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A Study on the Consumer Awareness of Organic Certification of Food Products in Mysore City

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ABSTRACT

India had about 1.18 million hectares of its arable land under organic cultivation in 2017. It ranks ninth in the world in Organic Food production and ranks first with about 5, 85,200 famers practicing organic cultivation. Even with such promising numbers, India is mainly catering to the export market and much less to its own domestic market of Organic Food.

India currently exports more than 300 types of organic products to more than 20 countries in the world. The main reasons for the lag in adoption of organic food in the Indian domestic market are the lack of awareness among consumers regarding the health benefits of Organic Food, the premium price charged and the constraint of availability.

Many studies have charted out the consumer profile of organic food. But there is a gap in research as to know whether the consumers who buy organic food paying a premium price for these products actually know the certification process. This study tries to understand how much the consumers are aware of organic certification and what would increase their level of trust in organic food in Mysore city.

Keywords: *Consumer awareness, Organic, Food, Certification,*

INTRODUCTION

The concept of organic farming is not new to India. Organic farming was what was followed traditionally from time immemorial until the dawn of the Green Revolution we are headed by Dr. Norman Borlaug and Dr. M.S. Swaminathan, under the political support of the then Prime Minister of India, Mrs Indira Gandhi.

India had faced many famines and was constantly in war with Pakistan and China on its political borders. The recurring famines and wars had put considerable stress and the economy of the country. The war of 1947, fought against Pakistan, the Sino Indian war of 1962, the India Pak war in 1965 come on the Bengal famine of 1943 had left the Indian economy weak and helpless.

Green Revolution brought in high yielding varieties of wheat and rice combined with the usage of chemical fertilizers and better agronomical practices to increase the production and productivity of the farmers of India. Immediately after the execution of Green Revolution, India experienced an increase in its agricultural production.

Farmers shifted from subsistence farming to commercial farming and this eventually lead to India turning into a net exporter of Agricultural produce from being a net importer. Green Revolution was a life saver to many.

Due to continuous growth of population the requirement of food and other agricultural raw materials is increasing day by day.

Expansion of geographical and agricultural land of the country is impossible the pressure to feed the increasing population is directed towards the need to increase productivity of agriculture area in the wake of this pressure the farmer have to seek support of chemical fertilizers, plant protection chemicals, etc. The concept of organic farming has been perceived differently by different people. To most of them, it implies the use of organic manure and natural methods of plant protection instead of using synthetic fertilizers and pesticides.

It is regarded by some as farming involving the integrated use of fertilizers and organic manure as well as chemical and natural inputs for plant protection.

In either case the concept has been understood only partially. Apart from being partially understood, there are misunderstandings as well.

Significance of the Study

The major shift in trend from fast food to Organic food and other healthier options is having a great impact on the Indian food industry. There has been a steady increase in the number of farmers converting their land to organic farms, food processing units manufacturing Organic foods brands, generic supermarkets adding Organic food options to their shelves and Organic stand-alone shops opening doors.

Many Organic brands have come into existence in the last decade. Although the majority of Indian produced Organic food is still being exported to the US and European countries, Indians themselves are becoming aware of the benefits of Organic food and adopting it slowly.

The premium price is still the hurdle for the Organic Food industry in India. The stake holders of this study are the Organic farmers, Organic Brand Marketers and the Consumers themselves. In the light of such increase in demand for Organic food, many bogus Organic brands have also mushroomed. This study throws light on the Organic Consumers' awareness of the certification of Organic Food.

Objectives of the Study

- To study the socio-economic status of organic food consumers in Mysore city.
- To evaluate the awareness among organic food consumers regarding the certification of organic food in Mysore city.

Hypotheses

The awareness among organic food consumers regarding certifications and legalities is less than 50%.

Research Methodology

Study Area

The study was conducted in Mysore city area. Mysore city is one of the tier II cities in Karnataka, India. Mysore being the cultural capital of India is also a hub of industrial activities and is also called the 2nd capital of Karnataka.

This city is one of the most preferred destinations for industries including IT hubs other than Bangalore due to salubrious climate and availability of natural resources (water, etc.).

It is a main trading center of silk and sandalwood. It has an area of 6,268 km² and a population of 3,001,127 (2011 census). Mysore has many Yoga centers and Ayurvedic centers. Many foreigners come to Mysore for Yoga & Ayurvedic treatments. Both Yoga and Ayurveda propagate Organic food. Therefore this city is relevant for our study.

Database & Sampling Design

A quantitative survey was conducted with a randomly selected sample comprising of 75 consumers of organic products from Mysore city, conducted in both generic supermarkets selling organic food products and stand-alone organic retails outlets. Sample respondents for this study were selected through random stratified purposive sampling method.

Consumers who were visited chosen outlets during the survey time, and those who have time to fill in the survey instrument and willing to participate in the survey, formed the sample respondents. The total number of respondents is 75.43 are male and 32 are female respondents. The reference year for the data collected is 2017-2018.

Limitations of the Study

The study is limited to few retail outlets in Mysore City such as Loyal World, Big Bazar, More, Reliance Fresh, Dhaatu, Nature's Nectar, Namaste, Hasiru and Organic Basket. The results are limited to the primary data collected.

Results and Discussions

The primary data collected by random stratified purposive sampling conducted in both generic supermarkets selling organic food products and stand-alone organic retails outlets during 2017-2018 is analyzed below.

Gender of the Organic Consumers

The study encompasses more men buyers than women. 57.33% of the consumers are men.

Males above the age of 50 years form the largest segment of Organic Food Consumers. The males who are above 60 are retired and have a lot of free time on hand. They are seen going for walks in the evenings and visit the grocery shop during their walks. Grocery shopping is a major activity of the day for them to keep themselves busy.

Table1. *Categorical Data Summarized*

	Males(N=43)		**Females(N=32)**	
	n	%	n	%
1) Age Group				
<20 Years	3	7%	2	6%
20 to 29 Years	5	12%	10	31%
30 to 39 Years	11	26%	9	28%
40 to 49 Year	8	19%	2	6%
>=50 Years	16	37%	9	28%
2) Marital Status				
Single	11	26%	9	28%
Married	32	74%	23	72%
3) Education				
a) Qualification				
Matriculation	0	0%	2	6%
Diploma	0	0%	1	3%
Pre-University	3	7%	3	9%
Graduation	22	51%	16	50%
Post-Graduation	16	37%	9	28%
Doctorate	2	5%	1	3%
b) Stream of Education				
Science	25	58%	12	38%
Commerce	9	21%	12	38%
Arts	9	21%	6	19%
Blanks	0	0%	2	6%
4) Profession				
Student	4	9%	7	22%
Unemployed	0	0%	0	0%
Self-Employed	10	23%	3	9%
Private Sector	18	42%	8	25%
Government Sector	11	26%	3	9%
Home Maker	0	0%	11	34%
5) Income				
a) Individual Income				
<₹1,50,000	8	19%	19	59%
₹1,50,000 to ₹3,00,000	7	16%	5	16%
₹3,00,000 to ₹5,00,000	13	30%	5	16%
>₹5,00,000	15	35%	3	9%
b) Family Income				
<₹2,00,000	3	7%	1	3%
₹2,00,000 to ₹4,00,000	7	16%	5	16%
₹4,00,000 to ₹6,00,000	10	23%	11	34%
>₹6,00,000	23	53%	15	47%

Age

The age of the respondents was collected as nominal data and converted to categorical data. From table 1, it is clear that most of the respondents are above the age 50 years. The second age group that has maximum number of respondents is 30 to 39 years. This shows that the middle aged people are buying organic food more. This is because they become health conscious at this stage in life. They may already be diagnosed with any of the early onset life style disorders or it could be a precautionary change in food preference. It could also be that they have shifted to organic food for the sake of their children.

Table2. *Shows the descriptive statistics for the age of the respondents.*

Descriptive Statistics for Age	
Count	75
Average	41.64
Standard Deviation	15.78
Maximum Age	78
Minimum Age	15
Median Age	37
Modal Age	36

The average age of the organic food consumers is 41.64 years with a standard deviation of 15.78 years. The average shows that the middle aged people are more interested in buying organic food. The oldest buyer sampled was 78 years old and the youngest was 15 years old. 37 years is the median age and 36 is the mode for the sample.

Marital Status

Majority of the sample are married people. Married people have more incentive for purchasing organic as they may have more than one income and children in the household are helping them make this conscious choice. 42.66% of the total consumers are married men.

Education

More than 50% of our respondents have a graduation degree. Only 12% of the consumers are below graduation level of qualification. Of that 12%, 54.54% are students. 49.33% of the consumers have studied in the science stream and 28% of them have studies in the commerce stream. 20% of the consumers are from arts background.

Profession

42% of the men who buy organic work in the private sector, 26% work in the government sector and 23% are self-employed. 34% of the women buying organic food are homemakers and 25% work in the private sector.

Income

65% of the men buying organic food have an individual income of more than Three Lakh Rupees.

More than half of the respondents have an annual family income of more than Six Lakh rupees. 28% of the respondents a have an annual family income between Four Lakh rupees and 6 Lakh rupees. 79% of the consumers have an annual family income of more than Four Lakh Rupees.

Table3. *Variables related to knowledge about organic food and its certification.*

	No. of Respondents (N=75)	
	n	%
1. Source of information about organic food		
Family	25	33.33%
Friends	20	26.67%
Doctor	3	4.00%
Gym Instructor	1	1.33%
Newspaper / Magazine	10	13.33%
TV	2	2.67%
Internet	14	18.67%
2. Influencers of organic food		
Family	41	54.67%
Friends	12	16.00%
Doctor	6	8.00%
Gym Instructor	1	1.33%
Newspaper / Magazine	4	5.33%
TV	3	4.00%
Internet	8	10.67%
3. Frequency of buying organic products?		
Several times a week	27	36.00%
Once a week	19	25.33%
Once a month	16	21.33%
Few times a year	13	17.33%
4. Place of purchase of organic products?		
Generic Supermarket	29	38.67%
Organic / Health Store	37	49.33%
Online	2	2.67%
Producer / Farm	7	9.33%
Others	0	0.00%

5. Kind of organic products purchased		
Food/Drink	34	45.33%
Cosmetics	15	20.00%
Clothing/Fabric	4	5.33%
Others	22	29.33%
6. Brand of organic food prefered		
Dhaatu	4	5.33%
EasyTaaza	1	1.33%
Hasiru Organics	6	8.00%
Naturals	1	1.33%
Nesara	1	1.33%
Nisarga	1	1.33%
Organic 24	1	1.33%
Organic India	6	8.00%
Patanjali	5	6.67%
None	49	65.33%
7. Awareness of organic labelling/seal		
Yes	45	60.00%
No	30	40.00%
8. Certification a) Do you know if the brand is certified Organic?		
Yes	34	45.33%
No	41	54.67%
b) Do you know the certifying agency?		
Yes	17	22.67%
No	58	77.33%
9. Belief in Advantages a) Do you believe the information published about organic advantages?		
Yes	21	28.00%
No	6	8.00%
Some	48	64.00%
b) What would help increase your level trust towards products which claim to be organic?		
Scientific evidence on packaging	54	72.00%
Celebrity endorsement	3	4.00%
Sustainable investment made by the brand	10	13.33%
Government regulation or official stamp	28	37.33%
Others	1	1.33%

Source: *Primary survey 2017-18*

First Source of Knowledge

33.33% of the respondents said that they came to know about organic food for the first time from their family members. 28.67% of them got to know about organic food from their friends and 18.67% of them said that the internet was their first source of knowledge. Although the internet ranks third in being the first source of knowledge, people go to the internet to do follow up studies, Knowledge of Brand.

Influencers

Men are more influenced by their friends than women. Women are more influenced by family members.

Frequency of Purchasing

36% of the respondents buy organic food several times a week. 25.33% of them buy once a week and 21.33% of them buy once a month.

Point of Purchase of Organic food

Nearly half (49.33%) of the respondents buy their organic food from Organic or Health Stores. 38.67% of the respondents buy from Generic Supermarkets.

Many supermarkets in Mysore sell organic food items. Some of them have even come up with their own brands to attract this target segment.

Kind of Organic Products purchased

45.33% of the consumers buy organic food and drink. 29.33% said they bought other things that were not listed in the questionnaire like detergent powder, dish wash liquid and floor cleaner.

Brand

65.33% of the respondents do not buy any particular organic brand. The brand names that the respondents who are brand loyal rank as follows – First is Organic India, Second is Patanjali and third is Dhaatu.

Table4. *Gender wise sources of information on organic food*

Where did you first get to know about organic food?	Male	Female
Family	10	15
Friends	14	6
Doctor	1	2
Gym Instructor	1	0
Newspaper / Magazine	8	2
TV	1	1
Internet	8	6
Total	43	32

Source: *Primary survey 2017-18*

Organic Labeling or Seal

Table5. *Gender wise tabulation of whether the consumer looks for labelling or seal on the produce*

Do you look for organic labelling or seal?	Male	Percent	Female	Percent
Yes	23	53.49%	22	68.75%
No	20	46.51%	10	31.25%
Total	43	100%	32	100%

Source: *Primary survey 2017-18*

60% of the respondents said they look for Organic labeling or seal while purchasing Organic food.

Table6. *Pearson's Chi Square Test for Independence of Gender and whether the Consumers look for Labelling/Seal*

	chi-sq	*p-value*	*x-crit*	*sig*
Pearson's	1.78	0.18	3.84	no
Max likelihood	1.80	0.18	3.84	no

Source: *Compiled by researcher*

The chi-square test was adopted for the categorical data of gender and whether the consumers look for labeling while buying organic food. The chi-square significance value is 0.18. As it is more than the alpha value 0.05, we accept the null hypothesis that there is no relationship between gender and whether the consumers looks for labelling while purchasing organic food. Percentage of expected values less than 5 is 0 and the minimum expected value is 12.8.

The chi-square test was adopted for the categorical data of qualification and whether the consumers look for labeling while buying organic food.

Table7. *Pearson's Chi-Square Test for Independence of Qualification and whether the Consumers look for Labelling/Seal*

	chi-sq	*p-value*	*x-crit*	*sig*
Pearson's	0.189	0.663	3.841	no
Max likelihood	0.193	0.660	3.841	no

Source: *Compiled by researcher*

The chi-square significance value is 0.66. As it is more than the alpha value 0.05, we accept the null hypothesis that there is no relationship between qualification and whether the consumers looks for labelling while purchasing organic food. Percentage of expected values less than 5 is 25 and the minimum expected value is 3.6.

Certification

Knowledge if the Brand is certified as organic

54.67% of the consumers said they don't know whether the brand they buy is certified as organic. They look for a label saying it is organic, but they did not realize that if it was just a label design and it the labeling was authorized by the concerned authority.

Table8. *Pearson's Chi Square Test for Independence of Qualification and whether the Consumers know if the brand is Certified as Organic*

	chi-sq	*p-value*	*x-crit*	*sig*
Pearson's	0.594268	0.440774	3.841459	No
Max likelihood	0.607682	0.435662	3.841459	No

Source: *Compiled by researcher*

The chi-square test was adopted for the categorical data of qualification and whether the consumers know if the brand they is certified as organic.

The chi-square significance value is 0.44. As it is more than the alpha value 0.05, we accept the null hypothesis that there is no relationship between qualification and whether the consumers know if the brand they is certified as organic. Percentage of expected values less than 5 is 50 and the minimum expected value is 4.08.

Knowledge of the Certifying Agency

77.33% of the respondents do not know which agency has certified the brand they buy. Do only know that the Organic products need to be certified. Bu they do not know anything beyond that such as, which government authority is responsible for certifying the brands and for scouting out uncertified, spurious products.

Table9. *Pearson's Chi Square Test for Independence of Gender and whether the Consumers know the Certifying Agency of the Brand of Organic Food they buy*

	chi-sq	*p-value*	*x-crit*	*Sig*
Pearson's	0.001	0.97	3.84	No
Max likelihood	0.001	0.97	3.84	no

Source: *Compiled by researcher*

The chi-square test was adopted for the categorical data of qualification and whether the consumers know the certifying agency of the brands of organic food they buy. The chi-square significance value is 0.97. As it is more than the value alpha 0.05, we accept the null hypothesis that there is no relationship between qualification and whether the consumers know the certifying agency of the brands of organic food they buy. Percentage of expected values less than 5 is 25 and the minimum expected value is 2.04.

Belief in the advantages

Belief in Information published

64% of the respondents believe only some part of the information published in newspapers, magazines and the internet about the advantages of organic food. Although they are already buying organic food, they are affective loyal and can get swayed by negative information.

Elements to increase trust on organic

72% of the respondents said that scientific evidence on packaging would increase their trust. 37.33% said that government regulation or official stamp would increase their trust in organic products.

CONCLUSION

The organic consumers are still in the adoption stage. Although there is a great increase in the number of organic food consumers, they are still in the affective loyalty stage. Because organic food is more of a precautionary approach to good health, consumers see the benefits very slowly, that is if they are visible benefits.

Keeping all this in mind, and the above results, we can say that organic food companies have to use their certification as a brand differentiating tool. As the consumers are mostly graduates the companies have to shift to information based experiential advertising.

The consumers of organic food need to update their knowledge regarding the certification of the organic products for which they are paying premium price. The NGOs and other consumer forums have to work in the direction of creating a conducive environment for the sharing of knowledge regarding organic certification.

As gender and qualification have no relation with the awareness of the consumers regarding the certification of organic food, the awareness programmes should be conducted in such a way that all segments of consumers should understand the importance of certification of organic food and its impact on their lives. Government should help farmers get certification at subsidized rates as certification is expensive. Collective certification in the cooperative society models should be encouraged to overcome the cost barrier.

The collective certification model has many advantages including dissemination of important information, skill building and collective resource sharing. The true essence of organic farming is to protect our environment in a sustainable way and this can be achieved only when the farmers get what they deserve and the consumer gets what he pays for.

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Author's Biography

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