

Do the Consumer Behavior Patterns Turn Natural? Drivers of Organic Food Spending among Consumers of Tiruchirapalli City

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Article Info

Volume 82

Page Number: 9262 - 9268

Publication Issue:

January-February 2020

Abstract:

“Let the buyer beware”. This is a preferred idiom in this forceful living scenario. Fast foods and ready to eat foods saved the time of the working professionals. However, later it shown its original façade by putting the people in ill-health. Though, people have got awareness in these days. Organic food consumption is gradually heading towards the market. Increased disposal income and health consciousness increased the organic food intake. Moreover social learning through networking, media’s and health tips through messages and emails helped the people to take care of their health and this becomes the opportunity for green entrepreneurs and ecological business ventures. This problem statement can be potentially converted into business in a most ethical way. In this paper the researcher investigated the organic food consuming behavior among consumers of Tiruchirappalli city, which is located in the central Tamilnadu.

Article History

Article Received: 18 May 2019

Revised: 14 July 2019

Accepted: 22 December 2019

Publication: 10 February 2020

Keywords: Organic Food, Green Purchase, Sustainability, Ecological Environment, Health Consciousness.

Research Gap

Previous studies concentrated on factors affecting the purchase decision of organic foods. In this study the researcher combined the green purchase intention and green literacy along with the organic food buying factors. An Awareness which is created on “Green” is also a reason for moving into natural food consumption.

Findings

Findings of the study revealed that, Ecological Identity, Social influence and Learning, Green Literacy, Health Consciousness, Green Purchase awareness are positively influencing the buying behavior of organic foods, while organic food knowledge is an intervening or intermediate variable.

INTRODUCTION

What is Organic Food?

Organic food is a one which is produced by avoiding the man made fertilizers and pesticides which is necessarily a green product and different from regular conventional food products. The U.S

department of agriculture defines that; Organic foods are the one which are produced by the farmers who accentuate the renewable resources and avoiding the usages of fertilizers.

India and Organic Food

According to the India Brand Equity Foundation, the disposal income of Indian middle class is expected to grow double in the year 2025. Since Organic foods are costlier than the traditional conventional foods, buying of organic foods may become simplified in the years to come. The governmental regulations are very positive for the organic food industry. Through Paramparagat Krishi Vikas Yojana (PKVY), central government has identified 2 lakh hectares which will surely heighten the organic farming in india.

Variables used in the study

Ecological Identity

Being an environmentalist and conveying strong environmental protecting concerns. Ecological identity is a one where the person will involve in actions and conveying his best ideas on preserving

the nature and having more concern for future generations.

Social Influence & Social Learning

This refers to the change of an individual to meet the demand of the social environment. We seek an advice from your peer group always. We take the good ideas and suggestions from our peer groups. Social learning are a learning process by observing and imitating others. Consumption of organic foods is influenced through the influence of society and social learning.

Green Literacy

Generally known as ecological literacy term was first used by **David W. Orr and physicist Fritjof Capra** in 1990. This defines about the principles of eco system and teaching others to build a sustainable society. An Ecological literate will believe human and natural systems are interconnected. (Michael K. Stone, 1991)

Health Consciousness

Health consciousness defines the promptness to embark on health actions. (Becker *et al.*, 1977). Health aspects were considered more important than the environmental aspects (Hendrik *et al.*, 1998).

Organic Food Knowledge

Individual perception and experience about the organic food which is more nutritious than the conventional food.

Green Purchase Awareness

Buying products in the shops or retail outlets which are involved in green purchasing. Green purchasing refers to usage of green raw materials, green packaging and disposals. To put it simply, buying of products from environmentally responsible retail outlets.

GLOBAL ORGANIC MARKET AND INDIA

Indian organic food market estimated to the tune of \$704 million last year. Certainly the Indian organic food market is estimated to reach \$2091 million by 2024. India exported the organic foods worth \$515 million in the year 2017-2018. There is a lot of scope is identified in the market and this is a great news for green startup's. Organic beverages like tea is having highest market share followed by pulses. Strong

supply chain is expected to expand the organic market throughout the country and the world. According to Indian Brand Equity Foundation, Indian middle class spending power is anticipated to get doubled in 2025.

LITERATURE REVIEW

When the sales of the organic food increase, it will be resulted in economies of scale. Trust, subjective norms, perceived value; attitude positively influences the purchase decision of organic food. (Deepak Pandey 2018)

The author investigated the inevitable role of food safety, health consciousness and self identity on purchase intention of organic foods. All the three dimensions having significant relationship with the purchase intention of organic buying. (Nina Michaelidou 2008)

The author examined about wellbeing, accessibility and education from socio demographic factors which certainly influence the consumer's approach towards purchase intention of organic food. (Justin Paul 2012) The barriers for consuming organic are lack of availability and high prices. Objective and subjective knowledge are positively related to organic food consumption. Attitude towards the organic vegetables are encouraging. (Joris Aertsens ,2011)

Using AMOS Structural Equation modelling, the author proved the relationship between attitude, subjective norms and affordability. These factors significantly contribute towards the willingness to purchase organic food. (Jan P. Voon, 2011).

The Author examined the local organic food networks , both the company and their consumers were articulating environmental citizenship values and the initiative was energetically endorsing the growth of environmental/ecological citizenship, as well as providing a significant social milieu . The researcher concluded that, ecological citizenship is a influential force for sustainable consumer behaviour. (GillSeyfang,2006) ,

The Author explored that, organic food consumption is highly related with consumers' ecological apprehension, familiarity and custom, health consciousness and practices, as well as some socio demographic features like age, gender, education,

and income measured access to organic foods.(CongNie, 2011)

The author found ,organic food spending decisions can be best explained from the constructs like security, “self-indulgence/hedonism, universalism, compassion, inspiration, self-direction and conventionality. Appealing to these values can positively influence attitudes towards organic food consumption. (Joris Aertsens, 2009)

RESEARCH METHODOLOGY

Closed ended Questionnaire with five point rating scale 1-Strongly Disagree to 5- Strongly Agree. The researcher collected 225 samples from Tiruchirapalli city. Respondents were selected based on the consumption of organic foods. The Collected samples was statistically analysed using IBM SPSS 20.0 and IBM SPSS AMOS 20.0. Structural Equation modelling, Multiple regression, Pearson correlation were the statistical tools used. Hypothesis framed to find out the purchase intention of organic foods.

RESEARCH OBJECTIVES

To study the socio demographic and rational profile of the respondents.

To Study the impact of Ecological Identity, Social influence and Learning, Green Literacy, Health Consciousness, Organic Food knowledge, Green Purchase awareness on the purchase intention of organic foods.

RESEARCH HYPOTHESIS

H1 – Ecological Identity is having an effect on purchase intention of organic food.

H2 – Social Influence and Learning is having an effect on purchase intention of organic food.

H3 – Green Literacy is having an effect on purchase intention of organic food.

H4 – Health Consciousness is having an effect on purchase intention of organic food.

H5 – Green Purchase Awareness is having an effect on purchase intention of organic food.

DATA ANALYSIS AND EXPLANATION

TABLE 1 CRONBACHE ALPHA RELIABILITY

CONSTRUCT	NOF ITEMS	RELIABILITY
		VALUE
ECOLOGICAL IDENTITY	4	0.736
SOCIAL INFLUENCE	4	0.780
GREEN LITERACY	4	0.631
HEALTH CONSCIOUSNESS	5	0.715
ORGANIC FOOD KNOWLEDGE	4	0.680
GREEN PURCHASE AWARENESS	4	0.609
PURCHASE INTENTION OF ORGANIC FOOD	4	0.711

The Cronbache alpha reliability value obtained shows the satisfactory internal consistency. The highest alpha value is observed for Social Influence which 0.780 , ecological identity is having 0.736. (Refer table 1)

TABLE 2 SOCIO DEMOGRAPHIC PROFILE

GENDER	Frequency	Percent
FEMALE	77	34
MALE	148	66

AGE	Frequency	Percent
21-30	82	36
31-40	58	26
41 AND ABOVE	85	38

EDUCATION	Frequency	Percent
GRADUATE	154	68
POST GRADUATE	41	18
OTHERS	30	13

HOUSEHOLD INCOME	Frequency	Percent
BELOW 25000	59	26
25000-40000	132	59
40000 AND ABOVE	34	15

OCCUPATION	Frequency	Percent
GOVERNMENT EMPLOYEE	25	11
PRIVATE EMPLOYEE	151	67
SELF EMPLOYED	49	22

TABLE 2 DESCRIPTIVE STATISTICS

CONSTRUCT	N	MEAN	STD. DEVIATION	VARIANCE
ECOLOGICAL IDENTITY	225	3.9989	.56522	
SOCIAL INFLUENCE/LEARNING	225	3.9122	.62035	
GREEN LITERACY	225	3.9244	.58139	
HEALTH CONSCIOUSNESS	225	3.6489	.58119	
ORGANIC FOOD KNOWLEDGE	225	3.5600	.75833	
GREEN PURCHASE AWARENESS	225	3.7967	.49556	
PURCHASE INTENTION OF ORGANIC FOOD	225	3.8611	.70346	

Ecological identity is having a mean value of 3.99 which is a higher value. Green literacy is having a mean value of 3.92, Social Influence/Learning is having a mean value of 3.91. Health Consciousness is having a mean value of 3.64. (Refer table 2)

TABLE 3 PEARSON CORRELATION

	ECOLOGICAL IDENTITY	SOCIAL INFLUENCE/LEARNING	GREEN LITERACY	HEALTH CONSCIOUSNESS	ORGANIC FOOD KNOWLEDGE	GREEN PURCHASE AWARENESS	PURCHASE INTENTION OF ORGANIC FOOD
ECOLOGICAL IDENTITY	1						
SOCIAL INFLUENCE/LEARNING	.497**	1					
GREEN LITERACY	.440**	.542**	1				
HEALTH CONSCIOUSNESS	.279**	.330**	.388**	1			
ORGANIC FOOD KNOWLEDGE	.296**	.329**	.323**	.575**	1		
GREEN PURCHASE AWARENESS	.261**	.333**	.232**	.174**	.166*	1	
PURCHASE INTENTION OF ORGANIC FOOD	.523**	.458**	.527**	.879**	.577**	.392**	1

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

The r value is 0.523 for ecological identity and purchase intention of organic food which satisfies the hypothesis H1. The Hypothesis H2 denotes the relation between Social Influence/Learning and organic food purchase. The r value is 0.497 where the p value is 0.000. The p value is 0.000 and the r value is 0.440 between green literacy and purchase intention of organic food which proves the hypothesis H3. Health Consciousness and Organic food purchase is significant (where $r=0.296$, $p=0.000$ and thus proves H4. Green Purchase Awareness is having r value of 0.523 with organic food purchase intention and demonstrate the H5. (Refer table 3)

FIGURE 1 STRUCTURAL EQUATION MODELING

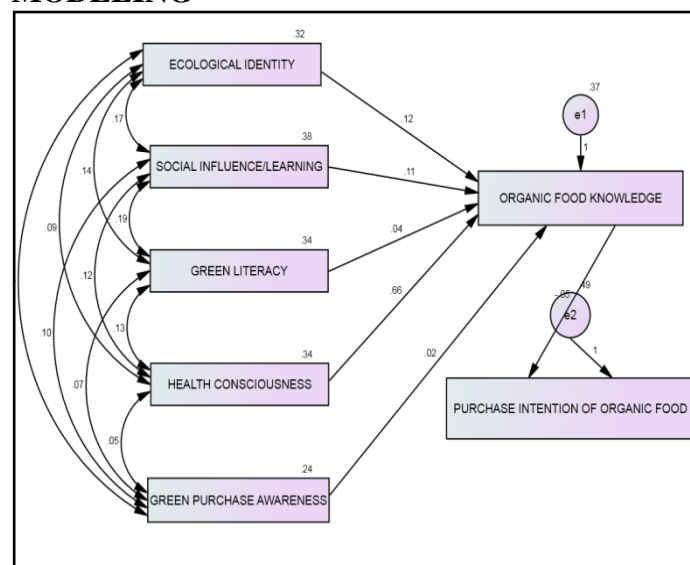


TABLE 4 MODEL FIT INDICES

GFI	AGFI	RMSEA	CFI	NFI
0.966	0.979	0.000	0.998	0.991

The Goodness of Fit index is 0.966 which is higher than the expected value of 0.95. The Adjusted goodness of fit index is 0.979 which is greater than 0.90. The RMSEA value is 0.000 which is lesser than 0.08. The Comparative fit index (CFI) value is 0.998 which is greater than 0.90. The Normed fit index value is 0.991 which is greater than 0.95. (Refer table 4)

TABLE 5 REGRESSION WEIGHTS

	Estimate	S.E.	C.R.	P
ORK ← EI	.121	.086	1.417	.157
ORK ← SI	.115	.085	1.351	.177
ORK ← GL	.044	.088	.500	.617
ORK ← HC	.656	.077	8.524	***
ORK ← GP	.024	.088	.279	.780
PI ← ORK	-.052	.062	-.839	.402

- ORK – ORGANIC FOOD KNOWLEDGE
- EI- ECOLOGICAL IDENTITY
- SI-SOCIAL INFLUENCE/LEARNING
- GL-GREEN LITERACY
- HC-HEALTH CONSCIOUSNESS
- GP-GREEN PURCHASE
- PI- ORGANIC FOOD PURCHASE INTENTION

The C.R value is 8.524 which is greater than 1.96 for organic food knowledge and Health Consciousness where the p value is 0.000. The Coefficient for the other constructed path does not have significance with the other constructs expect Health consciousness. This result is converse to the result which obtained from correlation analysis. However we may conclude health consciousness is a better predictor to buy organic foods when compared with the other criterions.

(Refer table 5)

TABLE 6 MULTIPLE REGRESSION

Model	Coefficients ^a		Beta	t	Sig.	
	Unstandardized Coefficients	Standardized Coefficients				
1	(Constant)	1.133	.354		3.199	.002
	ECOLOGICAL IDENTITY	.016	.044	.020	.366	.715
	GREEN LITERACY	.018	.066	.018	.273	.785
	SOCIAL INFLUENCE/LEARNING	.045	.065	.048	.693	.489
	HEALTH CONSCIOUSNESS	.190	.066	.190	2.867	.005
	ORGANIC FOOD KNOWLEDGE	.375	.045	.489	8.417	.000
	GREEN PURCHASE AWARENESS	.033	.067	.028	.499	.618

a. Dependent Variable: PURCHASE INTENTION OF ORGANIC FOOD R square=0.68

Organic food knowledge is having a b value of 0.375 which is significant (where p=0.000). Health Consciousness is having b value of 0.190 where p=0.000. These two constructs were found to be the predictors of organic food purchase.(Refer table 6)

MANAGERIAL IMPLICATION AND CONCLUSION

There is a term named “Sustainability” which is most crucial today. When you don’t save today, future generation will be put into trouble. Organic related food harvesting will save the earth from manmade fertilizers. Of course everyone knows Organic food is very healthy and safe than conventional foods. But costing becomes the biggest laggard while someone is planning to buy the same. Organic vegetables, Organic fruits, Organic rice, Sugars are now slightly showing their identity in the market with its costliest price tag. What to do? Creating awareness. When health is lost, everything is lost. Government plays a very significant role in promoting organic foods and they are the one who can make this food affordable and helps the producer to achieve economies of scale. As per the study conducted by the researcher, Tiruchirapalli city is well aware about the organic foods and its importance. All the dimensions particularly ecological identity and green literacy and health consciousness plays a noteworthy role in the purchase decision of organic foods. However while looking into the results of structural equation modeling , the construct titled “ Health Consciousness” found to be the predictor of organic food buying intention. Thanks for the people who want to show their ecological identity. Most importantly “Green Purchase”. Now consumers are watching the green purchase behaviour of supermarkets and restaurants and based on that the purchase intention is decided. They may serve as protagonist in the future by advocating on behalf of organic foods. The researcher understood that social learning is also plays as a major factor in determining the organic food purchase. Peoples are observing others and particularly those who become ill health because of food intakes. Increased diseases like cancer, heart attacks are due to food habits and whereas organic food will lead to prosperous and healthy life. Eco literacy is very important today since we are evidencing reduced ground water level, polluted environment and so on. From the lessons learnt people started giving importance to the inestimable life by putting the cost as secondary. Any business arises from the research problem.

Now it is a good opportunity for organic vegetable vendors, Organic restaurants, organic farming. In future there will be a good market for organic related business which will achieve its economies by its increased usage.

SCOPE FOR FURTHER RESEARCH

A detailed study may be conducted to find out the determinants of organic food consumption in organic restaurants and customer satisfaction survey may be taken to find out the healthiness after taking organic foods. Green purchase behaviour and organic food consumption may be related by comparing the consumers from different regions of the state.

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