

A Study on Buyer Behavior and Brand Loyalty towards Organic Edible Products with reference to Coimbatore city

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ABSTRACT: Availability of organic input and output is critical for improve of organic forming in the country. Development of efficient marketing system is the need of the hour for strengthening the organic production in India. This paper made a humble attempt to understanding the buyer behavior and brand loyalty about organic product and marketing in Coimbatore 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. The major reasons are organic producer are low, adequate market facility is not there, few number of shops, lack of awareness, and so on. Therefore if farmer as well as government give interest to organic farming easily enhancing good marketing system in Coimbatore.

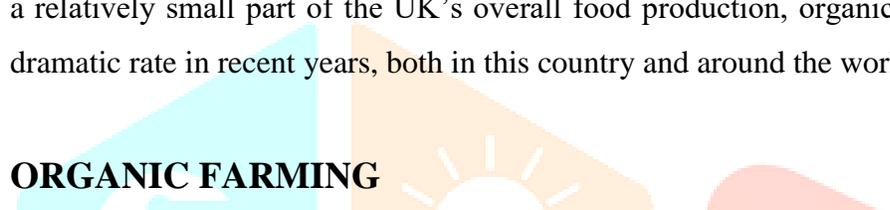
Keywords: Organic products, price, attitude, Health consciousness, consumer satisfaction.

INTRODUCTION

Organic production is an overall system of farm management and food production that combines best environmental practices, a high level of biodiversity, the preservation of natural resources, the application of high animal welfare standards and a production method in line with the preference of certain consumers for products produced using natural substances and processes. The organic production method thus plays a dual societal role, where it on the one hand provides for a specific market responding to a consumer demand for organic products, and on the other hand delivers public goods contributing to the protection of the environment and animal welfare, as well as to rural development. Organic food production is based, at its heart,

upon modern, sustainable farming systems which maintain the long-term fertility of the soil, use less of the Earth's finite resources to produce our food and which put animal welfare at the heart of farming practice. This ethos extends into the production of food and other items using organically farmed ingredients, usually referred to as organic processing. Organic techniques have been developed from an understanding of, and research into, soil science, crop breeding, animal husbandry and ecology. The maintenance of soil fertility relies principally on the use of legumes, crop rotations, the application of composted animal manures, green manures and ground rock minerals. Weeds are controlled by mechanical methods while pests and diseases tend not to be a problem due to the inherent biodiversity in the system. Artificial fertilizers, herbicides, growth regulators and livestock feed additives are prohibited. Whilst the sector is still a relatively small part of the UK's overall food production, organic farming has expanded at a dramatic rate in recent years, both in this country and around the world.

ORGANIC FARMING



The introduction of chemicals in farming got many delirious at the sight of what they could accomplish. Yields exploded. At the start, the soil was healthy. Any damage brought about by chemical fertilizers was hardly noticeable. Pests had not developed resistance to the chemicals. The technology spread across the world as it was considered the revolution in agriculture. Flash forward to today and many people are marveling at organic farming again. This is after learning that conventional farming methods come with a host of problems including health related diseases like cancer, pollution, degradation of soil and water, and impact on domestic animals.

Organic farming is a technique, which involves cultivation of plants and rearing of animals in natural ways. This process involves the use of biological materials, avoiding synthetic substances to maintain soil fertility and ecological balance thereby minimizing pollution and wastage. In other words, organic farming is a farming method that involves growing and nurturing crops without the use of synthetic based fertilizers and pesticides. Also, no genetically modified organisms are permitted.

KEY FEATURES OF ORGANIC FARMING

- Protecting soil quality using organic material and encouraging biological activity
- Indirect provision of crop nutrients using soil microorganisms

- Nitrogen fixation in soils using legumes
- Weed and pest control based on methods like crop rotation, biological diversity, natural predators, organic manures and suitable chemical, thermal and biological intervention
- Rearing of livestock, taking care of housing, nutrition, health, rearing and breeding
- Care for the larger environment and conservation of natural habitats and wildlife

FOUR PRINCIPLES OF ORGANIC FARMING

- **Principle of Health:** Organic agriculture must contribute to the health and well being of soil, plants, animals, humans and the earth. It is the sustenance of mental, physical, ecological and social well being. For instance, it provides pollution and chemical free, nutritious food items for humans.
- **Principle of Fairness:** Fairness is evident in maintaining equity and justice of the shared planet both among humans and other living beings. Organic farming provides good quality of life and helps in reducing poverty. Natural resources must be judiciously used and preserved for future generations.
- **Principle of Ecological Balance:** Organic farming must be modeled on living ecological systems. Organic farming methods must fit the ecological balances and cycles in nature.
- **Principle of Care:** Organic agriculture should be practiced in a careful and responsible manner to benefit the present and future generations and the environment.

INTRODUCTION TO CONSUMER BEHAVIOR

We all are consumers, daily we use many products that we buy from the market according to our needs, wants, preferences, and purchasing power. What we buy, how we buy, when we buy, from where we buy, in what quantity we buy depends on various factors like our needs, preferences, beliefs, values, motivation, perception, attitude, personality, age, sex, family, social and cultural background, and many other factors. These factors determines our consumer behavior.

Consumer behavior is a complex and dynamic decision process; and physical activity of evaluating, acquiring, using, or disposing of products and services. Developing an effective marketing strategy requires in-depth knowledge of target consumers and how they behave and make their buying decision. Proper study of consumer behavior is important as all marketing decisions are based on assumptions about consumer behavior.

DEFINITION OF CONSUMER BEHAVIOUR

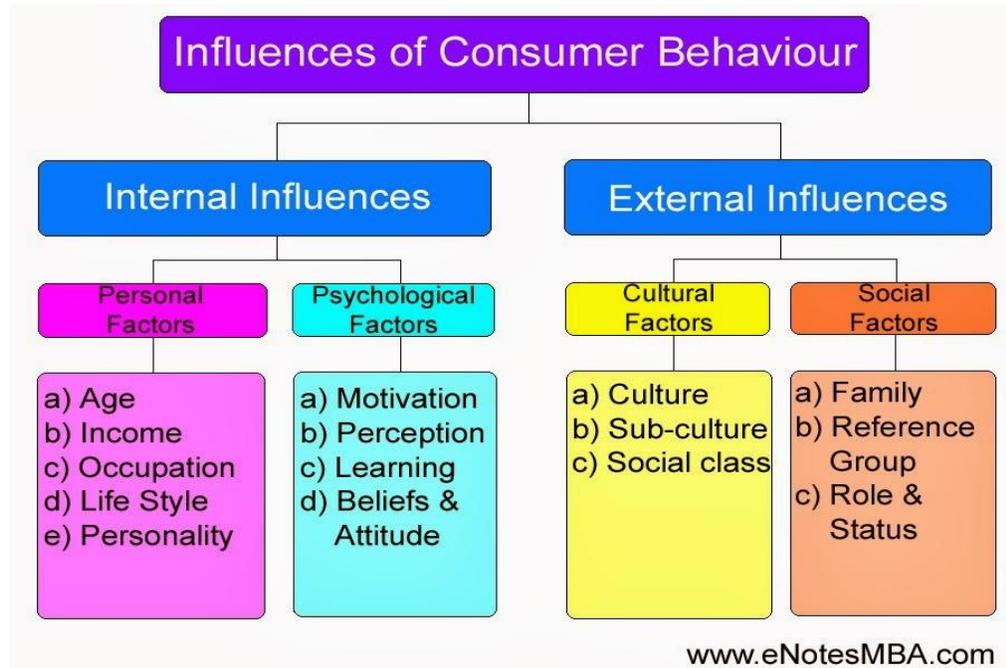
According to **American Marketing Association**, consumer behaviour can be defined as *"the dynamic interaction of affect and cognition, behaviour, and environmental events by which human beings conduct the exchange aspects of their lives."*

MEANING OF CONSUMER BEHAVIOUR

Consumer behaviour is the complex and dynamic processes of deciding what product to buy, when to buy, how to buy, from where to buy, how to secure, how to use, or how to dispose to satisfy individuals, groups, or organisations' needs. Consumer behaviour is a decision process and physical activity individuals, groups, or organisations engage in when evaluating, acquiring, using, or disposing of goods and services.

Consumer behaviour has two aspects - final purchase behaviour and decision making process. Purchase behaviour is visible to us, but the decision making process involves number of complex variables which are not visible to us. Purchase behaviour is the end result of long decision making process. Study of consumer behaviour attempt to understand the decision making processes of buyers.

FACTORS INFLUENCING CONSUMER BEHAVIOR



Behaviour of an individual consumer is not only influenced by his internal factors, but also by factors external to him and beyond his control. There are various internal and external factors that have influences on consumer behaviour. These factors are also called determinants of consumer.

Following are the main factors that influences consumer behaviour, categorized as internal influences and external influences.

INTERNAL INFLUENCES

Personal Factors

- Age
- Income
- Occupation
- Life Style
- Personality

Psychological Factors

- Motivation
- Perception
- Learning
- Beliefs & Attitude

EXTERNAL INFLUENCES

Cultural Factors

- Culture
- Sub Culture
- Social Class

Social Factors

- Family
- Reference Group
- Role & Status

CONCLUSION

Consumer behaviour is simple a large subset of larger field of human behaviour and an extended field of marketing attracting researchers and marketers from past few decades. Study of consumer behaviour is very important to the marketers because it enables them to understand and predict buying behaviour of consumers in the marketplace and it helps in deriving marketing strategies.

BRAND LOYALTY

Brand loyalty is where a person buys products from the same manufacturer repeatedly rather than from other suppliers. When consumers become committed to a brand and make repeat purchases over time.



Brand loyalty is a result of consumer behaviour and is affected by a person's preferences. Loyal customers will consistently purchase products from their preferred brands, regardless of convenience or price.

Companies will often use different marketing strategies to cultivate loyal customers, be it is through loyalty programs (i.e. rewards programs) or trials and incentives (ex. samples and free gifts).

Companies that successfully cultivate loyal customers also develop brand ambassadors – consumers that will market a certain brand and talk positively about it among their friends. This is free word-of-mouth marketing for the company and is often very effective.

TYPES

According to Philip Kotler there are 4 types of brand loyals –

1. Hard-core Loyals - who buy the brand all the time.
2. Split Loyals - loyal to two or three brands.
3. Shifting Loyals - moving from one brand to another.
4. Switchers - with no loyalty (possibly 'deal-prone', constantly looking for bargains or 'vanity prone', looking for something different). Again, research shows that customer commitment is a more nuanced a fine-grained construct than what was previously thought. Specifically, customer commitment has five dimensions, and some commitment dimensions (forced commitment may even negatively impact customer loyalty).

NEED FOR THE STUDY

1. The need for this study is to understand about the Consumer's Attitude and Preference towards the organic edible products.
2. To analyze the level of customers satisfaction towards the organic edible products.
3. To analyze the mode of customer awareness about the organic edible products.
4. The need for this study is to understand whether the consumer's expectations are satisfied by organic edible products.
5. To understand the future needs of the consumer towards organic edible products.
6. To need for the study is look at to the customer and ask for the feedback towards the organic farm products.

SCOPE OF THE STUDY:

This report will help to understand the consumer buyer behavior and brand loyalty towards purchasing organic edible products

1. It also opens the various factors which can affect the purchase decision
2. To identify the satisfaction level of customer towards purchasing an organic edible products
3. To know whether they recommend to other or not

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 awareness on organic products started buying and utilizing for their regular consumption. This Research is mainly dealt with knowing purchase behavior of the consumer. This Research is focuses on product output which consumer gets from the product. This Research is also focus on changing buyer behavior of consumer because in today's time there are so many best options for consumer for every product. This Research also studies that product are reaching up to the expectation of consumer or not.

OBJECTIVES OF THE STUDY:

“A study on Buyer Behavior and Brand Loyalty towards the Organic Edible products with reference to Coimbatore city” is made with the general objective of knowing about the buyer behavior and brand loyalty of consumers towards organic edible products in Coimbatore city. In specific the study has the objectives of,

1. To study the consumer attitude and preference towards purchase of organic edible products
2. To study the reason for the purchase of organic edible products
3. To study about the expectations and their level of perception of the existing customers
4. To identify the factor which influences on consumer purchase decision
5. Identifying possible areas of improvement and to offer the suggestions for buyer behavior and brand loyalty to purchase the organic edible products

LIMITATIONS OF THE STUDY:

The study “A study on Buyer Behavior and Brand Loyalty towards the Organic Edible products with reference to Coimbatore city” has the following limitations.

1. The study is confined only with urban area population in Coimbatore District.
2. The study concentrates only on demographic factors relating to consumer attitude, preference, Intention and perception towards organic edible products. There may be other influencing factors too, which have not been considering due to time and data constraints.

IDENTIFIED RESEARCH GAP

Review of past literature on consumer satisfaction and brand preference helped in the generation of idea, formulation of hypotheses and selection of various tools for analysis and to arrive at meaningful conclusions. There are many studies available on customer satisfaction and brand preference. No doubt, all these studies have stimulated and encouraged to chalk out a design for this study, which encompasses a wider field than any of the studies referred to this topic Buyer behavior and Brand loyalty is a new attempt which is not made so far in organic edible products especially in Coimbatore city. Hence an attempt is made by the researcher to study Buyer behavior and Brand loyalty towards Organic Edible Products with special reference to Coimbatore city.

RESEARCH METHODOLOGY

The procedures by which researchers go about their work of describing, explaining and predicting phenomena are called methodology. Methods comprise the procedures used for generating, collecting and evaluating data. Methods are ways of obtaining information useful for assessing explanations.

RESEARCH DEFINITION

The definition of research given by Creswell is "Research is a process of steps used to collect and analyze information to increase our understanding of a topic or issue". It consists of three steps: Pose a question, collect data to answer the question, and present an answer to the question.

METHODOLOGY USED

In this research, qualitative research method has selected for the restaurant general manager (RGM) and quantitative method has selected for staff and customers for the purpose of primary data collection. Sampling process is triangle e.g. RGM, staff and customers. For the purpose of the research design, mainly exploratory and explanatory study has selected and also some elements of descriptive study are chosen.

RESEARCH DESIGN

The type of research chosen for the study is descriptive research. In descriptive research various parameters will be chosen and analyzing the variations between these parameters.

SOURCES OF DATA

The data collected for the study is mainly through the distribution of questionnaire; to be precise the data collected for study was both primary and secondary sources.

PRIMARY DATA

Primary data is the information collected for the first time; there are several methods in which the data is compiled. In this project it was obtained by mean of questionnaires. Questionnaire was prepared and distributed to the respondents.

SECONDARY DATA

Secondary data needed for conducting research work were collected from company websites, library and search engines.

POPULATION

Sample size:

This refers to the number of items to be selected from the universe to constitute a sample. The sample size for this study was taken as 53.

SAMPLING METHOD

Probability Sampling:

Probability sampling also known as “**Random Sampling**” or “**Chance Sampling**”. Under this sampling design, every item of the universe has an equal chance of inclusion in the sample. It -is, so to say, a lottery method in which individual units are picked up from the whole group not deliberately but some mechanical process.

Sampling techniques:

The sampling technique used in this study is simple random sampling. In this technique each and every unit of the population has an equal chance or probability of being included in the sample.

TOOLS OF DATA COLLECTION

In this study the primary data was collected by survey technique. In this we distributed the questionnaires to the respondents. The researcher structured the questionnaire in the form of:

1. Close Ended Questions
2. Multiple Choice Questions.

SATISTICAL TOOLS USED

The data collected was analyzed by respondents the following statistical technique:

Percentage analysis:

Percentage refers to special kind of ration. It is used in making comparison between two or more series of data. It is used to describe relationship. It is used to analyses the data. Bar charts, pie charts were used to explain tabulation clearly.

Percentage (%) = number of respondent X 100 / Total number of respondents

PERCENTAGE ANALYSIS

TABLE SHOWING AGE OF THE RESPONDENTS

| AGE | NO.OF RESPONDENTS | PERCENTAGE |
|----------|-------------------|------------|
| BELOW 20 | 9 | 17 |
| 20-30 | 41 | 77.3 |
| 30-40 | 2 | 3.8 |
| ABOVE 40 | 1 | 1.9 |
| TOTAL | 53 | 100 |

INTERPRETATION

From above table it shows that 77% of respondents are between the age group 20-30 years, 17% of respondents are below 20 years, 3.5% of respondents are between the age group 30-40 and 1.9% of respondents are above 40 years.

FIG: SHOWING AGE OF THE RESPONDENTS

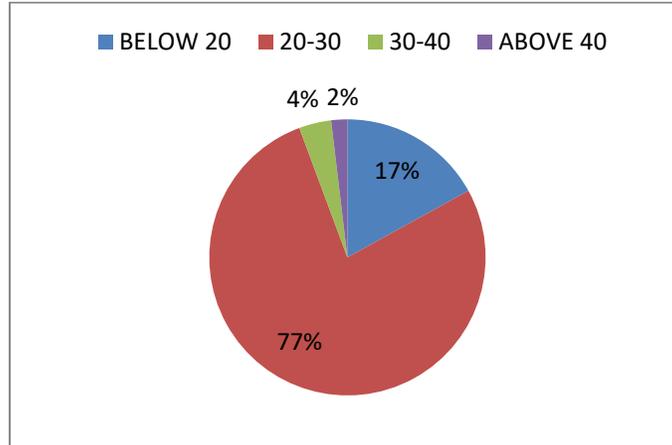


TABLE SHOWING GENDER OF THE RESPONDENTS

| GENDER | NO.OF RESPONDENTS | PERCENTAGE |
|--------|-------------------|------------|
| MALE | 16 | 30.2 |
| FEMALE | 37 | 69.8 |
| TOTAL | 53 | 100 |

INTERPRETATION

From above table it shows that 70% of respondents are female and only 30% of respondents are male.

FIG: SHOWING GENDER OF THE RESPONDENTS

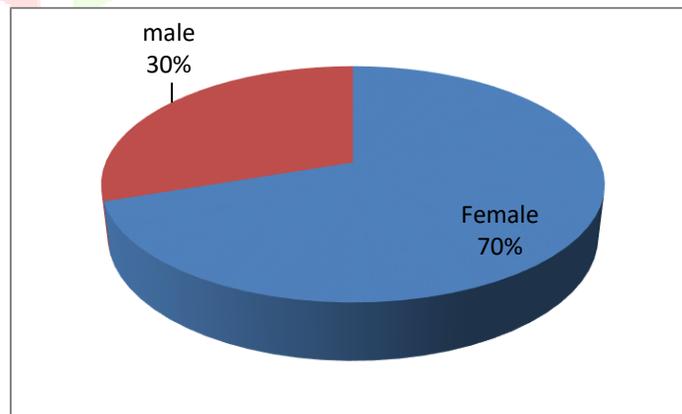


TABLE SHOWING MARITAL STATUS OF THE RESPONDENTS

| MARITAL STATUS | NO.OF RESPONDENTS | PERCENTAGE |
|----------------|-------------------|------------|
| SINGLE | 42 | 79.2 |
| MARRIED | 11 | 20.8 |
| TOTAL | 53 | 100 |

INTERPRETATION

From above it shows that 79% of respondents are single and 21% of respondents are married.

FIG: SHOWING MARITAL STATUS OF THE RESPONDENTS

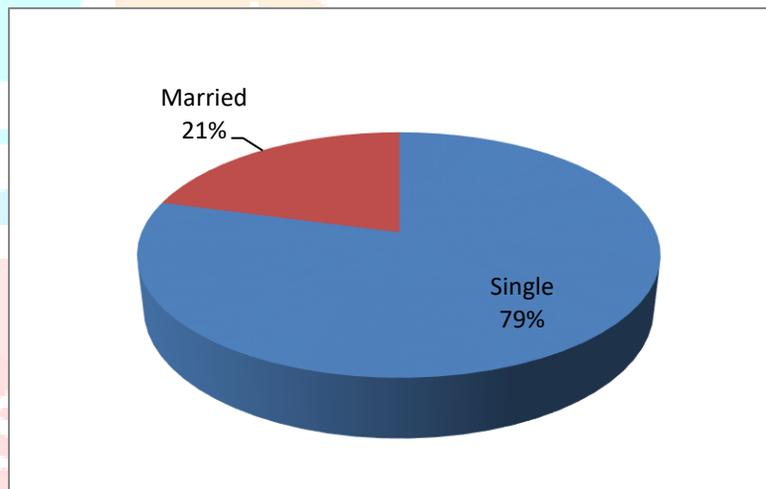


TABLE SHOWING MONTHLY INCOME OF THE RESPONDENTS

| MONTHLY INCOME | NO.OF RESPONDENTS | PERCENTAGE |
|------------------|-------------------|------------|
| BELOW 10000 | 10 | 18.9 |
| 10,000-50,000 | 29 | 54.7 |
| MORE THAN 50,000 | 14 | 26.4 |
| TOTAL | 53 | 100 |

INTERPRETATION

From above table it shows that 55% of respondents are between the monthly income between Rs.10,000- Rs.50,000 , 26% of respondents monthly income is more than Rs.50,000 and 19% of respondents income is below 10,000.

FIG: SHOWING MONTHLY INCOME OF THE RESPONDENTS

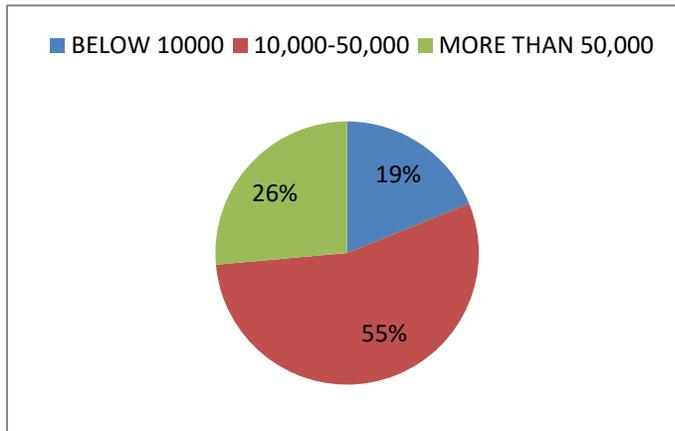


TABLE SHOWING HOW OFTEN YOU PURCHASE ORGANIC EDIBLE PRODUCTS

| OFTEN YOU PURCHASE | NO.OF RESPONDENTS | PERCENTAGE |
|--------------------|-------------------|------------|
| ONCE A WEEK | 17 | 32.1 |
| TWICE A WEEK | 13 | 24.5 |
| ONCE A MONTH | 20 | 37.7 |
| EVERY DAY | 3 | 5.7 |
| TOTAL | 53 | 100 |

INTERPRETATION

From the above table it shows that 38% of the respondents purchase once a month, 32% of the respondents purchase once a week, 25% of the respondents purchase twice a week and only 5.7% of the respondents purchase daily.

FIG: SHOWING HOW OFTEN YOU PURCHASE ORGANIC EDIBLE PRODUCTS

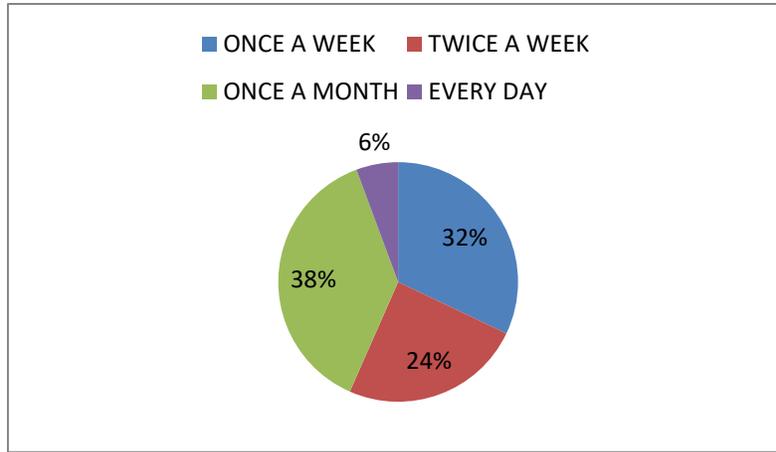


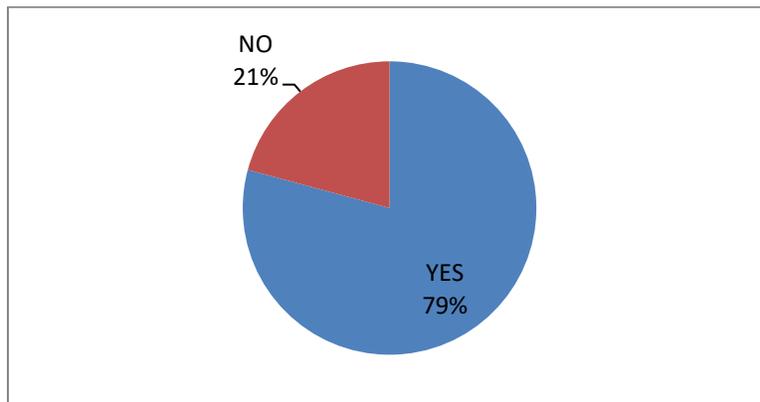
TABLE SHOWING WOULD RESPONDENTS RECOMMEND ORGANIC EDIBLE PRODUCTS TO FRIENDS

| RECOMMEND | NO.OF RESPONDENTS | PERCENTAGE |
|-----------|-------------------|------------|
| YES | 42 | 79.2 |
| NO | 11 | 20.8 |
| TOTAL | 53 | 100 |

INTERPRETATION

From the above table it shows that 79% of the respondents would recommend Organic edible products to friends, 21% of the respondents doesn't want to recommend to friends.

FIG: SHOWING WOULD CONSUMERS RECOMMEND ORGANIC EDIBLE PRODUCTS TO FRIENDS



WEIGHTED AVERAGE METHOD

TABLE SHOWING RATE THE VALUE OF SATISFACTION LEVEL

| VARIABLES | x | W | xw |
|-----------|---|-------------|---------------|
| VERY GOOD | 5 | 14 | 90 |
| GOOD | 4 | 31 | 124 |
| NEUTRAL | 3 | 2 | 6 |
| BAD | 2 | 3 | 6 |
| VERY BAD | 1 | 3 | 3 |
| | | $\sum w=53$ | $\sum xw=229$ |

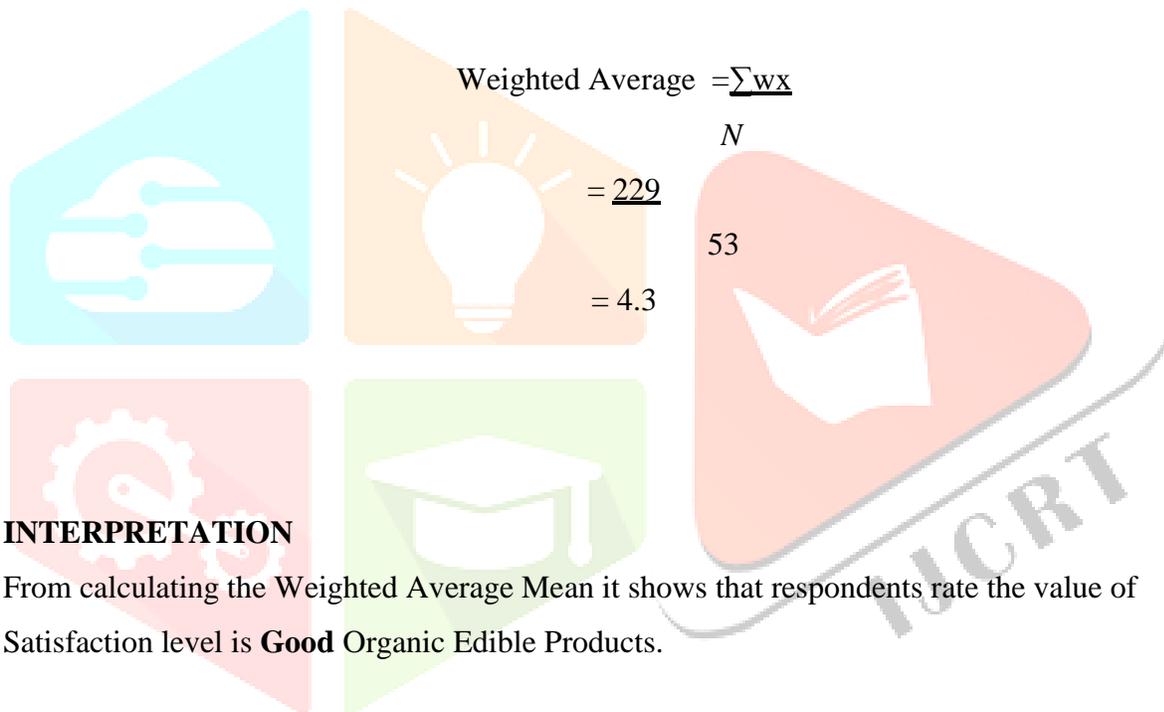


FIG: SHOWING RATE THE VALUE OF SATISFACTION LEVEL

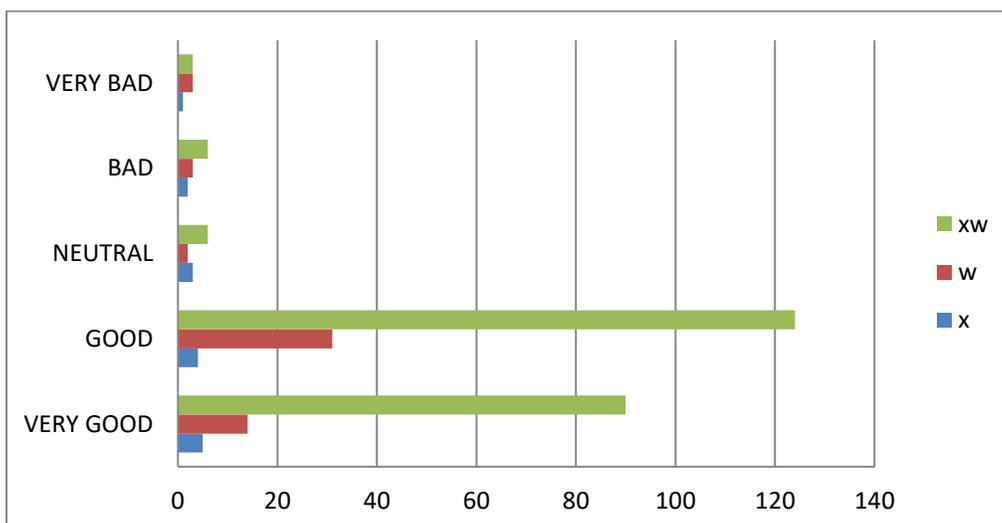


TABLE SHOWING RATE THE VALUE OF ORGANIC EDIBLE PRODUCT

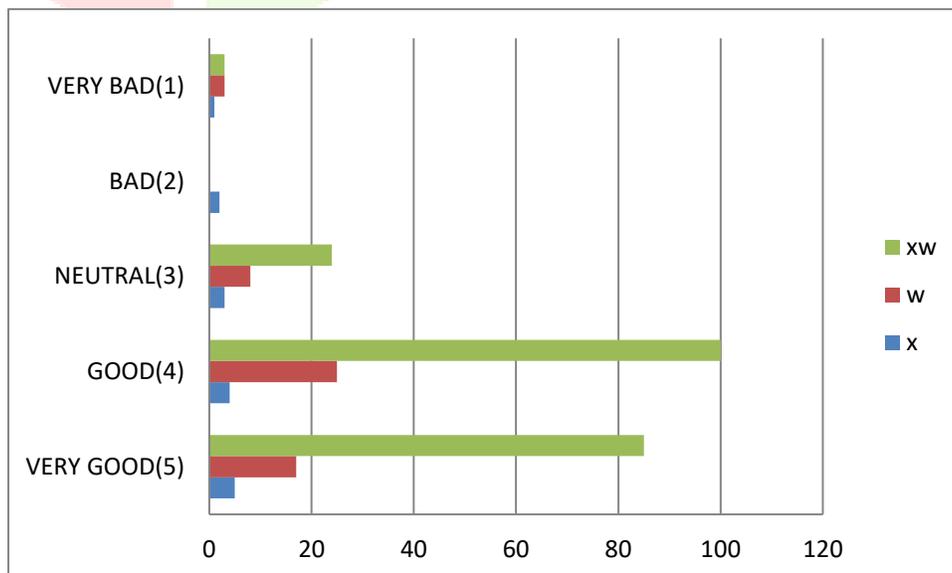
| VARIABLES | x | w | xw |
|--------------|---|-------------|---------------|
| VERY GOOD(5) | 5 | 17 | 85 |
| GOOD(4) | 4 | 25 | 100 |
| NEUTRAL(3) | 3 | 8 | 24 |
| BAD(2) | 2 | 0 | 0 |
| VERY BAD(1) | 1 | 3 | 3 |
| | | $\sum w=53$ | $\sum xw=212$ |

$$\begin{aligned} \text{Weighted Average} &= \frac{\sum wx}{N} \\ &= \frac{212}{53} \\ &= 4 \end{aligned}$$

INTERPRETATION

From calculating the Weighted Average Mean it shows that respondents rate the value of Organic Edible products is **Good**.

FIG: SHOWING RATE THE VALUE OF ORGANIC EDIBLE PRODUCT



FINDINGS

- 77% of respondents are between the age group 20-30 years, 17% of respondents are below 20 years, 3.5% of respondents are between the age group 30-40 and 1.9% of respondents are above 40 years.
- 69% of respondents are Female and only 30% of respondents are Male.
- 79% of respondents are single and 21% of respondents are married.
- 55% of respondents are between the monthly income between Rs.10,000- Rs.50,000 , 26% of respondents monthly income is more than Rs.50,000 and 19% of respondents income is below 10,000.
- 38% of the respondents purchase products once a month, 32% of the respondents purchase products once a week, 25% of the respondents purchase products twice a week and only 5.7% of the respondents purchase products daily.
- 79% of the respondents would recommend Organic Edible products to friends, 21% of the respondents doesn't want to recommend to friends.

CONCLUSION

It is clear that Organic Edible Products provide good satisfaction level to consumers. But the retailers have to take some effort to create awareness about the products and its importance. More promotional activities are required for branding. Since the existing consumers are satisfied with the performance and price level of a product and they can recommend to new consumers for a business in future.