

Consumption of Organic Food Products in India: A Qualitative Study

¹Mukesh Kumar Jain and ^{2*}Swati Aggarwal,

¹Associate Professor, ²Assistant Professor,

^{1,2}Department of Commerce, Zakir Husain Delhi College, University of Delhi, India

*(Corresponding Author)

Abstract: Growing concern for health in recent years and awareness about natural products has paved way for the demand of organic product offerings that are perceived to be better for health as well as environmental sustainability. The purpose of this research is to learn more about what influences motivate and discourage young people from purchasing organic food. A semi-structured series of questions was used to select respondents for interviews. In order to get to the heart of the research's target, the interview followed the conversation's course. It's an investigation into the conditions that influence a buying decision. Health and nutritional issues, superior taste, environmental concerns, food quality or lack of faith in traditional food, animal rights concerns, respect for local produce, wholesomeness, nostalgia, and fascination emerged as motivators for buying organic food, while high price emerged as a deterrent.

I. INTRODUCTION

Organic products are becoming more common with customers as a result of the many advantages they offer, including environmental and benefits (Hughner et al., 2007). Organic products are made with fresh ingredients that are both safe and environmentally friendly. Organic crop processing, unlike traditional food, uses soil, waste, and other organic materials instead of toxins, additives, and synthetic fertilizers. The gradual emergence in the consumption of organically grown food products by upper social economic class in India shows that the prospects available for this sector in the coming years are promising.

Green products, however, are not adequately sold, considering their advantages and ideals. Despite market perception, organic goods are not commonly bought by customers due to their higher cost. Another barrier to purchasing organic food is a lack of confidence. Companies introduce promising goods onto the market that claim a variety of advantages, but they often struggle to achieve the promised value. As a result, there is a disconnect in what a brand promises and what it actually offers. Because of these flaws, the buyer always loses faith in the brand as well as the goods. This report would attempt to concentrate on customer perceptions of organic food purchases.

Over the last few decades being a leading country in farm produce, India's understanding of sustainable environment and planet cannot be questioned. But this scenario has shown a drastic change due to increase in the use of pesticides and chemical fertilizers to increase farm produce and thereby having deteriorating effects on the health of consumers and environment. India is capable of organic farming, but farmers must be educated in order to increase organic farming. Increased health awareness, shifting habits, increased disposable income, and increased availability of organic food items in supermarkets and malls are all contributing to the

current food market's development.

The food item is bought mostly for its aesthetic appeal, but it also has the taste experience attribute. Finally, it has a significant credibility value in the form of nutritional properties. It's important to remember that, in most cases, pre-purchase detail is scarce. In this case, customers would be able to compare their pre-purchase expectations of the food with post-purchase experiences only after the consumption of food product.

Since pre- and post-consumption values can differ, customer evaluation of goods is further complicated by proxy, credence, and experience qualities. A lack of continuity between pre- and post-consumption valuations may have a direct impact on repeat buying decisions from a marketing perspective. From an economic standpoint, this lack of accuracy makes forecasting future demand more difficult and can have an effect on welfare policies derived from valuation exercises (Nalley, Hudson, & Parkhurst, 2005). The aim of this research is to learn more about young people's perceptions of organic foods. The study's goal is to better understand the motivations and barriers that youth face when making purchasing decisions for organic food items.

Understanding the Organic Food Products: Literature Review

Over the years, product attributes have become significant means of bringing product differentiation amongst the competitors. Utility-maximizing customers, according to Lancaster's theorem, gain utility from commodity properties rather than the product itself. Color, scale, and appearance are examples of observational attributes. Other characteristics, such as roots, can serve as proxies for underlying quality. There are also perception characteristics, such as taste, for which users have no knowledge until after they have consumed it. Finally, there are credence attributes, such as nutritional qualities, about which ingestion contains little information and the user must rely on third-party or external information to determine the attribute's presence in the substance (Nalley, Hudson, & Parkhurst, 2005).

Natural goods present an additional obstacle due to the inclusion of credence properties that can either not be checked at all or entail prices that is beyond the reach of any particular buyer. Several experimental and/or observational research have shown the existence of positive buyer desire to pay for attributes such as "green," "ethical," "fair trade," "beef clean," "non-animal testing," "organic," "no child labour," "low cholesterol," and so on. Many of these characteristics reveal market preferences for particular manufacturing methods. The choice comes from either a conviction that such types of processing have direct private advantages, mostly health benefits (e.g., organic products and food items free of genetically modified organisms) or ethical concerns.

Consumers often purchase a product that is otherwise identical or more expensive because they think the way it is made relates to the environment.

Such quality or protection characteristics of a commodity, the presence and quantity of which cannot be measured even after the products have been consumed, are included in the list of credence attributes. If a way is discovered to convince customers that their money is well invested, credence attributes create a serious asymmetric knowledge dilemma that could have catastrophic repercussions for associated good markets by either significantly decreasing volume or contributing to complete failure. Many market-driven mechanisms struggle to boost knowledge in markets because buyers are unable to tell if a firm's argument about an attribute is true or false even after they have consumed the purchased products. Rijswijk and Frewer (2008) classified "quality and safety" as such kind of credence attributes.

Food marketed as "tasty, safe, and nutritious" has enticed enough people to try organic food. In the last three years, India's organic food industry has almost quadrupled in size, with a domestic market worth around INR 300 crore and an export market worth around INR 700 crore. According to an ASSOCHAM study from 2014, the demand for organic food was \$360 million (INR2400 crore) in 2014, with figures of \$500 million for pulses and food grains (INR3350 Crore). Organic farming was conducted in 12 states in 2015, covering about 4.72 million hectares of land, up from 1.24 million hectares in 2013-14. Based on the form of food products sold, the volume of the organic food industry in India in 2014-15 was about 180 million Indian rupees, with organic pulses accounting for the largest share during the time. According to industry forecasts, the organic food market in India is expected to rise at a CAGR of more than 25% from 2015 to 20. (Capoor R.).

However, in comparison to the predictions made, the State Government's attempts have not yielded the expected results. Organic cultivation, for example, has been limited to less than 2000 acres of land in Punjab. Similarly, the most food-insecure states, such as Sikkim and Kerala, which claimed to practice organic agriculture, were fed by Punjab and Haryana's food grains. In 2016, the government set a target of converting 500000 acres of land to organic farming in the next three years, with a projected investment of INR 412 crores based on the assumption that converting a farmland to organic practices takes three years.

Organic Food Consumer's Motivations and Barriers

Natural products are available from a variety of companies in the market. Health, ecology/environment, taste, food safety, trust in the conventional food industry, concern for animal welfare, support for the local economy, wholesomeness, curiosity, awareness, availability at local kirana stores, pricing, organic food availability, knowledge of certification boards, and organic sourcing are just a few of the factors that have been investigated (Hugghner et al., 2007; Padel & Foster, 2005).

Several other studies (e.g., Winter & Davis, 2006) perceived organic products to be healthy due to the use of chemical free ingredients in the production process. Organic fruit juice was judged to taste better than traditional orange juice in a review by Fillion and Arazi (2002). According to research by Zanolli & Naspetti (2002) and Magnusson et al., consumers believe organic food ingredients are safer for the atmosphere and less harmful to the body (2003). Soler et al. (2002), Harper & Makatouni (2002), Fotopoulos & Krystallis (2002), and

Chinnici et al. (2002) all found that 'concern for wellbeing,' 'animal rights,' and 'wholesomeness' are all important factors in purchasing organic food. The aim of this research is to use qualitative research and interviews to determine the factors that affect customer behaviour when buying organic food. The study further classifies these factors as motives and deterrents.

Objectives of the Study

India is supporting and encouraging organic food markets at both the national and state levels. However, with this emphasis, the issue of who is purchasing these goods emerges. It is critical for retailers and the organic sector, which includes producers, processors, and distributors, to maximize the benefits of this opportunity. Several studies have been undertaken in various countries to further understand the demographic profile of organic consumers who have shown an interest in purchasing organic produce. The current study is conducted to accomplish the following two-fold objectives:

- 1) To assess the level of understanding of organic food products among youth, as well as the factors that influence customer purchasing behavior for organic food products.
- 2) To classify the identified factors as motives and deterrents while buying organic food products among youth.

Methodology

A comprehensive review of the literature was undertaken to investigate the different variables that influence consumer behavior when purchasing organic food. Secondary sources and studies released by the government and ASSOCHAM were used to compile data for the Indian organic food industry. The factors identified from literature review formed the basis for formulating interview questions (see Table 1). Consumers in the age group of 20-35 years were chosen as the sample unit for the qualitative study. Semi-structured interviews were conducted with 25 respondents (eleven females and fourteen males) who were selected on the basis of referrals. Before approaching the respondents, it was ensured that they were aware of organic products and thus were suitable for the purpose of the study. The interviews were conducted at home or in office, during 1st January, 2016 to March 31, 2016, as per the convenience of the respondents. Proper recording was done and notes were taken for reference as a part of data collection. The responses so collected were assessed and grouped under common themes.

Table 1: Interview Questions

Q 1. Are you familiar with organic products?
Q 2. What are your opinions on organic products?
Q 3. Are you a consumer of organic products?
a) If yes, what products? How often?
b) If no, why?
Q 4. Do you believe organic food is beneficial for health?
Q5. What is your opinion regarding reliability of organic food?
Q 6. Do you trust organic food brands?
a) If yes, name any organic food brand(s) that you consider trustworthy.
b) If no, why?
Q 7. Compare between organic and regular food. Which one do you prefer?
Q 8. What attributes do you notice in organic or conventional

foods?

Q 9. Which store do you buy from?

Q 10. Whether the price of organic food is your primary concern to buy them?

Q 11. Does organic food deliver value that they claim? (Brand expectation vs actual)

Q 12. How do you ascertain the value proposition of organic food?

Q 13. How do you ascertain that organic food is genuine?

Q 14. Have you switched to any organic product brands? Why?

Q 15. Do you find organic food products tasty?

Q 16. How curious are you to taste food that is labeled organic?

Findings and Recommendations

On analyzing the respondents' answers to interviewer's questions, **health** was found to be of utmost concern for almost all the respondents and thus emerged as a **motivator**. Conventional pesticides, bioengineering, waste sludge, industrial fertilizers, nitrogen fertilizers, synthetic contraceptives, genetic reengineering, antibiotics, and other environmental toxins are not used in organic food processing, these foods are thought to be "**good for health**." Understanding the ill-impact of using such ingredients in soil, farmers too generally rely on using compost or manure and other organic materials. The findings are in line with previous studies by Winter & Davis (2006), Fairweather (1999), and Brandt & Molgaard (2001) that have posited health as one of the important motives for buying organic food products.

Another strong motivator for buying organic food is environmental concern, as shoppers consider organic food to be not only less toxic to the body but more environmentally sustainable. Conventional food, on the other hand, contains toxic compounds and toxins that are detrimental to the atmosphere as well as the human body (Otto, 1990; Jolly, 1991; Wilkins & Hillers, 1994). Environmental issues, on the other hand, have been shown to have a smaller effect on organic food sales than health concerns, according to polls (Mitsostergios & Skiadas, 1994; Tregear et al., 1994; Schifferstein & Ophuis, 1998; Zanolli & Naspetti, 2002; Magnusson et al., 2003).

Consumers were also worried about food safety, as market knowledge of food poisoning and diseases transmitted by conventional food influences their buying intentions for organic goods. Jolly (1991), Schifferstein & Ophuis (1998), and Soler et al. (2002) have all addressed this element as being significant. Similarly, proper care of animals is a consideration that has been addressed in previous surveys that have looked at the effect of both the dietary and social aspects of animal health on the buying of organic goods. According to Torjusen et al. (2001) and Harper & Makatouni (2002), this element is a measure of food quality and safety (2002). Thus, it can be inferred that **concern for food safety** act as a **motivator** while buying organic food products.

The interviewees' responses shed light on the existence of credence qualities, as they specifically noted that organic food trials and purchases are dependent on the 'trust' that can be put in the individual proposing it. However, the question is whether or not they believe or interpret the food they eat to be organic. **Skepticism of Certification Boards and Organic**

labels is another factor that **demotivates** consumers from buying organic food. Today, consumers have information that helps them in taking better decisions. Consumers are now aware that certificates and trademarks can be obtained by bribing board members, lowering their confidence in the business (Otto, 1990; Canavari et al., 2002; Aarset et al., 2004), and thus being an excuse for not purchasing a certain brand of organic food (Otto, 1990; Canavari et al., 2002; Aarset et al., 2004). (Otto, 1990; Canavari et al., 2002; Aarset et al., 2004).

But almost all the respondents consider Patanjali products as organic. They buy the brand due to trust they place on the claims made by Baba Ramdev that Patanjali products are chemical free and organic. Some respondents trust a particular store or a brand and so prefer to purchase it from the trusted store or salesperson rather than buying it on the basis of awareness and information. Thus, availability of organic food at the nearest possible store can be viewed as one of the important **motives** for buying organic foods. Some researchers have discovered that some consumers are worried about improving the local economies and therefore buy organic food from family-owned farms, locally produced organic food, or from non-governmental organizations that specialize in organic food production (Fotopoulos & Krystallis, 2002).

Organic eating was found to be more wholesome in a review by Schifferstein & Ophuis (1998). The definition of wholesome, however, is little hazy. Organic food is now trendy among consumers, thanks to the attention and emphasis placed on it by health experts and the media. As a result, they buy organic products to keep up with the new trend (Hill & Lynchehaun, 2002; Chinnici et al., 2002). Organic products are bought for a variety of reasons, including fascination and the need to equate organic food's taste with the purity and flavor of the past (Chinnici et al., 2002). Thus, it can be inferred that **Wholesomeness and nutritional value** act as **motive** to buy organic food products.

Organic food is more expensive than the other forms of food on the market. As a result, shoppers find it difficult to make transactions (Tregear et al., 1994; Roddy et al., 1996; Magnusson et al., 2001; Zanolli & Naspetti, 2002). Consumers are willing to pay a premium for organic products, but researchers find that they are reluctant to pay the current retail price premium (Millock 2002). High price prices are thought to mean higher quality for the customer, but there are conflicting reactions when it comes to purchasing organic products (Canavari et al., 2002).

Even if a customer is able to pay a higher price for organic produce, the lack of organic food in the local supermarket or market stops them from purchasing it (Zanolli & Naspetti, 2002). This may be due to a marketing channel or delivery system malfunction. Although larger cities such as Chennai, Mumbai, Kolkata, and New Delhi have a plethora of organic food outlets, smaller cities such as Raipur and Jamshedpur do not. Except in areas where organic food is affordable, supermarkets or kirana stores stock a limited number of products or options. As a result, businesses must promote organic goods in Tier 2 cities, where market interest can be raised and benefits can be realized.

The respondents revealed that they go for repeat purchase of organic cereals, rice, wheat and pulses. When living with relatives, interviewees revealed that they have been buying cereals on a daily basis. They are less likely to buy fresh food on a daily basis if they live alone, and due to their "busy lives," they may or may not choose to cook. According to study,

people are more likely to pay a premium for organic foods when it comes to "family," because the welfare of their loved ones is a high priority. Furthermore, the high cost of organic goods discourages consumers from purchasing them, and even though they do, repeat purchases are uncommon. This refers to the buying of conventional products (mostly fruits and vegetables) rather than organic alternatives.

As regard the taste of the organic food products, respondents expressed mixed views. Though opinions differ depending on the commodity, few people believe that organic and non-organic foods taste different. In a blind taste test comparing organic and non-organic food juice and milk, Fillion and Arazi (2002) discovered that organic fruit juice tasted better than standard orange juice, but there were no variations in the tastes of organic and non-organic milk. As a result, it's difficult to tell if organic or conventional food tastes better because they differ too much. Consumers who believe organic food is tastier than non-organic food items may use taste as a motivator to purchase.

It has also been discovered that customers in larger cities, such as Chennai, include a huge number of Information Technology professionals who buy organic goods for social recognition and prestige. Using organic food makes them feel like they belong to the upper crust of culture, which consumes high-end goods. It is often observed that people divide themselves depending on the form of food they eat, with organic products being regarded as superior.

Owing to a lack of marketing activity on the part of organic food product manufacturers and the lack of appropriate media types, organic products do not receive enough advertising and merchandising. Because of a lack of marketing and inadequate retailing tactics, consumers' awareness of organic foods has had a negative impact on their organic product buying decisions. Roddy et al. (1996), Chryssochoidis (2000), and Latacz-Lohmann & Foster (2000) all shared similar viewpoints (1997).

In sum, the study makes an interesting revelation that some respondents are satisfied with the regular food products that they have been consuming for past several years and are not willing to switch from non-organic to organic food products. They do not perceive organic food products as superior to the non-organic ones and are satisfied with their current consumption pattern. From the perspective of the consumers who prefer to buy organic food products, major factors identified from this study have been further classified as motivators and deterrents, depending upon how strongly they affect the behaviour of the consumers in actual purchase setting. While health and nutritional issues, superior taste, environmental concerns, food safety or lack of trust in traditional food, animal rights concerns, support for local produce, wholesomeness, nostalgia, and interest are all driving factors for buying organic food, deterrents include high price, lack of organic food supply, and nostalgia.

Limitations of the Study

1. A disadvantage in generalizing research findings to a wider population is the sample size and lack of information about organic goods.
2. The study was conducted with youth in the age group of 20-35 years. More factors can be explored by future studies in the wider age group along with consumer socio-economic determinants.

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