

Overview of Consumer Behavior with Reference Organic Food Marketing

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Abstract: Organic food in its simplest form is the food minimally processed to keep up its uprightness utilizing natural procedures, without using artificial preservatives, additives, or irradiation. Globally, there is increasing awareness about environmental issues and their consequences on biodiversity, sustainable agriculture practices, and the adverse effect of chemical substances on the soil, environment & human health. This has encouraged a move towards organic farming and consumption of organic food. Organic food isn't a new concept. It is the result of a transformed mind set about healthy food habits and can be considered as the return to the traditional food and natural food habits that men have been following for ages. India, alone accounts for over 135 million people under the risk of health issues such as diabetes, hypertension, obesity; hormonal disorders which have raised an alarm which made consumers realize the importance of food quality and safety. This study would be useful for non-organic consumers, academicians, farmers, marketers of organic food products to identify the factors which create an attitude among the consumers which in turn shapes the favourable behaviour towards organic food products driving them to the purchase intentions. In this context, the research has carried out the study of consumer behaviour towards organic food products in Mumbai which is the capital of Maharashtra, the second-most populous city in India and also called the financial capital of India. Since the city comprises of people belong to various regions of India; diversity in their culture, lifestyle and consumption pattern can also be observed vividly.

Keywords: Organic food.

I. INTRODUCTION

India is at 9th position in Organic agricultural land with 650,000 organic producers. Ministry of Commerce has executed National Program for Organic Production [NPOP] in the year 2011, which gives certification and accreditation to Organic food producers. India produces 1.70 million certified organic food products including vegetables, fruits, oilseeds, grains, millets and pulses, dry fruits, tea and coffee, spices, and medicinal plants. Leading states in Organic food production in India are Madhya Pradesh, followed by Maharashtra, Rajasthan, and Uttar Pradesh (apeda.gov.in 2018). Survey-based studies show that Indian consumers, particularly those with middle to upper levels of income and higher literacy, considers that organic food products are healthier and better in quality than conventional products, hence there is favourable scope to increase their willingness to pay a premium for such products. This has created promising possibility to increase the consumption of organic food products in India and worthwhile business opportunities for entrepreneurs.

1.1 Benefits of Organic Food Products

- **High on nutritional content:** Since Organic vegetables, fruits and grains are free from chemical substances; there is no adverse effect on human health and the nutritional value can be sustained and obtained by the human body properly.
- **Free from toxic substance:** Organic cultivating doesn't utilize poisonous synthetic compounds, pesticides, and weedicides. Studies uncover that a huge area of the populace that fed on harmful substances utilized in conventional farming has fallen prey to infections like a malignant growth that leads to cancer. As organic agriculture avoids these toxins, it lessens the disorder and maladies because of them.
- **Enhanced Taste:** The quality of food is additionally determined by its taste. Organic food often tastes

superior to conventionally grown food. The sugar content in organically developed fruits & vegetables furnishes them with additional taste.

- **Longer shelf-life:** Organic plants have more prominent metabolic and basic integrity in their cell structure than conventional yields. This empowers the capacity of organic food for a more drawn out time. Thus organic food provides a longer period of storage & usability.
- **Human health:** Studies have proved that organic food has a lower concentration of pesticides or any other harmful chemical substances as compared to conventionally grown food. Hence there is good reason to believe that organically produced food reduces health risks.
- **Eco-safety:** Organic farming primarily focused on eco-friendly agro-practices. It helps controlling water pollution and soil erosion. It promotes the conservation of biodiversity and enhances ecological functions.

1.2 Global & Indian scenario of Organic Food Market

Worldwide, the organic food market remained at \$ 110.25 billion in 2016 and is anticipated to develop at a CAGR of 16.15%, in esteem terms, during 2017 – 2022, to reach \$262.85 billion by 2022. Increasing awareness of nutritional benefits of organic food, rising per capita spending on organic food products and expanding well-being worries because of developing several compound harming cases are required to drive worldwide organic food market in upcoming years. Additionally, proceeding with product innovations and aggressive marketing strategies received by significant players and online retailers would emphatically impact the global organic food market during the conjecture period.

The organic markets in India are largely spread across the food & beverages, health & wellness, beauty & personal care, and textile industries. The highest growth is observed in the „Organic food“ segment, followed by textile, beauty, and personal care. The current Indian domestic market is estimated at INR 40,000 million which is likely to increase by INR100, 000 million – INR120, 000 million by 2020 with a similar increase in exports (ASSOCHAM Report 2018).

The organic food market in India is displaying an upswing closely following rising territory under organic farming, developing tendency of consumers in urban regions towards chemical-free food sources and natural items, and increasing disposable income levels. The Organic food market in India developed at a sound pace during 2010-14 because of rising health concerns, evolving lifestyle, mounting disposable spending, and developing accessibility of organic food products in malls, supermarkets, retail outlets, and online business gateways. The shelf space of organic food products is expanding across significant retail outlets, for example, Spencer's, Nilgiri's, and Nature's Basket, and so forth. Thus India has tremendous potential, largely untapped for a breakthrough in organic products. Mostly the organic foods in our country are produced targeting the export demand in the markets of the developed world. A study on the behaviour of consumers towards organic food is one of the important aspects of analysing its present & future demand for the domestic consumption.

1.3 Categories of Organic Food Products

- **Organic pulses, food grains & spices:** Organic pulses, food grains & spices are the biggest fragments in the Indian organic food market. Products in this segment are chiefly devoured in urban territories because of their higher nutritional supplement substance, and longer shelf-life without the utilization of additives.
- **Organic fruits and vegetables:** Organic fruits & vegetables are accounted for a relatively small share in the Indian organic food market, when contrasted with different fragments, because of their shorter shelf-life, poor logistics, and supply elements for organic products in India.
- **Organic processed foods:** Organic processed foods incorporate a wide series of products ranging from breakfast, snacks, and flakes, and so on. This section is the second biggest revenue-generating segment in the Indian organic food market. Rising focus of food providers on tined and packaged food products, combined with developing fame for ready-to-eat food sources is driving the market for organic processed food in India.
- **Organic dairy products:** Organic dairy products incorporate milk, ghee, butter, cheese, curd, and other dairy products. Inefficient supply chain network & uneconomical inventory is impeding the high growth

capability of organic dairy products.

- **Organic poultry products:** Organic poultry products are those animals and birds which are produced through land-based activity and shall be an integral part of organic farm unit and management of livestock shall be inconsistent with the principles of organic farming and shall base on: natural breeding, protection of animal health and welfare fed with organic feed and fodder.

Policy & Regulatory landscape for Organic food products

In recent years, the Administration of India has initiated policies to promote organic food for the domestic market and exports. The government affirmed the National Program for Organic Production [NPOP] in 2001, which creates criteria for the accreditation of certification agencies. Under this program, different certification agencies are registered, which give certifications to produce, sell, and deliver organic products in India and abroad.

II. REVIEW OF LITERATURE

Dangi et al. (2020) in their research explored the determinants of natural food purchasing behaviour in a developing economy like India, where natural food yet has low market share despite of its capability. The study endeavours to clarify the impact of subjective norms, perceived behavioural control, attitude on purchasing goal towards natural food among respondents in Delhi-National capital district, India. This study felt subjective norms to be frail and scarcely critical to intention. The outcomes infer that past purchase behaviour, health motive, affordability, trust, and knowledge in organic accreditation label are the primary facilitators in natural food purchase. Predominantly, the respondents see purchasing natural food normally as being of worth and delightful to them. A more preferable appearance versus traditional food was adversely identified with behavioural intention. This exploration could help all stakeholders in the natural food division, especially rising economies like India where the natural market is still budding. It could be a basic motive to enhance consumer participation and therefore help them in the decision-making process to pick natural food over traditional food.

Agarwal P. (2019) used Theory of Reasoned Action (TRA developed by Fishbein & Ajzen) in order to explore the impact of consumer attitude & subjective norms on purchase intentions Organic food products in India. Attitude and subjective norms components have been a vital part of the theory of reasoned action. Some of the previous studies have used components of theory of planned behavior like, attitude, subjective norms and perceived behavioral control on buying intention of organic food, but only a few studies used components of theory of reasoned action, Such a study in the Indian environment is new to work out. This study shows that attitude and subjective norms are important components for the buying intention of organic food. In the Indian environment, subjective norms are more important than attitude, so the organic food industry and marketing professionals should give due importance to subjective norms. Subjective norms have also been found influencing attitude towards organic food. This seems quite reasonable for India where people take the advice of family and friends, colleagues also. Word of mouth communication has an important role to play in the Indian environment. Advertisements should be developed in which celebrities and well-known persons are using and getting benefits from the consumption of organic food.

Kataria et.al (2019) most important finding of this study was that organic food product's buying behaviour can be predicted by using consumers' social Norms, attitude, and accessibility of products. Accessibility of the organic food products was found to be more important factor than social norms to affect the consumer's attitude towards buying organic food products. Subjective norm's effect on attitudes is generally seen in the behaviours, which involve some kind of ethics in decision making and hence we can also associate buying organic food as ethical decision, involving environmental protection, animal welfare. Government and marketers should work on increasing awareness and knowledge as it will lead to change the thoughts of the society and turn attitude more positive.

Anwesha (2019), conducted empirical study on awareness and consumption pattern of organic food in Bengaluru city, an analysis with respect to different demographic factors and availability of organic food products in Bengaluru. Advertisement & promotional program must facilitate more awareness about the outcomes of consuming organic food products and consumers should be purposely informed about the adverse effects of non-organic food. Campaigns must be developed by demonstrating well-being perils happening or may happen because of the harmful excrement and chemicals (pesticides, fertilizers, weedicides etc.) utilized for large scale manufacturing of vegetables and fruits, just in the route results of tobacco are being shown to individuals in cinema hall. The products should be

made progressively accessible to individuals both easily and economically. If consumers analyse and find that cost of non-organic vegetables less expensive than organic ones, naturally they will tend to move towards non-organic in any event, knowing its awful impacts. This is where government can assume a viable job by decreasing the cost of organic food. Government can take different measures to promote production, consumption and advertisements of organic food products so as to generate maximum consumer awareness.

Ditlevsen (2019), in their research article discussed about the health benefits of organic food. Organic food products available in the market ensured that they are free from contaminated material present in pesticides and preservatives. Consequently, organic food producers appear to supply products as per consumers' demand of eating food which is safe to health. This study discovers three distinct understandings of wellbeing in consumers' justification of their inclination for organic food products: Health as purity; Health as delight, and a Holistic viewpoint on wellbeing. Health as purity was seen as the most widely recognized comprehension of wellbeing among the consumers when health was being discussed corresponding to organic consumption. Here it seemed to be viewed as a valid argument for individual preference for organic food products, however when the conversation proceeded to a more extensive conversation of healthy eating it lost that authenticity. While studying healthy food in general, in separation from a particular setting, a simply nutritional point of view on health was utilized and biomedical estimates picked up pertinence as complete contentions in the discussions.

Darsono (2018) referred to Theory of Reasoned Action (TRA) from Fishbein & Ajzen to study consumer behaviour towards organic food products in which he expanded the model by putting knowledge about organic food as antecedent to attitude & purchase intentions with the belief that to shape consumer behaviour and satisfy consumer needs & wants, they should be well knowledgeable about what do they purchase & consume. The study also emphasizes that attitude & intentions are the main predictors in choosing organic food products and they are positively influenced by other predetermined variables such as health concern, environmental concern, and product quality & product knowledge. Out of which health is most reasonable reason for organic food consumption.

Sharma B. (2018), scrutinized the components influencing the acquisition of organic food. These variables are safety, ecological concern, taste, health, availability, affordability, quality, and nutrition which influence customers to buy organic food items. The study findings uncover health, better for people in the future and environmental amicable are major factors that impact buyers to buy organic food. The study reveals that health viewpoint is more considered by customers. All characteristics are scored by purchasers at concurred level. If more data, legitimate accessibility, sensible cost are given to purchasers then the demand of these items will ascend in future.

Singh & Verma, (2017) examined the mechanism behind consumers' actual buying behaviour towards organic food products. First, the study explores factors influencing consumers' attitude towards organic food. Second, the study provides the understanding of how influencing factors and attitude affect the purchase intention of consumers towards organic food products. Prior studies have reported that consumers' intention to purchase may not always convert into actual buying of organic foods. Therefore, the effect of socio-demographic factors on actual buying behaviour is also examined. The results have stated that four factors (health consciousness, knowledge of organic food products, subjective norms and perceived price) influence the consumer attitude towards organic food products also affect the purchase intention towards organic foods. This study reveals that consumer attitude & purchase intentions have positive impact on consumer actual buying behaviour. However, consumer attitude & purchase intentions mediate the relationship between influencing factors & consumer behaviour. Thus attitude towards organic food products and purchase intentions are predicted to be antecedents of actual buying behaviour. The study also demonstrates that socio-demographic factors influence the actual buying behaviour.

Thattai et al. (2016), in their research analysed Consumer Behaviour towards Organic Food With Special reference cities - Mumbai & Thane. Business of Organic food and Organic Farming is picking up energy world over and India isn't an exception. Numerous states like Sikkim, Madhya Pradesh, and Himachal Pradesh have taken large jump on organic food products. Though Maharashtra is at 3rd rank in Organic farming, it is still lagging behind in terms domestic demand for organic food products. Development of organic food business basically should be demand driven. Irrespective of growing awareness about adverse impacts of conventional food and its production techniques, demand for organic food is shockingly low. This paper basically attempts to investigate factors influencing buyers' interest for organic food in two most populated urban areas of Maharashtra - Thane and Mumbai. In these cities,

majority of consumers are aware of organic food, its benefits and hazards associated with conventional food consumption. However, major reasons for non-purchase are high price and lack of information such as from where to buy and risk of getting cheated on the name of organic food. In Maharashtra, good number of consumers knows about the superiority of organic food over conventional; still they found to be consuming it less. Better supply and promotional efforts are needed to encourage them to purchase organic food products. As far as Maharashtra is concerned, large number of individuals know about predominance of organic product over traditional, yet are seen as utilizing less. Amazingly the most predominant cause behind low demand is neither cost nor ignorance, however, less supply of organic product. Hence in Maharashtra, organic product utilization is seen as function of greater production and improved supply.

III. CONCLUSION

Organic farming practices are becoming popular among Indian farmers and consumers are aware of the positive implications of the consumption of OFPs. The awareness on the harmful effects of chemicals present in food is increasing among the consumers which lead to the purchase of OFPs. In recent years, "Back to Nature" campaign is spreading in social media Platform, people wants to protect environment through consumption of environmental friendly products. The primary barrier of purchase intention towards OFPs is its high price followed by lack of awareness about organic food standards. Therefore, providing OFPs at reasonable cost and creating awareness about organic food standards and certifications among the consumers community becomes crucial. Another important barrier of OFPs is its availability at nearby stores, hence it is important to establish organic food retail stores network which enables ease access to OFPs. Farm-to-Home is another emerging concept, which also plays a key role in shaping attitude and purchase intention of consumers towards OFPs. Current study proves that the organic food products are perceived as healthy products by the consumers which strengthen their purchase intentions; consumer knowledge & environmental concerns are other critical factors affecting their attitude towards OFP. Also consumers follow others opinions (subjective norms), at the same time their own beliefs and norms while forming purchase intentions about organic food products. However existing organic food consumers are highly satisfied with their organic food consumption and majority of them want to strongly recommend it further.

It is concluded that consumer knowledge, health consciousness, environmental concern; personal norms and subjective norms have a positive influence on consumer attitude and their purchase intention towards OFPs which leads to shape up consumer behaviour towards organic food products.

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