

# **A STUDY ON CUSTOMERS' ATTITUDE TOWARDS SELECTED AGRICULTURAL ORGANIC FOOD PRODUCT WITH SPECIAL REFERENCE TO COIMBATORE CITY**

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## **INTRODUCTION**

“Organic agriculture is a holistic production management system which promotes and enhances agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity. It emphasises the use of management practices in preference to the use of off-farm inputs, taking into account that regional conditions require locally adapted systems. This is accomplished by using, where possible, agronomic, biological, and mechanical methods, as opposed to using synthetic materials, to fulfill any specific function within the system.” (FAO/WHO Codex Alimentarius Commission, 1999).

Organic agriculture systems and products are not always certified and are referred to as "non-certified organic agriculture or products". This excludes agriculture systems that do not use synthetic inputs by default (e.g. systems that lack soil building practices and degrade land). Three different driving forces can be identified for organic agriculture:

- Consumer or market-driven organic agriculture. Products are clearly identified through certification and labelling. Consumers take a conscious decision on how their food is produced,

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processed, handled and marketed. The consumer therefore has a strong influence over organic production.

- Service-driven organic agriculture. In countries such as in the European Union (EU), subsidies for organic agriculture are available to generate environmental goods and services, such as reducing groundwater pollution or creating a more biologically diverse landscape.
- Farmer-driven organic agriculture. Some farmers believe that conventional agriculture is unsustainable and have developed alternative modes of production to improve their family health, farm economies and/or self-reliance. In many developing countries, organic agriculture is adopted as a method to improve household food security or to achieve a reduction of input costs. Produce is not necessarily sold on the market or is sold without a price distinction as it is not certified. In developed countries, small farmers are increasingly developing direct channels to deliver non-certified organic produce to consumers. In the United States of America (USA), farmers marketing small quantities of organic products are formally exempt from certification.

## **OBJECTIVE**

1. To know the factors influencing the respondents to purchase organic food products
2. To know the respondents preferences for organic food products.
3. To measure the level of satisfaction towards organic food products

## **RESEARCH METHODOLOGIES:**

### **Research:**

Research means the process which includes the collection of data, analysis of data, formulating procedures and reached the suitable solutions.

### **Research design:**

The research design adopted in the study was descriptive design, which is concerned with the descriptive of a group. In descriptive research in such a way that the respondents is able to understand clearly what the researcher wants and provides distinct information to measure the data.

**Area of the study:**

The area of the study is in Coimbatore city.

**Period of study:**

The study is confined to period of 6 months (November 2014 – April 2015).

**Sources of data:**

The study is based on primary data collection. A systematic questionnaire is supplied to the respondents.

The secondary data was collected from the articles, journals and various websites; it has been used in the review of literature, and theoretical points to strengthen the study.

**Sampling design of the study:**

The sampling technique in this project is convenient sampling. This sampling is applied for the selection of sample from its universe in Coimbatore city. A sample of 120 respondents was taken into account for finding their preference for the study.

**Tools used for analysis:**

The following are the tools applied on the responses given by the responses given by respondents to analyze and derive the result.

- ✓ Simple percentage analysis
- ✓ Chi-square analysis

**Organic Agriculture in India**

India is bestowed with lot of potential to produce all varieties of organic products due to its various 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 related to the export market.

Currently, India ranks 10th among the top ten countries in terms of cultivable land under organic certification. The certified area includes 15% cultivable area with 0.72 million Hectare and rest

85% (3.99 million Hectare) is forest and wild area for collection of minor forest produces. The total area under organic certification is **4.72 million Hectare** (2013-14).

The Government of India has implemented the National Programme for Organic Production (NPOP). The national programme involves the accreditation programme for Certification Bodies, standards for organic production, promotion of organic farming etc. The NPOP standards for production and accreditation system have been recognized by European Commission and Switzerland as equivalent to their country standards. Similarly, USDA has recognized NPOP conformity assessment procedures of accreditation as equivalent to that of US. With these recognitions, Indian organic products duly certified by the accredited Certification Bodies of India are accepted by the importing countries.

## REVIEW OF LITERATURE

For most consumers in the United States (Food Marketing Institute, 2000) and Europe (Food Marketing Institute, 1995), safety has become one of the most important attributes of food. Their concern over food quality has intensified in recent years, and prompted heated debate about the integrity and safety of the produce. Consumer concern, fuelled by several food scares, has influenced food purchasing patterns, as well as several aspects of the political arena, international trade, and the farming industry (Buzby, 2001).

One such aspect has been the expansion of demand for organically grown food. Although only a small market sector until recently, organic farming became one of the fastest growing segments of US (Greene, 2000) and European (Food and Agriculture Organization (FAO), 1999) agriculture during the 1990s, and is rapidly 'gaining ground' in many other parts of the world as well (Willer and Youssefi, 2004).

Consumers are questioning the ability of the modern food system to provide safe food (Anderson, 2000), and perceive relatively high risks associated with the consumption of conventionally grown produce compared with other public health hazards (Williams et al., 2000; Williams and Hammitt, 2001).

Highly publicized food safety issues such as the use of genetically modified organisms and irradiation in food production, as well as the outbreaks of Bovine Spongiform Encephalopathy (BSE) and O157 infections, contribute to increased awareness and stimulate the interest for 'safer' alternatives, and most notably organically grown food (Hansen et al., 2002; Birchard, 2001; Cummins, 2001; Mitchell and Normile, 1999; Schmidt, 1999; Kirk et al., 2002).

There is a widespread belief that organic food is substantially healthier and safer than conventional food, and consumers are willing to pay significant price premiums to obtain it (Beharrell and MacFie, 1991; Collins et al., 1992; Hammitt, 1990, 1993; Hutchins and Greenhalag, 1997; Gil et al., 2000; Piyasiri and Ariyawardana, 2002; Zehnder et al., 2003

### **Organic Food: World Scenario Market Trends**

Annual market growth of global organic food has been expanded day by day and in 2010 the annual growth was noticed 23%. Total market of organic food was observed up to 59.1 billion US dollar. and global market of organic fruits increases continuously in entire world. Highest land acquired by organic apples is in the United States (17272acres) in 2001. Among all European countries, Italy, Germany, France, Switzerland and Austria are the leading countries in the sector of organic fruits production. Different countries of the world like Canada, Britain, New-Zealand, Turkey, Chile and Argentina have focused on the organic farming by aiming the required demand of export market. Total land covered by organic agriculture has been noticed 33 million hectare worldwide in which Africa and Asia continent occupy 45% and 20% of agricultural land under organic farming. In all countries, Australia has highest organic agriculture land (12.2 million hectare) followed by Argentina (2.8 million hectare). In all continents, Oceania has highest organic agricultural land (37%) followed by Europe (24%) and Latin America (21%). World market of organic agricultural produces has been expanding continuously and estimated 25 billion US dollar. in Europe and 20 billion US dollar in North America. The total market of organic food was noticed 46.2 billion US dollar of the entire world in 2007 (Anonymous, 2013).Market of organic food has been growing by 10% annually and estimated the global market price nearly 2.7 billion euro which was 1.7% (in value) of the entire food market in 2008. Different organic foods product have share like Fruits and vegetables 17%, dairy products 16%, bread and flour 13% and processed food products 3% among all organic food

products. In 2009, the organic agriculture had shown a sharp rise by converting 36000 new producers which were 23% more in the comparison of 2008 (Anonymous, 2013).

## ANALYSIS AND INTERPRETATIONS

### a) SIMPLE PERCENTAGE ANALYSIS

**TABLE-1**

#### EDUCATION QUALIFICATION OF THE RESPONDENTS

| SNO          | Educational qualification | No. of respondents | Percentage (%) |
|--------------|---------------------------|--------------------|----------------|
| 1            | Illiterate                | 5                  | 4              |
| 2            | Upto school level         | 30                 | 25             |
| 3            | Under graduate            | 45                 | 38             |
| 4            | Post graduate             | 27                 | 23             |
| 5            | Professional              | 13                 | 10             |
| <b>Total</b> |                           | 120                | 100            |

The above table indicates that 38% of the respondents' educational qualification is under graduate, 23% of the respondents are post graduate, 23% of the respondents are upto school level, 10% of the respondents are professional, and 4% respondents are illiterate.

Majority (38%) of the respondents are under graduate.

**TABLE-2**

#### OCCUPATIONAL STATUS AND OVERALL SATISFACTION

| Nature of occupation | Highly satisfied | Satisfied | Average | Dissatisfied | Total     |
|----------------------|------------------|-----------|---------|--------------|-----------|
| Student              | 16               | 32        | 19      | 3            | <b>70</b> |
| House wife           | 4                | 15        | 6       | 2            | <b>27</b> |
| Employee             | 3                | 7         | 5       | -            | <b>15</b> |

|              |           |           |           |          |            |
|--------------|-----------|-----------|-----------|----------|------------|
| Business     | 1         | 4         | 3         | -        | 8          |
| <b>Total</b> | <b>24</b> | <b>58</b> | <b>33</b> | <b>5</b> | <b>120</b> |

| <b>Factor</b>        | <b>Calculated value</b> | <b>Degree of freedom</b> | <b>Table value</b> | <b>Remarks</b> |
|----------------------|-------------------------|--------------------------|--------------------|----------------|
| Nature of occupation | 4.825                   | 9                        | 16.9               | Accepted       |

### **Interpretation:**

From the above table 2 it is clear, that the calculated value is lesser than the table value. So the hypothesis is accepted and stating that there is a significant relationship between occupational status and overall satisfaction of the organic products in Coimbatore city.

### **Conclusion for organic foods article:**

Organic food consumption is increasing because of concern over environmental and health issues associated with food production. The increase in consumers' interest in organic food products has been attributed among other issues to the growing demand for food free from pesticides and chemical residues. With the present study an attempt is made to describe the existing situation regarding Northern Thai consumer's perceptions about organic foods. The main motives to purchase organic food products are health and environmental benefits, plus support for local or small farmers. In addition, an important factor that was revealed as a barrier to the development of organic food is consumer information. Increased consumer awareness of organic labelling and their trust in organic labels as well as increasing the availability and range of organic food products, may be the most effective way of increasing their market share. The main barrier of organic foods market share is the information available and consumer awareness. Results from this paper are of great importance because they provide valuable information on consumers in Coimbatore province that can be used by policy makers in organic farming at the regional level.