

**MAJOR RESEARCH PROJECT**  
**ON**  
**CONSUMERS PERCEPTION TOWARDS**  
**ORGANIC PRODUCTS**

SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS  
FOR THE AWARD OF THE DEGREE  
OF  
MASTER OF BUSINESS ADMINISTRATION

SUBMITTED BY:  
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## DECLARATION

I, the undersigned, hereby declare that the project work entitled “**Consumer Perception Towards Organic Products**”, is a record of an original work done by me under the guidance of Mr. Abhinav Chaudhary Sir. This project report has been submitted in the partial completion of the requirements for the award of the degree Master of Business Administration. The results embodied in the project have not been submitted to any other University or Institute for the award of any degree or diploma.

Date:

Place:

# **CERTIFICATE**

This is to certify that the project report entitled **“Consumer Perception Towards Organic Products”** submitted by Hariom Jaiswal in the fulfillment for the requirements of the award of Master of Business Administration Degree in Delhi School of Management, DTU, Delhi is an trustworthy work carried out by him under my supervision and guidance. To the best of my knowledge, the matter embodied in the project has not been submitted to any other University / Institute for the award of any Degree.

(Signature of the Guide)

Mr. Abhinav Chaudhary

(Professor, DSM-DTU)

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# **CHAPTER 1**

## **INTRODUCTION**

## **1.1.Introduction**

Organic food is defined as a product from a farming system which avoids the use of synthetic fertilizers and pesticides. the principles used in the farming system apply the benefit of modern scientific understanding and technologies to offer a more sustainable food production (Institute of Food Science and Technology, 2005). Genetically-modified organisms and antibiotics are prohibited in organic standards for animal husbandry while only 30 additives are permitted in certain conditions (Soil Association, 2000). Therefore, purchase of organic foods can be seen as an action motivated by beliefs about healthiness and possibly good taste of these products as well as by beliefs about the positive impact on environment and welfare of production animals. This review aims to provide an evaluation of the literatures on the consumer attitude towards organic food. It is important to know how consumers relate to food quality and food system issues in order to explore the potentials of organic agriculture. Knowledge and public understanding influence the consumer valuation of food. Thus, consumers need clear, accurate reliable information about organic food. Consumers believe they are more informed if information on organic food is provided and the information affects their perceptions.

There is no common definition of “organic” due to the fact that different countries have different standard for products to be certified “organic”. in simplest words organic foods are minimally processed to maintain the integrity of the food without artificial ingredients, preservatives or irradiation. Organic products are obtained by processes friendly to the environment, by cultivation techniques that consider both the attributes of the final product and the production methods.

## **1.2.Benefits of organic products**

The consumers are increasingly becoming aware of the food safety issues and environmental issues because of their increased concern about health, the environment's health and its global implications. Organic food now has become a viable alternative for an increasing number of consumers, who are worried about the presence of chemicals residue and the negative consequences on the environment caused by intensive production methods. Many farmers also now see organic farming as a way to stabilize or even increase their income due to policy support and growing market demand. The benefits of organic products are threefold as summarized below

## • Health:

Organic agriculture regulates how food is grown and processed. In addition to meeting the health and safety requirements of conventional food, organic food must also meet additional safety standards of organic farming such as tougher regulations on manure use. Studies have shown that organic food contains a lower concentration of pesticides as compared to conventionally grown food<sup>10</sup>. Hence, there is a good reason to believe that organic farming reduces health risk.

**The health benefits of organic products are as follows:**

## • Toxin and GMO-free:

Organic products are the most heavily regulated food products in the US. Only organic products come with a guarantee that no toxic persistent pesticides, synthetic fertilizers or GMOs are used in their production. Additionally, no antibiotics or growth hormones are given to livestock. Organic producers and processors are subject to rigorous announced and unannounced certification inspections by thirdparty inspectors to ensure that proper due diligence procedures and protocols are being followed.

## • Higher nutritional content:

Recent studies have found that organic fruits, vegetables and grains have fewer nitrates and cadmium and fewer pesticide residues than nonorganic crops, making them safer to consume.

## • Environment:

Organic farming primarily focuses on ecofriendly agriculture practices. It might not eliminate the negative environmental impacts wholly, but it can help reduce water pollution and improve the soil quality. Organic cultivation promotes conservation of biodiversity, enhances ecological functions and ecosystem services. It is a selfreliance system that improves the economic productivity of crops and livestock. The stringent organic certification standards enable several measures like mulching, crop rotation, crop residual management, rules on carrying capacity defining a number of heads of livestock are allowed per improved organic soil carbonbiding significantly reduces green gases helps in mitigating climate change. A few key characteristics of organic farming that highlight the synergistic nature of the activity are mentioned below.

## • Economics:

Certified organic foods fetch higher prices, in comparison to conventional food as most of the organic produce is directly procured by companies thereby excluding the middle men. The retail price of organic food is high and eventually, organic production reduces cost also. This provides farmers a good return on an organized supply chain system.



## 1.3. Advantages of organic products

Organic food has gained quite bit popularity in recent years. There are strict guide line set in place for a food to be labeled organic, some of these include no pesticides can be used, no artificial hormones, and no chemicals. This includes not only on the product them, but in the soil and water used to grow them too.

### • Healthier –

Organic food is considered healthier for a few different reasons. The main one being that no pesticides are present on the food, which may have harmful health effects.

### • Antioxidants –

One of the main advantages of organic food is it contains high amount of antioxidant. Our body need these elements in order to keep our system healthy and can prevent diseases or illnesses to attack us.

### • Taste Good –

As organic foods do not undergone any artificial growth or structural changes, it really tastes good. It offers a distinct taste. For example, organic fruits taste sweeter and delicious than typical fruits that aren't produced naturally.

### • Prevents Disease –

Studies revealed that organic foods can help your body to prevent disease even cancer. This is because food products are cultivated using artificial growers or fertilizers has certain component that can increase the risk of developing disease like cancer.

### • Maintains a Clean System-

Organic food is also the best choice if you want to cleanse your system. This food is very effective to eradicate the impurities in the system.

## 1.4. Disadvantages of Organic Foods

Although organic foods have many advantages, they also have disadvantages which are given below:

1. Organic foods are very expensive as compared to nonorganic foods. This is because majority of farmers only produce conventional foods. Also most farmers and food producers want to maximize profit, by using chemicals to increase the size and quantity of their produce. the cost of production of nonorganic foods is less as compared to that of organic foods which results in a lower price for nonorganic foods than the price of organic foods.
2. Organic foods don't last long since they do not contain preservatives. Nonorganic foods last longer than organic foods. Preservatives help food manufacturers and at times consumers to store food for longer time which helps them to save money.
3. Another disadvantage of organic foods is the limited selection of organic products available in some areas. Some places do not have variety of organic foods to choose even though certain people can afford to buy organic foods they are unable to get organic food of their choice due to scarcity of organic foods in such areas.

From the advantages and disadvantages stated above, it can be seen that the advantages of organic foods are more than the disadvantages. Some of these disadvantages can even be eliminated. Based upon these facts, I fully support the growing and eating of organic food

## CHAPTER 2

## 2.ORGANIC FARMING IN INDIA

The approach and outlook towards agriculture and marketing of food has seen a quantum change worldwide over the last few decades. Whereas earlier the seasons and the climate of an area determined what would be grown and when, today it is the "market" that determines what it wants and what should be grown. The focus is now more on quantity and outerquality (appearance) rather than intrinsic or nutritional quality, also called "vitality". Pesticide and other chemical residues in food and an overall reduced quality of food have led to marked increase in various diseases mainly various forms of cancer and reduced bodily immunity. This immense commercialization of agriculture has also had a very negative effect on the environment. The use of pesticides has led to enormous levels of chemical buildup in our environment, in soil, water, air, in animals and even in our own bodies. Fertilizers have a short-term effect on productivity but a longerterm negative effect on the environment where they remain for years after leaching and running off, contaminating ground water and water bodies. The use of hybrid seeds and the practice of monoculture have led to a severe threat to local and indigenous varieties, whose germplasm can be lost forever. All of this is for "productivity". In the name of growing more to feed the earth, we have taken the wrong road of unsustainability. The effects already show farmers committing suicide in growing numbers with every passing year; the horrendous effects of pesticide sprays by a governmentowned plantation in Kerala some years ago; the pesticide contaminated bottled water and aerated beverages are only some instances. The bigger picture that rarely makes news however is that millions of people are still underfed and where they do get enough to eat, the food they eat has the capability to eventually kill them. Yet, the picture painted for the future by agrochemical and seed companies and governments is rosy and bright. Another negative effect of this trend has been on the fortunes of the farming communities worldwide.

Organic farming was practiced in India since thousands of years. The great Indian civilization thrived on organic farming and was one of the most prosperous countries in the world, till the British ruled it. In traditional India, the entire agriculture was practiced using organic techniques, where fertilizers, pesticides, etc., were obtained from plant and animal products.

## **2.1. GIVEN BELOW ARE SOME OF THE ADVANTAGES OF ORGANIC FARMING FOR SMALL FARMERS**

### **1. High premium:**

Organic food is normally priced 230% higher than conventional food. This premium is very important for a small farmer whose income is just sufficient to feed his/her family with one meal.

### **2. Low investment:**

Organic farming normally does not involve capital investment as high as that required in chemical farming. Further, since organic fertilizers and pesticides can be produced locally, the yearly costs incurred by the farmer are also low. Agriculture greatly depends on external factors such as climate, pests, disease. Furthermore, most of the small farmers are dependent on natural rain for water. Therefore in cases of natural calamity, pest or disease attack, and irregular rainfall, when there is a crop failure, small farmers practicing organic farming have to suffer less as their investments are low. (It should be noted that while shifting from chemical farming to organic farming, the transition might be costly)

### **3. Less dependence on money lenders:**

Many small farmers worldwide commit suicide. Since chemical inputs, which are very costly, are not required in organic farming, small farmers are not dependent on money lenders. Crop failure, therefore, does not leave an organic farmer into enormous debt, and does not force him to take an extreme step.

### **4. Synergy with life forms:**

Organic farming involves synergy with various plant and animal life forms. Small farmers are able to understand this synergy easily and hence find it easy to implement them.

### **5. Traditional knowledge:**

Small farmers have abundance of traditional knowledge with them and within their community. Most of this traditional knowledge cannot be used for chemical farming. However, when it comes to organic farming, the farmers can make use of the traditional knowledge. Further, in case of organic farming, small farmers are not dependent on those who provide chemical know-how.

## Literature review

The inappropriate use of agrochemicals, including pesticides, herbicides, antibiotics, growth hormones and their residues in food stuffs, is a known source of illnesses. In response to several food scandals, which are creating serious threats to human health and societies; the national and international organization along with government institutions has started playing an active role in awareness activities towards organic food (Ling, 2013). The rising consumer awareness and increase in per capita income of Asian countries show major potential of organic food for Asia. Consumer interpretation of the term organic is diverse within various contexts, while the purchase decision of organic food is based on subjective experiences and perception about it. There are diverse awareness levels and understanding the concepts of organic food among consumers of various regions.

Moreover, consumers' awareness, knowledge, and information about organic food play a vital role in understanding their preferences towards organic food.

Padiya and Vala (2012) also support the notion that respondent's belief about organic food in India has a direct dependence on the source of awareness, wherein knowledge about organic food plays a significant role in developing their purchasing attitudes.

Witzel and Zielke (2017) in consensus with several studies also report that the consumer knowledge about organic food is positively related to willingness to purchase (WTP) of organic food.

However, it is pertinent to mention that organic food segment varies from market to market based on the development phase, market structure, awareness level, climate conditions, government support, culture and other such factors. Thus, there is an immense need to explore the consumer awareness, and knowledge about organic food especially in non-regulated markets.

### **RQI. What is consumer understanding and awareness about the term organic food?**

Extensive literature in developed and regulated markets has identified the factors that influence consumer behavior, revealed various reasons behind consumer to purchase organic products, i.e. better nutrition, reduced health, social aspects, and support of local farming, fair market, and environmental awareness. Recognized several factors while exploring the phenomena that why people purchase organic food. They found health consciousness, better taste, environmental concerns, food safety issues, trust deficit on conventional food, animal welfare, benefit to local economy, more wholesome, nostalgia, and fashionable/curiosity as major motives for consumption of food. A meta-study by Hemmerling (2015) shows that in forty studies, consumers' perceptions, beliefs, associations, and expectations from organic products were related to health and/or environment protecting aspects. They further report that seventeen studies indicate its consumption due to nonexistence or with fewer chemicals and pesticides, while other eighteen studies highlight consumer association, due to good or better taste; however, in seven studies, respondents prefer organic food for the reason of good or better quality.

### **RQ-II. Why do consumers buy organic food especially when it is non-certified?**

In a recent couple of decades, the construct of "trust" has been a focus of attention among food risk scholar, mainly due to increasing food scandals that have threatened the food system. Consumption of products involves several risks, while consumer always strives to eliminate these risks by adapting reduction strategies, such as brand and store image, brand reputation, and

label reference which may enhance trust at the same time. In contrast to conventional food, the organic food practices require more strict parameters by chain members to ensure trust, credibility, and quality to consumers, since there are marginal differences in visual and sensorial characteristics among both categories. Furthermore, organic food has a credence attribute and its purchase requires more expertise and knowledge by consumers to build their trust (Nuttavuthisit & Thøgersen, 2017). Nuttavuthisit and Thøgersen also support the notion that to hedge the risk, credence goods such as green products always require consumer trust as a prerequisite for establishing markets particularly if they are of premium price. Indeed, due to growing food safety issues, debate on consumer trust particularly in short food supply chains became a vital component of the food system (Giampietr 2018). This is especially true when organic food is noncertified. Thus, the role of trust cannot be ignored in this food segment. In context of organic food consumption in Asian markets, suggest that in Taiwan, development of the organic food industry requires the establishment correct knowledge and concepts through its effective promotion. The study in the context of Taiwan concludes that details of authentication sources and traceability about organic food products is a good source of consumer awareness about organic food, while such practices contribute to developing marketing strategies towards building consumer trust (Liang, 2016). Therefore, the above discussion leads us to a research question that how consumers trust noncertified organic food.

## CHAPTER 3



### **3.SCOPE AND IMPORTANCE OF THE STUDY**

With rising concern of health issues and food safety,many consumers have turned their site to organic products. The increased consumers' interest in organic food has been attributed among others to the growing demand for food free from pesticides and chemical residues.

Organic food promotes a balance of human, other living organisms and the nature. it also promotes no artificial preservatives and best maintain the originality of food. This prevents excess use harmful ingredients and thereby ensures health.

This study attempted to gain knowledge about consumer attitude towards organic food product consumption and to see whether there is any potential this might have for changing their behavior. The rationale for carrying out this study is that consideration for the environment could come only from wellinformed citizens who are aware of, and fully committed to their rights to a quality health and environment. Nevertheless,before any behavior can be changed.

It is necessary to evaluate the current state of consumers' awareness and knowledge.The refore consumer's attitude, perception towards organic food products, willingness to pay for organicfood product and intention to purchase organic food will be the main agenda of this study.

#### **3.1 OBJECTIVES OF THE STUDY**

- 1.To asses and evaluate the factors facilitate the consumption of organic products in the study area.
- 2.To analyze the potential Markets for organic products.
- 3.To examine the consumers perception towards organic products in the study area.
- 4.To analyze the constraints in marketing of organic products and to suggest suitable me asures thereof.

## CHAPTER 4

## **4.METHODOLOGY**

### **4.1. Data Collection Methods:**

The study is based on primary and secondary data. The primary data had collected from selected consumers on Simple Random sampling techniques and Retail outlets of Organic products, Organic Products Marketing Agencies, by administering the structured questionnaires.

### **4.2. Sample Design**

In order to understand the demand factors in organic products & the consumers perception of organic products, the subsequent sample size will be used to collect the primary data. The sample size of the participants was 200 people.

### **4.3 Questionnaire Design**

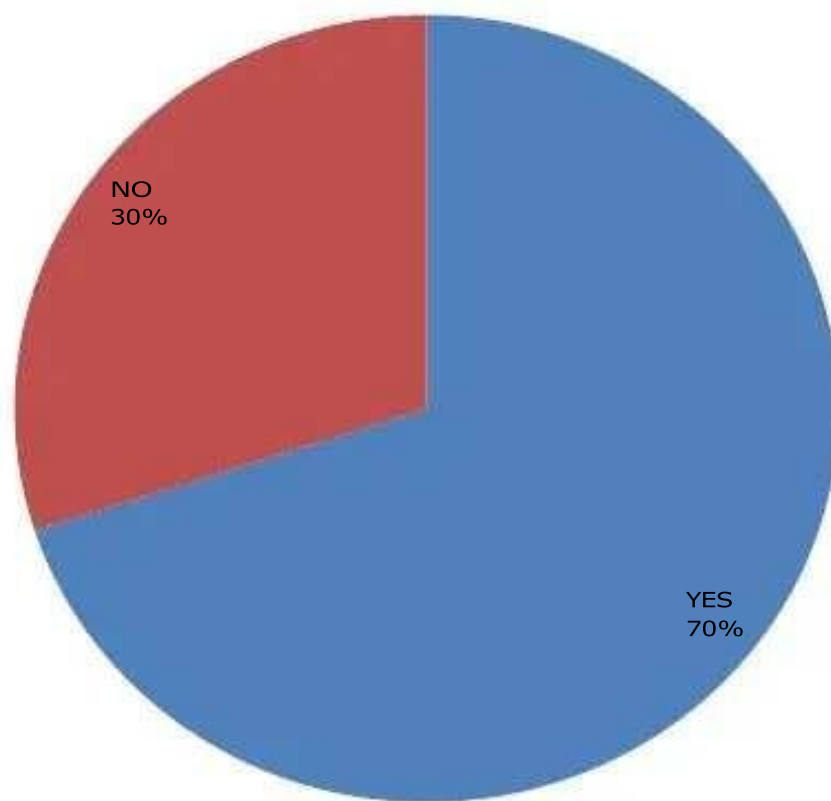
Our Questionnaire's questions are arranged as multiple-choice questions. This is done for the researcher to determine Perception Towards Organic Products on customer purchasing habits.

# **CHAPTER 5**

## **Results and Discussion**

1. Are you aware of organic food?

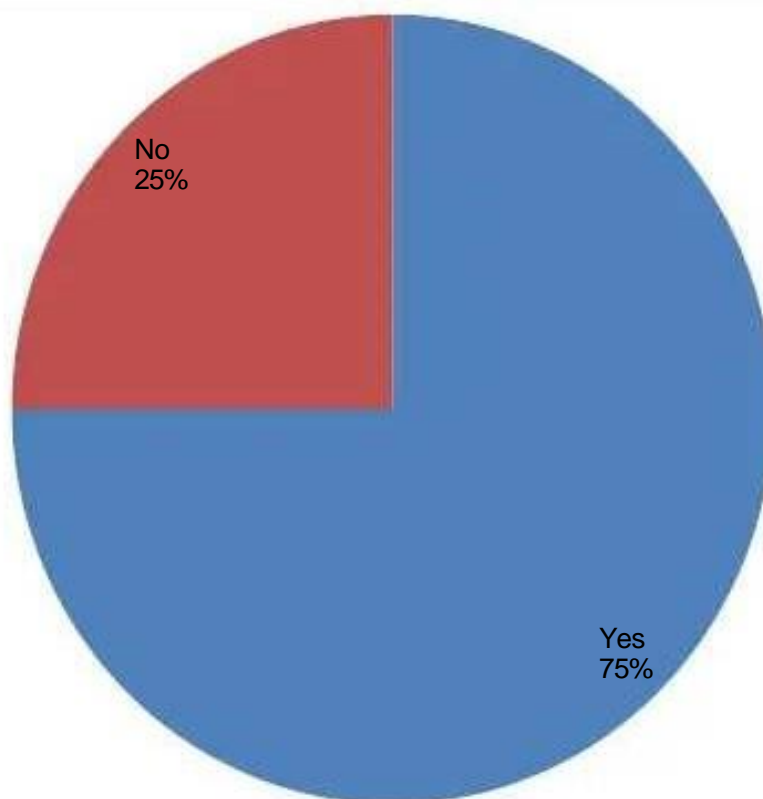
No.	Preference	No. of Respondents	Percentages
1	YES	140	70
2	NO	60	30
	Total	200	100



The table 1 shows that 70% of the respondents are aware about organic products, 30% of respondents have not aware about organic products, out of Total respondents, in the study area.

2. Have you ever tried organic food?

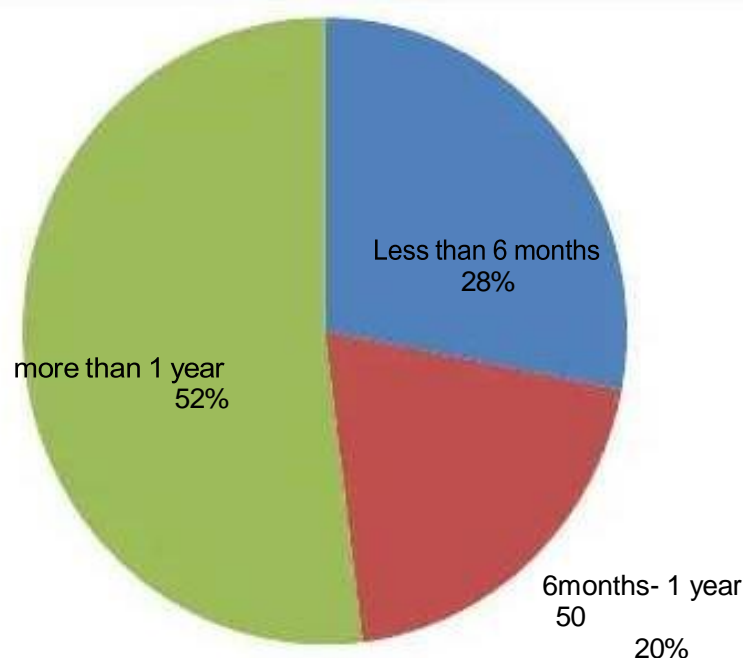
No.	Preference	No. of Respondents	Percentages
1	YES	150	75
2	NO	50	25
	Total	200	100



The table 2 shows that 75% of the respondents are tried organic products, 25% of respondents have not tried organic products, out of Total respondents, in the study area.

### 3. For how long have you been purchasing Organic food?

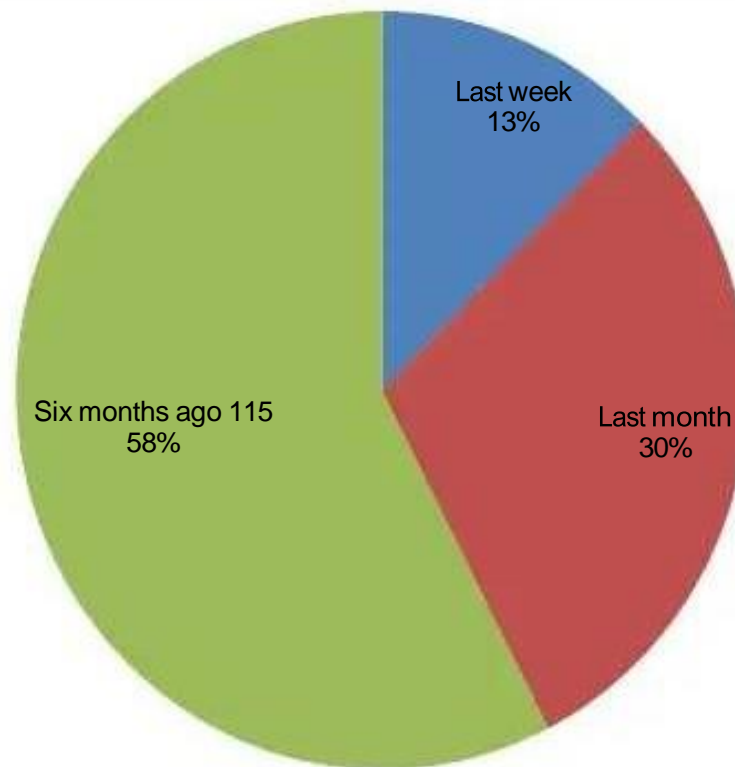
No.	Preference	No. of Respondents	Percentages
1	Less than 6 months	70	28
2	6months- 1 year	50	20
3	more than 1 year	130	52
	Total	200	100



The table 3 shows that 28% of the respondents are been purchasing Organic products in less than 6 months, 52% of the respondents are purchasing organic products in more than 1 year, 20% of respondents are been purchasing organic products between 6-12 Months out of Total respondents, in the study area.

### 4. When did you last purchase organic food?

No.	Preference	No. of Respondents	Percentages
1	Last week	25	12
2	Last month	60	30
3	Six months ago	115	58
	Total	200	100



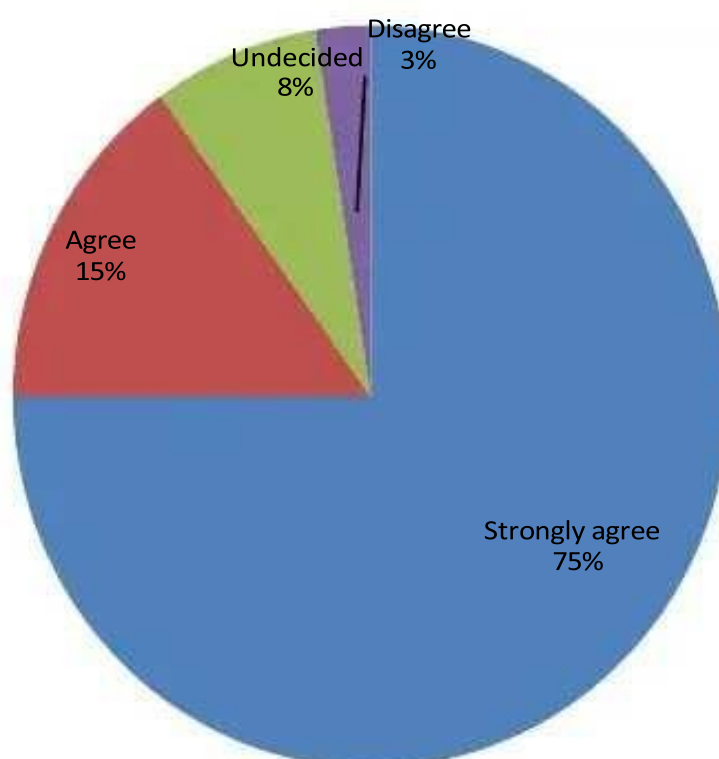
The table 4 shows that 12% of the respondents are purchase Organic products last week, 30% of respondents are purchase organic products last months, 58% of the respondents has purchase organic products six months ago, out of 200 respondents, in the study area.

5. Please indicate with a tick mark the extent to which you agree or disagree with the following statements, where 1 = Strongly agree; 2 = Agree; 3 = Undecided; 4 = Disagree; 5 = Strongly disagree.



### A.Organic food is more nutritious than ordinary food?

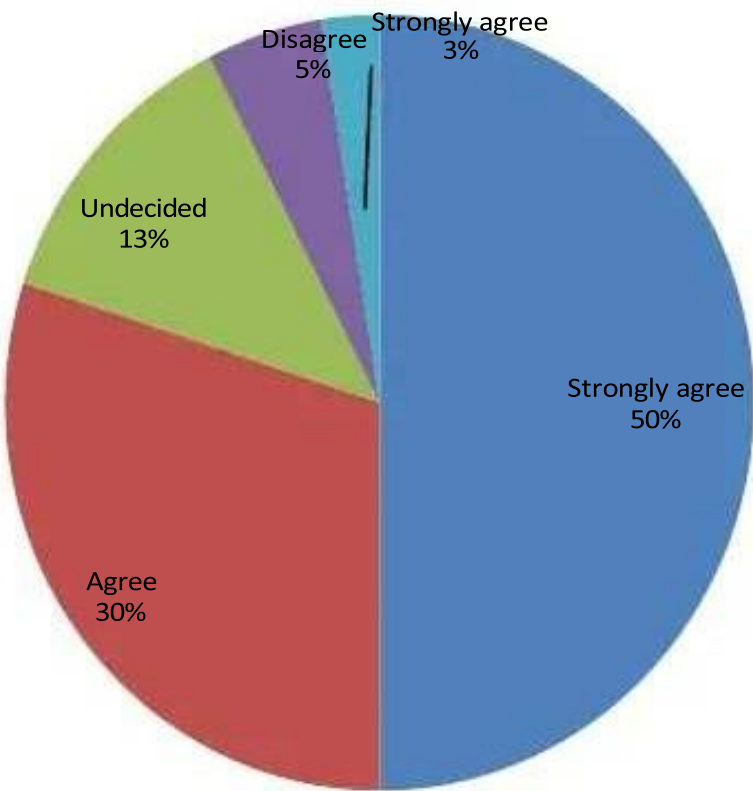
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	150	75
2	Agree	30	15
3	Undecided	15	7
4	Disagree	5	3
5	Strongly disagree	0	0
	Total	200	100



The table 5(A) shows that 75% of the respondents are strongly agree, 15% of respondents are agree, 7% of the respondents are undecided, 3% of respondents are disagree, and 0% Of respondents are strongly disagree, out of Total respondents, in the study area.

### 5(b) Organic food is tastier than ordinary food?

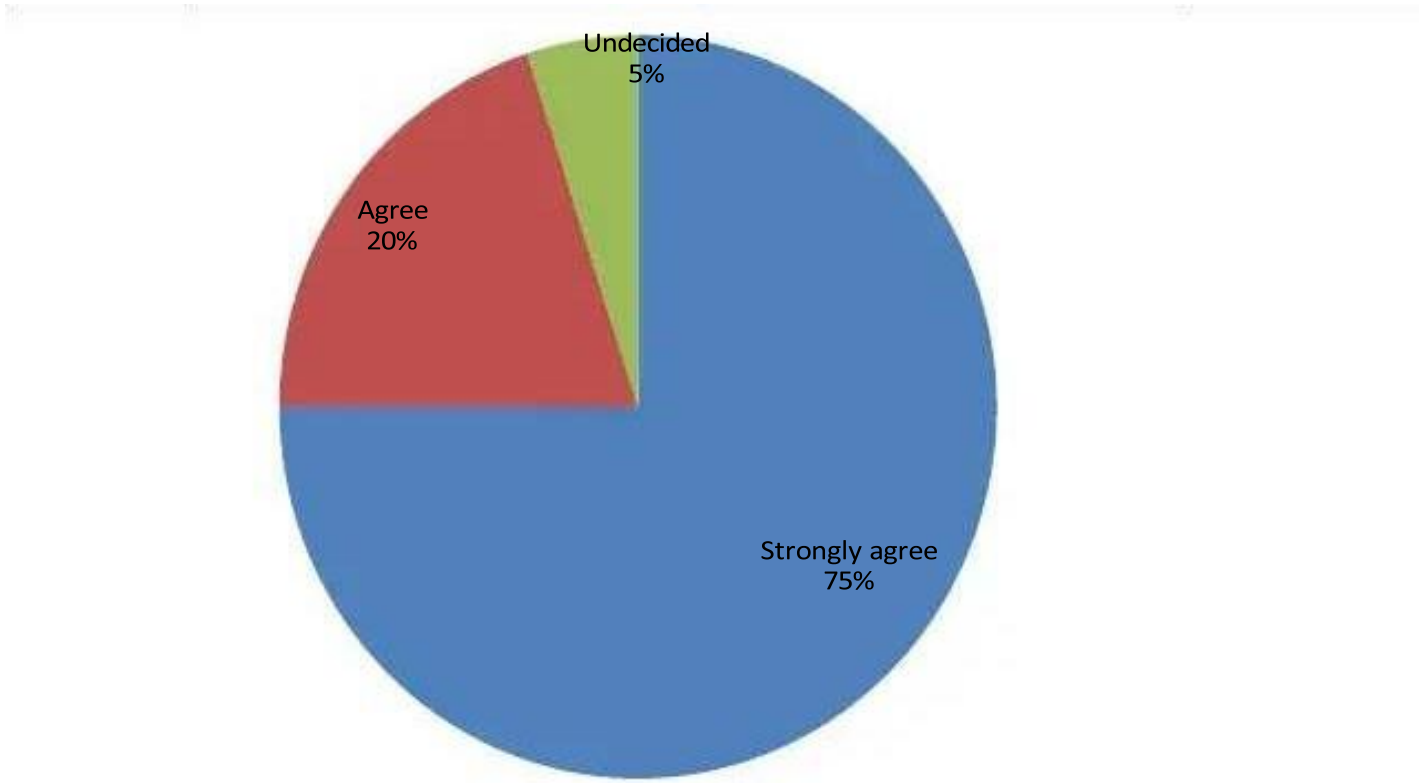
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	100	50
2	Agree	60	30
3	Undecided	25	12
4	Disagree	10	5
5	Strongly disagree	5	3
	Total	200	100



The table 5(B) shows that 50% of the respondents are strongly agree, 30% of respondents are agree, 12% of the respondents are undecided, 5% of respondents are disagree, and 3% respondents are strongly disagree, out of Total respondents, in the study area.

C.Organic foods are fresh?

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	150	75
2	Agree	40	20
3	Undecided	10	5
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100



The table 5(C) shows that 75% of the respondents are strongly agree, 20% of respondents are agree, 5% of the respondents are undecided,0% of respondents are disagree, and 0% respondents are strongly disagree, out of 200 respondents, in the study area.

D.I buy organic because it is tastier?

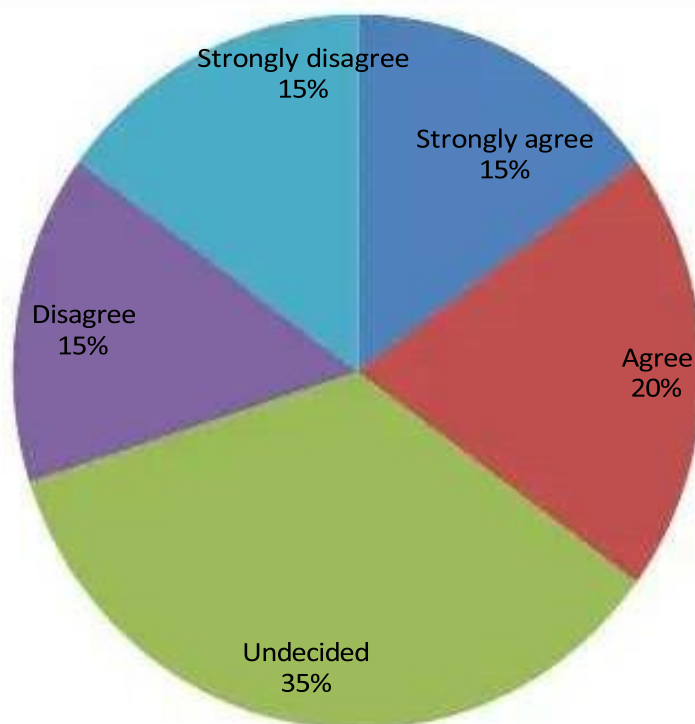
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	70	35
2	Agree	60	30
3	Undecided	50	25
4	Disagree	15	7
5	Strongly disagree	5	3
	Total	200	100

The table 5(D) shows that 35% of the respondents are strongly agree, 30% of respondents are agree, 25% of the respondents are undecided, 7% of respondents are disagree, and 3% respondents are strongly disagree, out of Total respondents, in the study area.

E.A wide range of organic food can be bought where I shop.

No.	Preference	No. of Respondents	Percentages
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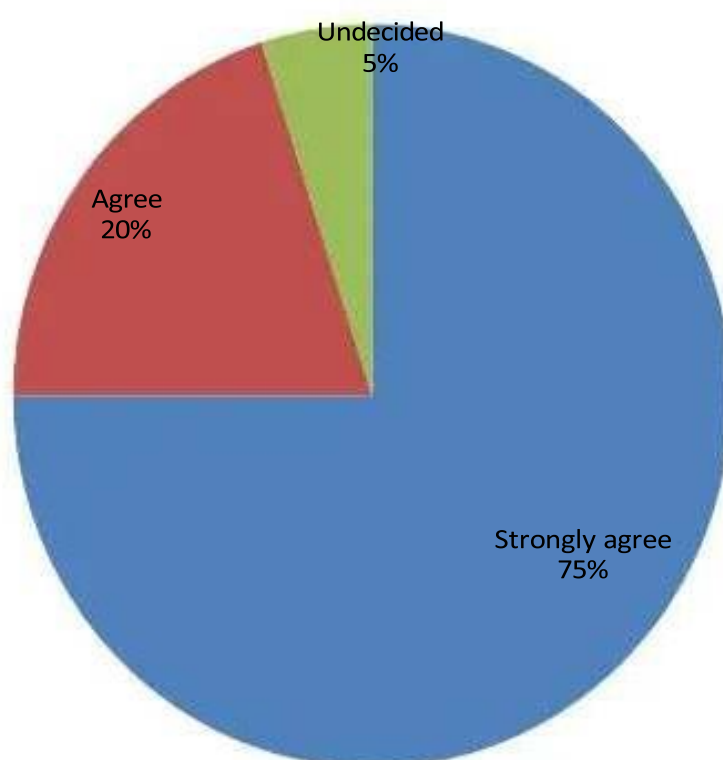
1	Strongly agree	30	15
2	Agree	40	20
3	Undecided	70	35
4	Disagree	30	15
5	Strongly disagree	30	15
	Total	200	100



The table 5(E) shows that 15% of the respondents are strongly agree, 20% of respondents are agree, 35% of the respondents are undecided, 15% of respondents are disagree, and 15% respondents are strongly disagree, out of 200 respondents, in the study area.

E. Organic food are free from chemical or pesticide residues.

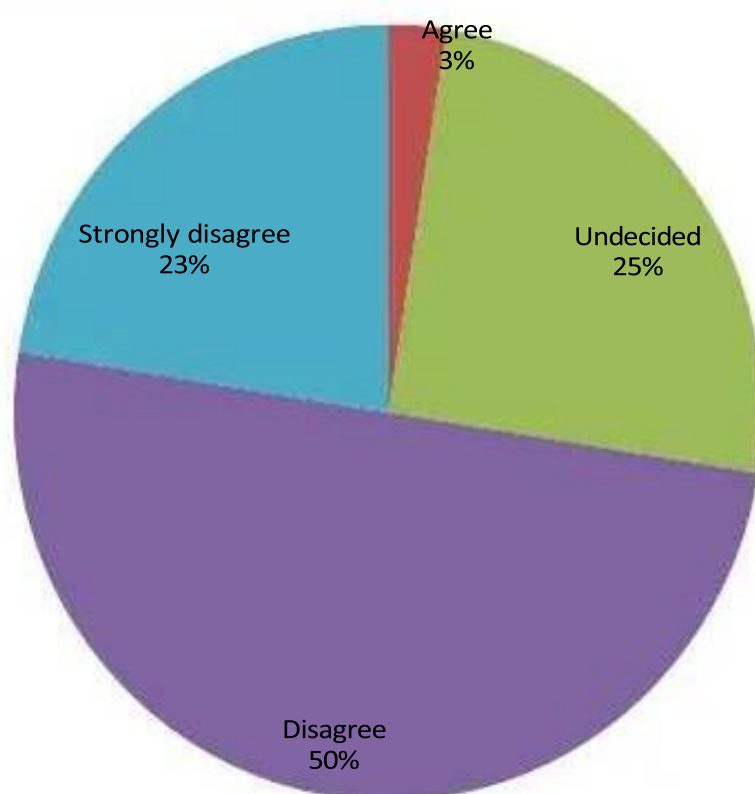
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	150	75
2	Agree	40	20
3	Undecided	10	5
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100



The table 5(F) shows that 75% of the respondents are strongly agree, 20% of respondents agree, 5% of the respondents are undecided, 0% of respondents are disagree, and 0% of respondents are strongly disagree, out of 200 respondents in the study area.

G. There is not much difference between organic food and regular food.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	0	0
2	Agree	5	2
3	Undecided	50	25
4	Disagree	100	50
5	Strongly disagree	45	23
	Total	200	100

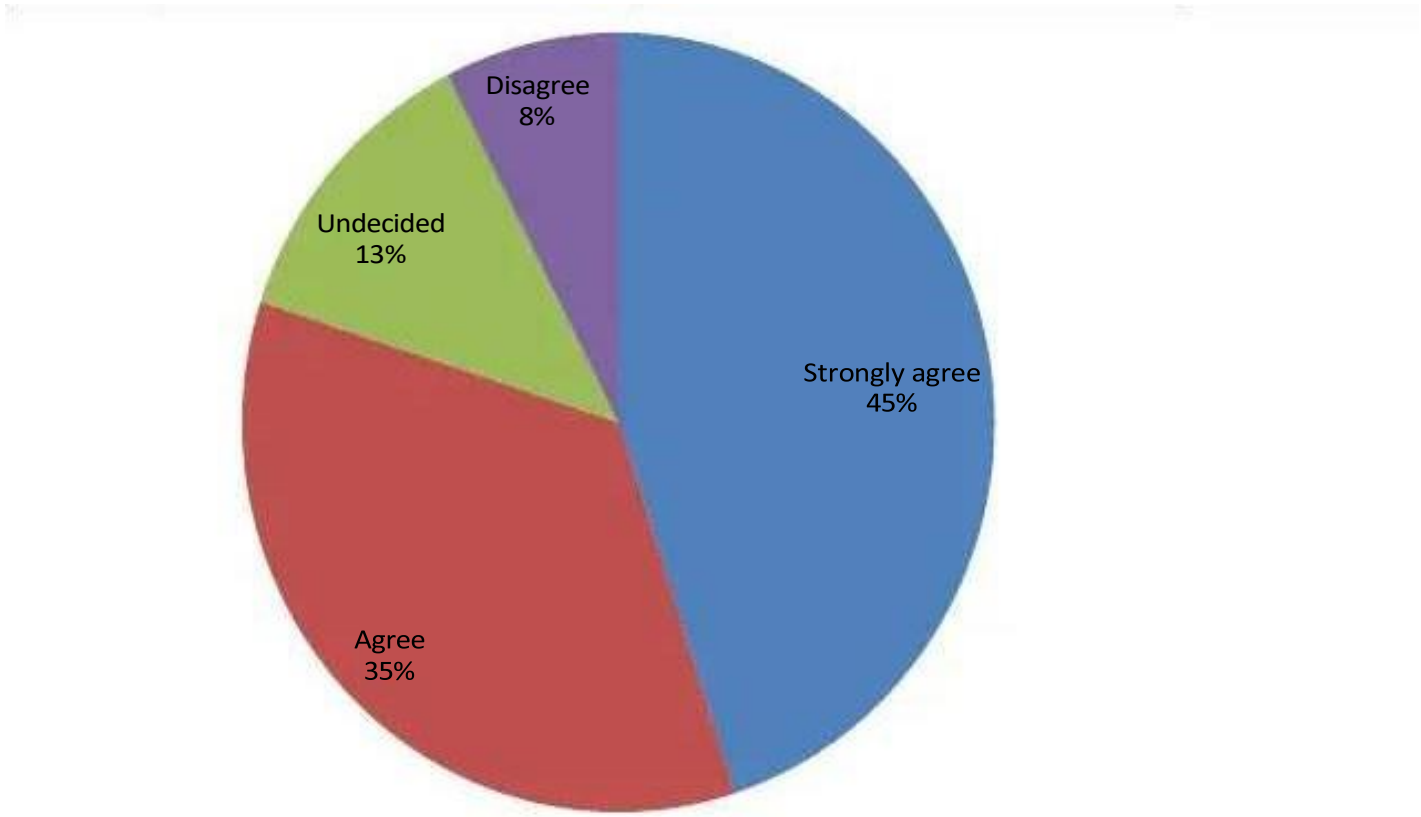


The table shows that 0% of the respondents are strongly agree, 2% of respondents are agree, 25% of the respondents are undecided, 50% of respondents are disagree, and 23% respondents are strongly disagree, out of Total respondents, in the study area.

I.I buy organic food because I want to be environmentally conscious.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	90	45

2	Agree	70	35
3	Undecided	25	12
4	Disagree	15	8
5	Strongly disagree	0	0
	Total	200	100



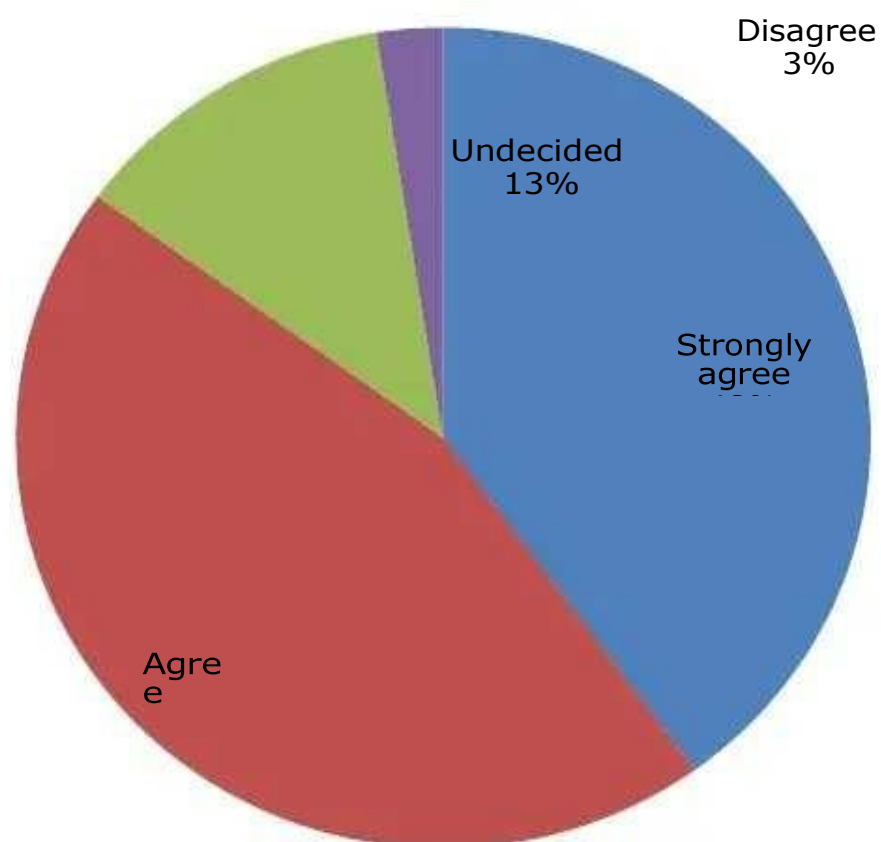
The table shows that 45% of the respondents are strongly agree, 35% of respondents are agree, 12% of the respondents are undecided,8% of respondents are disagree, and 0% Of respondents are strongly disagree, out of Total respondents, in the study area.

J. I believe that organic food will keep me healthy.




No.	Preference	No. of Respondents	Percentages
1	Strongly agree	80	40

2	Agree	90	45
3	Undecided	25	12
4	Disagree	5	3
5	Strongly disagree	0	0
	Total	200	100

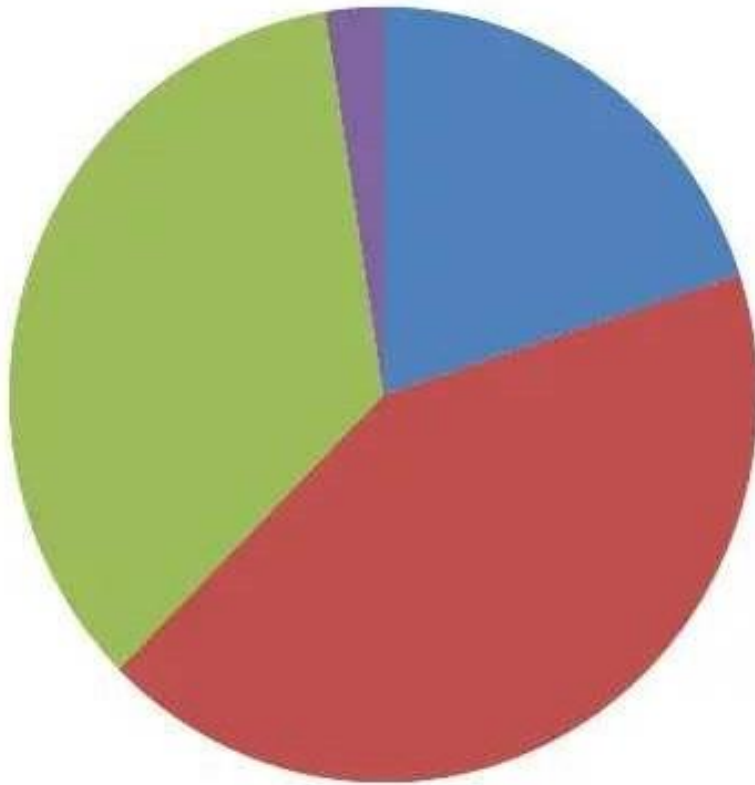


The table 5(I) shows that 40% of the respondents are strongly agree, 45% of respondents are agree, 12% of the respondents are undecided, 3% of respondents are disagree, and 0% of respondents are strongly disagree, out of Total respondents, in the study area.

K. I never buy food at specialized organic food shops.

No.	Preference	No. of Respondents	Percentages
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1	Strongly agree	40	20
2	Agree	85	42
3	Undecided	70	35
4	Disagree	5	3
5	Strongly disagree	0	0
	Total	200	100

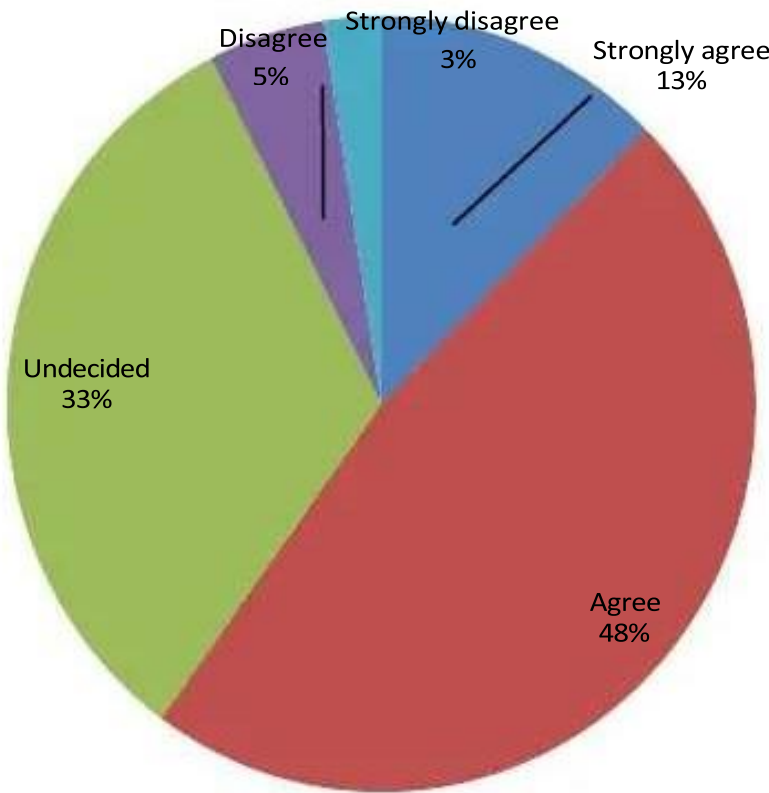


The table 5(K) shows that 20% of the respondents are strongly agree, 42% of respondents are agree, 35% of the respondents are undecided,3% of respondents are disagree, and 0%respondents are strongly disagree, out of 200 respondents in the study area.

L. I am satisfied that the food I eat is safe.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	25	12

2	Agree	95	47
3	Undecided	65	35
4	Disagree	10	5
5	Strongly disagree	5	3
	Total	200	100

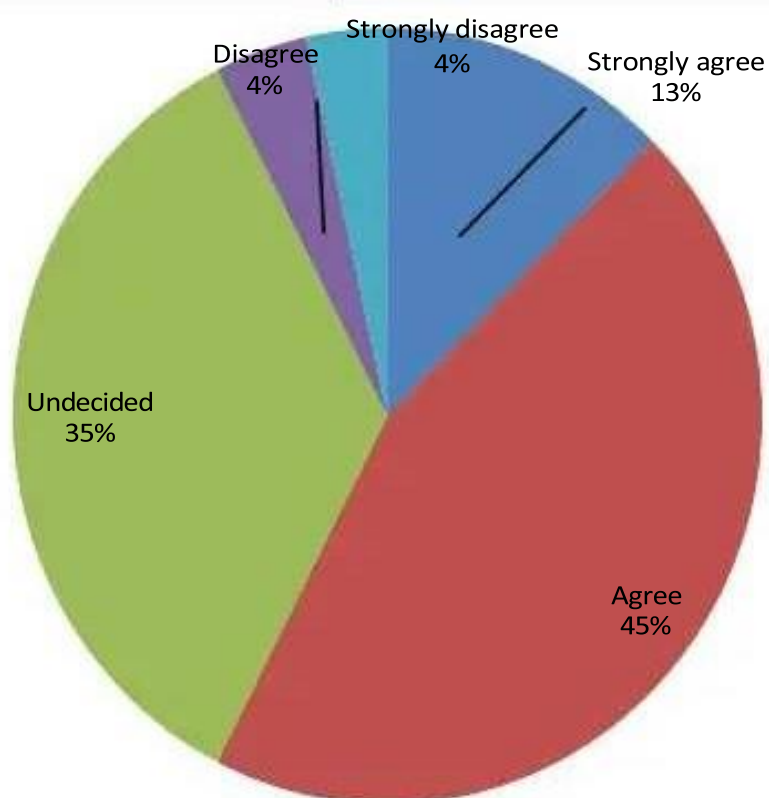


The table 5(L) shows that 12% of the respondents are strongly agree, 47% of respondents are agree, 33% of the respondents are undecided, 5% of respondents are disagree, and 3% of respondents are strongly disagree, out of 200 respondents in the study area.

M. I have been purchasing organic food frequently.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	25	12

2	Agree	90	45
3	Undecided	70	35
4	Disagree	8	4
5	Strongly disagree	8	4
	Total	200	100

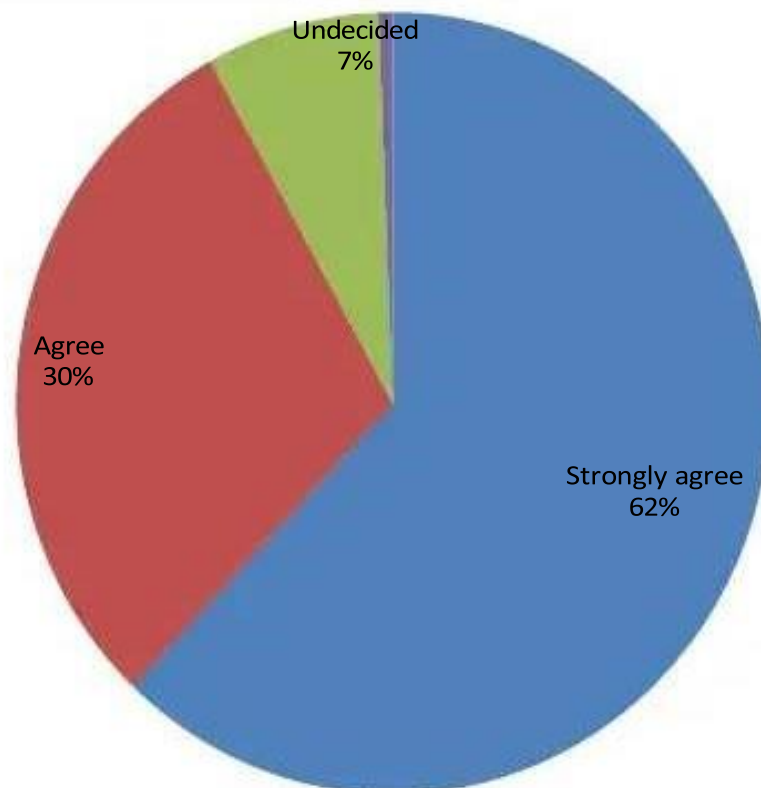


The table 5(M) shows that 12% of the respondents are strongly agree, 45% of respondents are agree, 35% of the respondents are undecided, 4% of respondents are disagree, and 4% Of respondents are strongly disagree, out of Total respondents in the study area.

N. Organic food is costlier than conventional food.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	125	63

2	Agree	60	30
3	Undecided	15	7
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100

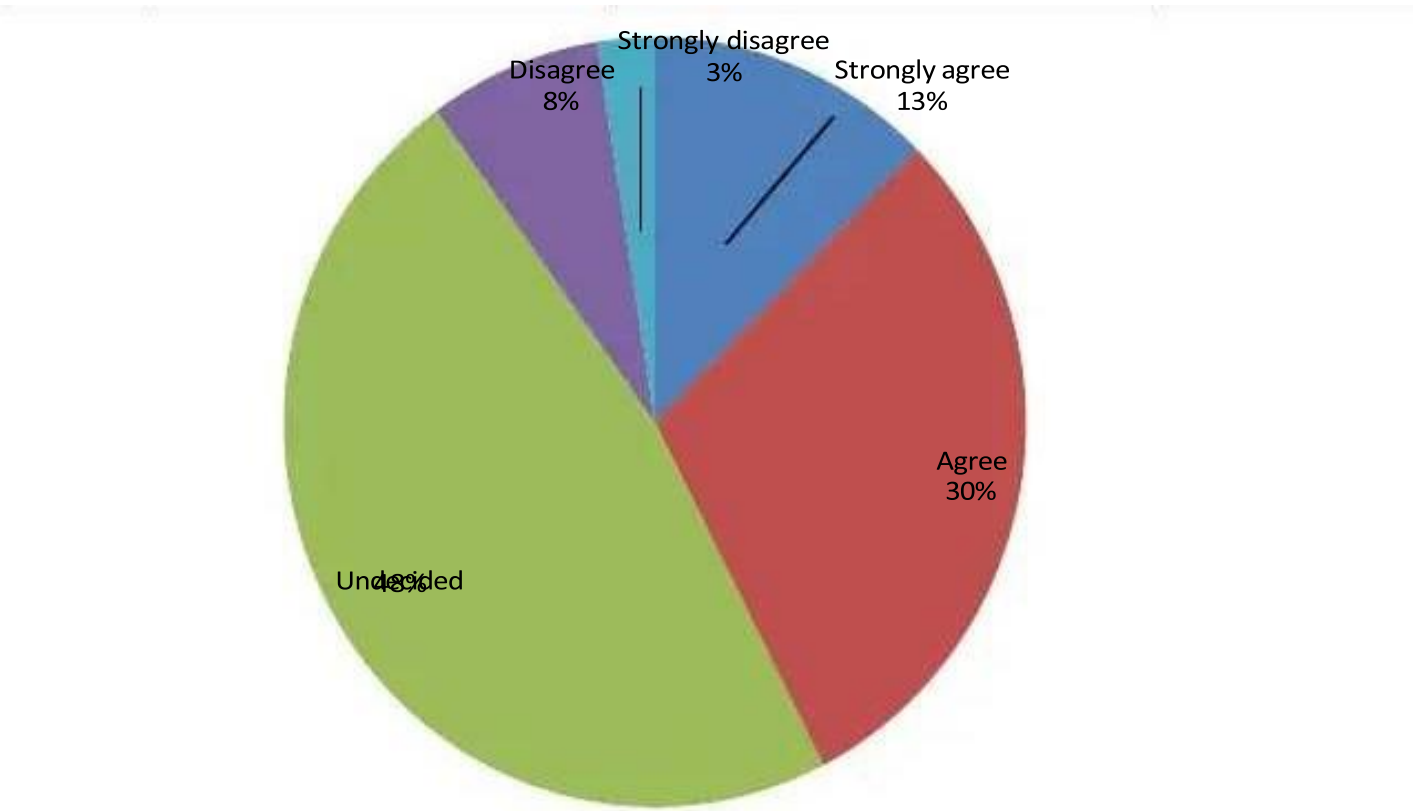


The table 5(N) shows that 63% of the respondents are strongly agree, 30% of respondents are agree, 7% of the respondents are undecided, 0% of respondents are disagree, and 0% of respondents are strongly disagree, out of Total respondents in the study area

O. I frequently consume organic food.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	25	12

2	Agree	60	30
3	Undecided	95	47
4	Disagree	15	8
5	Strongly disagree	5	3
	Total	200	100

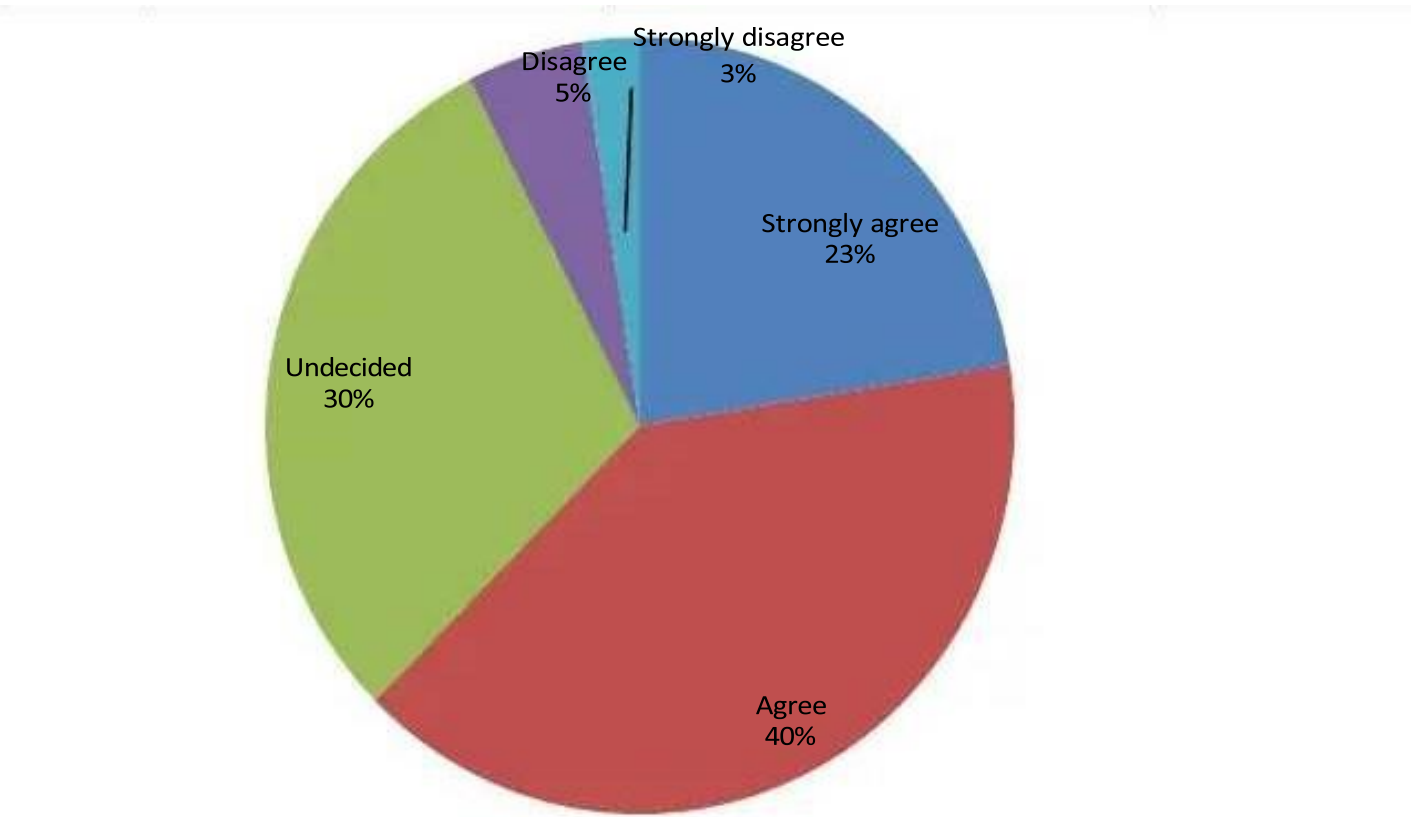


The table 5(0) shows that 12% of the respondents are strongly agree, 30% of respondents agree, 47% of the respondents are undecided, 8% of respondents are disagree, and 3% of respondents are strongly disagree, out of 200 respondents, in the study area.

P. I often visit organic food websites.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	45	22

2	Agree	80	40
3	Undecided	60	30
4	Disagree	10	5
5	Strongly disagree	5	3
	Total	200	100



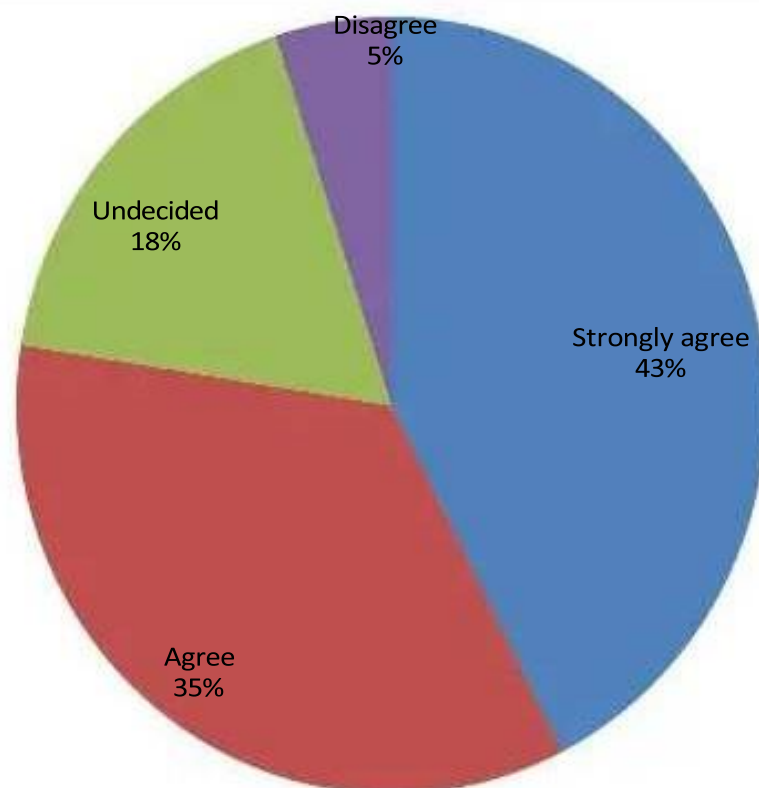
The table 5(Q) shows that 22% of the respondents are strongly agree, 40% of respondents are agree, 30% of the respondents are undecided,5% of respondents are disagree, and 3% Of respondents are strongly disagree, out of Total respondents, in the study area.

R. I often speak to others about the benefits of organic food.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	85	42



2	Agree	70	35
3	Undecided	35	18
4	Disagree	10	5
5	Strongly disagree	0	0
	Total	200	100

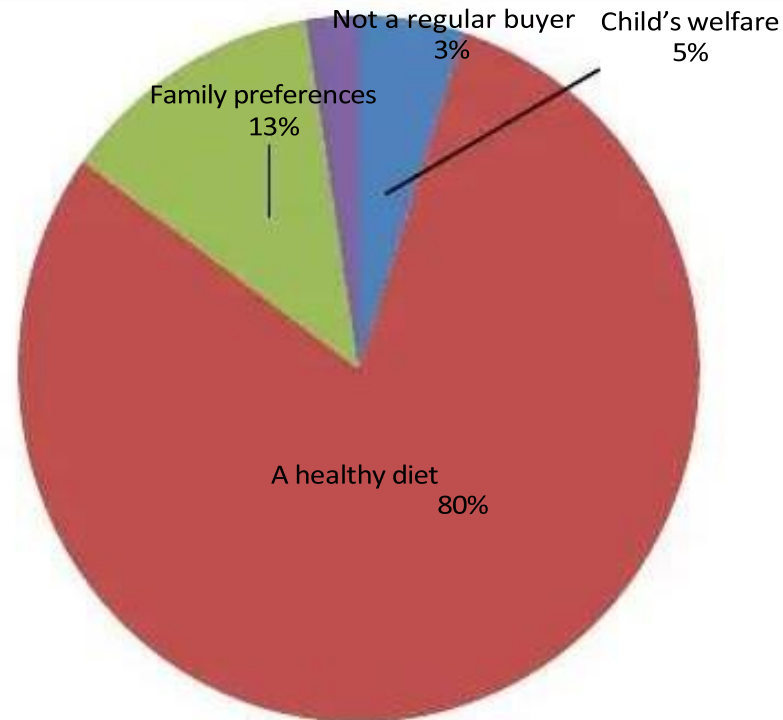


The table 5(R) shows that 42% of the respondents are strongly agree, 35% of respondents are agree, 18% of the respondents are undecided, 5% of respondents are disagree, and 0% Of respondents are strongly disagree, out of Total respondents, in the study area.

6. What influences you to continue to buy organic food?

No.	Preference	No. of Respondents	Percentages
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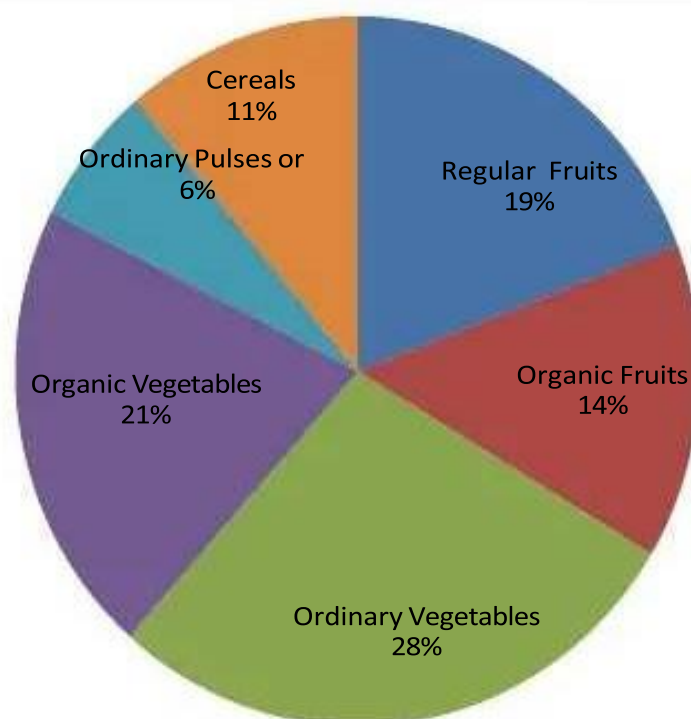
1	Child's welfare	10	5
2	A healthy diet	160	80
3	Family preferences	25	12
4	Not a regular buyer	5	3
	Total	200	100



The table 6 shows that 5% of the respondents are using organic products because of their child's welfare, 80% of respondents are using organic product because of their healthy diet, 12% of the respondents are using organic products because of their family preferences, 3% of respondents are not using organic product, out of Total respondents, in the study area.

7. How often do you purchase the following?

No.	Food category	Every week (1)	Once in a Month (2)
1.	Regular Fruits	120	80
2.	Organic Fruits	90	110
3.	Ordinary Vegetables	175	25
4.	Organic Vegetables	130	70
5.	Ordinary Pulses or Cereals	40	160
6.	Organic Pulses / Cereals	70	130



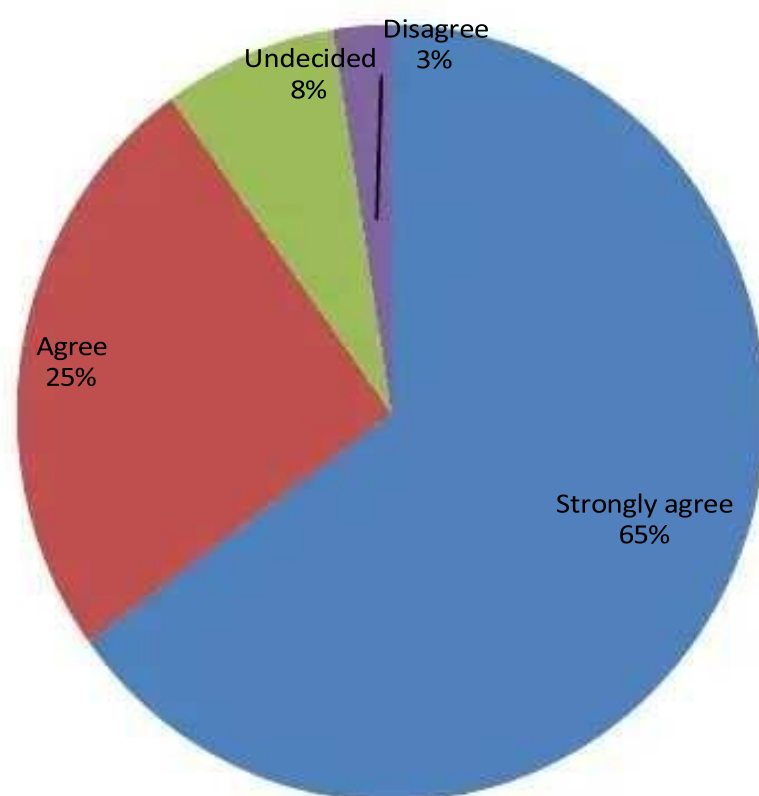
The table 7 shows that 19% of the respondents are using regular fruits, 15% of respondents are using organic fruits, 28% of the respondents are using ordinary vegetables, 21% of respondents are using organic vegetables, 6% of respondents are using ordinary pulses or cereals, 11% of respondents are using organic pulses or cereals, out of Total respondents, in the study area.

#### 8.Willingness to pay premium (excess price paid over normal products)

Please indicate with a tick mark (✓) the extent to which you agree or disagree with the following statements, where 1 = Strongly agree; 2 = Agree; 3= Undecided; 4= Disagree; 5= Strongly disagree

- A premium can be charged for organic food as they are more nutritious.

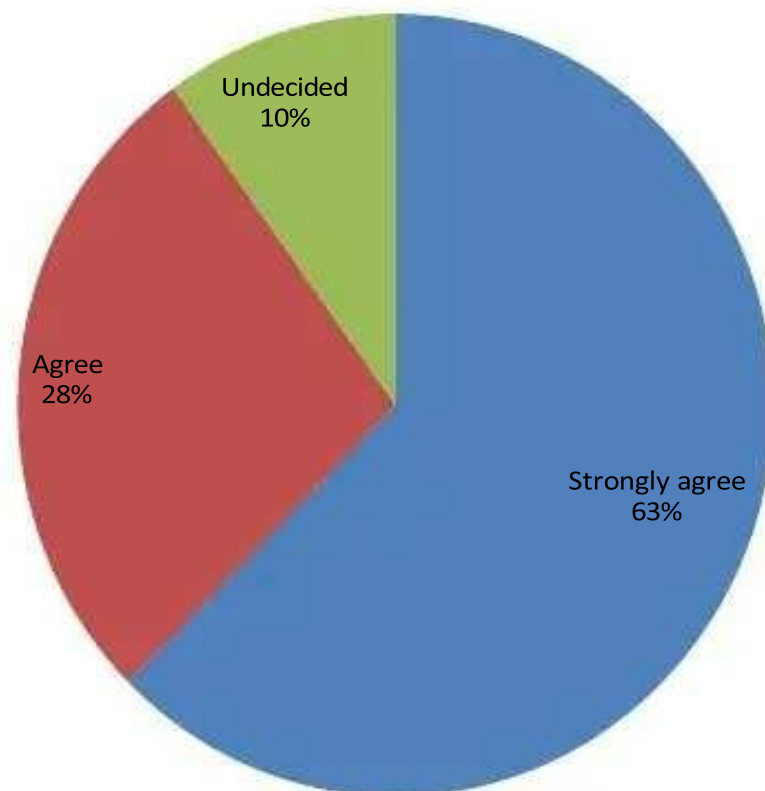
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	130	65
2	Agree	50	25
3	Undecided	15	7
4	Disagree	5	3
5	Strongly disagree	0	0
	Total	200	100



The table 8(A) shows that 65% of the respondents are strongly agree, 25% of respondents are agree, 7% of the respondents are undecided, 3% of respondents are disagree, and 0% of respondents are strongly disagree, out of 200 respondents, in the study area.

B.Organic foods are good value for money.

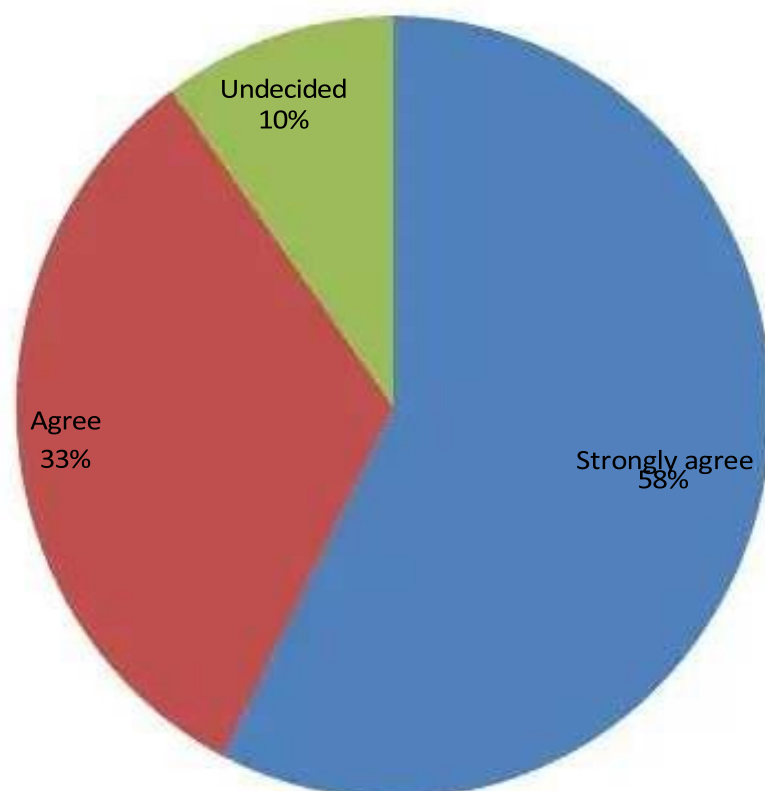
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	125	62
2	Agree	55	28
3	Undecided	20	10
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100



The table 8(B) shows that 62% of the respondents are strongly agree, 28% of respondents area agree,10% of the respondents are undecided,0% of respondent are disagree, and 0% Of respondents are strongly disagree, in the study area.

C.A premium can be charged for organic food as they protect the bio diversity of the earth.

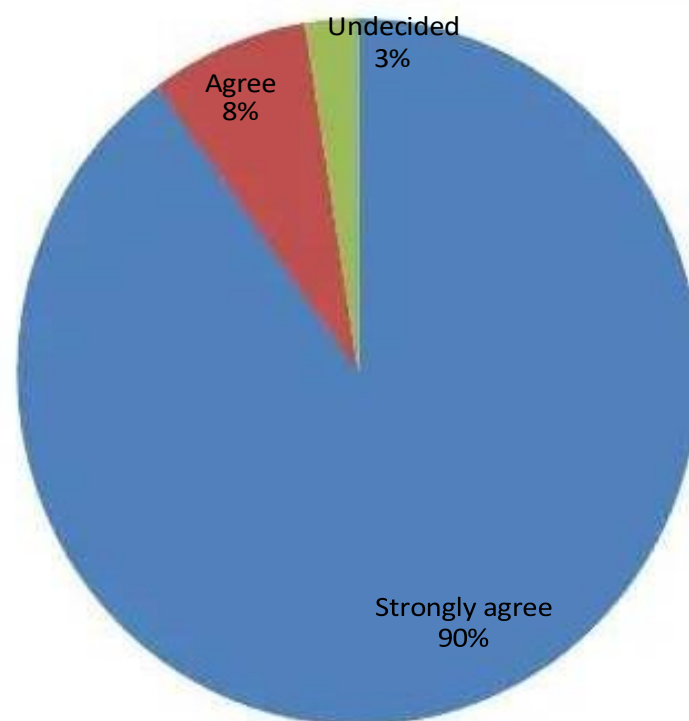
No.	Preference	No. of Respondents	Percentages
1	Strongly agree	115	57
2	Agree	65	33
3	Undecided	20	10
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100



The table 8(C) shows that 57% of the respondents are strongly agree, 33% of respondents are agree, 10% of the respondents are undecided, 0% of respondent are disagree, and 0% of respondents are strongly disagree, out of Total respondents, in the study area.

D.A premium can be charged for organic food as they have no chemical waste / pesticides residuals.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	180	90
2	Agree	15	7
3	Undecided	5	3
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100

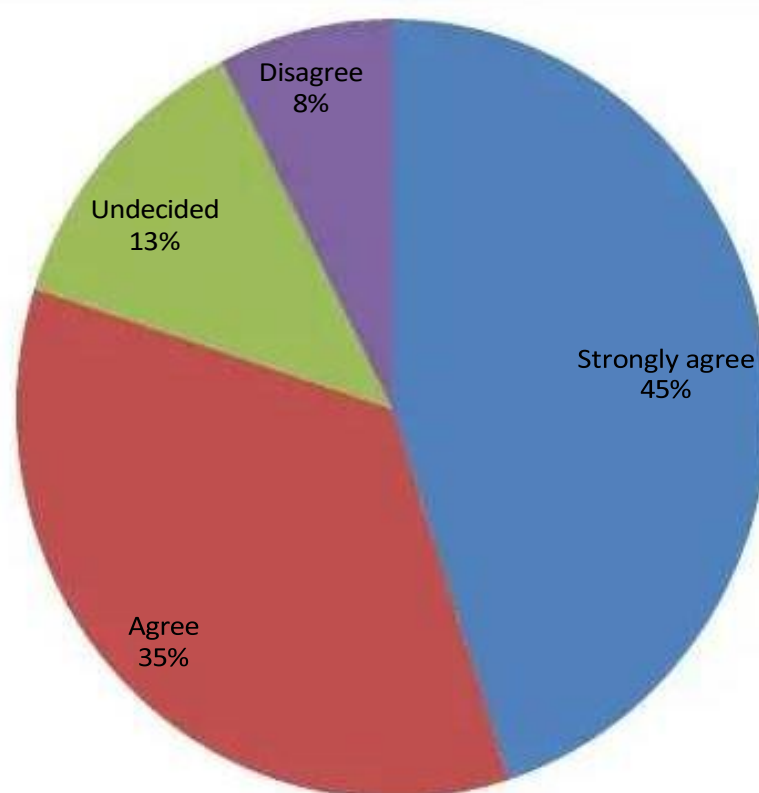


The table 8(D) shows that 90% of the respondents are strongly agree, 7% of respondents area agree,3% of the respondents are undecided,0% of respondents are disagree, and 0% Of respondents are strongly disagree, out of 200 respondents, in the study area.

E.A premium can be charged for organic food as they taste better?

No.	Preference	No. of Respondents	Percentages
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1	Strongly agree	90	45
2	Agree	70	35
3	Undecided	25	12
4	Disagree	15	8
5	Strongly disagree	0	0
	Total	200	100



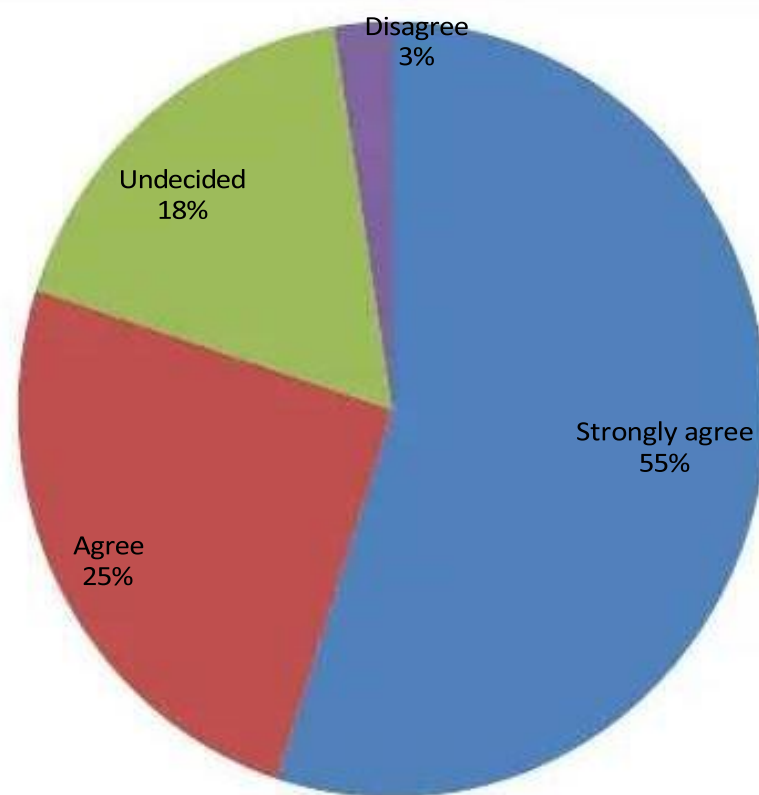
The table 8(E) shows that 45% of the respondents are strongly agree, 35% of respondents are agree, 12% of the respondents are undecided, 8% of respondents are disagree, and 0% of respondents are strongly disagree, out of Total respondents, in the study area.

F. A premium can be charged for organic food as its production methods are certified.

No.	Preference	No. of Respondents	Percentages
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1	Strongly agree	110	55
2	Agree	50	25
3	Undecided	35	17
4	Disagree	5	3
5	Strongly disagree	0	0
	Total	200	100

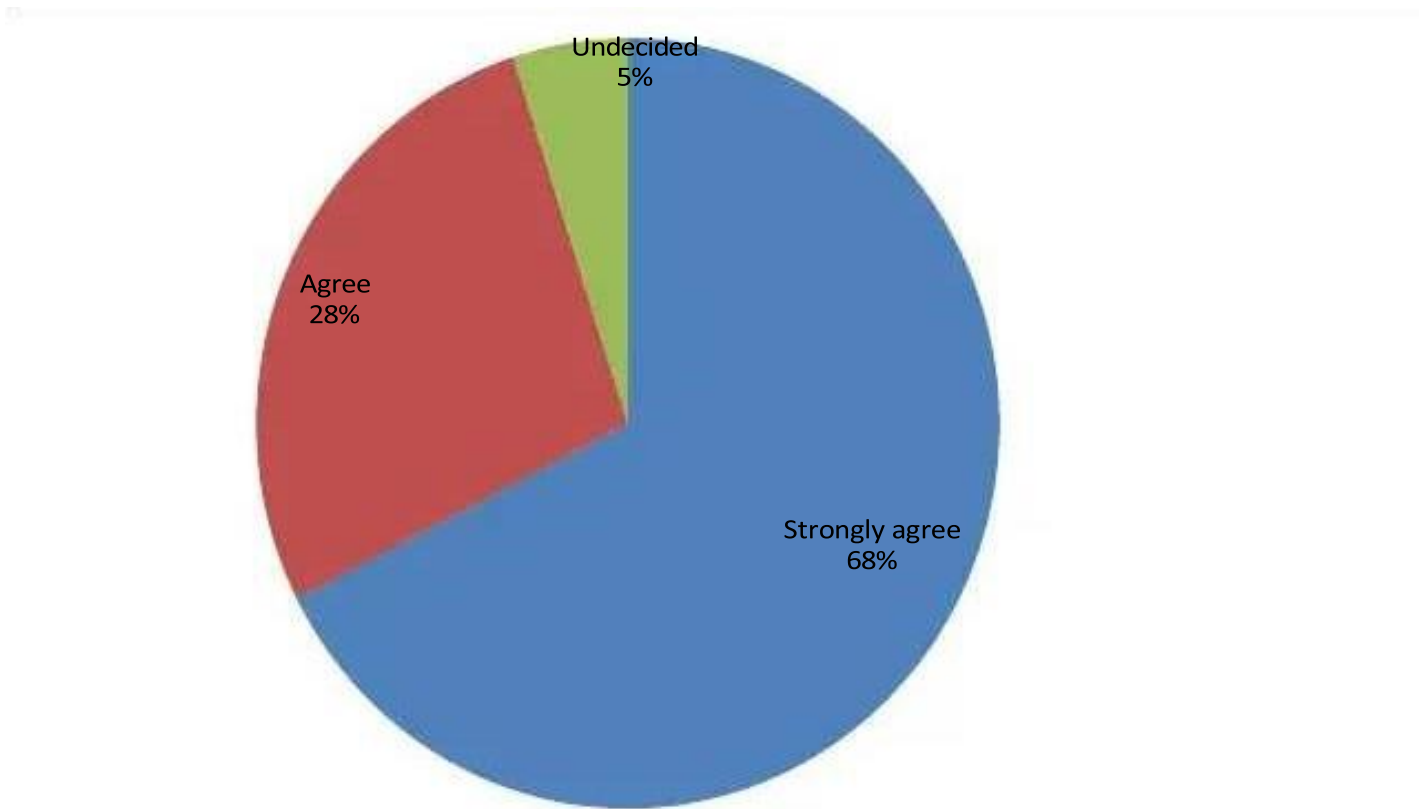


The table 8(F) shows that 55% of the respondents are strongly agree, 25% of respondents are agree, 17% of the respondents are undecided, 3% of respondents are disagree, and 0% of respondents are strongly disagree, out of 200 respondents, in the study area.

G. A premium can be charged for organic food as its safety is monitored through certification.

No.	Preference	No. of Respondents	Percentages
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1	Strongly agree	135	55
2	Agree	55	25
3	Undecided	10	17
4	Disagree	0	3
5	Strongly disagree	0	0
	Total	200	100

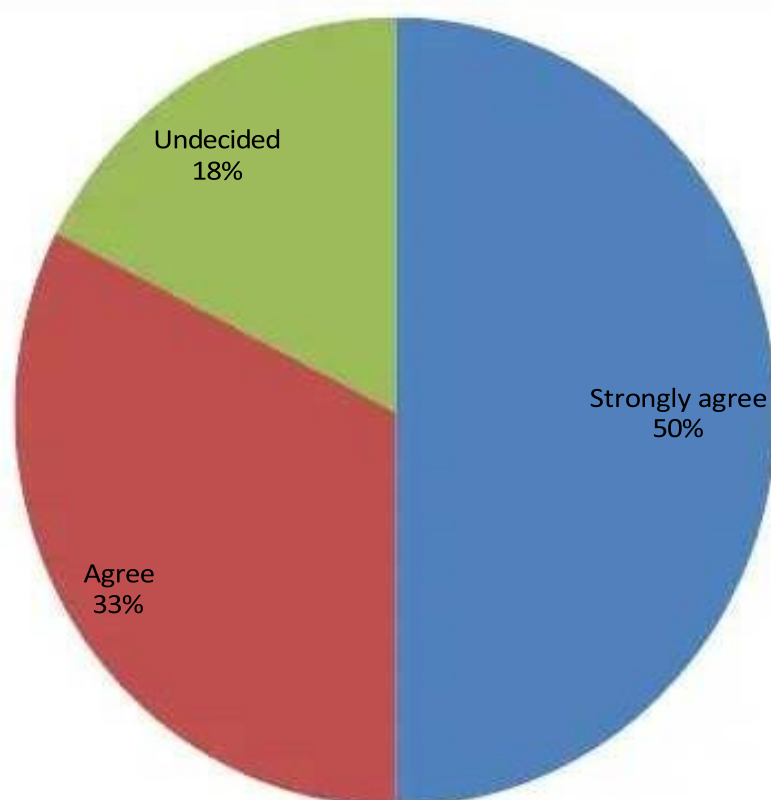


The table 8(G) shows that 67% of the respondents are strongly agree, 28% of respondents are agree, 5% of the respondents are undecided,out of 200 respondents, in the study area.

A premium can be charged for organic food as it supports marginal farmers and tribal communities.

No.	Preference	No. of Respondents	Percentages
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1	Strongly agree	100	50
2	Agree	65	32
3	Undecided	35	18
4	Disagree	10	0
5	Strongly disagree	0	0
	Total	200	100

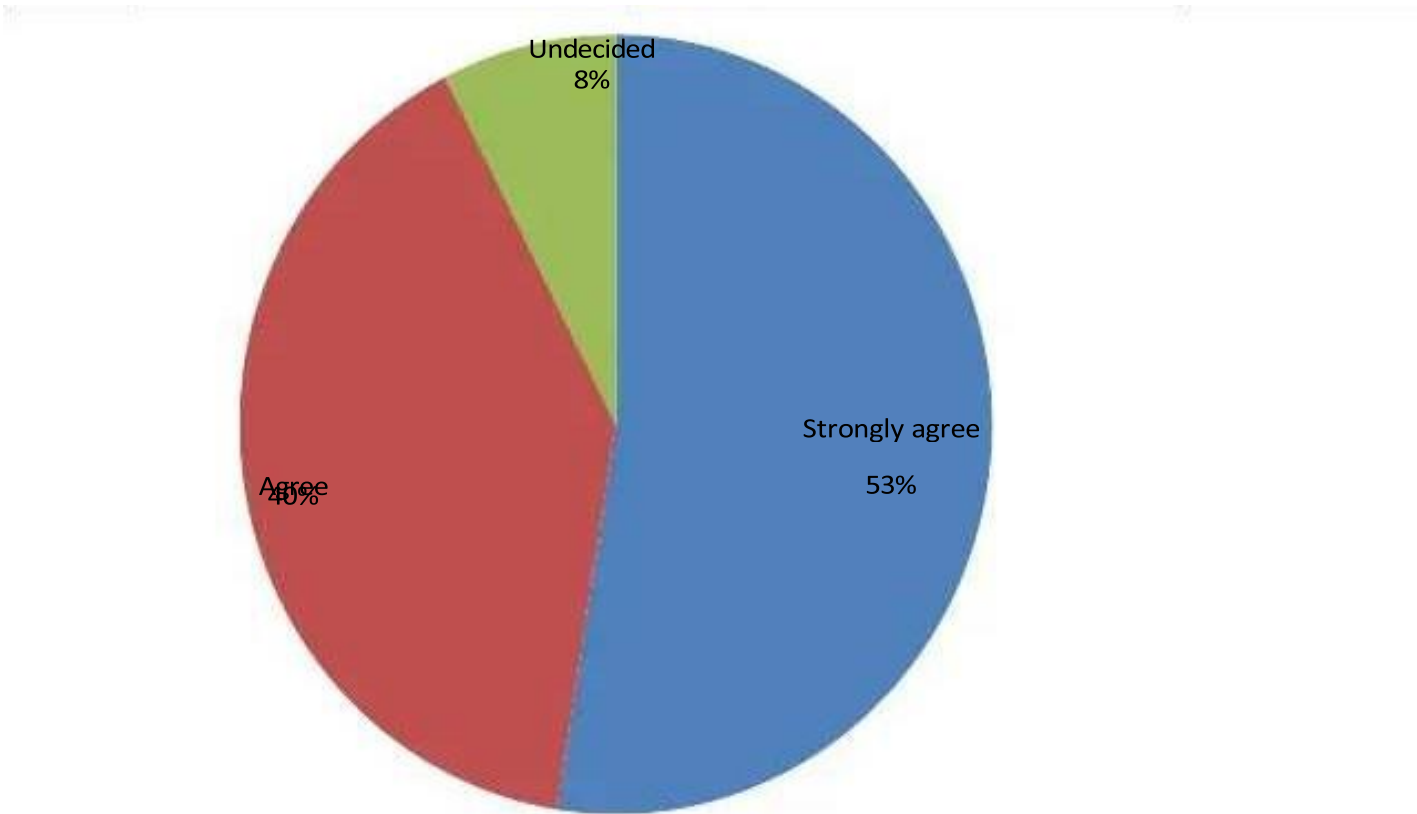


The table 8 shows that 50% of the respondents are strongly agree, 32% of respondents are agree, 18% of the respondents are undecided, out of 200 respondents, in the study area.

H.I am willing to pay a premium for purchasing organic products.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	105	52

2	Agree	80	40
3	Undecided	15	8
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100

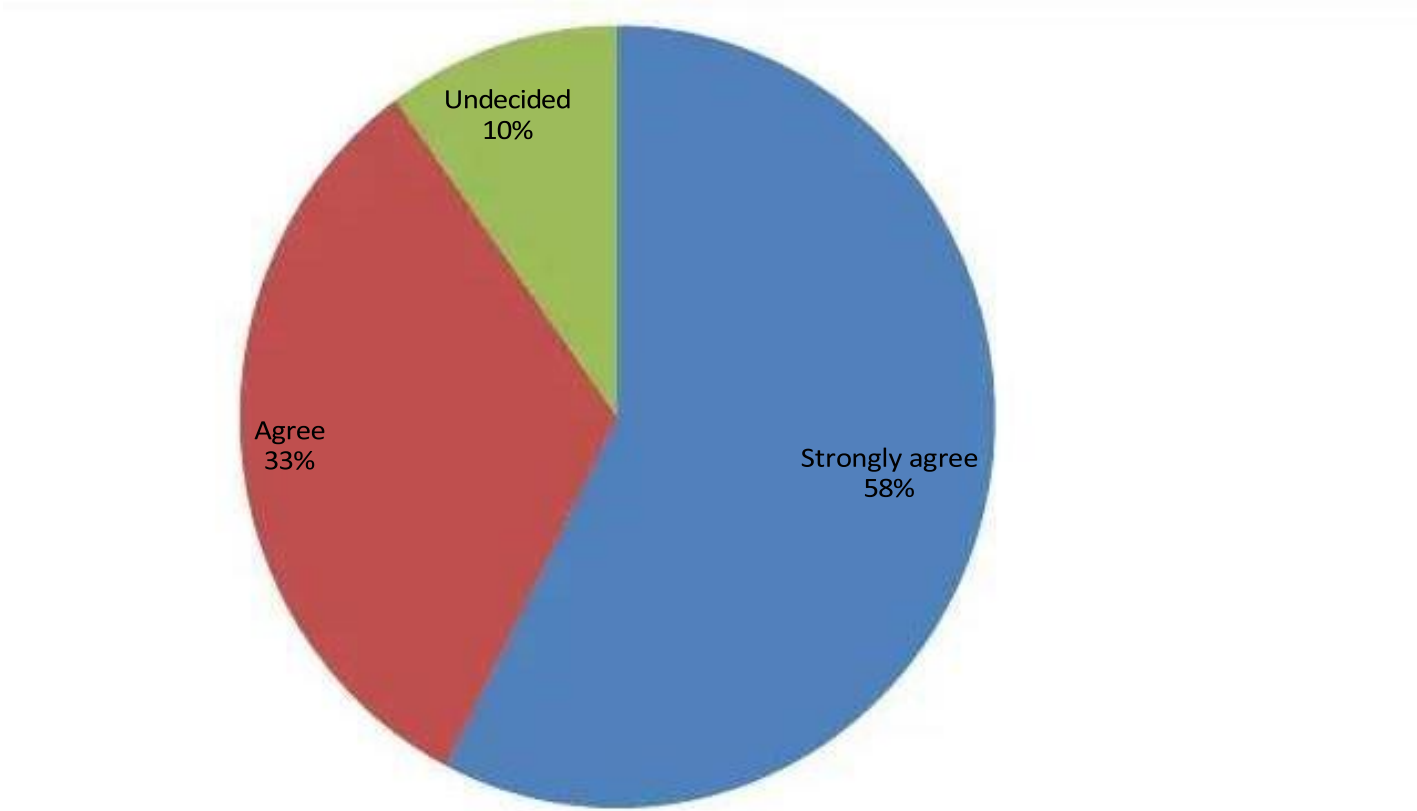


The table 8(H) shows that 52% of the respondents are strongly agree, 40% of respondents agree, 8% of the respondents are undecided, 0% of respondents are disagree, and 0% of respondents are strongly disagree, out of 200 respondents, in the study area.

I.I refrain from buying organic because of the price.

No.	Preference	No. of Respondents	Percentages
1	Strongly agree	115	57

2	Agree	65	33
3	Undecided	20	10
4	Disagree	0	0
5	Strongly disagree	0	0
	Total	200	100



The table 8(I) shows that 57% of the respondents are strongly agree, 33% of respondents are agree, 10% of the respondents are undecided,out of 200 respondents, in the study area.

9(A)Socio-Demographic Details

A.Age

No.	Preference	No. of Respondents	Percentages
1	18-30	90	43
2	31-40	65	31
3	Over 40	55	26
	Total	200	100

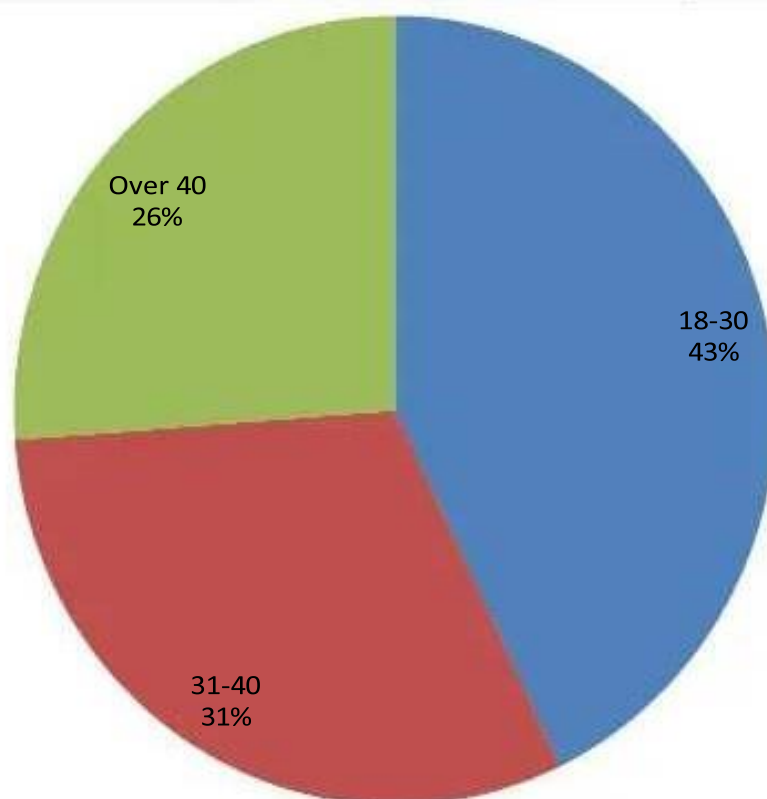


Table9 (A) shows that 43% of the respondents are between 18-30, 26% of the respondents are over 49, out of Total respondents,31% of respondents are between 31-40 in the study area.

#### 9(B). Sex

No.	Gender	No. of Respondents	Percentages
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1	Male	148	74
2	Female	52	26
	Total	200	100

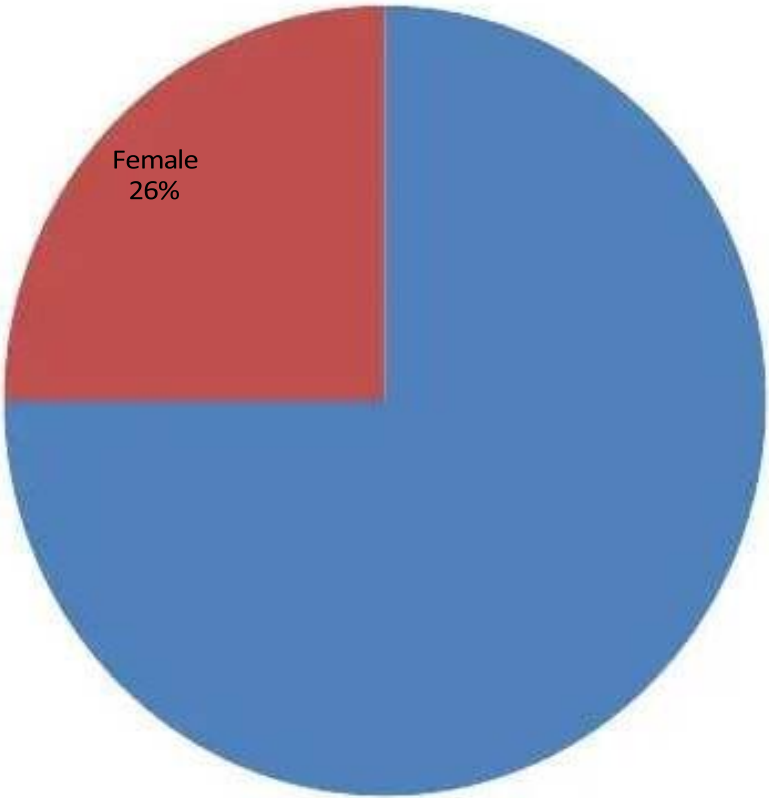


Table9 (B) shows that 74% of the respondents are male, 26% of respondents are female, out of Total respondents, in the study area.

C. Education

No.	Preference	No. of Respondents	Percentages
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1	Under graduate	35	17
2	Graduate	90	45
3	Post graduate	75	38
	Total	200	100

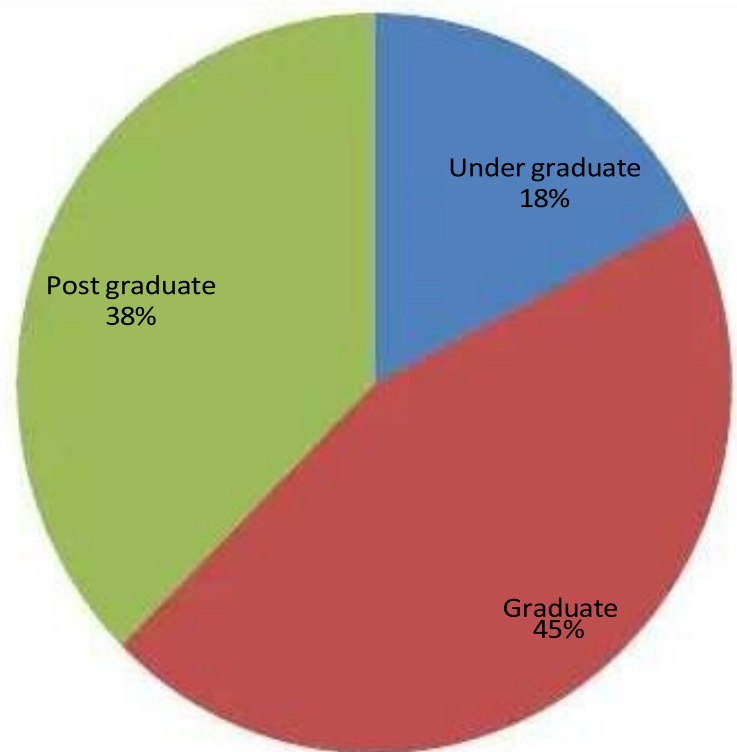


Table9 (C) shows that 17% of the respondents are Under graduate, 45% of respondents are graduate, 38% of the respondents are Post graduate, out of 200 respondents, in the study area.

D. Marital status



No.	Preference	No. of Respondents	Percentages
1	Married	90	45
2	Single	110	55
	Total	200	100

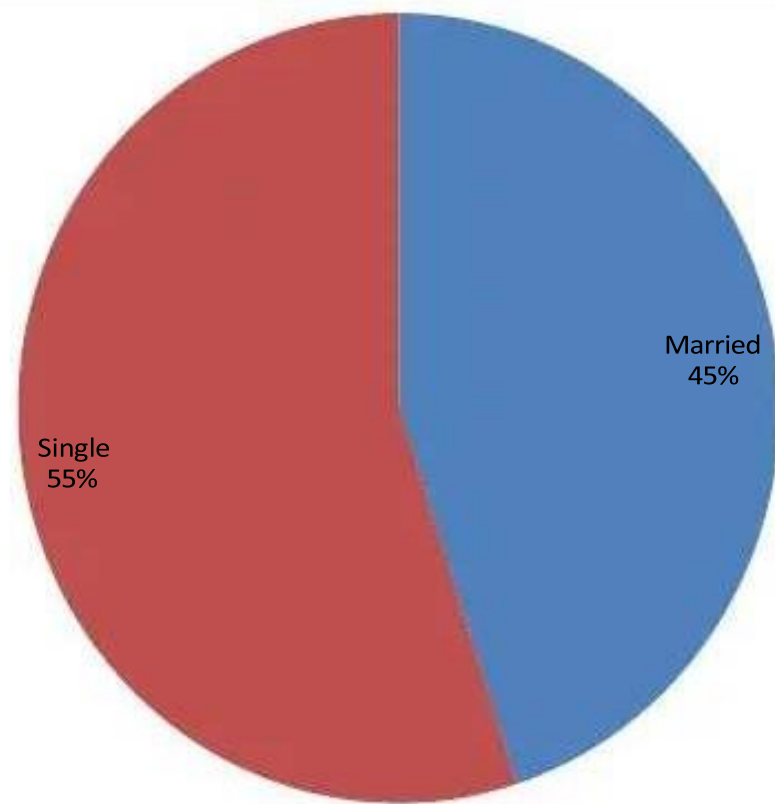


Table9 (D) shows that 45% of the respondents are married, 55% of respondents are single, out of Total respondents, in the study area.

#### E. Your Occupation

No.	Preference	No. of Respondents	Percentages
1	Service	90	45
2	Self employed	50	25
3	Unemployed	60	30
	Total	200	100

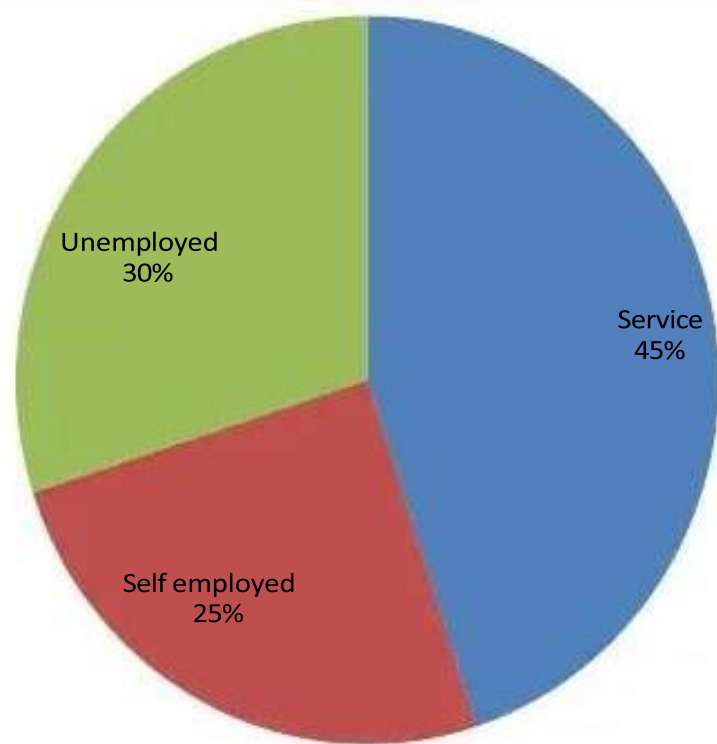


Table9 (E) shows that 45% of the respondents are into the service sectors, 25% of respondents are selfemployed, 30% of the respondents are employed, out of Total respondents, in the study area.

#### F. Monthly Household Income

No.	Preference	No. of Respondents	Percentages
1	Less than 50,000	20	10
2	50 — 1.5 lakh	45	22
3	1.5 -2.5 lakh	90	45
4	More than -2.5 lakh	45	23
	Total	200	100

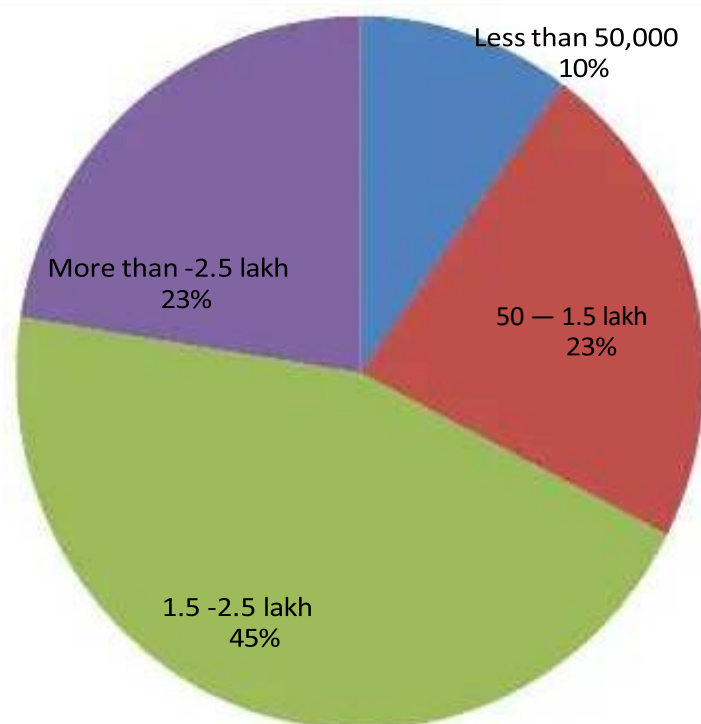


Table9 (F) shows that 10% of the respondents are have their monthly household income is less than 50000, 22% of respondents are have their monthly household income is between 50to1.5 lakh , 45% of the respondents are have their monthly household income is between 1.5to2.5 lakh,23% of the respondents are have their monthly household income is more-2.5 lakh, out of Total respondents, in the study area

## **CHAPTER 6**

### **FINDINGS, SUGGESTIONS AND CONCLUSION**

## 6.1. Findings of the Study

The study reveals that a lot of problems are faced by respondents while purchasing the organic products in the markets.

The Findings of the study are as follows.

- The main problems of organic consumers are irregular availability of organic products. Sometimes, the organic consumer would purchase non organic products along with organic products.
- The organic products are too expensive than nonorganic products. So that the organic consumers are not to purchasing more quantity of products.
- The varieties of organic products which are available in the market are limited.
- There is a lack of awareness about organic products to consumers.
- The organic products are not properly certified from any organic certified agency or authority.
- The organic products shops are limited in the city.
- There is a lack of technology for the procurement of organic products.
- The consumers are the convinced about higher price about organic products.
- The main reasons for not to consume the organic products by the consumers are not availability of organic products regularly and no choices are given in the organic products.
- The advertisement of organic products is very low when compare to non-organic product.
- Education background of the consumers is one of the important variables which influence the purchase of the organic products. The result is show that there are no illiterate among, the respondent and majority of the consumers are graduate

## 6.2.Suggestions

The following are the suggestion made based on the results of the study.

- There is a need to open organic products marketing shops every extension areas.
- The Creation of awareness of organic products is necessary among consumers.
- Sustained improvement in product features would lead to increase in consumption of organic food products.
- The increase frequency of viewing the advertisement of organic food products and better taste would influence the purchase organic food products.The influence of advertisement of organic food products with an increase in education found particularly among consumers.
- To persuade to buy organic good products, the variables like familiarity, personal ideology, social interaction and monitory cost and habits had greater influence in buying organic food products.
- The familiarity of the organic food products among customers depends on the promotional efforts of the marketers. The availability organic food products need wider advertisement.
- Allocation of separate shares for organic food products in departmental stores.
- Positioning organic food products by their specific attributes.
- Positioning organic food products by influencing consumer beliefs about the benefits they derive on consuming.
- Positioning by reputation for quality “only organic”
- The attitudes of “never buying” could be modified by educating consumers on the benefits of organic food products.
- “Organic” to be promoted as “the way of life” them considering it as “product”.
- The agriculture marketing and cooperative departments to help farmers get a good price for organic produce.

## 6.3. Conclusion

Consumer behavior plays a major role in Organic food products segment.

The marketers of organic foods need to be innovative and dynamic in order to complete with the changing purchase behavior in the Organic food products market among urban residents. The importance of organic food products was ignored for quite a long period. As results of environmental sustainability, importance is shifted towards Organic food products rather than conventional farming. The study brought out the fact that the people were well aware of images and availability, but not loyal entirely to organic food products. The respondent without doubt attracted towards Organic food products. So the marketers must create promotions which are both realistic and moral and the product availability in terms of volume and variety are required to become successful in marketing organic food products.

Organically grown products are available in the markets but in limited amounts though the growing demands are there for such products. Consumers are willing to pay price premium of 50% for organic products which could be viewed as the cost of investment in human health.

Knowledge and awareness about organic products could affect attitudes and perceptions about the product and, ultimately, buying decisions of the consumers. Vegetables followed by fruits and beans are the most preferred and highly demanded the commodities at present and the price of vegetables specially the leafy ones are higher than

other normal vegetables. But quality characteristics affect consumers' preferences for organic products; with the most important including health and nutritional value, taste, and fresh and general appearance. Consumers' willingness to purchase is influenced by limited and erratic supply, higher price of the products and very limited access and information.

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## Appendix:

### Questionnaire for Consumers of Organic Product

1. Are you aware of organic product ?

1)Yes

2) No

2. Have you ever tried organic product ?

1)Yes

2) No

3. For how long have you been purchasing Organic food?

1. Less than 6 months

2. 6months- 1 year

3.more than 1 year

4. When did you last purchase organic product ?

1. Last week

2. Last month

3. Six months ago

5. Please indicate with a tick mark the level to which you agree or disagree with the following statements, where 5= Strongly disagree, 4= Disagree3= Undecided; 2 = Agree;1 = Strongly agree

No.	STATEMENT	1	2	3	4	5
1.	Organic food more nutritious than ordinary food					
2.	Organic food tastier than ordinary food					
3.	Organic foods are generally fresh					
4.	Well aware of organic food					
5.	Buy organic because it is tastier					

6.	A wide range of organic food might be bought where I shop.					
7.	Organic food are free from chemical & pesticide residues.					
8.	There is not much difference between organic food & regular food.					
9.	Buy organic food because I want to be environmentally conscious.					
10.	I believe,organic food will keep me healthy.					
11.	Never buy food at specialized organic food shops.					
12.	I am satisfied that the food I eat is safe.					
13.	I have been purchasing organic food frequently					
14.	Organic food is costlier than conventional food					
15.	I frequently consume organic food.					
16.	I often visit organic food websites.					
17.	I often speak to others about the benefits of organic food.					

6. What influences you to continue to buy organic food?

1.Child's welfare

2.A healthy diet

3.Family preferences

4. Not a regular buyer

5. Others (please specify)\_\_\_\_\_

7. How often do you purchase the following?

Please indicate the frequency of purchase with a tick (v), and mention the amount spent per purchase.

No.	Food category	Every week (1)	Once in a Month (2)
1.	Regular Fruits		
2.	Organic Fruits		
3.	Ordinary Vegetables		
4.	Organic Vegetables		
5.	Ordinary Pulses or Cereals		
6.	Organic Pulses / Cereals		

8. Willingness to pay premium (excess price paid over normal products)

Please indicate with a tick mark (?) the extent to which you agree or disagree with the following statements, where 5= Strongly disagree, 4= Disagree, 3= Undecided; 2 = Agree; 1 = Strongly agree

No.	STATEMENTS	1	2	3	4	5
1.	A premium being charged for organic food, as they are additional nutritious.					
2.	Organic foods are good worth for money.					
3.	A premium being charged for organic food ,as they protect the bio diversity of the earth.					
4.	A premium being charged for organic food, as they have no chemical waste / pesticides Residuals.					
5.	A premium being charged for organic food, as they taste better.					
6.	A premium being charged for organic food, as its production methods are certified.					
7.	A premium being charged for organic food, as its safety is monitored through certification.					
8.	A premium being charged for organic food, as it supports marginal farmers and tribal communities.					
9.	I am willing to pay a premium for purchasing organic products.					
10.	I refrain from buying organic because of the Price.					

9. Socio-Demographic Details (please tick the appropriate answer)

1. Age (i) 18 — 30 (ii) 31-40 (iii) over 40
2. Sex (i) Male (ii) Female
3. Education: (i) Under graduate (ii) Graduate (iii) Post Graduate
4. Mention Professional Qualifications, if any \_\_\_\_\_
5. Marital status (i) Married (ii) Single
6. Your Hometown \_\_\_\_\_
7. Number of children in the family \_\_\_\_\_
8. Age of children 1st child \_\_\_\_\_ 2nd child \_\_\_\_\_ 3rd child \_\_\_\_\_
9. Your household size: \_\_\_\_\_
10. Your Occupation
- 1) Service 2) Self employed 3) unemployed
11. Monthly Household Income (Rs)
- 1) Less than 50,000 2) 50 — 1.5 lakh
- 3) 1.5 -2.5 lakh 4) more than 2.5 lakh