# Consumer's Perception Towards Organic Food Products in Rural Area of Haryana

Mr. Pardeep Kumar, Dr. Hema Gulati

Abstract— India is a country of villages and around 60 percent of its population are living in villages and depends on agriculture. The Indian economy is still depends on agriculture and it contributes around 14% to the country GDP. Production of organic products is also a part of agriculture. Now a day organic products are emerged as a growing sector in India. This study is conducted to examine the customer perception towards organic products in rural area of Haryana in India. The main aims of the study is to know that what customer actually behave towards organic products. For the purpose of the study a sample of 110 respondents was taken

Index Terms Organic, Rural area, Food, Agriculture.

#### I. INTRODUCTION

India is the second largest country in the world on the basis of population and a major part of the population are depends on agricultural activities. Now a day there is an increasing trend is seen towards organic agriculture. Organic products are grown under a system of agriculture without the use of chemical fertilizers and pesticides with an environmentally and socially responsible approach. **Organic agriculture** is not a new concept in India. At the beginning of the 19<sup>th</sup> century, Sir Albert Howard, one of the most important pioneer of organic farming worked in India for many years studying soil- plant interactions and developing composting method. In doing so, he capitalized substantially on India's highly sophisticated traditional agriculture systems, which had long applied many of the principal of organic farming.

This is a method of farming that works at grass root level preserving the reproductive and regenerative capacity of the soil, good plant nutrition, and sound soil management, produces nutritious food rich in vitality which has resistance to diseases. Organic agricultural is a multifaceted phenomenon in the field of agriculture and food production. On the one hand, it is low external input production technique originated from both traditional and alternative farming practices developed in the 19<sup>th</sup> and 20<sup>th</sup> century.

The market for organic food products in India has been growing at a rapid pace over the last few years. Rising health consciousness among middle class consumers in major cities across India has been the key factor contributing to growth in the market. Unlike conventional food, which involves use of chemical fertilizers and pesticides, organic food products are manufactured using natural products. As a result, organic food products are free from chemical residues and are healthier compared to conventional food products. Organic food products include diverse food categories ranging from fruits & vegetables, dairy products, processed foods, pulses & food grains to

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other products such as beverages, confectionaries, etc. Implementation of various standards to improve the quality of organic food produced in the country is expected to propel growth in India's organic food market over the next five years. According to "India Organic Food Market Forecast & Opportunities, 2020", the market for organic food in India is anticipated to grow at a CAGR of over 25% during 2015-20. A noteworthy trend that is being observed is gradual emergence of organic food as an essential part of the daily diet among the upper class population in India. Moreover, in light of the health benefits associated with consumption of organic food and rise in the number of diseases on account of excessive chemical contamination of conventional food, the preference for organic food is growing rapidly. In consonance with the growing health consciousness among consumers, restaurants and food chains in major cities are also adopting organic food products. Presently, India organic food market is dominated by organic pulses & food grains, followed by organic processed food, organic fruits & vegetables, and organic dairy products.

## **Organic Product**

The term —organic is rooted in —bio from Greek —bios meaning life or way of living. —Organic food products was first coined in the 1940s and refers to food raised, grown and stored and/or processed without the use of synthetically produced chemicals or fertilizers, herbicides, pesticides, fungicides, growth hormones and regulators or generic modification.

**Definition:** The Department for Agriculture and Rural Affairs (DEFRA) states that: 'Organic food is the product of a farming system which avoids the use of man-made fertilizers, regulators pesticides; growth and livestock additives. Irradiation and the use of genetically modified organisms (GMOs) or products produced from or by GMOs are generally prohibited by organic legislation. agriculture is a systems approach to production that is working economically environmentally, socially and sustainable production. Instead, the agricultural systems rely on crop rotation, animal and plant manures, some hand weeding and biological pest control'.

## II. REVIEW OF LITEATURE

M.Gomati & Dr. S.Kalyani conducted a study on the topic of "A Study on Awareness on Organic Food Products among General Public in Erode City, Tamilnadu, India". The aim of this study is to to know the awareness level of general public and to identify the Sources which help them to know the Organic products. The study was conducted in the Erode city of Tamilnadu. The study is based on descriptive research design. Stratified random sampling was used to select the population and a sample of 100 respondents was drowned. Data was collected only by use of Questionnaires. The information gathered will be analyzed with the help of SPSS 16 software by



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using the Tabular Presentation & Chi-Square Analysis to generate the statistical outputs. The result of the study shows that the level of Awareness among the public about organic products are less than 50%. Dr. Geetika Sharma & Dr. Rakhee Dewan conducted a study on the topic of "Factors Influencing Consumer Buying Behavior & Awareness towards Organic Food: A Study of Chandigarh & Panchkula Consumers". The study will focus and to determine the Awareness of Organic Food Products & the purchase behavior, preference & factors affecting towards organic food of the selected location. This study was based on primary survey of 100 respondents living in the Chandigarh & Panchkula. The questionnaire was designed to record the responses on food safety concerns, frequency of buying behavior, from where they buy the products, awareness, attitude, factors effecting buying behavior, price effect on purchasing, behaviors towards organic food and effectiveness of sources for organic information. This study will help to create awareness amongst consumers about organic food by the organic companies. S Priya, M Parameswari Bali conducted a study on the topic of "Consumer attitude towards organic food products". The study was focused on consumer attitude towards organic food products and carried out in Coimbatore City. A sample of 150 household respondents was taken, who are familiar with Organic Food Products by adopting multistage sampling technique. The data collected were analyzed using descriptive statistics. J.Padmathy & R.Saraswathy conducted a study on the topic of "A Study on the Consumers' Buying Behavior Towards Organic Food Products In Thanjavur District". The study investigates the relationship between variables that affect consumers'buying behaviour for organic products identifies the price levels consumers prefer to pay for organic products in the district. A sample of 200 respondents was taken using convenience sampling method. The primary data was collected from the respondents with the help of pre-tested structured opened and closed ended questionnaires. The data were analyzed by using regression and chi-square. The findings of the study reveal that there is significant relationship between the variables which affects consumers buying behavior for organic products. Uma.R & Dr.V.Selvam conducted a study on the topic of "Analysis of Awareness among Consumers towards Organic Food Products: With Reference to Vellore Organic Consumers Perspective". The aim of this study is to analyse consumer awareness on organic food products with reference to Vellore City, TamilNadu. The study will be based on the data collected from the organic consumers in Vellore city, Tamil Nadu, India. A survey questionnaire will be developed to collect qualitative questionnaire from the consumers of the study. In this backdrop, the present research work is an attempt to explore basically on consumers level of awareness on organic food products with the consideration of Indian Organic industry. The finding of the study shows that organic food consumption is increasing due to environmental and health concerns associated with food products. The organic food products will expand to grow by overcoming the hindrances and also problems on implementing agricultural market in India. Sathyendra Kumar AD & Dr. H. M. **Chandrashekar** conducted a study on the topic of "A Study On Consumer Behavior Towards Organic Food Products In MySore City. The study was conducted to attempt to understanding the consumer perception about organic product and marketing in Mysore city. The results concluded that most of the consumer especially in urban people prefer organic food product. Marketing of organic product is so poor in study area so the demand for organic product is increases but supply is very low. Mohammad Altarawneh conducted a study on the topic of "Consumer Awareness towards Organic Food: A Pilot Study in Jordan". The aim of this study aims at analyzing the awareness level of consumers towards organic food products, using a structured survey of 384 respondents in major city in Jordan- Amman. The regression model has been estimated to identify the most likely factors affecting the consumers' awareness on organic food. The finding of the study shows that awareness is not affected by factors such as gender, age and Trademark. Ibitove, O. O. & Nawi, N. M. Kamarulzaman, N. H. and Man, N. Conducted a study on the topic of "Consumers' awareness towards organic rice in Malaysia". This study seeks to understand consumers' awareness towards organic rice in Malaysia. The survey is exploratory in nature and was conducted at major supermarkets in Klang Valley. Data were analyzed using descriptive analysis and chi-square analysis using cross-classification techniques, and correlation to determine their relationship, strength and direction of their relationship. The result of the study shows that majority of the respondents (85.6%) have some level of awareness towards organic rice, while only 64.7% planned to consume organic rice in the future. This indicates that awareness of consumers towards organic rice does not necessarily translate to their planning to consume organic rice. Tomsik & Kutnohorska, 2013 Find that the organic food market consumer actually shows different attitudes, belief and behaviors in relation to health care. Most of the consumers perceive their health as an important part of their life and they regard organic food as rather healthier than the conventional food.

## III. OBJECTIVES OF THE STUDY

- 1. To examine the customer perception towards organic products in Rewari of Haryana.
- 2. To Analyze the rural market for organic products
- 3. To examine the level of awareness towards organic products in Rewari of Haryana.

# Need of the study:

# From Customer point of View:

Organic food products are perishable products. They are not used for a long time. When a customer buy these kinds of food products, it is not easy to that customer to store it in a short time, because they are perishable. So therefore it is necessary for a rural customer that when he buys organic food products, he must know about that particular product and about the brand of that product. In last seven or eight years rural market of India is showing an increasing tendency everywhere towards organic food products.

**From Businessmen Point of View:** India is a country of villages, about 65 percent of its population is living in these villages. So the rural market is very big in India. So it is beneficial for manufacturing and marketing companies to enter in rural market to sell their products, because, they can generate more revenue from rural market. Due to these reasons the needs of this study arisen.

#### IV. RESEARCH METHODOLOGY

Research is a systematic study of a given problem. This study is based on the primary and secondary data. The primary data



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has been collected through questionnaire by using simple random sampling technique on retail outlets of organic products. The secondary data had collected from Department of Horticulture, Organic Farming Certification Agencies, APEDA, and District Statistical Office in Rewari. And apart from this, the secondary data will also be collected from published books, reports, journals, magazines, and internet.

**Sampling:** This study is conducted to know the level of awareness towards organic products in rural area of Haryana. For this purpose stratified random sampling technique is adopted. And the rural area of district Rewari of Haryana is selected for the study.

## V. LIMITATION OF THE STUDY

This study has been confined to organic stores in rural area of Haryana and organic products. The inference drawn purely on the responses obtained from the respondent in the study area.

## VI. RESULT OF THE STUDY

Table 1.The Classification of Respondents based on gender

| Sr. No | Gender      | Respondents | Percen |
|--------|-------------|-------------|--------|
|        | 2.5.4       |             | tage   |
| 1      | Male        | 70          | 63.63  |
| 2      | Female      | 40          | 36.37  |
| 3      | Transgender | 0           | 0      |
| Total  |             | 110         | 100.00 |

Source:-Primary Data

The above table1 shows that the 63.63 percent of Respondents were belonging to Male and remaining of the 36.37% of the respondents was Female. No transgender were seen in the study. Majority of the male respondents were purchased organic products

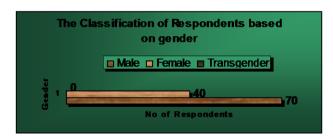


Table 2 the classification of respondents based on Age

| Sr.No | Age      | Respondents | Percentage |
|-------|----------|-------------|------------|
| 1     | 18-28    | 24          | 21.81      |
| 2     | 28-38    | 33          | 30.00      |
| 3     | 38-48    | 30          | 27.27      |
| 4     | Above 48 | 23          | 20.90      |
| Total |          | 110         | 100.00     |

Source: Primary Data

The table: 2 shows that 21.81 percent of the respondents are in the Age between 18-28 Years old, 30 percent of respondents are in age between 28-38 years, 27.27 percent of respondents are in between 38-48 years old age and remaining 20.90 percent of respondents are Above 48 years old out of 110 Respondents. The ages between 28-38 years are well aware about organic products.

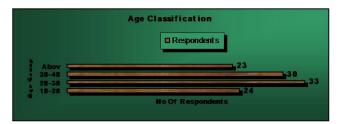


Table 3. Annual Income of the respondents

| Sr.No | Income Group   | Respondents | Percentage |
|-------|----------------|-------------|------------|
| 1     | Less than      | 11          | 10.00      |
|       | 50000          |             |            |
| 2     | 50000 to 1     | 25          | 22.72      |
|       | lakh           |             |            |
| 3     | 1 Lakhs to 1.5 | 57          | 51.84      |
|       | Lakhs          |             |            |
| 4     | Above 1.5 laks | 17          | 15.45      |
| Total |                | 110         | 100.00     |

Source Primary Data

The above table 3 shows that 10% of respondents are having monthly income less than Rs 50000, 22.72% of respondents are having income between Rs 50000-100000, 51.84% of respondents are having income between Rs 100000-150000 and rest 15.45% of respondents are having income Rs .above 150000,out of 110 respondents considered for study



Table 4 the classification of respondents based on their Oualification

| damication |               |             |            |  |
|------------|---------------|-------------|------------|--|
| Sr.No      | Qualification | Respondents | Percentage |  |
| 1          | Illiterate    | 3           | 2.72       |  |
| 2          | Primary       | 14          | 12.72      |  |
| 3          | High          | 38          | 35.54      |  |
| 4          | Graduate      | 50          | 45.45      |  |
| 5          | Post Graduate | 5           | 4.54       |  |
| Total      |               | 110         | 100.00     |  |

Source Primary Data

The table 4 shows that 2.72 percent of Respondents are quit illiterate, 12.72 percent of Respondents are having only primary education,35.54 percent of the respondents are having Higher School education, 45.45 percent of respondents are having Graduation and remaining 4.54 percent of the respondents are post graduate among out of 110 respondents. The respondents are aware a using organic products in the study.



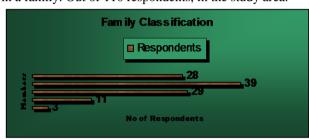


Table 5. The classification of respondents based on Total Family Members in the House hold.

| Sr.No | Members     | Respondents | Percentage |
|-------|-------------|-------------|------------|
| 1.    | 1-2         | 3           | 2.72       |
| 2     | 2-3         | 11          | 10         |
| 3     | 3-4         | 29          | 26.36      |
| 4     | 4-5         | 39          | 35.45      |
| 5     | More than 5 | 28          | 25.45      |
| Total |             | 110         | 100        |

Source Primary Data

The table 5 shows that 2.72 percent of the respondents are having between 1-2 members in a family, 10% of respondents having 2-3 members, 26.36% of respondents having 3-4 members, 35.45 of the respondents having 4-5 members and remaining 25.45% of respondents having more than 5 members in a family. Out of 110 respondents, in the study area.



Tabel No. 6 How you know about Organic products.

| Sr.   | Source of    | Respondents | Percentag |
|-------|--------------|-------------|-----------|
| No    | Information  |             | e         |
| 1     | T.V. / Radio | 41          | 37.27     |
| 2     | Print Media  | 23          | 20.90     |
| 3     | Internet     | 18          | 16.36     |
| 4     | Friends      | 17          | 15.45     |
| 5     | Awareness    | 11          | 10        |
|       | Programme    |             |           |
| Total |              | 110         | 100       |

Source Primary Data

Table 6 shows the source of information about organic products, how consumers know about organic products. According to the table it is clear that around 37 percent of the consumer are know about these products from television or radio advertisement, 21% are known from print media like news paper and magazines. Only around 17% of the total consumers are becoming aware by use of internet. While only 10% are known about organic products from awareness campaign.

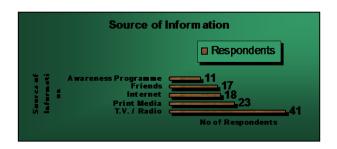


Table 7. Preference for Organic products, among respondents

| Sr.No | Preference | Respondents | Percentage |
|-------|------------|-------------|------------|
| 1     | Yes        | 103         | 93.63      |
| 2     | No         | 07          | 6.37       |
| Total |            | 110         | 100.00     |

Source Primary Data

The table 7 shows that preferences of consumer for organic products among respondents in the study area. 93.63 percent of the respondents preferred organic products and 6.37 percent are not like or not preferred the organic product.

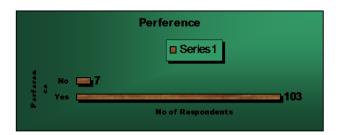
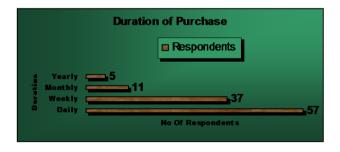


Table 8. The classification Respondents based on frequently purchase of products

| Sr. No | Duration | Respondents | Percentage |
|--------|----------|-------------|------------|
| 1      | Daily    | 57          | 51.83      |
| 2      | Weekly   | 37          | 33.63      |
| 3      | Monthly  | 11          | 10         |
| 4      | Yearly   | 05          | 4.54       |
| Total  |          | 110         | 100.00     |

Source Primary Data

The table 8 shows that the 51.83 percent of respondents are buying Daily Organic products, because most of the organic products are perishable in nature they are not stored for a long time, 33.63 percent of Respondents are weekly once purchasing, 10 percent are buying monthly basis and remaining 4.54 percent of respondents buying once in a year.



**Table 9 Place of Purchase of organic products by the Respondents** 

| Sr.No | Place   | Respondents | Percentage |
|-------|---------|-------------|------------|
| 1     | Super   | 13          | 11.83      |
|       | Market  |             |            |
| 2     | Organic | 77          | 70         |
|       | Store   |             |            |
| 3     | Farm    | 15          | 13.63      |
| 4     | Other   | 5           | 4.54       |
| Total |         | 110         | 100        |

Source Primary Data



The table 9 clearly shows that 11.83 percent of the respondents purchase the organic products in super markets, 70 percent of the sample respondents were purchase from organic stores because of quality, freshness, 13.63 percent of the sample respondents were purchase from farm and the rest of the 4.54 percent of the respondents purchase from some other places like any shop.

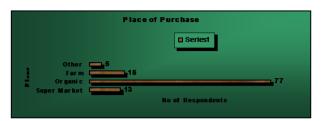


Table 10. Reasons for purchase of the Organic Products.

| Sr.No | Reasons | Respondents | Percentage |
|-------|---------|-------------|------------|
| 1     | Health  | 55          | 50.00      |
| 2     | Tastes  | 17          | 15.45      |
| 3     | Quality | 30          | 27.27      |
| 4     | Price   | 8           | 7.27       |
| Total |         | 110         | 100.00     |

Source Primary Data

The table 10 describes that the 50 percent of respondents prefer organic food to maintain good health, 15.45 percent of respondents prefers for its taste, 27.27 percent of the respondents were purchase for their product quality and remaining 7.27 percent of the sample respondent were purchase on the basis of the price of the organic products.

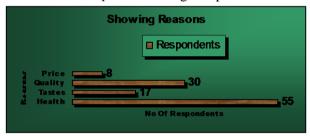


Table 11. Respondents opinion towards Price of Organic Products

| Sr.No | Opnion    | Respondents | Percentage |
|-------|-----------|-------------|------------|
| 1.    | Expensive | 75          | 68.18      |
| 2     | Moderate  | 30          | 27.27      |
| 3     | Low       | 5           | 4.54       |
| Total |           | 110         | 100.00     |

Source Primary Data

The table 11 indicates that the 68.18 percent of the respondents were opined that the organic products are very expensive due to inputs and procurement costs are more than conventional product ,27.27 percent of respondents were expressed as moderate and remaining 4.54 percent opined that its very low compare to non-organic products in the study area.

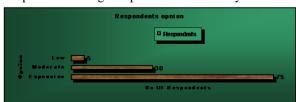


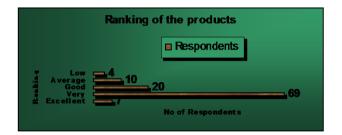
Table 12 Respondents ranking for organic products.

Sr.No Ranking Respondents Percentage

| 1     | Excellent | 07  | 6.36   |
|-------|-----------|-----|--------|
| 2     | Very Good | 69  | 62.72  |
| 3     | Good      | 20  | 18.18  |
| 4     | Average   | 10  | 9.09   |
| 5     | Low       | 04  | 3.63   |
| Total |           | 110 | 100.00 |

Source Primary Data

The table 12 shows that the 6.36 percent of Respondents were agreed the organic products are excellent when compared of non-organic products regarding all the aspects, 62.72 % of respondents were agreed organic products as very good, 18.18 percent of respondents were agreed on good, 9.09 percent gives their ranking as organic products are average products and only 3.63 percent of the sample respondents gives low ranking to the organic products.



# VI.FINDING AND SUGGESTION

The result of the study shows that a lot of problems are faced by the rural respondents while purchasing the organic products in the markets. It is not easy for rural consumers to go to market daily for purchasing organic products because rural consumer buys in bulk. The finding is that these products are not easily available in the rural area; they are available in urban areas. So, we can say that irregular availability of organic products also affects the choice of the consumers. The other main reason is that organic products are more expensive in comparison to non organic products. So, people with low level of income cannot afford the expenses on these products. So, that the organic consumers are not to purchasing more quantity of products. The varieties of organic products which are available in the market are limited. There is a lack of awareness about organic products to consumers. So, on the basis of the study it can be concluded that people living in rural area are also want to use organic products but due to less knowledge and low level of income they cannot buy these products. If companies or manufacturer want to earn more profit they should move in the rural area of India because around 60 of the consumers are living in rural area.

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