

A STUDY ON CONSUMER AWARENESS AND BUYING BEHAVIOUR TOWARDS THE GREEN PRODUCTS IN BANGALORE AND CHENNAI

Shilpa. R

Research Scholar and Assistant Professor, School of Commerce and Management, Garden City University, Bangalore, India.

Dr. Selvadass

Assistant Professor, Department of Fashion and Apparel Design, Garden City University, Bangalore, India.

Abstract

Changing the food consumption patterns of consumers seems to be one of the biggest threats to leading a healthy life. The use of chemicals and fertilisers ruins the environment and human health. As a result, organic agriculture started booming in many countries around the world. Now consumers are using organic food as part of their daily intake. Hence, this research focuses on consumer behaviour towards organic food products. Further, it analyses the consumer's willingness to pay a premium for food articles. This study focuses on consumers of organic food products. It is analysed from the perspective of their knowledge, perception, attitude, and trust towards organic food products. Consumers' willingness to pay a premium for organic food products was examined separately with the help of percentage analysis and a descriptive test. Consumers were asked how much they were willing to pay extra for organic food.

Keywords: Organic food products, Consumer behavior, Buying behaviour.

Introduction

In the current scenario, the concern for creating a healthy and sustainable environment triggered interest in environmental issues among academics, corporations, the media, the government, and non-government organizations. The seriousness of these issues has brought about awareness among consumers to become conscious of their consumption behaviour, which causes the green movement and practices, and also to perform green behavior. A person who practices environmental behaviour will encourage healthier communities; therefore, understanding the concerns with regard to the environment amongst consumers can have a significant influence on public well-being.

As per the American Marketing Association (AMA), green marketing involves developing and promoting productions and services that satisfy customers' wants and needs for quality, performance, affordable pricing, and convenience without having a detrimental impact on the environment; hence, there is a need to educate consumers to make them aware of environmental

threats. In today's context, consumers worry about the world's future, and as a result, most of them have a preference for environmentally friendly products.

Globally, more than 165 countries produce certified organic food on 32 million hectares of land, with 1.2 million producers. The global organic food market is predicted to grow to US\$105 billion in 2015 at an estimated growth rate of 13%. The major reasons behind the growth of the global organic food market are increasing consumer awareness regarding organic food products and the number of organic farmers. In the world, there is a hike in organic food retailers who provide a range of organic food products and the execution of government regulations (International Federation for Organic Agriculture Movement). More than 90% of sales were concentrated in North America and Europe. The countries with the largest market for organic food are the USA, followed by Germany and France. The country with the highest per capita consumption in the world is Switzerland, followed by Denmark and Luxembourg (IFOAM). On the other hand, Asia Pacific is predicted to be the fastest-growing market for organic food and beverages, with an estimated growth rate of 29% from 2014 to 2020. According to the IFBL report, India has the largest number of organic food producers in the world (600,000).

Reviews of literature

Tanveer Kaur (2020) conducted the study to analyse which factor impacts the most on the consumer's decision-making process about buying organic products. The market for organic food is slowly shifting from a market for elitists to a market of healthy products for health-conscious segments of society. At last, a robust market system should be in place in order to give strength and boost the production of organic products. For this, both the government and farmers should pay attention to the farming of organic products.

Sadiq et al. (2021) First, organic consumers are environmentally aware, and it is essential to understand their buying motives and preferences and explore their attitudes regarding the same. Based on this analysis, industry experts can develop and integrate the production of organic food using green practices and also emphasise building strong organic brands. Second, in recent years, problems related to pollution have intensified, which has also changed consumers' buying behaviour.

Sooraj S Narayan (2022) A thorough study model describes variables such as consumer health consciousness, food safety concerns, consumer engagement, and ecological motivations to explore their connections with consumer intentions towards purchasing healthy and organic food.

Uma.R and Dr.V.Selvam (2022) It has been demonstrated that purchasing intentions for organic food are positively influenced by the perceived value of traceability information. The importance of product information alters the relationship between uncertainty and future purchases in a positive way, mediating the influence of ambiguity on consumers' decision-making.

Xia Tong Cheng (2023) How successful a company is at marketing organic goods depends on how happy and willing its customers are to buy them. An individual's desire to buy a product is shaped by their opinion of that product's quality and other attributes, which are essentially the product's "personality traits," which are developed with the help of research on how customers would perceive such traits.

Need for the study

Food is a primary requirement in our lives. All the necessary energy is derived from the food intake for all the mental and physical activities of an individual. A balanced diet and healthy eating keep the body and mind fit and active. Diet helps us attain and maintain a healthy weight in addition to physical activity. It also reduces the threat of chronic diseases and supports overall health. A number of studies have shown that diet plays an important role in preventing cancer, birth defects, cataracts, and coronary heart disease. The methodology of food systems has witnessed spectacular changes in the past decades. It is highly recognised that these have repercussions for food security, nutrition, and environmental sustainability. From the literature reviewed, it was found that most of the studies focused on the impact of demographic and social factors on consumption behaviour, and only a few studies answered the question of why people are not willing to pay more even though they have knowledge regarding the benefits of organic food. Hence, the current study, "A comparative study on the consumer buying behaviour towards organic food products in Bangalore and Chennai," was undertaken to gain knowledge about organic consumers' perceptions, attitudes, and behaviours.

Objectives of the Study

- To understand the consumer's knowledge, perception, and attitude towards organic food products in Bangalore and Chennai.
- To analyse the factors influencing consumer behaviour towards organic food products.
- To examine consumers' willingness to pay for organic food products.
- To suggest suitable strategies to promote organic food products.

Methods and Materials

There are around 150 supermarkets and departmental stores in Bangalore and Chennai, out of which around 10% of the shops deal with organic food products. They sell organic produce that is locally grown, bringing from other states of India and certain imported items. Most of them come from countries like Germany, France, the USA, and the UK. Hence, the retail shops selling organic food alone were considered for the study. The purposeful sampling method is used for primary data collection. Since the focus group is organic consumers, the respondents were purposefully chosen as people who use (or have used) organic food products. With the help of a structured questionnaire, the data was collected from customers who visited the major supermarkets, which have organic food sections, and also from exclusive organic food stores located in Bangalore and Chennai.

All the corresponding values of the study variable were greater than the acceptable level, which indicates that the collected primary information was reliable and established a high internal consistency among the factors. The result values reveal that they have Cronbach’s alpha values above 0.7; therefore, we can conclude that the collected information is reliable and could be used for further analysis. After reviewing the literature, the study variables were finalised and followed by marketing strategies for organic products: i) product; ii) price and willingness to pay; iii) place; iv) promotion; v) people; vi) process; and vii) physical evidence. Hence, the researcher tried to collect information from 100 Bangalore consumers and 100 Chennai consumers. The study pertains to Bangalore and Chennai only; therefore, the results may differ in other parts of the country. This study focused on consumer behaviour and their willingness to pay for organic food in general, not for a specific or individual product. Cultural aspects were not considered, which might give a different view and a better picture of consumer behaviour.

Data analysis and interpretation

Particulars	Bangalore	Chennai
Gender		
Male	60	56
Female	40	44
Age		
Below 20yrs	2	8
21 to 30yrs	39	53
31 to 40yrs	37	21
41 to 50yrs	18	9
51 to 60yrs	3	4
above 60yrs	1	5
Educational Qualification		
Schooling	8	16
Graduates	45	57
Post graduates	47	27

Others		
Monthly income (in Rupees)		
Below Rs.10000	7	33
Rs.10001 to 20000	34	32
Rs.20001 to 30000	24	12
Rs.30001 to 40000	15	6
Rs.40001 to 50000	10	5
Rs.50001 and above	10	12
Occupation		
Govt. employee	29	4
Private employee	36	26
Professional	15	18
Business	8	15
Others	12	37
Marital status		
Married	68	45
Unmarried	32	55
Eating habits		
Vegetarian	20	45
Non vegetarian	80	55
Frequency of food purchase		
Everyday	10	19
Weekly once	41	36
Weekly twice	21	34

Monthly once	28	11
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- It was found that only around ten percent of the retail stores in Bangalore and Chennai deal with organic food products, with a price premium between 20 and 30 percent.
- Out of the respondents surveyed, sixty percent of them were male, between the ages of 20 and 40, and eight percent of them were graduates.
- Seventy percent of the Bangalore respondents were married, and eighty percent of the Chennai respondents were non-vegetarians.
- Chennai purchases grocery and food articles either weekly (vegetables) or monthly (grocery).
- Both customers felt that organic products were too expensive and not available everywhere. They like to buy it regularly if it is cheap and has more variety. They are willing to pay less than 20 percent more than conventional products.
- Regarding the knowledge of various eco labels, it was found that eighty percent of Chennai customers were aware of the recycle symbol, and almost all the Bangalore customers were aware of it.
- As consumers are the ultimate beneficiaries of organic food products, it is important to educate them to spend more on organic food than on medical treatments to save their lives from diseases.
- It is the retailers who can create awareness among consumers; therefore, every retailer should maintain a shelf for organic food articles.
- As studies concluded, selling in chain stores can be done at a lower price than in specific stores but can build a competitive advantage. On the other hand, selling through specialty stores can bring depth and width to solve the problem of variety in one place.
- In India, there is not much advertisement for organic food products like other conventional products; hence, giving TV advertisements with brand ambassadors will attract customers.
- Farmers should concentrate on organic cultivation and supply it to the local market through direct marketing, which will increase its availability and revenue.
- Farmers should take initiatives to convert their farmland into organic fields now, which will increase the cultivable land in the near future.
- They should try to produce more variety and quantity, which will be cost-effective, to gain economies of scale.
- By introducing organic meat to non-vegetarian customers, we can expand the market further because there are more of them.
- The government should provide subsidies to farmers to cultivate organic food products and price regulation to support farmers and customers.
- The government should advertise and promote the benefits of using organic food while also encouraging consumers through social media.
- The government should ban certain harmful pesticides, fertilizers, and the use of genetically modified seeds.

- The willingness to pay more for organic food could be increased by building trust, improving their perception of organic food, and making them understand that it is not too expensive compared with their medical expenses.
- The government should insist that schools and colleges have a special course on green products and their benefits.

Conclusion

As the study concluded, consumers who had at least a bachelor's degree and were under the age group of 20 to 40 years with an income of twenty to forty thousand rupees per month had a positive perception of going green. Therefore, it is essential to support the local farmers to produce more organic food, which should be sold in the local market where the small farmers can earn a reasonable profit instead of exporting it to various countries.

The study pertains to Bangalore and Chennai only. Therefore, the results may differ in other parts of the country. This study focused on consumer behaviour and their willingness to pay for organic food in general, not for a particular product category. It will give a better understanding if we consider the cultural aspects of the study. Further study could be done through stakeholders like retailers and producers with various product categories in detail.

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