

A STUDY ON RURAL CONSUMER PERCEPTION TOWARD ORGANIC FOODS IN SELECTED AREA OF HARYANA

Shashi Rani, “Dr. Ramesh Rani”

Ph.D, Research Scholar, Department Of Commerce, Niilm University, Kaithal

Associate Professor, Department of Commerce and Management, Niilm University, Kaithal

Abstract :

Good health is one of the main elements of happiness that a person needs in his/her life. We can see various people around us that are happy without having a lot of money. However, they are happy because they have good health and they enjoy their lives. So, no one can argue this statement that “Health is



Wealth”. Consumers are increasingly concerned about the effects of herbicides, pesticides, fertilizers, and growth-promoting hormones that are found in food. Organic food, which is grown and produced differently to food produced in conventional methods, is thought to contain fewer additives and contaminants and is also considered to be more environmentally friendly. While organic food has been shown to expose consumers to less harmful pesticides, studies concerning the health benefits of organic food versus conventionally produced food often produce conflicting results. . This paper focus to access the demographic profile & organic food purchase behavior of the respondents to determine the preference of consumer toward organic food product & their attitude when they choose it. This study is based on primary data. The study was carried in some rural area of Haryana state with the help of consumer survey which is only targeted to organic buyers. 200 self-administrated questionnaires were distributed to the respondents, who are well aware about the organic food

product. 96 % response rate by adopting snowball sampling technique. Cronbach's Alpha (α) was used to measure the reliability of data it reach at .The Data Collected were analyzed using descriptive statics and graphs. Finding of the study reveal that people were ready to purchase organic food product and even in higher prices but upto 10% only and some consumers don't know the organic food.

Keywords: organic , Foods , Products, Safety, health issue and environment issues.

Introduction

Organic production is an overall system of farm management and food production that aim at sustainable agriculture high quality product and these of processes that do not harm neither the environment nor human , plant or animal health and welfare.Consumer are consumer are anxious about food quality production technique and provenance and they trust organic food more easily. The food related decision making process is complex and is influenced by many determinants consumer are concerned about the health factor and nutritional value of product and demand for their product increase day by day so research study attempt to understand consumer perception towards organic products.

Research Objectives

1. To Access the Demographic Profile & organic food purchase behavior of the respondents.
2. To Determine the perception of consumer toward organic food product.

Literature Review .

There are plenty of Literature available on consumers and organic food products. Some studies found that organic food products are more expensive than conventional once. Many empirical studies focus that consumers are willing to pay more for organic food product because organic foods are healthier than conventional food. Some of the studies discuss here.

Siti Sarah Mohamada et al (2013) studied that "Organic Food Consumption Among Urban Consumers: Preliminary Results". This study attempts to investigate Malaysian consumers' awareness and intention towards organic food consumption. This study found consumers are aware that organic food products was for health benefits, the products are chemical free resulting in no side effects and do not cause harm to persons consuming organic food products. This awareness may be related to the area the respondents are living as urban consumers could be exposed to more information and knowledge with regards to organic food products. Also, this study found a majority of the respondents are working professionals and they may want to consume organic foods as a means to help reduce their stress levels and maintain an energetic lifestyle. **(Mehra & Ratna,2014)** Studied " Attitude and behaviour of consumer towards organic food : An exploratory study in India" and observed that the organic food sector is growing significantly and surmounted growth is being witnessed from tier 1 and tier2 cities in India, indicating huge acceptance among the masses. The study provides insights into identifying the factor influencing the attitude and behaviour of consumers for organic food,which is currently gaining momentum in tier2cities in India. Six significant factors were found to influence the attitude towards organic food. **[Singh, 2014]** Studied "Organic Produce Supply Chain in India: Organisation and Governance" and found that the concept of organic farming originated in the U. K. in the 1930s and certified organic produce has been available since early 1970s. Worldwide, about 130 countries now produce certified organic product on a commercial scale, with 90 of them being developing and within them, 15 being even least developed countries. The organic crops cover an area of 22 million hectares worldwide. Asia alone has 20 countries producing organic produce with 60000enterprises and 0.6 million hectares under it which is 15% of all farms and 2.6 of total area under organic farming worldwide. **(Mittal,2014)** Studied "A Comparative Study Of Consumer Behaviour With Regard To FMCG Product In Rural And Urban Market" and observed that The consumer purchases a variety of goods and sevices to satisfy his wants and he is always influenced in his purchasing activity by some considerations which lead him to select a particular

commodity or a particular retail store in preference to others. So, consumer buying is more complex. Consumer purchases are likely to be influenced by physiological, psychological and sociological, factors. The commodities and services are brought by the consumer to satisfy his basic needs, for comfort, pleasure, recreation and happiness. **Manoranjan Dash et al. (2014)** Studied "Consumers Perception towards organic Food Products in Bhubaneswar, India" The purpose of this study to gain knowledge about consumer awareness, perception towards organic food product consumption and how socio-economic variables relate to consumers decision making concerning the purchase of organic foods. And he found that socio-economic variables are associated with consumer positive attitude towards organic foods. Family, self-decision and friends, Eco friendly factor play a vital role in the purchasing of organic food. **Saloni Mehra and P.A. Ratna (2014)** studied that " Attitude and behaviour of consumers towards organic food : an exploratory study in India " The study provide insights into identifying the factor influencing the attitude and behaviour of consumers for organic food which is currently gaining momentum tier 2 cities in India . 6 significant factors were found to influence the attitude towards organic food . They were health conscious , product information, value for money , accessibility and trust . The paper provide evidence on the relatively under research area of attitude and behaviour toward organic food in the growing city in India . **Dr H.M Chandrashekar (2014)** Studied that consumer perception toward organic product in Mysore City objective of the study to assess and evaluate the factor facilitate the consumption of organic product and analyze the potential market constraints in marketing of organic product and to suggest suitable measure. Conclusion is that behaviour of consumer play a very important role in product segment. Study brought out the fact that people well aware of images and availability but not full loyal to organic food product so the marketer must create promotion which are both realistic and moral and volume and variety are required to become successful in marketing organic food product. **Manoranjan Das et al (2014)** studied that " Consumer perception towards organic product. Increasing awareness toward health has caused shifts in consumers' tastes and preferences which have led to the domestic as well as global rise in demand for organic products. Awareness and knowledge has become a crucial factor in changing the attitude and behaviour of consumers towards organic foods, which in turn drives the growth in the organic food markets. This study attempted to gain knowledge about consumer awareness, perception towards organic food product consumption and how socio- economic variables relate to consumer decision making concerning the purchase of organic food . **Keraita, B.; Drechsel, P. (2015)** studied that "Consumer perceptions of fruit and vegetable quality" . Available scientific

knowledge raises safety and quality concerns on vegetables grown and marketed in low-income urban and peri-urban settings in West Africa due to continued use of improperly composted manures, low-quality irrigation water and misuse of pesticides. To address these concerns, several measures for safeguarding public health including the promotion of organic production, produce or producer certification, on-farm water-treatment systems, or improved postharvest handling have been discussed, promoted and/or tested. Many surveys confirm that healthy food is important to consumers, and healthy-looking food is the key attribute consumers in West Africa use when buying food. [ravinder jangra 2015] Studied "a spatial analysis of residential land values in kaithal City, Haryana," and found that The aim of this study is the contextualisation of land values experienced in the residential areas of Kaithal city. Land value is one of the major determinants of the morphology of cities. Study attempt to explore the comparison between collector [authority's rate] and actual rates [it is current sale/purchase rate at market] in residential land values during 2013-14. The land value data of collector rate is used which was generated by revenue department and market rate is collected from field survey of property advisers through Stratified random sampling technique. Incerse Distance Weighted [IDW], physical expansion and buffer analysis is used in GIS environment to establish a framework for this assessment.

Research Methodology

1. Sample Size – 200
2. Period of Study – 1Month
3. Sampling Convenience and snowball sampling.
4. Structured Questionnaire
5. Survey with sample questionnaire
6. Data Analysis using simple data tables.
7. Data collection

a) Primary Data collected through structured questionnaire

Result & Discussion

Demographic Profiling of Rural Respondents			
Demographic		Frequency	Proportion the Samples
Gender	Male	101	52.60%
	Female	91	47.40%
	Prefer Not To Say	0	.00%
	Total	192	100.00%
Age Of The Respondent	Less Than 18	8	4.17%
	19-25	84	43.75%
	26-40	60	31.25%
	41-55	33	17.19%
	Above55	7	3.65%
	Total	192	100.00%
Education	Under Graduate	64	33.33%
	Graduate	43	22.40%
	Post Graduate	62	32.29%
	Doctorate	20	10.42%
	Others	3	1.56%
	Total	192	100.00%
Occupational Status	Home Maker	35	18.23%
	Working Professional	98	51.04%
	Retired	2	1.04%
	Business	17	8.85%
	Other	40	20.83%
	Total	192	100.00%
Income Group	Less Than 25000	83	43.23%
	25000-50000	55	28.65%
	50000-75000	13	6.77%
	More Than 75000	41	21.35%

	Total	192	100.00%
Martial Status	Married	93	48.44%
	Unmarried	99	51.56%
	Others	0	.00%
	Total	192	100.00%

Source : Primary Data

Education is the imperative aspect which directly influences the buying behavior of customers. Educated people are more aware and concern towards the products they consume. The respondents are segregated into five educational groups. The table 4.1 shows that 33.33% are under graduate and 32.29% are post graduate 22.40% are graduate 10.42% are doctorate level and 1.56% are others.

Income decides the buying tendency of person for the whole month, So in the context of organic food the study of household income is a vital face to understand the customer behavior. When it comes to income of respondents, it classifies into four categories. The table 4.1 shows that 43.23% respondents are earned less than 25000/month, 28.65% respondents are earned between 25000 to 50000, and 21.35% are earned more than 75000, and 6.77% are earned 25000 to 50000 respectively. Demographic data signifies that majority of respondents get minimum salary and belong to lower income class. The table illustrates that total 192 respondents 93 are married 99 are unmarried.

Customer Purchasing Behavior toward organic food consumption

Demand for organic food is increasing day by day. So the current study is focus on organic food products. The study is conducted on those respondents who buy organic food. This section provides the information regarding consumption pattern of the respondents. Customer purchasing behavior is gauged through nine self administered question. Frequency distribution has been applied and depicted in the following section :

Year of First Time purchase of an organic food

	Frequency	Percent
before 2005	30	15.6

2005-2010	13	6.8
2010-2015	40	20.8
2015-2020	109	56.8
Total	192	100.0

Source: Primary Data

The demand for organic food has increased in recent year as less than 20% of respondents bought organic food products before 2005 and in the period of 2005 to 2010 merely 6.8% respondent bought organic food. After 2010, there is massive increase in the demand of organic food product which indicates that 20.8% of respondent bought organic food during 2010 to 2015. The majority of respondents (56.8%) bought organic food in the duration of 2015 to 2020. The demand of organic food has increased in the last decade more. It might be due to impact on increase in health awareness, change in food habit and lifestyle and increase in awareness of organic food must motivate people to consume organic food products (table 4.2).

Source of Information Regarding Organic Food

	Frequency	Percent of Cases
Foreign visit	12	6.25
Specialized Organic store	39	20.31
Internet Print media	95	49.48
World of mouth	64	33.33
Food Festivals	54	28.13
Other sources	82	42.71
Any other	6	3.13

Total	352	183.33
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Source : Primary Data

*Multiple Responses Projected More than 100% Responses

Table 4.3 demonstrates the source of information from where respondents came to know about organic food products. Internet print media communication (49.48%) is the most important source of information for the respondents. Followed by 42.71% of the respondents indicates that they obtain information regarding organic food products from other sources like direct farmer and growing plants in their home for self consumption. Similarly, 33.33% respondents indicate that world of mouth is also popular aspects to obtain information about organic food products. In addition to this food festival (28.13%), specialized organic store (20.31%). 6.25% of Respondents get information from Foreign Visit & 3.13% of the respondents get information from nutritionist, Doctors.

Frequency to read Organic Food Labels

	Frequency	Percent
never	32	16.7
often	82	42.7
always	78	40.6

This table shows that respondents tendency to pay attention on information label while buying organic food products. Table reflect that majority of respondents 42.7% often pay attention on informational label on organic food. As show in the table 40.6 percent of respondents always pay attention on food labels. On the other a lesser percentage of respondents admit that they never seen any label while buying products. It indicates that majority of respondents are not aware to choose right food after noticing the ingredients of the food.

Frequency of Organic Food Purchase

	Frequency	Percent
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Daily	41	21.4
twice a week	36	18.8
once in a week	33	17.2
once in two week	24	12.5
Once in a month	58	30.2
Total	192	100.0

Source: Primary Data

Table describes the distribution of the respondents on the basis of frequency of shopping Majority 30.2% of the participants shop organic food once in a month followed by 21.4% of respondents purchase organic food daily. On the other side 21.4% respondents prefer to buy twice in a week and 17.2% respondents shop in once in a week. Only 12.5% of respondents purchase organic food once in 2weeks basis. It is clear from the results that frequency of organic food purchase is quite low and majority of respondents do not buy organic food on regular basis.

Preferred place for organic food shopping's

	Frequency	Percent of Cases
Vegetable Market	124	64.58
Grain Market	48	25.00
Specialized organic store	37	19.27
Kiryana store	53	27.60

Supermarket	29	15.10
E-shopping	8	4.17
Any Other	4	2.08
Total	303	157.81

Source : Primary Data

*Multiple Responses Projected More than 100% Responses

Table show that the distribution of respondents on the basis of preferred place for organic food shopping After pilot survey shopping places were categorized seven common place (Vegetable market, grain market, specialized organic store, kirana store, supermarket, e shopping others) from where respondents usually buy organic food. Table further explain majority of the respondent 64.58% buy organic food from vegetable market followed by kirana store 27.6% Respondents prefer to buy organic food products from grain market are 25.00 percent of the total survey respondents. It is apparent from the table that 19.27 percent of respondents used to visit specialized organic store to buy fresh vegetable and fruits. A fewer number of respondents buy organic food products from e shopping websites and super market & other like near farmer houses.4.17% and 15.10% and 2.08% respectively Results postulate that majority of customers purchased organic items from vegetable market due to near and trust on the shopkeeper.

Type of Organic Food To Purchase

	Frequency	Percent of Cases
Meat and Meat products	26	13.54

Fresh Vegetable	150	78.13
Milk and Milk Product	101	52.60
Pulses	98	51.04
Herps and Spices	64	33.33
Fresh fruits	92	47.92
Bread & Bakery product	28	14.58
Cereals	42	21.88
Dry Fruits & Nuts	69	35.94
Bevearages	30	15.63
Others	8	4.17
Total	708	291.15

Source: Primary Data

*Multiple Responses Projected More than 100% Responses

The distribution of Respondents on the basis of their preference to buy organic food category. Indian organic food market is at nascent stage with very limited Product variety and non available of all product category I some area of Haryana. In case of Organic food Consumption reveal that fresh vegetable and milk and milk products pulses are most preferred organic food products considered by the respondents. Contrary to this meat products, bread and bakery product

beverages are less preferred organic food item by the respondents. Fresh fruit and dry fruit and spices preferred that are 47.92% and 35.94% and 33.33% respectively .Likewise 21.88% of respondents are consuming cereals and 4.17% are consuming other product.

Monthly spending on Organic food Products

	Frequency	Percent
up to 5000	146	76.0
5001-10000	32	16.7
10001-15000	11	5.7
15001-20000	1	.5
above 20000	2	1.0
	192	100.00

Source: Primary Data

Monthly expenditure of the respondents play vital role in purchasing of food. As from the table majority of respondents 76% spends up to 5000per month on organic food. Furthermore respondents who spend 16.7% between 5001 to 10000 and 5.7% of respondents are spend between d10000to15000 and 1% of respondents spend on organic food above 20000 and very less respondents 0.5% spend on organic food between 15000to20000.These results depict that majority of the respondents are willingly to spend on organic food up to 5000, so it is clearly shown that the customer ready to spend on organic food.

Willingness to Pay extra money for Organic Food

	Frequency	Percent
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10-20% more	139	72.4
21-30% more	29	15.1
31-40% more	17	8.9
41-50% more	4	2.1
above 50% more	3	1.6
Total	192	100.0

Above table show that customer willingness to pay extra for organic food products. The results reveal that 72.4% of respondents are ready to pay 10to20% more for organic food products. Likewise 15.1% respondents state that they are ready to pay 21-30% more for organic food. Respondents who are willingly to pay more than 30% represents 8.9% of total respondents Moreover 2.1% of respondents pay 41.50% more and fewer number of respondents 1.6% is ready to pay 50% more while buying organic food products. It can be concluded that majority of respondents ready to pay 10 to 20% more organic food.

Most Preferred brand for Organic Food

Brand Name	Frequency	Percentage
India Organic	77	40.10
Apeda	63	32.81

Jaivik Bharat	59	30.73
Nature Land Organics	78	40.63
Earth Organic Foods Pvt. ltd.	62	32.29
Organic Food	85	44.27
Total	424	220.83

In the category of organic food the brand name 100% organic food is the market leader with 44.27 percent respondents buy organic food product of this brand. Nature land organic 40.63% India organic 40.10% and Apeada 32.81% are also going well in organic food market. Organic food like Earth Pvt. organic ltd also occupied descent market share that is 32.29% Jaivik Bharat are also doing well in organic market. The remaining brands are fighting for their space.

FINDING AND SUGGESTION

The result of the study shows that a lot of problems are faced by the rural respondents while purchasing the organic products in the markets. It is not easy for rural consumers to go to market daily for purchasing organic products because rural consumer buys in bulk. The finding is that these products are not easily available in the rural area; they are available in urban areas. So, we can say that irregular availability of organic products also affects the choice of the consumers. The other main reason is that organic products are more expensive in comparison to non organic products. So, people with low level of income cannot afford the expenses on these 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. So, on the basis of the study it can be concluded that people living in rural area are also want to use organic products but due to less knowledge and low level of

income they cannot buy these products. If companies or manufacturer want to earn more profit they should move in the rural area of India because around 60 of the consumers are living in ruralarea.

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