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## A STUDY ON FACTORS DETERMINING CONSUMER ATTITUDE TOWARDS PURCHASE OF ORGANIC PRODUCTS

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### Abstract

*In recent decades, people started realizing the importance and benefits of traditional foods they demand for organic food. The aim of the study is to identify the factors determining consumer attitude towards purchase of Organic products. Data has been collected by using structured questionnaire from 111 respondents of Chennai. Descriptive statistics, t-Test, Correlation, Chi-square, Multiple Regression Analysis have been employed to analyse the data using SPSS Version 20. The findings of the study indicate that the health consciousness, safety consideration and environmental aspects are the key factors determining the consumer attitude towards purchase of organic products.*

**Keywords:** Consumer attitude, Buyer behaviour, Organic products, Health conscious.

### Introduction

In the modern competitive world, people needs are more they don't have time to take care of their health. In result of that people facing so many health issues this leads consumers to look back their traditional and healthy foods to keep them healthy. People change their attitude from modern packed foods to organic and healthy products. Due to this cultural shift so many organic products are entered in to the market. It leads a path to the researcher to study the factors determining consumer attitude towards the purchase of organic product.

### Organic food

Organic food is the product of a farming system which avoids the use of man-

made fertilizers, pesticides, growth regulators and livestock feed additives. Irradiation and the use of genetically modified organisms (GMO's) or products produced from or by GMO's are generally prohibited by organic legislation. The purpose of organic farming is to enhance the natural biological cycles and to meet minimum welfare standards (Lockie et al. 2004)

A cultural shift to organic is good for future human and environmental benefits for three reasons. First a person health depends on good food being put in the body. Organic foods do not contain any artificial flavors, colours, pesticides, preservatives making them better for one's health. The environmental protection agency estimates that 60% of all herbicides,

90% of all fungicides and 30% of all pesticides all chemicals in conventionally grown agriculture cause cancer. The bottom line is that these chemicals are poisons designed to kill living organisms and can all harm humans. Second, because organic foods use natural fertilizers such as compost or manure, crop rotation and careful breeding, many people says organics have a better, fresher taste than non-organic foods. Some studies show that organically grown food has higher amount of vitamin – C, magnesium, phosphorus and iron. Third, organic farming is a definite win/win for the environment. Organic farming management relies on developing biological diversity in the

field to disrupt the habitat for pest organism for maintaining soil fertility. *Huang (1996)* states that there is a relationship between the growth in organic product consumption and the growth in environmental concern in the public.

**Objectives of the Study**

- ❖ This study aims to understand the consumer attitude towards organic products.
- ❖ To identify the factors determining consumer attitude towards purchase of organic products.
- ❖ To know the factor which influence the consumer to buy organic product.

**Overview of Review of Literature**

Authors	Findings
Baker and Crosbie (1993)	The most important factor determining consumer food safety preference was extent of product damage.
Buzby and Skees (1994)	The main health and safety concerns were linked to fat levels, food poisoning and pesticides. Freshness and nutritional attributes were the most important considerations in purchasing organic.
Byrne et al. (1994)	Older buyers, female and married consumers were more likely to choose stores offering pesticide- free products.
Goldman and Clancy (1991)	Consumers who usually buy organic food were more concerned about food safety than price.
Groff et al. (1993)	Key factors affecting consumer preferences were freshness, healthiness, flavor, nutrition, safety, appearance, price, environmental effect, certification, where it is grown, and brand.
Huang (1996)	Organic consumers were more concerned about pesticide residues and nutritional values, and less so with environmental stewardship.
Swanson and Lewis (1993)	Organic food buyers were more concerned with pesticides residues, additives and preservatives than non-buyers.
Veeman and Adamovicz (2000)	Consumers rated fat and pesticide residues as the most important factors affecting health.
Wilkins and Hillers (1994)	Concern for pesticide residues is a significant factor affecting preference for organic food.
Davies <i>et al.</i> (1995)	The most common reasons for choosing organic produce was concern for the environment and health issues. Availability and price were the main factors influencing actual purchase.
Fricke and Von Alvensleben (1997)	Organic food buyers were more health conscious, and did not trust conventional food.
Hack (1993)	The main reasons for buying organic products were linked to human health and environment considerations.
Makatouni (2002)	Preference for organic is influenced mainly by health values, with the environment and animal welfare as other attributes.

O'Donovan and McCarthy (2002)	Food safety was most important for consumers of meat. Purchasers of organic meat also believed it is superior in terms of quality, safety, labeling, production methods and value.
Aguirre (2001)	100% of organic consumers indicated they buy organic because of health concerns, compared to 95% for environmental concerns.
Wang et al (1997)	About 76% believed that organic foods are safer than conventional alternatives, while 9% of respondents believed that foods labeled organic were truly organic.
Ragavan and Mageh(2013)	The perception towards organic product, belief about the products safely for use, friendliness to the environment, availability of products is the determinants for consumer purchase intention.
Mohamed Bilal Basha and Ramesh (2014)	Health consciousness is an important factor influencing consumer attitude towards organic product
Brijesh Sivathanu (2015)	Consumer prefer organic food products because they are healthy and safe, nutritious and environmental friendly.

**Conceptual Framework for the Study**

The consumer attitude towards purchase of organic products are determined by health conscious, safety consideration, knowledge about the product availability and environmental aspects. Therefore the conceptual model for the present study is depicted in figure -1

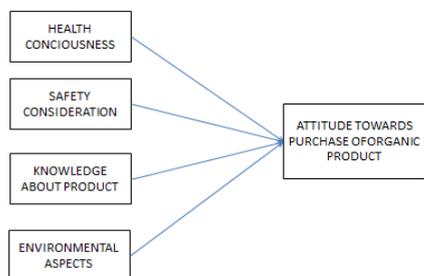


Figure – 1 Conceptual framework.

**Research Methodology**

**Sample design:** The primary research was conducted by communicating with the respondents through a self-designed questionnaire.

**Sample size:** A sample size of one hundred and eleven respondents was taken from the Chennai city.

**Sampling type:** Non-probabilistic convenient sampling was used to select the respondents.

**Sources of Data:** The study consist of both Primary and secondary data. The primary data was collected through questionnaire from the

respondents of Chennai city and secondary data was collected from research publications, standard journals, books, articles and newspaper.

**Data analysis:** The data was analysed using SPSS software. The reliability test have been conducted to check the internal consistency of measurement items. In order to study the objective of the present study, descriptive statistics, t-Test, Chi-square, Correlation, Multiple Regression Analysis test have been employed.

**Results and Discussion**

**Table 4.1 - Demographic Characteristics of the Consumers**

Particulars	Variables	F	%
Gender	Male	49	44.1
	Female	62	55.9
	Total	111	100.0
Status	Unmarried	63	56.8
	Married	48	43.2
	Total	111	100.0
Age	below 20yrs	21	18.9
	21 – 30yrs	48	43.2
	31 – 40yrs	22	19.8
	41 – 50yrs	14	12.6
	above 50yrs	6	5.4
	Total	111	100.0
Occupation	Student	23	20.7

	Employed	35	31.5
	Business	20	18.0
	Professional	20	18.0
	Others	13	11.7
	Total	111	100.0
Educational Qualification	Schooling	16	14.4
	UG	31	27.9
	PG	29	26.1
	Professional degree	32	28.8
	Others	3	2.7
	Total	111	100.0
Income	below Rs.20,000	38	34.2
	Rs.20,001 – Rs.30,000	24	21.6
	Rs.30,001 – Rs.40,000	23	20.7
	Rs.40,001 – Rs.50,000	11	9.9
	above Rs.50,000	15	13.5
	Total	111	100.0

The demographic features of consumers were analysed and the results are presented in the above table 4.1. The results indicates that (55.9%) of the consumers are female and (44.1%) of the consumers are male. The results shows that (56.8%) of the consumers are unmarried and (43.2%) of the consumers are married. The analysis of the age of the consumers reveals that (43.2%) of consumers age belong to the age group of 21-30 years, followed by (19.8% ) belongs to 31-40 years, (18.9%) belongs to below 20 years, (12.6%), (5.4%) for 41-50years and above50 years respectively. The results shows that (31.5%) of the consumers are employed followed by (20.7%) of the consumers are students, (18%) are professionals and business persons and least (11.7%) relates to others (housewives, retirees etc.) The majority of the consumers (28.8%) are professionals followed by undergraduates (27.9%) , post graduates (26.1%),schooling (14.4%) and others (2.7%

).The analysis reveals that about (34.2%) of the consumers belongs to the income group of less than Rs.20,000, followed by Rs 20,001 – 30,000 (21.6%), Rs.30,001-40,000 (20.7%), above Rs.50,000 (13.5%) and Rs.40,001 – 50,000 (9.9%).

**Table 4.2 - Reliability Statistics**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No. of Items
.702	.707	20

The reliability of the survey was measured using reliability coefficient Cronbach's Alpha. The Cronbach's Alpha values of the proposed scale were found to comfortably well above the prescribed limits of the alpha value of 0.6. The alpha values for the variables was 0.702, then the instrument was reliable and could be used for the study and it is shown in the table 4.2

**Table 4.3 – Descriptive statistics**

Factors	Mean	SD
Health consciousness	4.01	1.057
Safety consideration	3.95	1.119
Knowledge	3.68	1.043
Environmental aspects	3.91	0.985

The descriptive statistics of the data collected from the consumers is shown in the table 4.3. It is clear from the table that the consumers are more health consciousness (Mean = 4.01, SD = 1.057) safety consideration and care about environment (Mean = 3.95, SD = 1.119) and (mean = 3.91, SD = 0.985) respectively. The result shows that the consumers are more conscious about their health, safety to use the products and more care about their environment when compare to knowledge about the product.

There is a significant difference between male and female with respect to attitude towards purchase of organic products. Since P value is lesser than 0.05. For brand name, easy availability, care about environment and environmental awareness creates interest. The result reveals that the consumer will buy a branded organic products nearby shop.

**Table 4.4 t – Test**

*Hypothesis (H1): There is a significant different between male and female with respect to attitude towards purchase of organic product*

	Gender	N	Mean	SD	F value	P
Organically grown	Male	49	4.06	1.088	0.533	0.467
	Female	62	3.90	1.169		
Farm fresh	Male	49	3.41	1.171	3.184	0.077
	Female	62	3.65	.960		
Nutritious	Male	49	3.82	1.093	1.976	0.163
	Female	62	4.16	1.011		
Healthy food for my family	Male	49	3.67	1.214	0.209	0.648
	Female	62	3.74	1.115		
Scientifically proven that food are healthier	Male	49	3.31	1.372	0.552	0.459
	Female	62	3.81	1.252		
Pesticide free	Male	49	4.14	1.155	1.584	0.211
	Female	62	3.74	1.354		
<b>Brand name</b>	<b>Male</b>	<b>49</b>	<b>3.16</b>	<b>.921</b>	<b>8.042</b>	<b>0.005</b>
	<b>Female</b>	<b>62</b>	<b>3.55</b>	<b>1.250</b>		
Properly packed	Male	49	3.57	1.155	1.619	0.206
	Female	62	3.85	1.084		
No artificial colours	Male	49	3.76	1.164	0.864	0.355
	Female	62	3.94	1.084		
Care about values	Male	49	3.90	1.195	2.464	0.119
	Female	62	3.98	1.094		
<b>Easy availability</b>	<b>Male</b>	<b>49</b>	<b>3.59</b>	<b>1.337</b>	<b>5.931</b>	<b>0.016</b>
	<b>Female</b>	<b>62</b>	<b>3.74</b>	<b>1.085</b>		
Locally grown	Male	49	3.45	1.259	0.871	0.353
	Female	62	3.58	1.095		
Shops near by residence	Male	49	3.53	1.138	1.150	0.286
	Female	62	3.50	.971		
Available in local market	Male	49	3.12	1.333	0.570	0.452
	Female	62	3.35	1.161		
Advertisement provides information	Male	49	3.24	1.267	0.034	0.855
	Female	62	3.58	1.249		
<b>Care about environment</b>	<b>Male</b>	<b>49</b>	<b>3.96</b>	<b>1.457</b>	<b>6.690</b>	<b>0.011</b>
	<b>Female</b>	<b>62</b>	<b>3.87</b>	<b>1.063</b>		
Support local farmers	Male	49	3.55	1.001	2.547	0.113
	Female	62	3.97	.940		
Fair treatment of animals	Male	49	3.29	1.118	0.264	0.608
	Female	62	3.29	1.030		
Environmental friendly	Male	49	3.69	1.228	0.028	0.868
	Female	62	3.63	1.244		
<b>Environmental awareness create interest</b>	<b>Male</b>	<b>49</b>	<b>3.49</b>	<b>1.431</b>	<b>8.759</b>	<b>0.004</b>
	<b>Female</b>	<b>62</b>	<b>3.66</b>	<b>1.115</b>		

Since P value is lesser than 0.05. For brand name, easy availability, care about environment and environmental awareness

creates interest. The result reveals that the consumer will buy a branded organic products in nearby shop are taken about the environment.

**Table 4.5 Chi-square test**

*Hypothesis (H1): There is an association between age and health consciousness of organic food among the respondents*

	Value	df	Sig. (2-sided)
Pearson Chi-Square	81.315 <sup>a</sup>	56	.015
Likelihood Ratio	79.715	56	.020
Linear-by-Linear Association	1.976	1	.160
N of Valid Cases	111		

Since P value is less than 0.01, the hypothesis is accepted at 1 percent level of significance. Respondents who are in the age group of 21-40 years are mostly used to purchase organic food because they are more conscious about their health. Hence it is concluded that there is an association between age and health consciousness of organic food of the respondents.

**Table 4.6 Correlation**

Variable	1	2	3	4
Health consciousness	1			
Safety consideration	.526**	1		
Knowledge	-.046	.439**	1	
Environmental aspects	.652**	.419**	.019	1

The correlation among the variables was measured using Pearson correlation coefficient. The values of the correlation coefficient and the level of significance are shown in the table 4.6. The results shows significant positively correlation (P = 0.01) between health consciousness, safety consideration and environmental aspects. Negative correlation was reported between health conscious and knowledge about the products.

The conceptual framework of this research proposes the influence of health consciousness, safety consideration, and knowledge about the product availability and environmental aspects on consumer attitude towards the organic product. This is verified in the following linear multiple Regression Analysis and the results are clearly presented below

**Table 4.7 a Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.741 <sup>a</sup>	.549	.536	.481

From the above table it is found that  $R^2 = 0.536$  which implies the independent variable creates 53.6% variance on consumer attitude towards the organic product. The Regression fit for the model is identified through the Analysis Of Variance.

**Table 4.7 c Coefficients**

Model	Unstd Coeff		Std Coe	T	Sig.
	B	Std Err	Beta		
(Constant)	.796	.380		2.096	.038
1 acg sc	.560	.105	.434	5.346	.000
avg kn	-.278	.084	-.245	3.326	.001
Avg env	.502	.077	.474	6.493	.000

From the above table it is found that health consciousness (Beta =0.796, t = 2.096, P = 0.038), safety consideration (Beta =0.560, t = 5.346, P = 0.000), environmental aspects (Beta =0.502, t = 6.493, P = 0.000) are statistically significant

The results show that the health consciousness, safety consideration and environmental aspects are the key factors determining the consumer attitude towards purchase of organic products. The organic producers have to take initiative steps to educate and create awareness in the minds of consumers and the benefits they get after using the products.

**Conclusion**

The foregoing analysis shows that factors determining consumer attitude towards purchase of organic products. There are various factors impacting the preference including demographic characteristics of consumers. Female prefer more towards organic product than male. Age group of 21-40 years prefers to buy organic product as compared to other age group. Literates turn to buy organic products because they analyse pros and cons of everything. Consumers prefer to buy organic products because they have an attitude that the products are healthy, safety to use and safe to our environment.

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