



TRENDS OF ORGANIC FOOD PRODUCTS IN COIMBATORE CITY

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Introduction

Twenty-first century consumers have raised great interest for healthy and tasty diet with high nutritional values and greater food safety. Environmental and animal welfare and its future sustainability¹ also have raised consumers' consciousness towards organic products. As a result consumers have started consuming more organic food products across the world. The organic food industry is growing at a fast rate and it has received more media attention these days in comparison to the past decade issues. Global organic food market is projected to register a CAGR of over 16 percent between 2015-2020.

Growth in the market can be attributed to growing health concerns among consumers and increasing awareness with regard to health benefits of organic food. Other factors driving organic food sales across the globe include increasing income levels improving standard of living and government initiatives aimed at encouraging widespread adoption of organic products in both developed and developing countries. In the recent past, it has been observed that consumers across the globe are becoming increasingly health conscious, which has resulted in a change in their tastes and preferences for food.

Significance of the Study

Indian organic food market is growing rapidly. Increasing health awareness among the customers is an important factor behind the growth of organic food industry in India. The awareness on the excessive pesticides and fertilizer usage in the production of food products has influenced the consumers in India, to change their preference towards organic food products. Moreover, increasing buying power of the customers, improving income level and living standard of people in India have been gradually increasing the sales of organic food products.

Statement of Problem

Food consumption patterns are changing across the globe, as a result of health and environmental issues. The Indian consumers are becoming more and more conscious about their health; the Indian market in offering increasing potential for health-friendly food segments such as that of organic food. Organic food serves as a promising alternative for the population concerned about the consequences of high amounts of chemical infusions in food items, of self - consumption as well as the ill impact on the environment.

Scope for the Study

India is bestowed with a lot of potential to produce a variety of organic products due to its agro-climatic regions. In several parts of the country, the inherited tradition of organic farming is an added advantage. This holds promise for the organic producers to tap the market, which is growing steadily in the domestic market. The growth of organic market across India provides a wide scope for conduct of this study. This study is restricted to the geographical region of Coimbatore city.

Objectives of the study

Based on the research gap identified, following objectives of the study are framed:-

- To study the demographic and socio-economic status of organic food consumer in Coimbatore city, to measure consumers' awareness and buying practices towards organic food products.

Hypothesis of the Study

To draw empirical justification to the above stated objectives, the following hypotheses are framed:-

- H1: Demographic and socio-economic status of the consumers significantly influences their awareness of organic products.
- H2: There exists close association between reasons stated by the consumer for buying organic food products and the nature of organic products brought by them.

¹NihanMutlu (2007), *Consumer Attitude and Behaviour towards Organic Food: Cross-cultural Study of Turkey and Germany*, Master Thesis in Consumer Studies, Submitted to Institute for Agricultural Policy and Markets, Stuttgart-Hohenheim, October, PP:2.



Research Methodology

Research methodology is the way to systematically solve a problem. A research methodology consists of various steps. A researcher should have detailed knowledge before implementing all the steps of the research methodology. The researcher must design the steps of research methodology focusing on the research objectives and the logic behind it. The current study applies both qualitative and quantitative research technique.

Area of the Study

Coimbatore, popularly known as the Manchester of South India, is situated in the western part of the State of Tamil Nadu. Coimbatore City is the district headquarters of the district. Coimbatore is primarily agrarian based. The district common man's interest for organic food products is well established and functioning of more than 70 organic retail stores across cities is seen.

Sampling Framework

The current research work is based on the multi-stage random sampling technique. In the first stage, judgemental sampling technique was applied for the selection of organics food retail stores and in the second stage convenience sampling technique was applied for collection of primary data from the sample subjects, i.e., organic food consumers. Listed below are some organic shops in the city of Coimbatore.

Limitations of the Study

Research studies which involve sampling techniques have inherent weaknesses as such studies do not give direct representation to the population. Rather, their findings are dependent on indirect representation which may or may not represent the population truly. This study is also not free from limitations. Some of the limitations of the study are:

The first limitation is that the present study is confined to Coimbatore city. Thus the study may suffer from geographical limitation. The findings and suggestions of this study may not suit other geographic region of city of other state, where it may have different demographic and socio-economic status of its population.

Review of Literature

- Buzby, J.C. (2001)² in his study aimed to analyse the effects of food-safety perceptions on food demand and global trade. The study found that the consumers nowadays are more concerned about food safety. Policymakers at the same time are putting in more attention towards the concern and changing the consumer behaviour. The study stated that such awareness has influenced the pattern of food purchasing. The study stated that consumers' attitude has been one of the primary reasons for the expansion of organically grown food across the world countries.
- According to the study by Sanjuan et al., (2003)³ consumers of organic food are willing to pay a similar price to those existing at present. The price of organic food needs to be adjusted in Spain. According to Lockie et al., (2004)⁴ the consumers who like to have natural foods always demand organic food and engage in green consumption practice. Choo et al. (2004)⁵ studied purchasing behaviour of new food product among innovator groups in India. They have found that consumers' attitudes will positively affect Indian consumers' intention to buy new processed food. Besides, in India the experts also rated the attitude of the consumer as one of the most important factors in the organic consumers' purchase process.
- Rai and Pandey (2005)⁶ in their article to "The Hindu" titled "Hybrid vegetables – Meeting strict global standards" stated the demand for organic vegetables in the domestic and global market is very high because of rich nutrition value (high amount of minerals, fiber, vitamins, carbohydrate and calcium). The authors also mention that India has been producing 11.4 percent vegetables of the total world production and placed at second larger producer of vegetables.

²Buzby, J.C. (2001). *Effects of food-safety perceptions on food demand and global trade*. In: Regmi, a. (2001). Ed. *Changing structure of global food consumption and trade*. Washington, DC: United States Department of Agriculture (USDA), Economic Research Service, PP.55-66.

³Sanjuán AI, Sanchez M, Gil JM, Gracia A, Soler F (2003), *Brakes to organic market enlargement in Spain: consumers and retailers attitudes and willing to pay*, *Int J ConsumStud*, Volume. No.27, Issue. No.2, PP. 134-144.

⁴Lyons, K, Lockie, S and Lawrence, G (2004), *Consuming „Green: the Symbolic Construction of Organic Foods*. *Rural Society*, Volume. No.11, Issue. No.3, PP. 197-210.

⁵Choo, H., Chung, J.E., and Pysarchik, D. T. (2004) *Antecedents to new food product purchasing behaviour among innovator groups in India*. *European Journal of Marketing*, Volume. No.38, Issue. No. (5/6), PP.608-625.

⁶Rai .M and Pandey .AK (2005), *Hybrid vegetables – Meeting strict global standards*. *The Hindu, Survey of Indian Agriculture*, PP. 149-151.



Organic Food

Food which is produced without using conventional pesticides can be labelled as organic food. According to Organic Foods Production Act (1990) food that comes from living animals – meat, eggs and dairy products, the animal must not be fed antibiotics or growth hormones. Organic foods are those that are environmentally safe, produced using environmentally sound methods that do not involve modern synthetic inputs such as pesticides and chemical fertilizers, do not contain genetically modified organisms, and are not processed using irradiation industrial solvents or chemical food additives. The choice of organic versus inorganic food is significantly influenced by the perception of the health effect of organic foods. Households which perceive organic food as healthier are more likely to purchase organic food and irradiation, industrial solvents or chemical food additives. The choice of organic versus inorganic food is significantly influenced by the perception of the health effect of organic foods. Households, which perceive organic foods as healers, are more likely to purchase organic food and they have a higher willingness to pay more price than other households⁷. Organic food is perceived as safer and organic practices are perceived to be more environmentally sound.

Pros and Cons of Organic Products

The choice of organic food has always been debated to determine if it is really healthy and safer for consumers and whether it is really worth to pay the extra cost for the ‘organic’ label. Health-conscious consumers believe that organic food is a healthier choice, as it helps in the prevention of a number of diseases that are associated with the consumption of pesticide-laden produce⁸. Today, if consumers have to choose to buy or eat organic products, they should be able to have confidence that organic food is more nutritious than ordinary produce and it may help to lengthen people’s lives and prevent disease. Organic products meet stringent standards.

The tastes of organic food are delicious. It also reduces health risks. It also builds a healthy soil and utilizes the water recourses. It also works in harmony with nature and does innovative research. The production process helps to keep rural community healthy. According to the study of European Union “organic vegetables and fruits having antioxidants quality and also help to reduce cancer and heart disease risk”. Organic foods also help to improve resistant system and better sleeping habits. It is also less likely to end up in overweight than eating conventional food. Organic foods are also tastier and pure than conventional food. Without use of synthetics such as chemical fertilizers and pesticides, organic food is also helpful in saving the environment and also helps animal’s welfare. This also produces less waste. In conventional food production, more use of chemical, fertilizers and pesticides are the reason of the long term damage to the land and make the land less fertile, which is less in organic food production.

Conclusion

Organic foods is more nutritious and good for health and are very rational towards their buying behaviour. Subsequently it has been observed that most of the respondents procure organic goods regularly and they prefer to buy grains, cereals and pulses in organic farms. Majority of the respondents have stated that organic foods are pesticides free and they were able to feel the difference in their health before and after using organic food product.

From the empirical data analysis, it has been observed that 94.20 of the consumers are influenced by the quality and quantity of organic food products. It has been also observed that most of the consumers have exhibited high degree of satisfaction towards the nutritious value of organic food products and are likely towards recommending it to others. On the other side the sample populations hesitate to buy organic food products due to reason such as lack of proper knowledge, mistrust and high cost and also due to non-availability of the product. Nowadays, retail sales of organic foods have blossomed, as consumers have educated themselves about potential benefits associated with buying organic food products, so the marketers need advertising campaigns and outreach efforts to make the public buy such goods. Also, the government can arrange health campaigns to create awareness among the public about the need and importance of organic food products. The study concludes by stating that organic food product purchase intention of consumers is influenced by their awareness, attitude and familiarity with the products and health-cum-environmental consequences. The study concludes by stating that marketers and farmers of organic food product should realise the fact that adoption of organic production and processing is highly determined by market demand, i.e., demand from actual consumers. Thus, it is very important for them to create awareness about the benefits of organic food products, understand the consumers’ psychology towards organic food products and try to keep their consumers satisfied.

⁷Andersen, L.M. (2007), “Organic milk – who and why?”, paper presented at iHEA 2007 6th World Congress: Explorations in Health Economics.

⁸Organic Food Vs. Conventional Food – Is it really worth the extra money?, <http://www.brickworkindia.com/blog/organic-food-vs-conventional-food-is-it-really-worth-the-extra-money/>



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