Consumer behaviour and purchase intension for organic fruit and vegetables in Vellore District

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Abstract
The study was conducted in Vellore district as indicated by the case firm. The study was designed to analyze the consumer buying behaviour of fruits and vegetables in major markets of Vellore district. The area around the proposed site of market dealing with fruits and vegetables was taken for survey. A sample of 300 consumers was taken purposively and the responses regarding their characteristics, size of the family, general pattern of consumption of perishables, buying behaviour of the respondents, satisfaction level on purchase from present sources of purchase, consumers expectation from the present sources of purchase, expectations and willingness for purchase of fruits and vegetables were collected to understand the customer profile around the proposed outlet. The results of the study revealed that the maximum percentage of the households around the proposed site belonged to higher income group with higher education who would be the target customers. It reveals that there is a statistically significant link between influencing factors and consumers’ purchase intentions of organic Fruits and Vegetables.

Keywords: Consumer, Behaviour, Purchase Intension, organic, Fruits, Vegetables

Introduction
Organic fruits and vegetables are Fruits and Vegetables produced by organic farming. In simplest words organic fruits and vegetables are minimally processed to maintain the integrity of the food without artificial ingredients, preservatives or irradiation. While the standards differ worldwide, organic farming in general features cultural, biological, and mechanical practices that foster cycling of resources, promote ecological balance, and conserve biodiversity. Synthetic pesticides and chemical fertilizers are not allowed, although in certain countries organically approved pesticides may be used under limited conditions.

The Definition of the word “Organic”, an ecological management production system that promotes and enhances biodiversity, biological cycles and soil biological activity. It is based on the minimal use of off-farm inputs and on management practices that restore, maintain and enhance “ecological harmony” National Standards Board of the US Department of Agriculture (USDA).

Currently, the European Union, the United States, Canada, Mexico, Japan and many other countries require producers to obtain special certification in order to market fruits and vegetables as organic within their borders.

In most parts of the Europe organic fruits and vegetables has become a matured market like in Germany. Germans have been practicing biological farming methods and protesting high input agricultural activities from the beginnings of the 20th century. Objectives of the study; to study awareness and knowledge levels of consumers towards organic Fruits and Vegetables, to determine the factors influencing consumer behavior towards organic Fruits and Vegetables, provide suggestion to enhance the purchase of organic Fruits and Vegetables of among the consumers of Vellore district.

Methodology
The study was designed to analyse the consumer buying behaviour of fruits and vegetables in major markets of Vellore district. The area around the proposed site of market dealing with fruits and vegetables was taken for survey. A sample of one 300 consumers was taken
purposively and the responses regarding their characteristics, size of the family, general pattern of consumption of perishables, buying behaviour of the respondents, satisfaction level on purchase from present sources of purchase, consumers expectation from the present sources of purchase, expectations and willingness for purchase of fruits and vegetables were collected to understand the customer profile around the proposed outlet.

Determinants of Consumers’ Purchase Intentions of Organic Fruits and Vegetables
In order to find which determinants could explain the consumers’ purchase intention of organic Fruits and Vegetables, the multiple regression analysis was applied and the results are presented in Table 1.

Table 1: Determinants of Consumers’ Purchase Intentions of Organic Fruits and Vegetables

<table>
<thead>
<tr>
<th>Determinants</th>
<th>Regression Coefficient (Beta)</th>
<th>t-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health conscious</td>
<td>1.657**</td>
<td>6.382</td>
</tr>
<tr>
<td>Perception towards Organic Fruits and Vegetables</td>
<td>0.684**</td>
<td>7.574</td>
</tr>
<tr>
<td>Awareness on Government Action and Support</td>
<td>0.142</td>
<td>1.283</td>
</tr>
<tr>
<td>Beliefs about Product Safety for Use</td>
<td>0.592**</td>
<td>6.725</td>
</tr>
<tr>
<td>Availability of Information on Product Location</td>
<td>0.168</td>
<td>1.167</td>
</tr>
<tr>
<td>Availability of Product Information</td>
<td>0.339</td>
<td>2.342</td>
</tr>
</tbody>
</table>

R² 0.692
Adjusted R² 0.674
F 17.852
N 300

*Note:* ** indicates significant at one per cent level and * indicates at five per cent level.

The results indicate that the coefficient of multiple determination (R²) is 0.69 and adjusted R² is 0.67 indicating the regression model is good fit. It is inferred that about 67.00 per cent of the variation in dependent variable (Purchase Intention) is explained by the independent variables (Influencing Factors). The proposed model is adequate as the F-statistic = 17.852 and it is significant at one per cent level (p < 0.01). This indicates that there is a statistically significant association between influencing factors and purchase intentions towards organic Fruits and Vegetables.

The results show that perception towards organic Fruits and Vegetables and beliefs about product safety for use are positively and significantly determining the consumers’ purchase intention towards organic Fruits and Vegetables at one per cent level of significance, while, belief about product friendliness to the environment and availability of product information are also positively and significantly determining the consumers’ purchase intention towards organic Fruits and Vegetables at one five cent level of significance. Therefore, it reveals that there is a statistically significant link between influencing factors and consumers’ purchase intentions of organic Fruits and Vegetables.

Feedback of the Sample Consumers in Purchase from Present Source
Attributes for the Satisfaction on Purchase of Fruits and Vegetables
Most of the respondents were satisfied by the availability of all ranges followed by the availability of fresh Fruits and Vegetables and then comes the accuracy in weight, price, ambience and replacement assurance. Thus, to maintain the loyalty from the customers, the case firm should keep the availability of all ranges and fresh produce of good quality.

Conclusion
The perception towards organic Fruits and Vegetables and beliefs about product safety for use are positively and significantly determining the consumers’ purchase intention towards organic Fruits and Vegetables at one per cent level of significance, while, belief about product friendliness to the environment and availability of product information are also positively and significantly determining the consumers’ purchase intention towards organic Fruits and Vegetables at one five cent level of significance. Therefore, it reveals that there is a statistically significant link between influencing factors and consumers’ purchase intentions of organic Fruits and Vegetables.

Policy Implications
Considering the findings of the study recommendations are made for consideration of the firm while evolving the strategies for establishing a retail outlet.

- Established brands can fill the above gap by educating the prospective consumer and providing them with adequate information on organic fruits and vegetables.
- Certifications, nutritional value, production process, benefits of consumption of organics in fruits and vegetables.
- The firm should make available a range of fruits and vegetables.
- Competitive pricing of product should be resorted to as there is already an organized retailer-Palamudir Nilayam and daily fresh catering to the need of the consumers.

Consumer’s Expectation from the Present Source of Purchase of Perishables
About 32 per cent of the respondents were expecting good qualities which mean that the perishables should be properly washed and kept clean to give a good fresh appearance, followed by 25 per cent of them requesting good range of perishables. 20 per cent expected a competitive price and the 14 per cent wanted in shop service. The high income group people were more conscious of quality assurance and good range of perishables while the low income people’s expectation was competitive price. Thus, this inference will help in formulating the store layout.

Problems faced by the consumers
It could be inferred that the factor viz., higher price was the major one influencing buying of fruits and vegetables. The factor’s such as; Income and less shelf life had a mean score of 79.77 and 77.75, respectively. No regular availability was found to be only a minor factor with a score of 69.00.
References


