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Research Article

Demand Assessments of Organic Products and Consumers Willingness to Pay for Organic Food Products

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Abstract

Background and Objective: Consumer belief and attitudes determine production and marketing strategies and the willingness to pay a premium price for organic food products. Awareness and knowledge about organically produced foods are critical in consumer purchase decisions. The main objectives of the study were to understand consumer awareness about organic products and assess consumers' Willingness To Pay (WTP) for organic products, factors influencing consumers' willingness to pay for organic products.

Materials and Methods: The study is based on both qualitative and quantitative methods. The Contingent Valuation Method (CVM) method has been used to know the willingness to pay of consumers. The monetary values obtained in this way are thought to be contingent upon the nature of the constructed (hypothetical or simulated) market and the commodity described in the survey scenario.

Results: Prices of organic food are considerably higher than regular food and poor consumers cannot afford organic products. Therefore, marginal demand $[\partial Do/\partial Yi]$ of income is favourable for the good quality of food and their willingness to pay for organic food.

Conclusion: Consumers of high-income groups are willing to pay higher prices for organic products. Many people are not aware of the availability of organic products in the market. It is necessary to disseminate and publicize the information widely so that all the people can have access to information and can make their own decision.

Key words: Contingent valuation method, willingness to pay, organic food, consumer perception, eco-friendly food, premium price

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INTRODUCTION

India is bestowed with much potential to produce all varieties 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 organic producers to tap the market, which is growing steadily in the domestic market related to the export market. Organic farming systems have attracted attention over the last decade because they are perceived to offer some solutions to the problems currently besetting the agricultural sector. Organic farming has the potential to provide benefits in terms of environmental protection, conservation of nonrenewable resources and improved food quality. Countries like Europe have recognized and responded to these potential benefits by encouraging farmers to adopt organic farming practices, either directly through financial incentives or indirectly through support for research, extension and marketing initiative¹

India has emerged as one of the largest potential markets for organic food consumption globally because organic foods or products are healthy, contain no chemicals or preservatives and are entirely natural. With growing awareness towards healthy eating, surging income levels and shifts in consumer behaviour, the country's nascent organic food market is fast transforming into the world's fastest-growing organic food market. Also, increasing the export market coupled with the government's support has driven the market that will further boost the demand for natural food products in the country.

Consumer beliefs, attitudes determine production and marketing strategies and the willingness to pay a premium price. Because organic products are credence goods, consumers may not know whether a product is produced using organic or conventional methods unless they are told so. Thus, awareness and knowledge about organically produced foods are critical in consumer purchase decisions. Consumers purchase organic products because of a perception that such products are safer, healthier and more environmentally friendly than conventionally produced alternatives². Human health, food safety along with several other product characteristics such as nutritive value, taste, freshness, appearance and other sensory characteristics influence consumer preferences³. Several factors affect the awareness level of organic foods among consumers. It has been investigated that socio-demographic profiles, food buying behaviour and nutritional knowledge of the consumers are likely to affect the awareness level and purchase decisions of organic foods⁴. Consumers with high income often buy organic food to reflect on their awareness and status⁴.

The age factor does not seem to play an important role. However, few studies have resulted that younger are more aware of organic food and appear slightly more willing to pay for purchase the same. Education is described by various researchers as an essential factor of awareness and purchase motive of organic food⁵. Consumers with higher education are more likely to buy organic food products⁵. Gender and the size of the family are also critical to the awareness and purchase of organic food. It is women who buy organic food in larger quantity and more frequently than men⁶. Households with smaller family size are found to more aware of organic food and showing the attitude of willingness to pay for the organic purchase⁷. The presence of children in the family positively influences organic food purchase.

The demand for environmentally friendly products such as organic foods has significantly increased due to increasing awareness on health, food safety and environmental concerns⁸. Awareness and knowledge have become critical factor in changing the attitude and behaviour of consumers towards organic foods, which in turn is expected to drive the growth in the organic food markets⁹.

Several studies have investigated the knowledge, awareness, attitude and behaviour of consumers towards organic food in both developed and developing countries¹⁰. It has been argued that consumer awareness and knowledge, as well as the consumption of organic foods, are significantly higher in developed countries as compared to developing countries. In countries like India, where organic food markets are still in the early phase of their growth, comparatively have a low level of awareness. In general, consumers have positive attitudes towards organic products and perceived as healthier than conventional alternatives¹¹. However, the market size for organic foods remained low due to both supply and demand-side constraints.

The intention to purchase organic decreases with a limitation of knowledge and awareness towards those products, with many factors affecting consumers' perceptions and attitudes". In consumer behaviour theory, consumers make their own decisions based on an individual's intention to perform a behaviour, which is influenced by attitudes. Consumers decide whether to buy or not based on three main aspects: knowledge, philosophy and intention¹².

Consumers are now turning to organic food because they believe it to be tastier, as well as healthier, both for themselves and the environment. Despite the higher cost for Organic products, consumers are willing to pay for their preference. Economically, organic fruit growing is comparatively healthy but depends on a higher farm-gate price for the product¹³.

Consumer behaviour is a dynamic process because of continuous changes in the ideas, perceptions and activities of

the consumers. Attitude is shaped selectively to compromise consumers' needs. Learning is gained by experience and it affects consumers' behavior¹⁴⁻¹⁶.

Thus, knowledge and awareness are critical in the consumers' behaviour. Also, demographic characteristics are important factors for purchasing behaviour, which can explain the purchase of organic products. Individual socio-demographics include economic characteristics (i.e., personal or household income) and are commonly included as determinants of choice.

Demand for organic food items is on the rise during the last few years due to demand by consumers for chemical residue-free food grown by nature-friendly methods without the use of synthetic inputs. The present study aimed at analyzing the factors affecting the awareness level of consumers on organic food products, using a structured survey of 200 respondents in Mumbai. As awareness and knowledge of various attributes of organic foods are fundamental for creating market demand for organically grown products, this study explores the level of understanding among the consumers on different aspects of organic foods. The objective of the study was to understand the concept of organic products and to study consumer awareness of organic products.

MATERIALS AND METHODS

Study area and basis: The study is based on both qualitative and quantitative methods. The qualitative data is generally grounded in an individual and interpretive perspective. Qualitative research supports an in-depth understanding of the situation investigated. Quantitative methods are based on data that can be 'objectively' measured with numbers. A probability sampling method was used to collect data. In probability sampling, every member of the population has a chance of being selected.

A primary survey was taken during March-May, 2018 using a well-designed structured questionnaire of 200 respondents belonging to the Mumbai area. Major organic food outlet was taken for the study.

Willingness to Pay (WTP) techniques elicit individuals' money valuations of costs and benefits in other words, the amount of money they are willing to pay to gain or avoid something. In this approach, respondents (consumers) are offered a hypothetical market, in which they are asked to express the WTP for existing or potential environmental conditions not reflected in any real market.

The most common form of questioning on hypothetical futures is called the Contingent Valuation Method (CVM). It

involves directly asking individuals what they would be willing to pay for particular goods or services contingent on some hypothetical change in the future state of the world. The monetary values obtained in this way are thought to be contingent upon the nature of the constructed (hypothetical or simulated) market and the commodity described in the survey scenario.

Data collection: Both primary and secondary data were collected to conduct this study to explain consumer behaviour, the demand for organic products and their willingness to pay for better options. Primary data was collected through a well-designed questionnaire. The sample of consumers was taken from different food and shopping mall, local Kirana wala and supermarkets in different regions in the Mumbai area.

For the secondary data, various journals, newspapers, magazines, Government sites and books and data access from the internet have been used.

Sampling: The stratification was done based on specified and a priori defined criteria. For the stratification of consumer households, a household's annual income is taken into account. Based on this, all the reported households (in the census) are classified into four groups: (i) High Income Group (HIG), (ii) Middle Income Group (MIG), (iii) Lower Middle Income Group (LMIG) and (IV) Low Income Group (LIG).

Simple data analysis techniques are used¹⁶, such as descriptive statistics and cross-tabulation by using Microsoft Excel. The contingent valuation method used for willingness to pay.

Demand assessment is what a consumer is willing to pay for a particular level of good or services. Assessing demand becomes assessing the households willingness to pay for a specific commodity, water in this case. It will thus be attempted to capture the demand assessment for organic food, of the people of Mumbai city through the WTP approach.

The demand for safe and pure food and WTP (Do) is the function of income of a household income (Yi) and price (Po), performance (QoS) and Volume per rupee spent for more litre of water (Vo) In mathematical form:

$$Do = f(Yi, Po, Qo, Vo)$$

Where:

- O : Organic food
- Do : Demand Organic food

- i : Household
- Yi : Income of Household
- Po : Price or tariff
- Qo : Quality of Organic food,
- Vo : Volume/weight of Organic food

As per empirical result:

- $\partial Do/\partial Yi > 0$ (for all income groups)
- $\partial Do/\partial Po < 0$ (for LIG)
- $\partial Do/\partial Po \rightarrow 0$ for HIG

$\partial Do/\partial Qo > 0$ (Lower for LIG and Higher in HIG), $\partial Do/\partial Vo > 0$ (greater for LIG and lesser for the high-income group).

For the willingness to pay for safe and pure drinking water- $\partial Do/\partial Yi > 0$ for HIG.

Since in sample questions, prices of the organic food are considerably higher than the regular food, poor consumers can afford for the former than the latter. Therefore, marginal demand [$\partial Do/\partial Yi$] of income is positive for the excellent quality of food and their willingness to pay for organic food.

As the researcher investigated from the lower-income group to a higher income group, their occupation and preference changes from inorganic food to organic food. In other words, the demand for safe and purified food is positively related to earning level (or economic status) of a consumer.

Willingness to pay for organic products: The household decision towards a willingness to pay can be mainly expected pay. General household level awareness about health hazards associated with mediocre quality food is also associated with higher educational attainment and income level.

WTP function for improved Organic food quality and quantity (use-value) and insured reliable (nonuse values)¹⁶:

$$WTP = f(Y_i, L, T, C_p, E_d, E_m, H_s, U_f)$$

Where:

- Yi : Income
- L : Location
- T : Time period
- Cp : Consumption pattern
- Ed : Education
- Em : Employment status
- Hs : Household size
- Uf : Use of water filter

WTP offer by households' for food quality improvements, which can be called the total economic value of improved food and nutrition.

The monthly average willingness to pay for extra money for quality food is examined. The average is taken here for managing the gap across different income groups. A direct relationship between income groups and a higher amount of willingness to pay [$\partial Do/\partial Yo > 0$] was found. With a move from low income to higher income group consumers, the WTP is increasing.

Data analysis: All the households classified into four categories based on income pattern (HIG, MIG, LMIG and LIG). This classification is made for the specific purpose as to find out the consumers preference for willingness to pay for safe food. There is a striking disparity in the economic status of households in different areas. The result of the study has been classified under the following sub-headings.

In this research, a simple framework was used to analyze consumer behaviour towards food products, which includes the willingness to pay a price premium. Consumers decide whether to buy a product or not based on three main aspects: Knowledge, Attitude and Intention. Knowledge of products and their benefits influences their willingness to pay for the products. Knowledge of people is affected by the type and quality of information made available to consumers. Advertisement, quality packaging, labelling and certification play a pivotal role in knowledge enrichment. As per survey experiences, it is observed that once a consumer is ready to buy, the next step is to see how much he or she is willing to pay for the product. Purchase behaviour reflects the real WTP and the consumer gains positive or negative experiences, which will reversely affect consumers' WTP in future.

RESULTS

Profile of the respondents

Socio-economic characteristics of consumers: The researcher had taken an age group range from 25-50 years. A large number of the population respondents in the sample unit were found in the age group of 30-35. A vast majority (57%) of the household respondents were male and their average age is 30-35 years. Moreover, a very less number was in the age group of 45-50. While discussing the socio-economic status of respondents during the research work, the researcher found that consumers belong to the high-income group visit good shops, ready to accept the suggestions and open to switching from unhealthy products to healthy

products. After discussing deeply, it was recognized that since organic food products are costly and having more nutritional values as compared to non-organic food products and consumers belonging to high-income groups do not have money constraints. The abundance of available money made HIG consumer more prompt toward the positive response of buying these products whereas middle-income group consumers are neither rejecting organic food but these consumers are a little more conscious about price and decide to compare various dimensions of product value and value for money. However, the preference of consumers belongs to the low-income group is not dependent on the quality and nutritional values of food items rather the products or items having less price are preferred by low-income group consumers. For LIG consumers availability of resources are pressing factors, so these consumers do not have the choice for buying costly food items even then they are aware of the negative impacts.

Educational profile: A relatively higher percentage of consumers in low-income groups are elementary educated and the higher percentage of consumers in high-income groups are highly qualified (above graduate-level educated). The researcher found that there is a direct relationship between income and education. Highly qualified and having professional degree falling under the high-income group and vice versa. In Fig. 1, the educational profile (x-axis) and the percentage of consumer (Y-axis) have been displayed to understand the relationship between educational profile and income group.

Occupational profile: There is a stark divide of occupational structure based on the income groups as expected. People in the lower-income groups are primarily employed as unskilled workers while the middle income and higher income classes are employed in non-menial jobs as shown in Fig. 2.

However, it is observed that most high-income group consumers are either working with Pvt sectors (41%) or are self-employed (68%). It is also observed that the middle-income group prefers to work with government organization (21%). During the interview process, it was observed that low-income group consumers are very few (10%) as self-employed and even in self-employed that had a very small business like shops, Kirana or repairing work. While LIG also engaged as daily wages workers.

Nevertheless, as in all the organizations, there are various positions and classes, the consumers of HIG are recorded as

working in higher positions while consumers from LIG are working in lower positions. Working in different positions also create the difference in their income and so their buying power.

Consumers' perceptions and attitudes of organic food products: The organic food market has three critical areas of addressable need gaps basis on importance assigned and the satisfaction derived by consumers to various parameters that play a role in purchase decision-making:

- Certain critical areas have a significant impact on consumers' decision-making, namely-availability, price points, certifications and information. This area is currently characterized by 'high importance and low satisfaction' for consumers of organic food
- The area of need gap is characterized by specific parameters that are seen as an integral part of the concept of organic food-health benefit, freshness and taste. These are the primary factors that need to be in place to induce the purchase or enhance product experience-currently, they are placed by consumers at 'high/moderate importance and high/moderate satisfaction
- The area of need gap is the least significant currently as it is characterized by 'low importance and low satisfaction. This set of factors-visual appeal and portion size/quantity-can play an increasingly important role in future to enable multiple brands to differentiate themselves

Place of purchase of organic products: Consumer behaviour varies in terms of place of purchase between regular and organic varieties. While regular varieties are commonly purchased from any of the local retail options, the organic varieties, on the other hand, are purchased from organized stores-this pattern is a likely result of local stores not stocking organic varieties. Apart from that, consumers themselves prefer to purchase organic varieties from organized stores-they are sceptical about local neighbourhood stores selling authentic products. They also enjoy the experience of shopping in organized stores for these organic products.

Purchase process-organic products: These categories are characterized by high personal involvement from the consumers in deciding and buying-only a few products such as milk or other daily use dairy products are delivered regularly

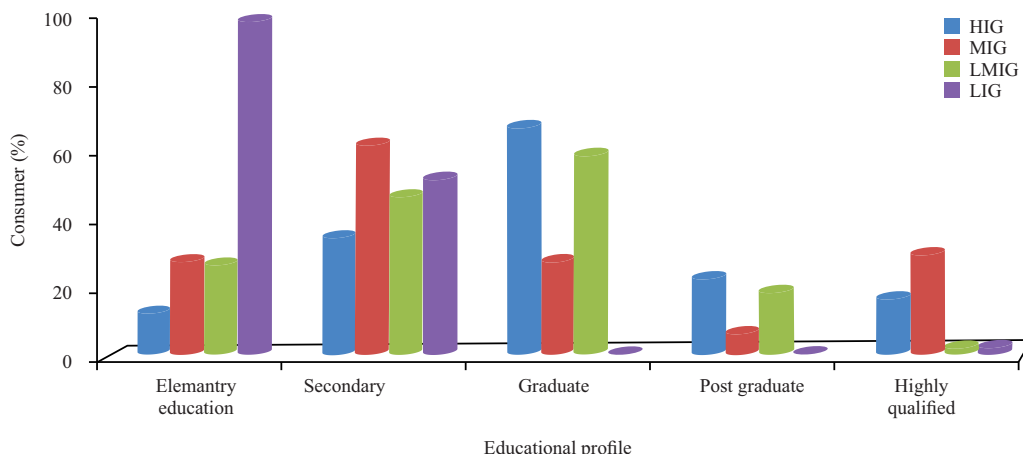


Fig. 1: Educational profile of the consumers

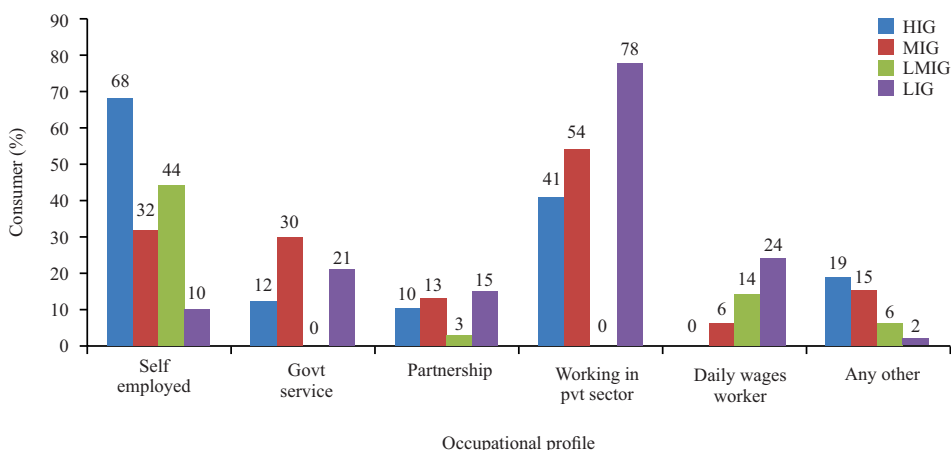


Fig. 2: Occupational profile of the consumer

Table 1: Knowledge about organic food for non-users

Categories	Users (%)
Never heard about it	90
Heard of it but not sure what it means	5
I know a little about what organic food	3
I do not know about organic food	2

to the consumers' doorsteps by milkman or local retailers. For other products such as fruits, consumers prefer to touch and feel before purchasing them. This behaviour is similar across regular and organic varieties of fruits and dairy products.

The study found that a majority (90%) of the surveyed consumers had heard about organic products. However, they are often not sure which products are organic and which are not.

The result shows that the knowledge and awareness level among the surveyed consumers are reasonably proper but not adequate as shown in Table 1. Hence, awareness-raising programs among existing and new consumers on organic

products could be an effective mechanism for the promotion of organic products in future. Awareness can be increased through a campaign, demonstration, public gatherings, etc.

While buyers of organic food like to try new categories, they are yet to feel convinced enough to overhaul their purchase patterns completely. The typical product categories that they prefer to purchase are usually perishable goods, fruits and vegetables and dairy products. This pattern hints towards consumers' concern regarding the quality of regular varieties currently available in these categories as fresh products, the need for 'freshness' and 'quality' is paramount in consumers' minds.

While organic food is undoubtedly perceived as a healthy option, there is a lack of clear understanding among consumers as regards their exact health impact. Recent debates in the public sphere about the freshness and quality of natural food products have made consumers more aware of the possible adverse effects of such products. Therefore, the

health benefits they expect from organic food stem from the fact that organic products do not contain harmful chemicals or pesticides and are grown in hygienic conditions.

It is surprising to know that around 90% of the survey population never heard about organic products and their market, very few know about the products but they were not sure about the qualities and in-depth knowledge of these products. Further, nearly 40% of consumers assign high importance to 'brands' when buying organic food, but a similar percentage has no unambiguous opinion on the significance of brands.

Consumers reasons for purchase: The main reasons stated by consumers for buying both organic products are similar-health (both personal and family's) the absence of harmful chemicals and pesticides, freshness and taste. Other factors that play a role in purchasing organic produce and dairy products include word of mouth (including recommendations from friends, relatives and store staff), specific health ailments and recommendations from medical practitioners and a sense of environmental responsibility (as these are perceived as good for the environment in terms of eco-friendly production methods).

Consumer knowledge about organic products: The study found that a majority (90%) of the surveyed consumers had heard about organic products. However, they are often not sure which products are organic and which are not.

The perception and understanding of organic products vary depending on the type of consumer. Business people perceived that the product would be organic if the producer did not use chemical pesticides. Government officials and NGO/INGO people perceived that products are organic if there is a total absence of chemicals (fertilizers and pesticides). However, there could be a use of Farm Yard Manure (FYM) and compost. Similarly, the Academician perceived that the product should be free from pesticide use. While the health professionals and consumers buying at the vegetable market at the mall mentioned, that organic product should be free from chemical use and other external contamination.

Consumers' preference for organic products: It was examined whether people have any preferences on crop products that are organically grown. About 42% of the respondents reported that vegetables are their first choice, followed by pulses (28%) and fruit (20%). Only 10% of consumers preferred rice as their first choice.

The main reasons given for their preferences are health (15%) and pleasant environment (17%) appearance and

freshness (5%), do not contain pesticides/chemicals (47%) as shown in Fig. 3. It is considered trendy/fashionable was not considered as decision-making factors among any of the consumer. The reason for health was most favourable for the respondents from the (I)/NGOs and health sector, followed by the government officials and teachers. It could be because educated people are more conscious of health problems caused by chemical fertilizer and pesticides.

Similar findings are reported in the past by some other researchers. It is observed that besides health, food safety and environmental considerations, several other product characteristics such as nutritive value, taste, freshness, appearance, colour and other sensory characteristics influence consumer preferences.

Buyers-challenges/problems faced in purchasing: Currently, consumers of organic products face issues with the purchase process in terms of high prices, limited availability of these products, lack of standardization in certification and lack of sufficient information about this segment.

Availability is also a big challenge which results in a low incidence of organic food products-both, in terms of trials and repeats purchases. Consequently, instead of travelling long distances to purchase less frequently stocked organic fruits or milk, consumers prefer to purchase their regular options from nearby locations.

Also, while consumers believe that the high prices of organic products may be justified due to associated health benefits and its freshness. The lack of surety about the latter makes the high prices pinch the wallet and prevents organic products from becoming a part of regular grocery purchases.

On the whole, the lack of awareness and knowledge about organic foods percolates within the category of organic products as well. Consumers feel unsure of the authenticity of the products due to a lack of standardization of certifications and claims made by the outlets. In Fig. 4, the challenges have been presented on the X-axis and the percentage of consumers responses has been displayed on the Y-axis. Consumers had shown their concern for buying organic products. Around 35% of consumers from the surveyed population were concerned about the high prices and another 35% were concerned about its authentication. While very few were concerned about the taste of organic products.

Non-buyers-reasons for not purchasing: Among nonusers of organic fruits and dairy products, the key factors that inhibit trial are high prices and low availability in the market. With the consumers' price perception already not in favour of these

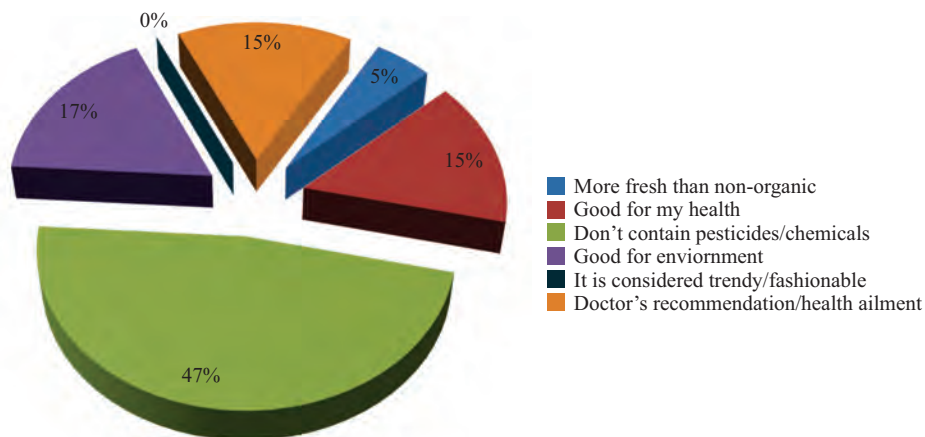


Fig. 3: Consumers' preference for organic products

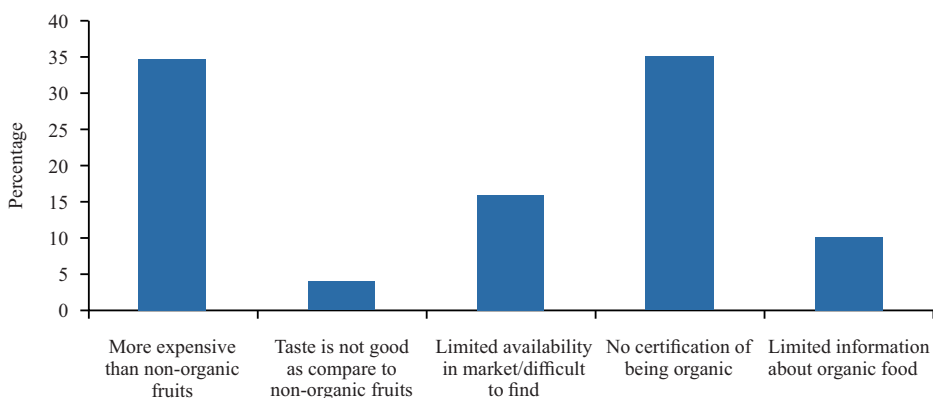


Fig. 4: Buyers-challenges/problems faced in purchasing

Table 2: Non buyers reasons for not purchasing

Buying methods	Percentage
Go personally/someone goes to the shop to buy	96
Delivered regularly to the house	2
Order by phone at the shop	2
Order online	0

Table 3: Price premium willingness to pay for organic products

Interviewed consumers (%)	Willing to pay (WTP) price premium (%)
26% of the interviewed consumers	15% price premium WTP
18% of the consumers	20-35% price premiums WTP
56% of consumers	12% price premium WTP

organic food products, the insufficient availability makes it even more daunting for them to even try out these products.

Lack of information and awareness about the products also prevents them from purchasing since they are not sure what they are paying for more expensive than non-organic fruits Table 2. As it is coming out from the table that the main concern of users for not buying organic food material (96%) was that for buying organic products they have to buy these products personally which takes time and the place like

Mumbai and Pune, the consumers of the high-income group generally prefer home delivery or online shopping.

Willingness to pay for organic products: The result showed that in the case of product availability, all the consumers are willing to pay higher prices for organic products. The price premium is ranging from 5-40% depending upon the products and consumers' willingness to buy. The current average premium is about 30%. The consumer's survey revealed that 26% of the interviewed consumers are willing to pay up to 15% price premium compared with non-organic. Similarly, 18% of consumers like to pay between 20-35% of price premiums. In comparison, 56% of consumers are not willing to pay more than a 12% price premium for any organic products Table 3.

The willingness to pay (WTP) for premium products and organic products varies as income varies. As it is already discussed in the material and method section that WTP function for improved organic food quality and quantity (use-value) and insured reliable (nonuse values).

WTP is the function of income, location, time period, water consumption pattern, income, education, employment statuses, household size.

WTP offer by households' for food quality improvements, which can be called the total economic value of improved food and nutrition for the high-income group.

The monthly average willingness to pay for extra money for quality food is examined here. A direct relationship between income groups and a higher amount of willingness to pay [$\partial Do/\partial Yo > 0$] was found. A move from low income to higher income group consumers, the WTP increases, the reason behind is that as income increases, consumer start shifting from normal goods to premium goods and consumer also become more conscious about health and nutrition. During current research work, it is observed that 26% of the surveyed population were ready to give 15% extra money for better and healthy products while around 18% were willing to pay 20-35% extra money for organic products as compared to normal products.

This means consumers are ready to pay more price for better and healthy products.

Factors affecting consumers' willingness to purchase:

Consumers' willingness to purchase is influenced by various factors. The significant factors identified by the consumers are lack of information available to consumers, higher prices over those of conventional foods and the limited and erratic domestic supply.

The majority (88%) of the consumers reported that they are not getting the regular supply of the products, which makes them frustrated to go to buy again. Besides, most of the consumers (60%) also mentioned that they do not trust the product as pure because no mechanism differentiates organic from inorganic. This means there are no certified products with excellent label and full information. Business people reported that organic vegetables and fruits have less appeal.

DISCUSSION

In the current study large number of participants belong to the age group of 30-35 and this was found that most male members have more decision making power than women. It is observed that generally male members are earning member of the family and are more exposed to the outer world of reality. So the changing behaviour for switching over from nonorganic to organic is also very much dependent on them. Education and income play a very important role in buying organic food products but apart from education and income willingness to pay is another aspect to make a better decision. Many time consumers can pay.

Many authors^{17,18} have found a variety of factors that influence organic food consumption. Concern for health, environmental protection, concern for the chemical residues in conventional food products, pesticides, nutritional concern, as well as improved taste and flavour in organic food products are some of the factors identified.

Another study conducted by Soler and Sánchez¹² on Greek consumers seems to show that they are informed about environmental and health issues.

Storstad and Hilde¹⁹ and Voon *et al.*²⁰ also studied the consumers' attitudes, towards the health attributes and the environment and found the most important factors that explain consumers' decision-making processes for organic food products.

Tsakiridou *et al.*²¹ found that more information about the organic food market, which increases consumers' ecological food knowledge, is essential because it positively influences consumers' attitudes towards organic food products.

Another study conducted by Lea and Worsley²² worked on Consumer behaviour and explained that it consists of ideas, feelings, experiences and actions, along with additional environmental factors like advertisements and price.

This research which is conducted between the age group of 35-50 years sheds light on the unawareness of the consumers towards organic products. The unavailability of these organic products with ease also deters the consumers from pursuing these products. The different perceptions that the consumers have for these organic products suggests a lack of conceptual clarity and knowledge about what an organic product is all about, how it is generated, is it good or beneficial for health and how and from where can it be purchased. As the research suggests, with higher education and income levels, the consumption of these products increases. The less educated as well as poor do not think of buying these products as they are unaware of their advantages. Moreover, the more within reach these products are, the more they are bought. It can be referred to as that the consumption pattern of organic products goes beyond the materialistic possessions of an individual. Though higher income levels and money is some of the significant factors which determine the Willingness To Pay (WTP), other factors such as lack of knowledge and information play a very crucial part in the process of deciding the consumption pattern of the individual. Therefore, the Government of India must take an active part in the awareness campaign about organic products.

CONCLUSION

The survey revealed that many people are not well aware of the availability of organic products in the market. Those

who are aware of this and buying from one store are also not well aware of other outlets where they can buy the products. It is necessary to disseminate and publicize the information widely so that all the people can have access to information and can make their own decision. More than half (60%) of the surveyed consumers reported that the supply of organic products is very low and season-specific.

SIGNIFICANCE STATEMENT

This study discovers the consumer attitude about organic products and their awareness about healthy products. The most important thing of the study is that consumers are ready to pay extra money to make their family healthy and to avoid illness because of unhealthy food. Although the organic market is well developed in advanced countries in India it is coming up very fast in metro cities. Small town and tier-II city still value money and they do not have a very positive response about the organic food product. This study will be helping the researcher to uncover the critical areas of buying pattern for healthy food products. Researchers can explore that how consumer make their mind and can decide to pay a little higher to provide better food products. An in-depth study can be done in tier two cities also, that many researchers able to explore. The willingness to pay the higher amount for healthy food depends on the income of the consumer, location of consumers as well as stores. Sometimes based on the demand of consumer's stores does not keep such products. Consumption pattern also decides the demand and supply of these healthy products. Education plays a very important role in this decision because consumer with high qualification is aware of the consequences of non-organic food and its side effects. The consumer also sees the total economic value of their buying as well as their budget.

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