

A STUDY ON CUSTOMERS' PERCEPTION AND SATISFACTION TOWARDS ORGANIC PRODUCTS WITHS SPECIAL REFERENCE TO NAMAKKAL DISTRICT

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ABSTRACT

The adoption of organic production and processing is highly determined by market demand. Therefore, this is reflected in customers' perception and satisfaction towards organic Products. This research of 120respondents. Results indicated that the main reasons for purchasing organic products are an expectation of a healthier and environmentally friendly means of production. Organic buyers tend to be older and higher educated than those who do not buy them. In addition, customers' trust in the authenticity of the goods and price are also issues. However, the main barrier to increase the market share of organic products is consumer information.

Keywords: Organic Product, Consumer Behaviour, Customer Perception, Customer Satisfaction

INTRODUCTION

Food consumption patterns are changing as a result of health and environmental issues. Interest in organically produced food is increasing throughout the world. Global demand for organic products remains robust, with sales increasing by over five billion US dollars a year (Willer, Youssefi- Menzler, and Sorensen 2009). In Thailand, rapid socio-economic development has been accompanied by modernization and industrialization of agricultural food production. Since the implementation of the National Economic and Social Development Plan in 1961, the Thai government has promoted an industrial and export-oriented agriculture in 1997, the Ministry committed to provide funds to conduct the Pilot Project on Sustainable Agriculture Development for small farmers, which by 1999 was administrated by local organizations in 34 provinces.

STATEMENT OF THE PROBLEM

The study is conducted to know the problem faced by the using non organic products which has chemical fertilizers input to get more yield of the products today the world requires new discussion and innovation which are leads to the potential buyers usage of harmful to the consumers have got perception towards organic products started buying and utilizing for their regular consumption the researcher shows interest on the positive impact to the society thus this particular study has been carried out.

OBJECTIVES OF THE STUDY

- To study the respondents' perception towards the organic products.
- To study the customer attitude towards buying the organic products.
- To study the customers' willingness-to-pay for organic products.

SCOPE OF THE STUDY

Organic food promotes a balance of human, other living organisms and the nature. It also promotes no artificial preservatives and best maintain the originality of food. This prevents excess use harmful ingredients and thereby ensures health. This study attempted to gain knowledge about consumer attitude towards organic food product consumption and to see whether there is any potential this might have for changing their behavior. The rationale for carrying out this study is that consideration for the environment could come only from well-informed citizens who are aware of, and fully committed to their rights to a quality health and environment. Nevertheless, before any behavior can be changed, it is necessary to evaluate the current state of customers' awareness and knowledge. Therefore customers' perception and satisfaction towards organic products, willingness to pay for organic product will be the main agenda of this study.

RESEARCH METHODOLOGY NATURE OF RESEARCH DESIGN

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

AREA OF THE STUDY

The area of the study is in Namakkal District

SOURCES OF DATA

The study is based on primary data collection. The data has been collected from the users of organic products. The secondary data was collected from the articles, journals, newspapers and various websites.

SAMPLING DESIGN OF THE STUDY

The sampling technique in this project is convenient sampling. The sample size comprises of different types of users who are using organic food products. A sample of 120 respondents was taken into account for finding their uses for the organic products.

TOOLS FOR ANALYSIS

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

- Chi- square analysis
- Average Ranking analysis

LIMITATION OF THE STUDY

1. The area was wide since it is confined only to Namakkal District so results cannot be universally accepted.
2. The study is limited to the sample size of 120 respondents only. So this cannot be a “full proof”
3. The researcher has collected data by convenient sampling using questionnaire and there is a possibility of certain deviations.

ANALYSIS AND INTERPRETATION CHI-SQUARE ANALYSIS

Hypothesis: There is no significant relationship between Education qualification and types of organic products.

Table 1-Education Qualification and Types of organic food Products

Education	Types of organic products				
	Vegetable &	Herbs&	Milk and Dairy	Others	
Illiterate	8(30%)	4(15%)	9(34%)	11(41%)	9(120%)
Up to school	9(40%)	8(35%)	6(27%)	4(18%)	11(120%)
Under graduate	7(28%)	5(20%)	8(32%)	10(40%)	16(120%)
Post graduate	6(23%)	14(54%)	6(23%)	5(20%)	14(120%)
Total	30	31	29	30	120

Since $X_{c2} = 7.16$ for 12 degree of freedom at 5% level and $X_{02} < X_{c2}$ the null hypothesis is rejected. So there is a significant relationship between Education Qualification and Types of organic Product

(I) Hypothesis: There is no significant relationship between Monthly income and price level of organic products.

Table 2 -Monthly income and price level of organic products

Monthly income	Satisfaction level of herbal cosmetic products					Total
	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	
Below Rs.10000	8(31%)	7(27%)	7(27%)	6(23%)	3(12%)	31(120%)
Rs.10001-20001	5(22%)	3(13%)	4(18%)	6(27%)	9(40%)	27(120%)
Rs.20001-40000	7(30%)	4(17%)	8(34%)	5(22%)	4(17%)	28(120%)
Above Rs.40001	4(14%)	6(21%)	10(35%)	7(25%)	7(25%)	34(120%)
Total	24	20	29	24	23	120

Since $X_{c2} = 21$ for 12 degree of freedom at 5% level and $X_{02} > X_{c2}$ the null hypothesis is accept. So there is no relationship between Monthly income and price level of organic products

AVERAGE RANKING ANALYSIS
TABLE 3 - Ranking Factors Influence to Choose Organic Products

Factors	Rank I	Rank II	Rank III	Rank IV	Rank V	Rank VI	Rank VII	Rank VIII	Rank IX	Total	Mean	Rank
	9	8	7	6	5	4	3	2	1			
Quality	11	12	10	15	21	11	12	15	13	120	4.86	7
Score	99	96	70	90	105	44	36	30	13	583		
Quantity	11	8	19	10	12	13	18	12	17	120	4.69	9
Score	99	64	133	60	60	52	54	24	17	563		
Price	13	12	14	14	11	9	13	14	20	120	4.77	8
Score	117	96	98	84	55	36	39	28	20	573		
Availability	14	12	14	13	11	14	15	15	12	120	4.97	5
Score	126	96	98	78	55	56	45	30	12	596		
Taste of the product	6	16	21	14	14	11	12	13	13	120	5.02	4
Score	54	128	147	84	70	44	36	26	13	602		
Health maintenance	19	8	8	19	15	15	11	13	12	120	5.09	3
Score	171	64	56	114	75	60	33	26	12	611		
Packaging	13	12	13	14	10	18	14	13	13	120	4.92	6
Score	117	96	91	84	50	72	42	26	13	591		
Suitable for children	19	20	8	12	11	14	13	10	13	120	5.35	1
Score	171	160	56	72	55	56	39	20	13	642		
Advertisement	14	20	13	9	15	15	12	15	7	120	5.32	2
Score	126	160	91	54	75	60	36	30	7	639		

The above table reveals that the respondents have assigned first rank to suitable, second rank to interferer advertisement, third rank to health, fourth rank to taste of, fifth rank to availability, sixth rank to packaging, seventh rank to quality, eighth rank to price, after ninth rank to quantity.

Majority of the respondents ranked to suitable in various consumer problems.

FINDINGS

1. There is a significant relationship between Education Qualification and Types of organic products. There no relationship between Monthly income and price level of organic products.
2. Majority of respondents, ranked first to quality of the product.

SUGGESTIONS

1. The Creation of awareness of organic products is necessary among consumers.
2. Sustained improvement in product features would lead to increase in consumption of organic food products. Allocation of separate shares for organic products in departmental stores.
3. Positioning organic products by their specific attributes.
4. Positioning organic products by influencing customer beliefs about the benefits they derive on consuming.

CONCLUSION

Organic product consumption is increasing because of concerns over environmental and health issues associated with food production. The increase in consumers' interest in organic products has been attributed among other issues to the growing demand for food free from pesticides and chemical residues. With the present study an attempt is made to describe the existing situation regarding. The main motives to purchase organic products are health and environmental benefits, plus support for local or small farmers. In addition, an important factor that was revealed as a barrier to the development of organic product is customer information. Increased consumer awareness of organic labeling and their trust in organic labels as well as increasing the availability and range of organic products, may be the most effective way of increasing their market share. The study found that the groups of buyers and non-buyers the main barrier of organic product market share is the information available and customer perception and satisfaction is the valuable information that can be used by policy makers in organic farming at the national and regional level.

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