

TABLE 4.2: PRICE OF ORGANIC FOOD PRODUCTS

Price	No of respondents (Percentage)					Total
	Too high	high	Moderate	Low	Very low	
The price of organic product	53 (44.16)	35 (29.17)	26 (21.67)	4 (3.33)	2 (1.67)	120 (100)

SOURCE OF DATA: Primary data

4.2 INTERPRETATION

From the above table 4.1.15, out of 120 respondents, it is interpreted that 42.5% of respondents says that the price of organic food products is too high, 26.67% of respondents says that price is high, 25.8% of respondents says price is moderate, 3.36% of respondents says price is low and 1.67% of respondents says price is very low. Majority (42.5%) of the respondents says price of organic food product is very high.

4.3 CHI-SQUARE ANALYSIS:

The table showing the relationship between monthly income of consumers and their opinion towards price of organic food products.

Null hypothesis (H₀): There is no significant difference between income of consumers and price of organic food products.

Alternative hypothesis (AH): There is a significant difference between income of consumers and price of organic food products.

Case Processing Summary

	Valid		missing		Total	
	N	Percent	N	Percent	N	Percent
Income*price	120	100.0%	0	0.0%	120	100.0%

Income*price cross tabulation

			Price					
			Very high	high	moderate	Low	Very low	total
income	Upto 10000	count	1	16	5	0	0	22
		Expected count	9.7	6.4	4.8	.7	.4	22.0
	10000-25000	count	49	1	0	0	0	50
		Expected count	22.1	14.6	10.8	1.7	.8	50.0
	25000-50000	count	3	16	11	4	2	36
		Expected count	15.9	10.5	7.8	1.2	.6	36.0
	Above 50000	count	0	2	10	0	0	12
		Expected count	5.3	3.5	2.6	.4	.2	12.0
Total		count	5.3	35	26	4	2	120
		Expected count	53.0	35.0	26.0	4.0	2.0	120.0

CHI-SQUARE TESTS

	Value	df	Asymptotic significance (2-sided)
Pearson chi-square	134.101 _a	12	<.001
Likelihood ratio	148.101	12	<.001
Linear-by-linear association	20.130	1	<.001
N of valid cases	120		

a. 11 cells (55.0%) have expected count less than 5. The minimum expected count is .20.

INTERPRETATION:

Since p value is greater than 0.05, we accept the null hypothesis and rejects alternate hypothesis. Therefore, there is significant relationship between income of consumers and price of organic food products.

4.4 CORRELATION ANALYSIS

Table 4.4 showing correlations between gender and consumer awareness

Descriptive analysis

	Mean	Std. Deviation	N
Gender	1.46	.500	120
Consumer awareness	4.21	1.243	120

Correlation

		gender	Consumer awareness
Gender	Pearson correlation	1	.670**
	Sig (2-tailed)		<.001
	Sum of squares and cross products	29.792	49.542
	Covariance	.250	.416
	N	120	120
Consumer awareness	Pearson correlation	.670**	1
	Sig (2-tailed)	<.001	
	Sum of squares and cross products	49.542	183.792
	Covariance	.416	1.544
	N	120	120

Correlation is significant at the 0.01 level (2-tailed)

INTERPRETATION:

H1: There is significant relationship between gender and consumer awareness towards organic food products.

Pearson correlation of gender and consumer awareness was found to be moderately positive and statistically significant ($r=.670$, $p<.001$). Hence H1 was supported. This shows that there is moderate increase in awareness among the gender.

5. FINDINGS

- The Price of the organic food products is very high and there is high demand, so encouragement of organic food products with high production is encouraged.
- The availability is very less and should be available in every stores near by consumers.

- The awareness is less among the consumers regarding the originality of organic food products.
- The awareness regarding organic certificate is very less among the consumers.

6. CONCLUSION

Organic food products are better than conventional food products. As there is high demand the productivity should be increased. The government should take initiatives regarding the awareness towards organic food products as consumers are less aware. The price of the organic food products is very high with high demand, so organic food products with high production is encouraged. The availability is very less and should be available in every stores near by consumers. The awareness is less among the consumers regarding the originality of organic food products. The initiatives should be taken regarding the organic food standard certificates given by government.

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