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Consumer Awareness & Perception towards Organic Food Products in Nanded City

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I. INTRODUCTION

Now a day, the awareness of general public about health has increased rapidly. The food consumers have become more careful regarding the food they are consuming. The consumers have become more careful about the food safety, quality and its nutritional value. They realized that food is the one of the basic necessities in the life of human beings. It indicates that the people have become more serious about food they eat. There are various reports are available on human diseases which indicates the root cause behind the most of the human diseases are consumption of chemical contaminated, unhealthy foods. The foods available through conventional farming are highly contaminated by extensive use of synthetic chemicals used in fertilizers, pesticides, insecticides etc. It has observed in increase in food borne diseases in last few years in all over world (Essoussi and zahaf,2009)the consumers now realized that chemical contaminated food is highly harmful to the human health. The use of synthetic chemicals has also shown adverse effects on environment. It creates worries among consumers about the nutritional value of food and environmental issues (Kuhar and Juvancic, 2010) the consumers now started comparing the benefits of healthy foods and non-healthy foods. The healthy foods mean food produced without any chemical substances. The consumers perceived the chemical free foods are good for their health. This search of consumers ends at organic food products. As they are produced without the use of synthetic chemical fertilizers, pesticides etc The changed perception of consumers regarding food creates a new market trend of chemical free foods like organic food products The parameters like food quality and safety of food have attracted the attention and interest of consumers towards a healthy living (Laroche et al.,2001) It is observed in most of developed countries that consumers are giving importance to the healthy, quality and safe food which is free from any kind of synthetic chemicals. The consumers of industrialized nations have shown interest towards organic food products. The trend of chemical free i.e., organic food is now expanding from developed nations to developing nation like India and China (Techsci 2013) The organic food concept is gaining gradual momentum in India., even though this the domestic market of organic food in India is at an infancy stage. The share of organic food in all over food market is still relatively very small. Its demand is at relatively low and it is concentrated to metro and tier I and II cities of India.

The various researchers has concluded that a better understanding of consumers perception towards organic food and to know the factors of determinants are necessary for the development of organic food market in India

The present paper aims to understand the perception and attitudes towards organic food products in Nanded a district place city in Maharashtra state, India.

II. MEANING OF ORGANIC FARMING AND ORGANIC FOOD PRODUCTS

According to International Federation of Organic Agriculture Movement (IFOAM),” Organic agriculture is a production system that sustains the health of soils, ecosystem and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects.”

“The organic food products mean the food raised, grown and stored or processed without the use of synthetically produced chemical fertilizers, herbicides, pesticides, fungicides, growth hormones and regulators” In simple word, it referred as a product of organic farming or agriculture.

“Organic products are the products that are produced, processed and sold without using any chemicals.” The organic food products include fruits, vegetables, cereals, and milk and meat products.

III. THE ORGANIC FOOD MARKET

It is observed that, due to increase in awareness on health, food safety and environmental concerns significantly increased the demand for environmentally friendly products like organic foods (Kumar and Ali 2011). It positively acts on the consumer demand for the organic food. The world-wide organic food market has been gradually moving from a niche market to the mainstream market among agricultural marketing is concerned. In the world food market, organic food segment is emerged as one of the fastest growing segments of the food marketing.

IV. THE GLOBAL ORGANIC FOOD MARKET

According to IFOAM-FIBL Report, the global sales of organic food reached at \$106.65 billion in year 2019. The total area of 72.3 million hectare of land was under organic agriculture world-wide during the same period (see Table 1). The global demand for organic food products is showing an increasing trend in sales year-on-year basis.

Table 1:- Global annual sales of organic food

Sr.No.	Year	Annual Sales (\$ billion)
1.	2011	59.4
2.	2012	65.0
3.	2013	71.5
4.	2014	79.0
5.	2015	88.1
6.	2016	90.0
7.	2017	97.0
8.	2018	95.0
9.	2019	106.6

Source: - IFOAM – FIBL Reports

Also, according to the Report and Forecast 2022-2027 of EMR, the organic food market of India stood at a value of \$849.5 million in 2020. The market is further expected to grow at a CAGR of about 20.5 percent in the forecast period of 2021 and 2026 to reach a value of about \$2601 million by 2026. The organic food markets in India are a niche market with the market expected to see wider penetration in the coming years owing to the growing incidences of food adulteration, food contaminated issues etc., the demand for organic food is anticipated to rise in the coming years.

The growing demand of organic food is a positive sign for an Indian agriculture. The table 2 given below shows the year wise growth of organic area in India. As per APEDA the organic area in 2015 was 4890000 hectare which includes 1490000 ha

area as organic agriculture and 3710000 ha area as wild collection, which reached to total area of 3669801.32 with 2299222.37 ha of organic cultivation and 1370578.95 ha of wild collection in year 2019.

Table 2: - Organic Area in India (in ha)

Sr.No.	Year	Area under organic farming cultivation ha.	Wild Collection Area ha.	Total Organic Area ha.
1.	2015	1180000	3710000	4890000
2.	2016	1490000	4220000	5710000
3.	2017	1443538	3009449	4452987
4.	2018	1786494	1780044	3566538
5.	2019	2299222.37	1370578.95	3669801.32

Source: - APEDA

The Indian organic food industry is in infant stage of growth. It is still in niche category of market segment in India. The current domestic organic food sales are estimated at around USD 849.5 million in 2019-2020. It is growing at a compounded rate of 25 percent each year. The organic food sales in India are just 0.1 percent of India's \$922.2 billion total food market in year 2020.

The various study on organic food market reported that the full potential of the domestic market has not been realized to date. This is due to a number of challenges including supply chain obstacles availability of organic food at stores and consumer awareness. The lack of awareness on parts of consumer's is another barrier that needs to be addressed on demand side in order to sustain the growth in organic sales.

The aim of this research paper is to study the consumer's perception, consumer's awareness about organic food products. This study helps to contribute to identify the factors influencing the consumer behavior and their intention to buy organic food products in Nanded city of Maharashtra. These studies will helpful in taking marketing decisions in the consumer market for organically produced food products.

V. LITERATURE REVIEW

In recent period, the environmentally friendly product is getting acceptance from the consumers. The demand for environment friendly products such as organic foods have significantly increased due to increasing awareness on health, food safety and environmental concerns (Briz and Ward,2009) Awareness and knowledge have become critical factors in changing the attitude, behavior of consumers towards organic foods, which is turn is expected to drive the growth in the organic food market. In recent period the consumers have realized that food is a crucial basic necessity in their life. They are now giving importance to the food safety, quality of food that they have eating. The consumers have shown positive attitudes towards the organic food products (chinnici et al.,2002) they perceived organic foods are healthier than the conventional alternatives.

The world organic food market is increasing rapidly, but at the same time in India even after largest number of organic farmers in world the domestic market size of organic food in India is remains very low. It is due to the constraints from both demand side and supply side. The use of organic food affected by demographic variables of the consumers (Abhay Joshi et al.,2012) In one another study related to this said that, the socio-cultural factors significantly impact the consumers habits with reference to organic foods. So, it is becoming more important to study this factor as these influenced on consumer behavior towards organic foods. It has been empirically investigated in various study that the socio-demographic profiles are affected the purchase decisions of organic foods (Lockie et al.,2002).

It is the need of time to conduct a research study on the organic food products and its marketing in the developing country like India, as majority of research on this were carried out in developed countries of the world. This study may help both

consumer of organic interest, farmers and marketing agencies involved in the business of organic food. It may also helpful to the government to formulate strategies for organic food products marketing in the country.

VI. RESEARCH METHODOLOGY

It involves the blue print of the frame work of the study to be conducted.

Objectives of the study: -

- 1) To study the concept of organic farming and organic food.
- 2) To review the organic food market of World and India.
- 3) To study the demographic factors influencing consumer behaviour towards organic food
- 4) To study the awareness level and consumption pattern of consumers towards organic food products in Nanded city.

Research Design: -

For present study, the researcher has used for both, exploratory and descriptive research approach. This research is exploratory in nature as the primary data will be collected using the survey method through fact finding techniques such as questionnaire, face-to-face interview and observations. The main purpose of this research is to obtain information concerning the buying behavior of the consumers of organic food products.

Research Work: -

The research was aimed at studying the consumer behavior, perception and attitude towards the organic food products in Nanded city of Maharashtra state, India.

Data Collection Method: -

The present study is based on primary data and secondary data. The primary data was collected through a structured questionnaire and interviews of a representative sample of food consumers who visited at retail food stores in Nanded city.

The secondary data was collected from various news articles, journals, government reports, books, magazines and internet.

Sampling Plan and Size: -

In order to cover all the representatives of food consumers in Nanded city, it was divided into four parts as East, West, North, South area. The 25 questionnaires were distributed in each area, in all total 100 samples were collected through a survey method in Nanded city.

The convenience sampling method was used to collect the required information from the representative sample.

VII. RESULT AND DISCUSSION

Demographic Profile of Respondent: -

A detail description of respondent's demographic profile is shown as follows. See Table

Demographic Profile	Group	No. Respondent	Percentage
Gender	Male	85	85.0
	Female	15	15.0
Age (in years)	16-25	6	6.0
	26-35	25	25.0
	36-45	52	52.0
	46-55	14	14.0
	56-65	3	3.0
Educational Level	Below 8	9	9.0
	9-12	38	38.0

	UG	43	43.0
	PG	10	10.0
Marital Status	Single	19	19.0
	Married	81	81.0
Occupation	Govt. Employees	9	9.0
	Private Service	20	20.0
	Housewife	10	10.0
	Professional	5	5.0
	Student	10	10.0
	Self Employed	40	40.0
	Retired	5	5.0
	Others	1	1.0

A detail analysis and interpretation of the respondents are as follows.

1) Consumers Interest and Awareness Towards Consumption of Organic Food: -

The researcher has asked to consumers about consumption of organic food to find out their awareness levels. It is prerequisite that, if consumer is aware about food, then only, he prefers to consume it.

Table: - Awareness levels of respondent

Sr. No.		No. Respondent	Percentage
1.	Yes	58	58.0
2.	No	42	42.0
	Total	100	100.0

The result shows that the 58 percent respondents have purchased and consumed organic food products during past. This indicates that 58 percent respondents have awareness about organic food, while 42 percent are unknown about the organic food.

2) Organic Food Purchase Frequency: -

Table: - Organic Food Purchase Frequency of Respondents

Sr.No.	Organic food purchase frequency	No. of Respondent	Percentage
1.	Once in Month	3	3.0
2.	Once half a year	10	10.0
3.	Seldom	45	45.0
4.	Never	42	42.0
	Total	100	100.0

The result about the frequency of purchasing of organic food by consumers indicates, 45 percent respondents are seldom consumer, it means these consumers are not regularly buying organic food products. The only 3 percent consumers are consuming at least once in month

3) Types of Organic Food Purchased for Consumption: -

Sr.No.	Type of Organic food	No. of Respondent	Percentage	Valid Percentage
1.	Organic Vegetables	20	20	34.48
2.	Organic Fruit	36	36	62.06
3.	Processed Organic food	1	1	1.72
4.	Organic food grain	1	1	1.72
5.	Total	58	58	100
6.	Never	42	42	

VIII. FINDINGS

The findings of the study are as follows:

1. The majority of the respondent (58 %) has awareness about organic food in the study area. The respondent had consumed organic food some times in the past.

2. The study reveals that consumers have positive attitude towards organic food.
3. The main motivating factors behind the consumer's acceptance of organic food are health consciousness, food safety and environmental concerns. It is consistent with result of previous studies.
4. The result reveals that only negligible (3%) respondent are purchasing organic food once in month, where 45% respondent said seldom as purchase their purchase frequency of organic food.
5. The one of the interesting findings of the study is that, the majority of the respondents have positive attitude about organic food but even high positive attitude over 45% respondents have said they seldom consume organic food.
6. The majority of consumers are consuming the organic foods mostly in the form of organic fruits(62.06%) and vegetables(34.48%) This result is consistent with previous studies on the same line.
7. The commercial organic food industry is new segment in the Indian Food Market. It is still a niche segment from food marketing point of view.
8. The most of the consumers are non-regular user of organic food in Nanded city. The irregular availability of organic food products in the market is the main reasons behind the low level of consumption of organic food in the study area.

IX. SUGGESTIONS

The following are the suggestions made based on the present study.

1. There is need to create awareness of organic food production knowledge and organic farming practices among general consumers.
2. There is needed to make necessary improvement in the features of organic food products, which will helpful to encourage consumers towards organic food.
3. There is need to take care about timely availability of organic food in the market by organizing the Krishi melas, Rayatu bazaar etc. in the city area by Agriculture Department Government of Maharashtra.
4. There is need to arrange consumer education programs to convert non-buyers of organic food to buyers.

X. CONCLUSION

After extensive reveal of the available literature on the present area of study, it is clear that, the consumer behavior plays a major role in the marketing of organic food products. The market of organic food products continues to grow in all over world during last few years. The developing country like India is also not untouched from the concept of organic farming and organic food marketing. As per the IFOAM report, today India is at top position in terms of largest number of organic producers in all worlds. Even after this positive thing, the organic food industry in India is developing as an export-oriented industry because the demand of organic food in domestic market is very negligible. The main reason behind this is low domestic demand for organic food is that the sales of organic food are limited to metro cities of India. So, it felt necessary to conduct the study of consumer behavior towards organic food in India. The present study reveals that the consumption of organic food depends upon the attitudes and behavior of consumer towards the organic food products. The study also revealed that, a positive relationship among the organic food consumption frequency and the factors like consumer's attitude, health consciousness organic food knowledge and environmental concerns.

It is also observed in India's Organic food market that, there is more demand for organically produce fruits and vegetables. The consumers have positive attitude towards the organic food products in the study area.

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