

Investigating Factors affecting Consumer Attitude Towards and Purchase Intentions of Organic Food Products through Literature Review

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ABSTRACT

India is one of the leading exporters of organic food products in the globe. There is still scope to increase the production of organic food products to meet the global demand. However, the local demand is still not increasing significantly. This fact led curiosity to identifying the factors which motivate consumer to buy organic food products and current consumer attitude towards the organic food products. This paper tries to identify such factors through extensive literature review of research work conducted earlier across the world. Identification of these factors will give a direction to future research which, researchers are interested to conduct in order to recommend marketing strategies to influence consumer behaviour toward organic food products and thus to increase their sales.

Key Words- Organic Food Products, Purchase intention, Attitude, Consumer Behaviour

Introduction

The COVID-19 epidemic has prompted individuals to recognise the significance of optimal health, well-being, and nutrition. Organic food is characterised by the absence of pesticides and is generally recognised for its nutritional advantages, absence of carcinogenic compounds, and ability to enhance immunity. According to the Agricultural and Processed Food Products Export Development Authority (APEDA)¹, a government agency under the Ministry of Commerce & Industries in India, the country produced approximately 2.9 million metric tonnes of certified organic products in the year 2022-23. These products include a wide range of food items such as oil seeds, fibre, sugar cane, cereals, millets, cotton, pulses, aromatic and medicinal plants, tea, coffee, fruits, spices, dry fruits, vegetables, and processed foods. The production encompasses not just the culinary sector, but also includes the manufacture of organic cotton fibre, functional food products, and other items. Madhya Pradesh is the leading producer among various states, with Maharashtra, Rajasthan, Karnataka, and Odisha following suit. Fibre crops are the most significant group of commodities, followed by oil seeds, sugar crops, cereals and millets, medicinal/herbal and aromatic plants, spices and condiments, fresh fruit vegetables, pulses, tea, and coffee.

In 2020, the organic goods market in India was predicted to be worth \$815 million, which is worth mentioning. Nevertheless, there is ample opportunity for expansion given that the worldwide market exceeds \$133 billion.

The analysis produced by Statista (Minhas 2023)² provides valuable insights into the present purchasing intentions of Indian consumers about organic food goods. The survey indicated that a mere 28% of the participants consistently purchase organic food goods, while 4% of the participants stated that they never make such purchases. Curiously, 10% of the participants were uninformed about the true meaning of organic food items. Based on these statistics, it can be concluded that India's organic food market presents a promising prospect that has yet to be fully explored.

Additional investigation is required about customer behaviour and attitude towards organic food items. Thus, this article aims to uncover the elements that influence individuals' organic mindset and purchasing intention towards organic food goods. A comprehensive literature study is conducted to identify these parameters.

Literature Review

Factors Influencing Consumer Motivations and Purchase Intentions

Ergonul (2015)³ discovered that the majority of respondents see organic goods as being hard to locate and costly, resulting in unfavourable evaluations of them. The study's primary conclusions indicate variations across consumer segments regarding their exposure to organic goods and the accessible information pertaining to such items.

According to Smith and Paladino (2010)⁴, the desire to purchase organic food items is influenced by factors such as health consciousness, quality, subjective standards, and familiarity. The only factor that showed a significant correlation with organic buying behaviour was familiarity. The data was obtained within a singular nation and may not be applicable to other nations. Response bias may have been created due to the utilisation of self-report measures. Subsequent investigations should contemplate the utilisation of experimental designs to demonstrate a cause-and-effect relationship. The study primarily examined individuals' opinions and intentions. However, future research should consider their actual behaviour.

The study done by Nasir and Karakaya (2014)⁵ found that socially responsible consumption, health orientation, utilitarianism, and hedonic consumption patterns strongly influence the propensity to buy organic goods and consumption. Environmental responsibility serves as a regulating element in the connection between socially responsible consumer behaviour and the intention to make a purchase. The study is hampered by its probable lack of generalizability, the presence of response bias in self-reported data, the absence of investigation of cultural or regional variations, and the unmet constraints of the scales employed in previous studies.

The primary conclusions of the study conducted by Zanolli and Naspetti (2002)⁶ indicate that consumers hold a favourable perception of organic products, despite perceiving challenges in terms of availability and cost. Additionally, consumers associate organic products with health benefits and prioritise the selection of high-quality, flavorful, and nutritious products based on their personal values. Furthermore, there are variations among customer segments based on their usage frequency and amount of knowledge about organic goods. The research had a limited sample size, making it challenging to generalise the findings.

According to a research done by McEachern and McClean (2002)⁷, consumer reasons for purchasing organic dairy products are mostly driven by self-interest rather than altruism. Organic dairy producers need to influence views and attitudes of bigger customer segments through educational marketing efforts to underline the ethical, environmental, and social benefits of organic agriculture. The study is limited by the absence of research on consumer motivations for buying organic food products, a concentration on self-interest-driven motivations rather than altruistic ones, dependence on hardcore green consumers to maintain growth, and the necessity for educational marketing campaigns to alter perceptions and attitudes of larger consumer segments.

Pino et al., (2012)⁸ discovered that ethical reasons had an impact on the purchasing intentions of typical customers. The study unveiled that there exist distinct factors influencing the propensity to consume organic food among regular and occasional consumers. Regular customers are influenced by ethical considerations, whereas occasional buyers of organic goods are mostly motivated by concerns about food safety. Additionally, the study revealed that the organic food sector is experiencing a steady growth rate of 20% each year.

Consumer Attitude and Behaviour with respect to Organic Food Products

The study conducted by Pham et al in (2019)⁹ demonstrates that perceived barriers significantly impede both the attitude and buying intention towards organic food. The key findings suggest that food safety concerns, health consciousness, and exposure to media messaging significantly influence views towards organic food. Surprisingly, the study indicated that environmental concern and food taste did not have a significant impact on people's attitudes towards organic food. The study emphasises that many obstacles, such as exorbitant pricing, restricted availability, insufficient labelling, and the extra time needed, greatly hinder both the attitude and intention to buy organic food. These observations emphasise the complex and varied nature of how consumers perceive things. They also indicate that it is important to remove any perceived obstacles in order to encourage a positive attitude and a greater willingness to buy organic food. The study may have several drawbacks, such as its limited generalizability owing to the unique market economy being examined, the relatively small sample size, certain demographic biases, and the absence of key characteristics in determining attitudes towards organic food.

The primary conclusions (Basha et al., 2015)¹⁰ of the research indicate that the most often cited reasons for buying organic foods, which impact customers' intention to purchase, are the quality of goods, environmental concern, health concern, and lifestyle. The survey also emphasises the escalating recognition of the detrimental impacts of chemicals in food and the surging inclination towards acquiring organic food. The study is subject to certain limitations. These include a narrow regional scope, which may restrict the applicability of the findings, the use of a convenience sampling method that introduces bias, reliance on self-reported data that is susceptible to social desirability bias, and a failure to investigate other factors that may influence the intention to purchase organic foods. It is crucial to acknowledge these limits in order to properly interpret the results. This emphasises the need for future research to specifically target these restrictions, in order to get a more thorough comprehension of consumer behaviour within this particular setting.

Studies on consumer behaviour regarding organic products have uncovered many key elements. Tsakiridou et al., (2008)¹¹ discovered that Greek consumers are predominantly driven by health and environmental considerations, specifically emphasising the consumption of fruits and vegetables. Greek customers appear to possess knowledge on environmental and health concerns. Greek consumers possess knowledge about environmental and health concerns, primarily link organic consumption with fruits and vegetables, and demographic factors have limited explanatory power in understanding their actual behaviour. The study is limited by its exclusive emphasis on the metropolitan region of Thessaloniki, Greece, and the assumption that this area accurately represents the whole Greek population.

Mendon and Aithal (2020)¹² emphasised the difficulties encountered by the organic business in India, such as unfavourable attitudes and ambiguity around organic labelling. Customers generally comprehend the qualifications of organic living and are willing to spend a higher price for these items. Customers generally comprehend the qualifications of organic living and are willing to spend a higher price for these items. The study's limits encompass the constraint posed by the cost of organic food consumption, the challenges encountered by the organic business, the necessity to tackle specific concerns like funding allocation for research and development, and the implementation of conscientious strategies by the government.

Sharma and Singhvi (2018)¹³ stressed the need of raising awareness and promoting organic goods, along with the necessity to motivate farmers to participate in organic farming. These studies highlight the intricate interaction of several elements that influence customer behaviour towards organic products. Consumers are not very inclined towards organic food items due to the comparatively lower output of organic goods by farmers. The primary discoveries of the study encompass the global shift in food consumption patterns, characterised by an increasing desire for organic food products. Additionally, the study emphasises the importance of comprehending consumer perception towards organic food and highlights the diverse factors that impact such perception.

Priya & Parameswari (2016)¹⁴ define the term "organic" as the farming and processing methods used by farmers for agricultural goods, including fruits, vegetables, grains, dairy products, and meat. Their research centred on the perceptions of consumers regarding organic food items in Coimbatore City. The study included a sample of 150 households that were knowledgeable about organic food products. The acquired data were analysed utilising descriptive statistics, with an emphasis on comprehending the customer viewpoint regarding organic food goods. The research acknowledges many limitations, such as the study's narrow geographical scope, the limited number of participants, and the restriction to responders with prior knowledge of organic food items.

Hossain and Lim (2016)¹⁵ discovered a strong positive correlation between government support and policy, perceived beliefs and attitudes, knowledge, availability, and consumer behaviour towards organic foods in the emerging market. Nevertheless, there is no discernible correlation between consumer behaviour towards organic goods and factors such as health consciousness, environmental concern, and price. The study offers useful insights into the determinants that influence consumer behaviour towards organic food in a developing industry. The study's shortcomings are not expressly mentioned in the report. However, based on the information supplied, potential drawbacks may include restricted applicability, absence of original data, and susceptibility to bias.

As per the findings of Aschemann-Witzel and Niebuhr Aagaard (2014)¹⁶, in order to enhance the preference of young Danish consumers for organic food, it is necessary to reduce the perception of large price premium and enhance the difference from conventional food. The majority of consumers have favourable sentiments towards organic food; however, this does not consistently manifest in their actions. The cost is a significant obstacle for young customers, causing them to delay buying organic products. In order to enhance the range of organic options available to young Danish consumers, it is necessary to reduce the perception of excessive price premiums and enhance the distinction from conventional food. Communication might potentially motivate young customers to actively embrace ethical ideals rather than delaying their implementation. The study is limited by a small sample size, which may restrict its applicability to different consumer groups or cultural contexts. Additionally, it lacks quantitative analysis and future research is required to investigate the effects of communication tactics.

Huang (1996)¹⁷ discovered that testing and certification, sensory attributes, and competitive price are crucial elements that would augment the marketing capacity of organically cultivated goods. The primary conclusions of the article are as follows: those who prioritise nutrition, express concerns over pesticide usage, and desire product that is tested for residue freedom are more inclined to favour organically farmed produce. Individuals who are white, have higher levels of education, and come from bigger families are more inclined to accept sensory imperfections in organically cultivated vegetables.

Conclusion

The research examined have found numerous elements that impact consumer motives for purchasing organic food items. Ergonul (2015)³ emphasised the adverse views that result from the challenges of locating and the expensive nature of organic products. Smith and Paladino (2010)⁴ highlighted the significance of health consciousness, quality, subjective standards, and familiarity in influencing purchase intentions. In their study, Nasir and Karakaya (2014)⁵ found that socially responsible consumption, health orientation, utilitarian, and hedonic consumption habits were significant predictors of individuals' intentions to purchase organic food. Additionally, they discovered that environmental responsibility had a moderating role in this relationship. Zanolli and Naspetti (2002)⁶ documented favourable consumer attitudes towards organic goods, associating them with health and values, but McEachern and McClean (2002)⁷ emphasised self-interest-driven reasons for buying organic dairy products and the necessity of informative marketing efforts. Pino et al. (2012)⁸ discovered that ethical reasons have an impact on regular customers, whereas occasional purchasers are mostly driven by

concerns about food safety. This contributes to the total growth of the organic food industry. The many motives underscore the intricate interaction of elements that impact customer decisions in the organic food industry.

The diverse research undertaken on consumer behaviour towards organic food items elucidate numerous crucial elements that influence attitudes and behaviour. Pham et al. (2019)⁹ highlight the significance of perceived obstacles, such as concerns about food safety, health awareness, and exposure to media, in influencing attitudes towards organic food. Surprisingly, environmental concern and taste did not have a significant impact as predictors. The study highlights many obstacles, including exorbitant costs, restricted availability, insufficient labelling, and time limitations, as major hindrances to both the attitude towards and the intention to purchase. Basha et al. (2015)¹⁰ identify product quality, environmental concern, health consciousness, and lifestyle as the main reasons for buying organic foods. On the other hand, Tsakiridou et al. (2008)¹¹ discover that Greek consumers are primarily motivated by health and environmental concerns, specifically when it comes to fruits and vegetables.

Mendon and Aithal (2020)¹² examine the obstacles faced by the Indian organic business, such as unfavourable attitudes and ambiguity over labelling. Sharma and Singhvi (2018)¹³ emphasise the significance of raising awareness and promoting organic goods, as well as encouraging farmers to participate in organic farming. Priya and Parameswari (2016)¹⁴ concentrate on consumer attitudes within the confines of Coimbatore City, emphasising the constraints of a narrow geographical scope and a limited number of participants. Hossain and Lim (2016)¹⁵ identified government backing, policy, beliefs, attitudes, knowledge, and availability as elements that have a favourable impact on consumer behaviour towards organic foods in a developing market. Aschemann-Witzel and Niebuhr Aagaard (2014)¹⁶ propose reducing the substantial price premium and enhancing product differentiation as strategies to enhance the selection of organic products among young Danish consumers. Huang (1996)¹⁷ highlights that testing, certification, sensory attributes, and competitive price play a crucial role in improving the commercial potential of organically cultivated goods.

These findings highlight the complex relationship between several factors, such as perceived obstacles, motivations, awareness, government assistance, and cost, in influencing consumer attitudes and behaviour towards organic food items.

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