

A Select Study Of Consumer Purchase Behavior Of Organic Food In Delhi NCR Region

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INTRODUCTION

Consumers worldwide are becoming increasingly concerned about nutrition, health and the quality of their food (Gil et al., 2000). One of the key ways that environment and health consciousness is getting reflected is through consumers' increased interest in organic food (von Alvensleben, 1998). More than 140 countries are now producing certified organic food with 32.2 million hectares of agricultural land being managed organically globally by more than 1.2 million producers (Willer and Kilcher, 2009). Global sales of organic products had reached 46.1 billion US dollars in 2007 (Willer and Kilcher, 2009). Schlegelmich et al. (1996) have indicated that the increase in environmental consciousness has had a profound impact on consumer behavior whereby, the green product is expanding at a fast pace.

Organic food markets are evolving at markedly different rates. Fotopoulos and Krystallis (2002) indicate that the Greek organic market, although more mature than earlier, is still lagging a decade behind the rest of the developed organic markets. In the same vein, British and German markets have developed at a different pace though consumers there appear to hold very similar attitudes and beliefs regarding organic foods (Baker et al., 2004). This necessitates the need to study key aspects of organic food purchase in an emerging market like India given that about one third of the world's organically managed land is in developing countries (Willer and Kilcher, 2009).

India is one of the countries with the largest area under organic management along with Argentina, Brazil, China and Uruguay (Willer and Kilcher, 2009). The size of organic agricultural land had reached 1.03 million hectares in India in 2007, of which 455,568 hectares are fully converted and the rest is under conversion (Menon, 2009). Local markets have taken off in many of the big cities of South and Eastern part of Asia, and Delhi and Bangalore are some of the Indian cities which are witnessing enhanced internal consumption of organic products (Willer and Kilcher, 2009). The domestic market is driving organic production in India and 96.7% of India's 5, 85,000 MT of certified organic products produced in 2007-08 is used in domestic markets. An eight city survey in 2006 has indicated a potential demand to the tune of INR 5.6 billion for organic products in India (Mukherjee, 2008).

Country specific research indicates that Indians are amongst the top 10 buyers of foods with health supplements globally, but lack access to organic food products (A C Nielsen, 2006). It highlights that Indians are keen to purchase organic food for their children but the category suffers from poor availability and premium price perception. Organic food market in India is still at a nascent stage. However, some research has been carried out to understand buying behavior of organic food purchasers (Chakrabarti and Baisya, 2007; Chakrabarti and Baisya, 2009).

The introduction section in this paper is followed by literature review and the research gaps. The literature part is very coherent and has been confined to what is relevant for the focus of this paper with clear conclusions about what is known and highlighting subsequently what the research gaps are. This is followed by highlighting the research objectives.

LITERATURE REVIEW

The brief literature review highlights the linkages between food category purchase and relevant variables further to what has been explained in Chakrabarti and Baisya's (2009) paper in detail. Dependent variable of number of categories purchased essentially is a surrogate indication about the type of spends being committed by buyers in organic food. The assumption that has been used is that numbers of categories purchased essentially give a quantitative indication about innovative purchase behavior in this green and environment friendly category in India.

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LINKAGE OF PURCHASE WITH AFFECTIVE COMMITMENT

Affective commitment is an important construct in the context of this discussion as it is strongly correlated with some word of mouth variables (Harrison Walker, 2001). Only when consumers develop affective commitment towards the brand or service provider, they may be expected to remain loyal to the brand or service provider because of the liking for the partner. Johnson et al. (2001) report that affective commitment has a larger effect on loyalty than on satisfaction in four of the five industries studied in their investigation. Gustafsson et al. (2005) summarize the relationship management literature by stating that affective commitment is one of the two (the other dimension being calculative commitment) different dimensions of relationship commitment that drive loyalty. Accordingly, affective commitment towards the store of regular purchase has been used in understanding the consumer adoption process in the category in line with the importance of the construct in international research (Morgan and Hunt, 1994; Ahluwalia et al., 1999; Garbarino and Johnson, 1999; Harrison Walker, 2001). The importance of the affective commitment dimension may be especially relevant in organic food purchase given that the category has association with health and nutrition benefits and has some service characteristics. For marketers in the category, understanding the process of emotional bonding with regular buyers may be quite critical.

RESEARCH GAPS AND SCOPE OF THE RESEARCH

Consumer research has found that the affective commitment level of regular buyers is higher than that of occasional buyers in a statistically significant manner and this construct is the most important differentiator between the two groups of regular and occasional buyers of organic food (Chakrabarti and Baisya, 2009). However, scant published research is available which has studied the correlation between number of categories purchased and the affective commitment score for regular buyers of organic food category. There is also very little research which highlights the motivational and attitudinal aspects of affectively committed regular buyers of organic food.

In a related context, internationally, there are factors found to limit organic food choices and consumption. They include high price, limited availability and satisfaction with conventional food, lack of trust and lack of perceived value (Davies et al., 1995; Fotopoulos and Krystallis, 2002; McEachern and McClean, 2002). Internationally, price continues to be cited as the main reason for not buying organic food, despite a slight shift in this trend recently (MINTEL, 2000). Fotopoulos and Krystallis (2002) indicate that for organic products, the major reason of non purchase for non buyers and low purchase for buyers in Greek market is low availability followed by high price. A study focusing on the limiting factors in the Indian context in organic food may add a lot of insights for the health oriented emerging category and its stakeholders. In line with this discussion, the research objectives for the study are mentioned below.

RESEARCH OBJECTIVES

This paper, which is one part of a very comprehensive research work on consumer buying behavior in organic food category, explores three important aspects. **First**, it strives to develop an understanding about the correlation between numbers of brands purchased in the category with affective commitment score. **Second**, it also attempts to highlight the motivational and attitudinal aspects of affectively committed regular buyers by studying the correlations of affective commitment with importance placed on the six motivational parameters of health, curiosity, nutrition, taste, the need to protect the environment and the need to look after unwell people and importance placed on the relevant attitudes regarding conviction about utility of organic food, reputation of store and certification process as per existing research (Chakrabarti and Baisya, 2007). **Third**, it attempts to highlight factors limiting more organic food usage among regular buyers in India.

HYPOTHESIS AND RESEARCH QUESTIONS

The first research objective has been addressed through the following hypothesis:

Hypothesis: Among regular buyers, the correlation between the number of categories bought and affective commitment score is positive and significant.

The second and third research objectives have been addressed through research questions.

METHODOLOGY

SAMPLING METHOD

The population under investigation in the customer survey has been organic food purchasers in the 18+ age group. The questionnaire relevant for this category includes a purchase section highlighting the details of organic food purchase in different food categories. Harrison Walker's (2001) study has operationalized the construct of affective commitment by adapting the measures provided for employee commitment to an organization to consumer commitment to a service provider. The corresponding affective commitment scale has been used in this research.

The customer survey through personal interview and systematic sampling method had been carried out between February to June 2006 period in front of dedicated organic food outlets like Navdanya, upmarket department stores like Fabindia (having a dedicated organic food section along with other sections), food supermarket Whole Foods etc. that resulted in a sample size of 120 organic food buyers. Systematic sampling method was used by approaching every fifth person coming out of the chosen large organic food outlets. The respondents had been given the questionnaire with the chosen scales -If they belonged to the 18+ age groups (eligible voting age of 18 was used as the minimum cutoff and the age group was verbally confirmed); if they had passed at least higher secondary examination (Class XII) (verbally confirmed); if they belonged to INR 8, 500/-+ monthly household income groups (verbally confirmed and subsequently income cutoff was raised to INR 15,000/- and above once the threshold sample size was achieved between INR 8,500-15,000); if they were knowledgeable in the organic food category (able to cite any three organic food brands and three organic food stores correctly); if they spend at least 25% of category spend in organic food in at least one food category and if they have shown willingness to fill up the questionnaire. Accordingly, the questionnaires had been given to those respondents who fulfilled the above mentioned criteria. 120 organic food buyers including 58 regular, 56 occasional and 6 buyers with mixed buying pattern were chosen as the respondents for the study. The details of 120 buyers have been provided in Table 1. 96% of the total respondents chosen had a monthly household income of INR 15,000/- and an overwhelming 90% of the respondents fell in the INR 20,000+ range. This is in line with the pattern of income in the survey area. Also, more than 89% of the respondents were from the 26+ age group, reflecting the relatively mature target audience tapped for the category survey.

Table 1: Respondent Details For All Buyers In Organic Food Category

Buyer Groups	Number %	
Gender		
Male	56	47
Female	64	53
Age		
18-30 years	43	36
31-40 years	48	40
More than 40 years	29	24
Income (data Not Provided In 6 Cases)		
Less than INR .30, 000	38	33
INR.30, 000-40,000	35	31
Over INR 40, 000	41	36
Education (Data Not Provided In 10 Cases)		
Up to Graduate	57	52
Post-graduate	53	48
Time Of Adoption (Data Not Provided In 6 Cases)		
Less than 6 months	34	30
6-12 months	37	32
More than 1 year	43	38
% in terms of cases for which data available		

RESULTS

HYPOTHESIS TESTING

Among regular buyers, the number of categories bought is correlated in a statistically significant and positive

manner with affective commitment score ($r = .468, p < 0.05$). Hence, the hypothesis is supported.

PROFILE OF AFFECTIVELY COMMITTED REGULAR BUYERS

An analysis of the affective commitment variable with relevant motivation and attitude variables for regular buyers (Table 2) reveals that people attaching high importance to this variable also attach high importance to the motivations of the need to look after unwell people ($r = 0.677, p < .05$), nutrition ($r = .360, p < .05$) and the need to look after environment ($r = .351, p < .05$). These people also attach high importance to the reputation of the store from where purchase is normally made ($r = .437, p < .05$).

Table 2: Correlations Of Motivations And Attitudes With Affective Commitment For Regular Buyers

Motivation & Attitudes	Cor. With Affective Com.
Health	0.275
Curiosity	-0.04
Nutrition	0.360*
Taste	0.257
Environment	0.351*
Unwell People	0.677*
Utility	-0.121
Reputation	0.437*
Certification	-0.037

FACTORS LIMITING REGULAR USAGE OF ORGANIC FOOD

In the customer survey, 30 regular buyers have filled up the section on the constraints that hinder more regular usage in the category. Among the reasons cited by 30 people, the three most important ones are expensive (cited by 16 people), taste related reasons (cited by 7 people) and availability of product (cited by 6 people). Among the second cited reasons (22 people have mentioned second reasons), the three most often cited reasons are availability/proximity (cited by 9 people), cost related factors (cited by 5 people) and dislike for the taste (cited by 4 people). These insights highlight that perceived high price and limited availability are the main reasons for the slow pace of expansion of the category and these observations are in line with the AC Nielsen (2006) study.

CONCLUSIONS AND MANAGERIAL IMPLICATIONS

The research provides an understanding about the importance of affective commitment construct in understanding the consumer buying behavior in organic food category. Given that the number of categories bought by regular buyers is correlated with affective commitment score, there is a need for the marketers to develop a detailed understanding about antecedents of the affective commitment of regular buyers and to plan a proper relationship marketing campaign for them. Superior customer value to customers may increase their level of affective commitment towards the store of regular purchase. This in turn may enhance retention rates and profitability levels. Stores need to engage in personal interaction with loyal customers to develop trust and long term relationships with them. Stores especially need to target people who place high importance on the motivations of the need to look after unwell people, nutrition and to look after environment. Stores also need to target people who attach high importance to the reputation of the store from where organic food purchase is normally made. Finally, the study highlights that perceived high price and limited availability are the main reasons for the slow pace of expansion of organic foods in India. Marketers need to address these aspects to ensure more regular usage in the category.

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