

# International Journal of Advance Research in Computer Science and Management Studies

Research Article / Survey Paper / Case Study

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## *Analysis of Translation of Peoples' Desire to Buy Organic Products into Purchase*

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**Abstract:** *With the availability of organic product alternatives at the local super markets the consumers' opinion towards healthier eating has improved. And as consumers flock towards emerging trend, the need for manufactures to match the consumer expectation is also increasing. But there seems to be a mismatch between the grown of organic product industry and the consumers' desire to buy organic products. This article explores the reason for the question of "are consumers' desire to buy organic product translates into purchase at the supermarket?" "If consumers are not buying the product even though they like to buy it then what seems to be the major factor that is hindering the purchase of organic products?" This analysis will help organic product industry to better understand the consumers' expectation and promote their business among the general public.*

**Keywords:** *Organic Product Products, Consumers Desire, Pricing, Consumer Awareness, Impact of Price.*

### I. INTRODUCTION

The hot topic of discussion around dinner tables these days tend to be organic products and the consumer feeling the need to boast about their eating habits [1]. The total volume of organic products produced during the year 2013 – 2014 amounts to around 1.24 million MT of which 194,088 MT were for exports. This translates to almost a million plus tons of organic products for domestic consumption [2]. This trend signifies the change in consumer preference towards organic products. This change in preference will in the long run lead to better consumer awareness about organic products and will lead to healthier lifestyle choices.

There is a problem of correctly identifying what healthier lifestyle is, as companies has jumped on the bandwagon of organic products and are labeling products as organic products without fully understanding what an organic product is [3]. With controversy ranging over the labeling issue the general consumers' awareness of what an organic product is incomplete [4] at best. Coupled with all these and the consumers' desire to buy organic products [5], creates a situation where in a standardization effort is needed to bring order across the sector.

An average consumer on the other hand is highly interested in buying organic products as shows in a study conducted by this author [5]. From that analysis it is evident that consumers are very much interested in buying organic products. It is also identified that the availability of organic product in the supermarket is plentiful. But the amount of sales or the growth of organic product sector is not in line with the growth of consumers' preference towards organic products. This inconsistency is the main topic of research in this article. The inconsistency can be due to different reasons and as such each of the factors has to be analyzed independently and thoroughly. As part of a series of research this article analyzes the role pricing plays in decision making by the consumers when purchasing organic products. This article will also provide a summary of findings from other research articles on this subject.

**II. EXISTING LITERATURE REVIEW**

Existing research on this topic provides a number of interesting observations in this regard. In an analysis conducted by Chin Wei Chong (2013) it was identified that Perceived Value, Government Support and Policy, Environment Concerns, Habits and Attitudes, Knowledge and Education, Health Consciousness play considerable role in consumers' decision to buy organic products [6]. In his analysis "7% of the consumers believe that availability is the most important factor for organic product purchase. 31.5% of them believe that cost is essential to purchase organic product. 20% of them believe that taste is vital in purchase of organic product. 7.5% of them are concern about environment and because of that they purchase organic product. 34% of the respondents are worrying for their health and because of that they buy organic products"

"52% of the respondents sometimes do purchase organic product. 32.5% of them rarely purchase organic product. 8% frequently, 6.5% never and only 1% of them just consume organic product" [6]. This analysis provides an understanding that even though consumer might have different reasons for buying organic products the desire to purchase translation is very limited as just 1% of his respondents purchase organic products on a regular basis. And 6.5% of the respondents never buy organic products. From his analysis it is clear that there seems to be another motive that is preventing the consumers from purchasing the organic products which in their opinion is better than the alternative [6].

In a different study conducted by Olusola Olugbenga Ibitoye, Nolila Mohd Nawi, Norsida Man and Nitty Hirawaty Kamarulzaman (2014) a different set of reasons were found for the same population. The factors that are important to the consumer as per their research are Health, Safety and Environmental Benefits, Organizational Intervention, Market, Packaging. From their analysis "For 49% of their respondents health, product safety and environmental benefits was a major factor in their decision to purchase organic products, And for 9.6% of their respondents price controls, subsidy to organic rice producers, campaign and sensitization on organic rice consumption and advertisement play a significant role in influencing consumer behavior towards organic rice consumption and 7.9% of the respondents stated that sustainable market potentials with ease of accessibility and availability of organic rice was their reason for purchase. And 5.9% of total respondents said packaging as an important factor in consuming organic rice." [7]

From these analyses it is easier to understand that there are different factors that influence the consumers' decision to buy the product but what is lacking is the answer to the question of what is preventing the consumers from buying organic products. In order to understand the reasons for this author decided to conduct a survey that included details about the consumers' preference towards organic products and their buying habits and most importantly why does the consumer not buy the product? This survey was conducted in the city of Coimbatore, India.

**III. SELECTION OF COIMBATORE CITY FOR ANALYSIS**

The city of Coimbatore was selected as it aligns with this authors' goal of identifying marketing techniques for better marketing the organic products for the residents of Coimbatore. Understanding the consumers of Coimbatore will provide invaluable knowledge about the consumers and their attitude and what is hindering the adoption of organic products by majority of the residents and will help in developing a marketing technique that will answer the problems and will help spread the adoption of organic products within Coimbatore.

Coimbatore also provides a population that is more diverse than what can be achieved from other places and Coimbatore provides the author to sample consumer from different language background, different religious background and consumer who have different mother tongue. Coimbatore is also a place where the consumers from other cities have come to reside providing this author with a golden opportunity in understanding the views of other city residents without conducting the survey in each city. Coimbatore city also provides a population that is more diverse in employment and age among others. And by conducting a survey in Coimbatore it is possible to develop a framework that can be easily adapted to other cities.

#### IV. SAMPLE SIZE AND ANALYSIS

From the city of Coimbatore a population size of 500 was selected for analysis. A simple random sampling technique was used in selecting the sampling population. The analysis was conducted in two stages. With stage one deal with analysis of why consumers buy organic products? And what percentage of the population buys the product and the clusters were created based on consumers buying pattern. In the second stage of analysis the percentage of consumer who have an interest in buying organic products are selected and analyzed what percentage of them do not but organic products. From this analysis those who have interest in organic products but are not buying organic products are selected and analyzed further.

This article is an outcome of one such analysis. This analysis specifically deals with the consumers who like to buy organic products but are not buying organic products. This analysis will bring context to the question of why they are not buying the organic products.

#### V. QUESTIONNAIRE AND DATA COLLECTION

To answer the questions that have been framed for analysis a questioner was created that collected details from the respondents on various parameters. The questioner was divided into two sections with each section answering specific criteria.

Section one of the questioner deals with the respondents general information and the second section deals with the respondents preference towards organic products and his/her view on organic products and their buying habit and the reasons they are not buying the organic products. This section consists of questions that help the author understand the consumers' reasons that prevent them from buying organic products.

##### *A. General Information*

General information section gathered personal information like Age, Monthly Income and Education Qualification. This sections is used as a pivot point with which the analysis is been conducted. This section provides the author with grouping options that make the analysis easier to understand and also will provide classification of data based on users preferences.

For example consumers who like to buy organic products are grouped and that grouping information is available in this section. With this data it is possible to create a clear classification that will fulfill the requirements of this study.

##### *B. Consumer Preference Information*

This section provides the contextual information to the section above and will help explain the reason the users is not buying the product. This section collects the details in such a way that the data can be represented in clusters which makes the reasoning easier.

The questions in this section deals with users knowledge about organic products, their willingness to buy the products and what criteria they use for rejection and one such criteria that is used in this analysis is price of the product.

This section also collects details that will help this author in understand how tolerant are the consumers? Like if a factor that they use for buying the product is changed what will they do. This tolerance limit can be a major factor for the consumers' decision in purchasing the product. One such criteria that has been taken up for study in this section is price.

#### VI. DATA ANALYSIS

From the analysis of the data it is evident that there is a general awareness about the organic products and the desire to buy organic products is also present with the sampled population. This can be observed from the figure displayed below.

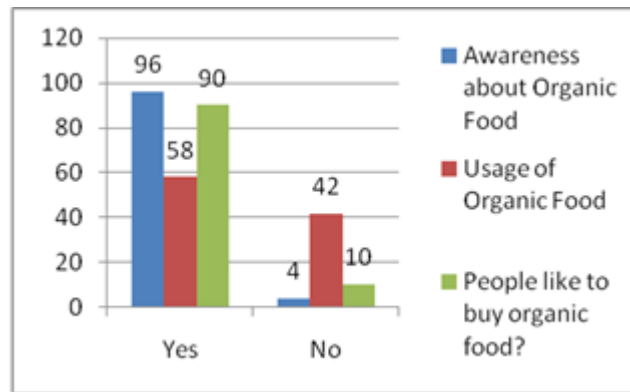


Figure 1: General awareness and usage of organic product.

From the figure 1 it is evident that an overwhelming majority (96%) of the consumers are aware of organic products. It can also be inferred from figure 1 that there is a considerable reduction in the usage of organic products among the responded consumers. As only 58% of the respondents said that they use organic products. From the surveyed data it can be observed that about 90% of the consumers like to buy organic products and there is a considerable percentage (10%) of the consumers who simply do not wish to buy organic products. The following figure details who among those who know about organic product do not wish to buy them.

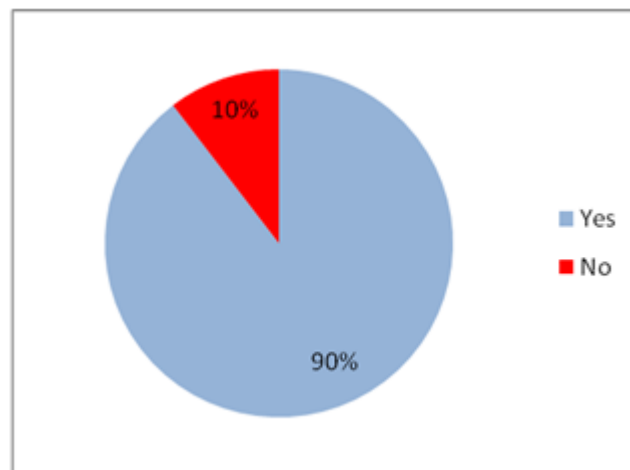


Figure 2: Aware of organic products but still don't want to buy organic products.

From Figure 1 we can infer that out of the entire sample size 10% of the consumers do not want to buy organic products. And from Figure 2 it is identified that these 10% of the consumers are the consumers who knew about the organic products and are still not buying those products. This 10% of the consumers are the ones that are of importance to this research. Because these are the consumers who know well about the organic products, its benefits but still are not using them. Consumers who are not aware of the organic products are of no importance in this article as they are by default excluded as with the hypothesis that they did not know about it as such they are not buying but consumers who know and are not buying required further investigation to fully understand the reasons behind their decision of not buying organic products.

In order to understand their behavior an in-depth analysis with various factors has been proposed, those analyses will be published in future articles. One such analysis is does the price of the organic product plays any role in consumers not choosing them? This article will detail this analysis and will summarize its findings.

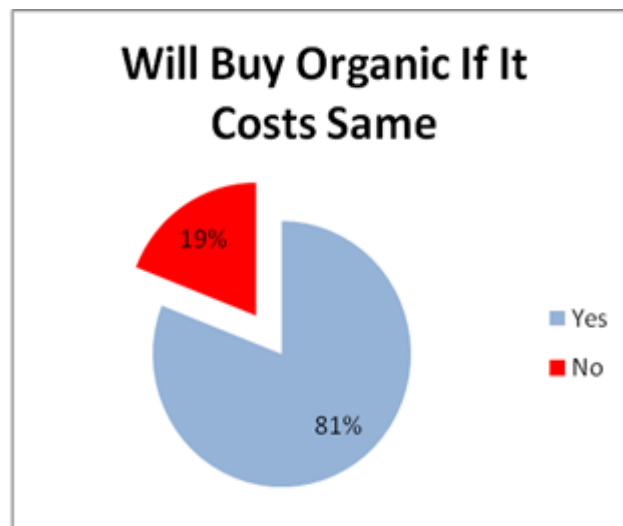


Figure 3: Currently not using organic products but will buy if the costs are equal.

Of the 10% of consumers identified from figure 2, Majority of customers (81%) will buy organic products if the costs of both organic and non organic products are same. And a considerable number of customers (19%) will still not buy organic products for these customers price is not a factor as demonstrated by this analysis.

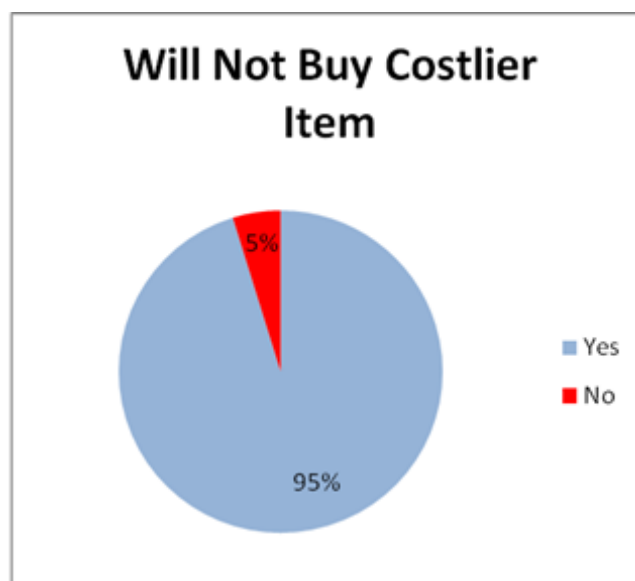


Figure 4: Currently not using organic products but will not organic products in future too if it costs more.

Figure 4 was generated from the consumers who was of the option that they will buy organic products if the cost of the item as the same. It can easily be inferred from the figure that majority of the consumers (95%) of those consumers who are current not buying any organic products will not in future too buy any organic product if the cost of the organic item is costlier than the regular product. Only 5% of the consumers are willing to buy them in future irrespective of the organic product being costlier than the regular product.

From the collected data it was observed that if the cost of the organic product is 10% costlier, then none of those consumers who are currently not buying any organic products will buy purchase organic products in future. This observation holds valuable information for organic product manufacturers. This author in order to understand the pricing different between chemically treated products and organic products collected pricing of various items and the list as follows. Prices were retrieved from organicgarden[8] a specialized online retailer for organic goods and from Amazon[9] an online retailer for normal goods.

Table I

Cost of Organic and Other Products.

Product Name	Price	Organic / Non-Organic
Hue-Organic Shampoo (200 ml)	Rs 416 (Offer price Rs 208)	Organic
Dove Nourishing Oil Care Shampoo (200 ml)	Rs 180	Non-Organic
Organic Soap-Sandal	Rs 199 (Offer Price Rs99)	Organic
Park Avenue Storm Soap	Rs40	Non-Organic
Cow Ghee(500ml)	Rs 536	Organic
Sancheti Yashoda Brand pure Gawa ghee (500ml)	Rs345	Non-Organic

In order to put them in perspective the following tables lists the same organic products with the cost difference factor with offer prices.

Table II

Price Variation of Organic Products Over Other Products.

Category	Price Variation
Shampoo	15%
Bath Soap	147%
Ghee	55%

From table 2 we can infer that none of these products can ever be sold to those consumers who are currently not buying organic products. As almost all products are more than 10% costlier, where in none of those surveyed were interested in buying any product which costs more than 10%.

## VII. CONCLUSION

Consumers are aware of the organic products and are willingly buying them but a considerable percentage of the populations are avoiding organic products. By avoiding organic products they are not only rejecting a healthier option but also putting their health at risk. This research was undertaken to understand the motive behind their actions.

Findings of this research suggest that consumers who are avoiding organic products do so mainly due to the price difference. As shown in this paper it is clearly evident that organic products costs considerably more than non organic products. And with consumers not willing to spend 5% more than other products these good for health products instead of being sold are left in the shelves of supermarkets.

This when coupled with the results of general population results states that almost 60% of consumers are not consuming the healthier option due to one reason or the other. In order to make these organic products reach mass market either a country wide campaign encouraging consumers to choose healthier option irrespective of cost has to be undertaken or producers must find alternative mean to reduce cost.

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