

**CUSTOMER AWARENESS TOWARDS ORGANIC FOOD PRODUCTS -  
A STUDY WITH SPECIAL REFERENCE TO TWIN CITIES OF HYDERABAD AND SECUNDERABAD**

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### **ABSTRACT**

*Organic food products are produced under a system of organic agriculture without the use of harmful fertilizers, pesticides. Organic cultivation methods support the environmental protection. The aim of the study was to assess the awareness of organic food products among the consumers in twin cities of Hyderabad and Secunderabad. This study aims to explore the acceptance of the consumers and there in sights towards organic food products. The primary data has been collected with the help of a structured questionnaire. The data is analyses by using Microsoft Excel; SPSS.The sample size for the study comprises of 100 consumers of the proposed area. The awareness of organic food products among study population is about 90% but the purchase of organic consumer is 70%. The reason for non-consuming organic food products is due to high price and limited choices. This study will help organic marketers to review their marketing strategies.*

**Keywords:** organic products, organic food products, consumer awareness, environmental protection

### **1. INTRODUCTION**

Organic food products provide “healthy life” to consumers. They are grown from a materials produced under a system of organic agriculture without the use of harmful fertilizers, pesticides of genetically modified organisms [GMOs]. It also means that the organic cultivation methods have been impact on soil, water and air to support the environment protection. Many farmers in India are shifting to organic farming due to the demand for organic food products in domestic and internat6ional/export market.As per the available statistics, Indian rank in term of worlds organic agricultural land won 9<sup>th</sup> and in term of total number of producers was 1<sup>st</sup> as per 2018 data

[source: FIBL & IFOAM year book 2018].Most of the countries have their own standard to define products on organic: USA uses USDA certification- NOP national organic program to define a cultivated products as organic. The government of India has implemented the NPOP national programme for organic production. The NPOP standards for promotion and accreditation system have been recognized by European commission &Switzerland for unprocessed plant products as equivalent to their country standards with these recognitions, Indian organic products duly certified by the accredited certification bodies of India are accepted by the importing countries.

As on 31<sup>st</sup> march 2018, total area under organic certification process [NPOP] is 3.56 million hectare [2017-18].this includes 1.78 millionhectare (50%) cultivable area and another 1078 million hectare (50%) for wild harvest collection. During 2016, Sikkim has achieved a remarkable distinction of converting its entire cultivable land [more than 76000 hectare] under organic certification. In 2018 Sikkim, this was recognized as the country’s first organic state. India produced around 1.70 million in [2017-18] of certified organic products which includes all varieties of food products namely sugarcane, pulses, oils seeds, tea,fruits,dryfruits,spices,cotton, vegetables, coffee etc.The total volume of export during 2017-18 was 4.58 lakh MT. the organic food export legalization was around INR 3453.48 crore(515.44 million USD)organic products are exported to USA, European Union, Canada, Switzerland, Australia, South Korea, Vietnam, New Zealand, Japan etc.

## 2. REVIEW OF LITERATURE

Baisakhi Mukherjee., 2017- The study enlightens fact that there is an awareness about the organic food products. But the government should support the producers and marketing initiatives to capture the market for organic products. Most of the consumers will be interested in purchasing organic products if they provided more information, product choice and affordable price.

Rock B et al. 2017- The main reasons for consuming organic food being credibility and availability. The study says that to increase the awareness level of organic products, encouraging people to create their own organic garden can increase consumption of organic food products.

Pau et al., 2015- Most of the Indian consumer have switch from inorganic products to organic products due to health conscious. Not only in the organic food products but also in other products such as organic cloths or fabrics, organic home cleaning, organic cosmetics etc. This has been increased only due to the health issues.

Cherrier et al., 2011- The Indian government and marketers has strengthen or support to the consumers to increase the awareness for purchasing towards the organic products positively.

Hughner et al., 2007- The study reveals the fact that among the organic consumption the main factors is the motivating the consumers towards the organic products is the health factors. The organic food products have been identified as the primary factor.

## 3. RESEARCH OBJECTIVES

1. To study the customer's response and awareness towards organic products in Hyderabad and Secunderabad.

2. To analyses the products, price and place strategies of organic food products among customers of Hyderabad and Secunderabad.

## 4. RESEARCH METHDOLOGY

The research involves both primary as well as secondary data.

**Area of study:** Twin cities of Hyderabad and Secunderabad.

**Primary data:** The primary data has been collected by the online survey through social media. To collect the primary data of the study with the help of a structures questionnaire.

**Secondary data:** The secondary data has been taken from previous research work of the same fields, journal, online library of marketing agency of organic products such as ECOCERT India Pvt ltd, APEDA and many more.

**Sample size:** the sample size of this research involves 100 consumers that are selected completely on the basis of convenience and supporting the purpose of study.

**Sampling method:** The most convenient sampling method has been used to collect the primary data on the basis of availability of time and respondents. The data has been collected with the help of questionnaire.

**Statistical tools for analysis:** The data was entered in Microsoft Excel; simple percentage, SPSS research tools will be adopted to conduct the analysis.

**Period of study:** The present study on "Customer awareness towards organic food products" conducted only for April, 2019.

## 5. Limitation of the study:

1. Research is confined only to twin cities.
2. The respondents are limited to only 100.
3. Period of study is very limited.

## 6. RESULT AND DISCUSSION

### Table 1 Demographic Analysis of the respondents

S No	Variable	Constructs	Frequency of respondents	%
1	Gender	Male	29	29
		Female	71	71
2.	Age group	Less than 25	08	8
		26 – 35	40	40
		36 – 45	32	32
		46 – 60	15	15
		Above 60	05	5
3	Marital status	Married	62	62
		Un Married	38	38
4	Education Level	Under Graduate	06	6
		Graduate	30	30
		Post Graduate	50	50
		Above Post Graduate	14	14
5	Average Monthly Income	Less than 20,000	08	8
		20,000 - 40,000	46	46
		40,000 - 80,000	35	35
		Above 80,000	11	11

**Source: Primary data, April 2019**

The above table 1 shows the demographic analyses that among all the respondents 71% are female and 29% are male. It indicates that the women are more tendencies towards the purchase of organic food products in contrast to men. As per the age is concerned the table reveals that the consumers of

age group 26 – 45 years are ascendant buyers of organic food products in the current scenario. The consumers of age group of below 25 are the youth are having the least harmony towards the organic food products. This difference in the behavior can be because of the difference of life experiences and health carefree attitude. As per the table it has been observed that education level plays a supreme role in the acceptance of the organic food products. The data reveals that more educated consumer have an interest to consume the organic food products. On the basis of income the consumers the average household income between the range 20,000 – 80,000 are more interested in buying the organic food products.

**Table 2 Classification of respondents on preference of products**

S No	Variable	Constructs	Frequency	%
1	Preference	Organic Products	90	90
		Non-organic Products	10	10
<b>Total</b>			<b>100</b>	<b>100</b>

**Source: Primary data, April 2019**

**Table 3 Classification of respondents on awareness of organic food products**

S No	Variable	Constructs	Frequency	%
1	Awareness	Yes	90	90
		No	10	10
<b>Total</b>			<b>100</b>	<b>100</b>

**Source: Primary data, April 2019**

The above table 3 shows the awareness of the respondents regarding to the organic food products. According to the table the respondents on awareness towards the organic food product is 90% positive contribution towards human welfare and conservation of the environment.

**Table 4 Classification of respondents on purchase of organic food products**

S No	Variable	Constructs	Frequency	%
1	Do you purchase organic food products	Yes	70	70
		No	30	30
<b>Total</b>			<b>100</b>	<b>100</b>

Source: Primary data, April 2019

The above table 4 shows the purchase history of the consumers. The data reveals that an awareness and preference of organic food products is 90%, but the ratio between the purchase of organic consumers and non-organic consumers is 7:3. This can be considered as an opportunity for the marketers.

**Table 5 Purchase frequency of organic food products**

S No	Variable	Constructs	Frequency	%
1	Purchase frequency	Once a week	13	18.57
		More than once a week	01	1.4
		2 - 3 times in a month	31	44.28
		Once a month	25	35.71
<b>Total</b>			<b>70</b>	<b>100</b>

Source: Primary data, April 2019

The above table 5 shows the purchase frequency of the consumers who are aware of organic food products as well as consuming them. According to the data 44% of the consumer purchase organic food products 2 - 3 times in a month, 26% of them purchase once a month and 19% of the consumer purchase once a week which reveals that there is still scope for improvements in the marketing strategies towards organic food products and to

increase the purchase frequency of the organic food products.

**Table 6 Reason for not purchasing organic food products**

S No	Variable	Constructs	Frequency	%
1	Not purchasing frequency	Expensive	16	53.33
		Limited choice	12	40.00
		Don't know where I can buy	02	6.67
		Don't know about product	0	0
<b>Total</b>			<b>30</b>	<b>100</b>

Source: Primary data, April 2019

Table 6 reveals the potential reason for not purchasing organic food products. Among the four constructs due to the high price and limited choices of the organic food products within the convenient reach of the consumers. Price is the most prominent concern of the consumers. The consumers are not able to afford them due to the high price of organic food products.

**Table 7 Factors to prefer to purchase organic food products.**

S No	Variable	Constructs	Frequency	%
1	Factors preferred	Good taste, healthy, nutritious.	32	45.71
		High quality, freshness.	24	34.28
		Status symbol.	04	5.71
		All the above	10	14.29
<b>Total</b>			<b>70</b>	<b>100</b>

Source: Primary data, April 2019

The above table 7 shows that the consumers are more turning towards the organic food products due to good taste, healthy, nutritious, high quality

and freshness of the products. The Figure supports the fact healthy, taste, high quality; freshness forms are a set of influence factors common among 90% of the consumer.

**Table 8 Different type of organic products**

S No	Variable	Constructs	Frequency	%
1	Product category	Organic food & beverage	48	68.57
		Organic cosmetics	5	7.14
		Organic fabrics	2	2.86
		Organic personal care	3	4.28
		Organic home cleaning	12	17.14
<b>Total</b>			<b>70</b>	<b>100</b>

Source: Primary data, April 2019

The above table 8 and figure 6 clearly shows that among all the prescribed category of organic products, organic food and beverages captures a huge share of organic market due to the health conscious of the consumers which is then followed by home cleaning products and then organic cosmetics. The market of organic fabrics and organic personal care yet to be exposed both by the marketers as well as by the consumers.

**Table 9 Factors influencing purchase decision of organic food product**

S No	Variable	Constructs	Frequency	%
1	Decision factors	Price	30	30
		Availability	14	14
		Product knowledge	19	19
		Food safety	37	37
<b>Total</b>			<b>100</b>	<b>100</b>

Source: Primary data, April 2019

The above table 9 shows that the price, food safety, product knowledge and availability are the main factors that are taken into consideration which make the purchase decision of the organic products; this also indicates that more consumers will be interested in purchasing organic food products, if they provide more product information at a economical price.

**Table 10 Opinion towards price of organic food products**

S No	Variable	Constructs	Frequency	%
1	Price	Expensive	52	52
		Low	10	10
		Moderate	13	13
		Compromising on amount of quality	25	25
<b>Total</b>			<b>100</b>	<b>100</b>

Source: Primary data, April 2019

The above table 10 shows that 52% of the respondents think organic products are expensive which also indicates the high price of the organic food products. These products are expensive due to the high cost of production and storage to sustain the benefits of the products to increase the product life.

**Table 11 Preferred locations to purchase organic products.**

S No	Variable	Constructs	Frequency	%
1	Location of purchase	Online	03	40.28
		Organic retail stores/shopping malls	50	71.14
		Farm shop	11	15.71
		Open markets	6	8.57
<b>Total</b>			<b>70</b>	<b>100</b>

Source: Primary data, April 2019

The above table 11 shows the preferred location where the consumer purchases the organic food products. Among all the prescribed location organic retail stores is the most popular location for the purchases scoring 71 %of the respondents. This indicates that consumers are more interested to purchase organic food products which assure safety.

**Table 12 Ranking of organic products.**

S No	Variabl e	Constructs	Frequenc y	%
1	Ranks of organic products	Good	26	26
		Very Good	44	44
		Don't know	13	13
		Can't differentiate	17	17
<b>Total</b>			<b>100</b>	<b>100</b>

**Source: Primary data, April 2019**

The above table 12 shows that 44% of respondents rank the organic products are very good and 28% of them rank the organic products as good.

**7. FINDINGS & RECOMMENDATIONS.**

This study shows among the 100 respondents about 90% of the respondents has prefer organic product,90% has awareness about the organic food products and 70% of them purchase and consumed organic food according to a survey conducted in April 2019. A survey conducted in twin cities of Hyderabad and Secunderabad. The survey reveals that more awareness, proper product knowledge and need to educate about the importance of the organic food products and it should be created and available in plenty at a moderate price. The study reveals that consumers are still hesitant to shift their consumption to organic food products mainly

because of lack of product information, expensive, limited choice. The consumer will be more focused if they have sufficient information about the usage safety of the product in the form of certification. This will strengthen the trust of the consumers on the products. The survey reveals that there should be a committee that certify organic products this will boost the consumers towards the consumption of the organic products. The government has start off many venture programs for organic farming and marketing through agencies such as APEDA National program for organic production (NPOP).

**8. CONCLUSION**

Awareness of organic food products among study population is about 90% but the consumption of the organic food product is only 70%. The main reasons for consuming organic food product is due to the good taste, healthy, nutritious and high quality. The marketers should apply more marketing strategies which includes product positioning, brand development, advertising which will help the consumer to get more information about authentication of the product availability of the organic food products. The government should also support the producers by providing specialized training to boost their production and marketing initiatives to capture the market for organic food products. The study also reveals that the fact that the consumer will be more fascinated in purchasing organic food products if they provide more information about the organic products, product choices, availability and economic price. There is huge gap between the consumer awareness and agriculture. This gap can be removed through two methods one is giving awareness about the organic food product and another is educating them about organic farming.

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