

Impact of Consumer Perception on Purchase Intention: A Description of the Indian Market

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ABSTRACT

The present study is an attempt to explore the effect of consumer perception over their purchase intention. The study has been done with reference to organic products. The sample population comprises of the consumers of organic products at Chennai. The method used for selecting the respondents is simple random sampling and the sample size of the study is 100. Multiple regression has been applied to the collected data for analysis. The results of analysis reveal that the purchase intention of the consumers is highly affected by their perception towards the organic products.

Keywords-- organic products, consumer perception, purchase intention

I. INTRODUCTION

It is a known fact, in present times, that the production process of organic products focuses on the utilization of resources which are renewable in nature, preservation of environment, conservation of resources and energy and not using any form of artificial fertilizers as well as pesticides. Hence, the products which are manufactured in organic methods are considered to be highly nutritious, possess better taste, safe and healthy when compared with the products that are manufactured with conventional methods. Organic products are perceived to be the ones with no chemical residues as it is produced in natural ways. Organic production has increased to a great extent and this can be proved with an increase in demand for the organic products from the consumer's side. Such products are perceived to have less damage to the environment.

Organic products are the ones which are manufactured through organic farming. Though the standards of organic farming vary across varied parts of the world, farming through organic methods can be featured to possess mechanical, biological and cultural practices which focus more on bio-diversity conservation, promotion of ecological balance and re-cycling of resources. In organic farming, artificial fertilizers and synthetic pesticides are not used, though a few approved pesticides are used. To be more specific, organic products are not processed through irradiation, synthetic additives and industrial solvents.

The consumers, through purchase decision, possess the ability of reducing the effect over the depletion of environment caused due to their purchase behavior. They also make noteworthy divergence in their purchase decision. The consumers have got the power of generating a chance for the producers who employ eco-friendly techniques in their production process. Due to the enhancement of the political, social and cultural pressures, the companies focusing more on profits, also have started to adopt green strategies of production and make use of the environmental issues for gaining competitive advantage (Chen & Chai, 2010).

II. STATEMENT OF PROBLEM

Few consumers do not possess the knowledge regarding the problems posed on the environment around them. They do not have a concern for the ecological balance. In the present era, most of the issues regarding the environment that are faced by the mankind is the unsustainable patterns of lifestyles and consumption (Ham, Pap and Stanic, 2018). It has been recommended all over the world to promote the consumption of organic products which could prove to be beneficial to increase the well-being of the consumers, to reduce the damage caused to the environment and to make our earth sustainable and safe (McCarthy and Liu, 2017).

III. NEED FOR THE STUDY

With reference to the aspects of health, hygiene and environmental protection, the study focuses only on the organic products. The findings would be helpful to the consumers to get the awareness regarding the organic products as well as its effect over health of humans.

IV. OBJECTIVES

The purpose of the present study is to explore and analyze the factors which influence the purchase intention of the consumers towards the organic products.

V. REVIEW OF LITERATURE

Salleh, et al., (2010) had tried to know more regarding the attitude of the consumers regarding the organic products. The sample population comprised of the lecturers of Universiti Teknologi MARA (Northern Zone) and the number of lecturers selected as respondents was 136. Collection of the required data was done through survey and analysis of the collected data was done through regression, correlation and reliability test. Findings of the analysis showed that the academicians were aware of the challenges posed to the environment or were concern of the ecology. The results showed that the factor of health consciousness had high level of effect over the purchase intention of customers towards the organic products when compared with the concern for the environment. The environmental concern had been explored to have low level of effect as the academicians had the perception that their present pattern of consumption will not alter their organic product's perception, though they possessed the awareness regarding the fact that ecological and environmental factors promote sustainable environment.

Shrestha (2020) made a study for measuring the purchase intention of the consumers towards the organic food products. The research design was casual and descriptive in nature. Questionnaires were used to collect primary cross-section data from the respondents. The sample size was 200. Respondents were selected through convenience sampling. The econometric and psychometric elements of the study's model were tested using PLS-SEM. The results of the study revealed that availability, trust and environmental concern predicted the consumer's purchase intention for the organic products. It was also explored that purchase intention was not predicted by awareness and health concern. It was suggested to the marketers that they should see to the fact that their products are easily available in markets having in mind environmental and health consciousness for the purpose of generating trust.

Satyapriya et. al., (2019) stated that the organic food products have gained popularity amidst the consumers due to the increased health awareness and environment protection. The authors of this study had examined the behavioral intention as well as perception of the consumers regarding the buying of organic food. Data was collected through questionnaires and sample size of the study was 1047. The area selected for the study was urban areas of Delhi. Cronbach's alpha was used to test the reliability of questionnaire. It showed that PBC (perceived behavioral control) had the high effect over the purchase intention of consumers towards organic products. Decision-making for the purchase of organic products was also affected by price value, origin as well as origin of the product. Also, few consumers purchased the organic products if they explored that the prices are not so high when compared with the conventional products.

VI. RESEARCH METHODOLOGY

Current research study has been done to explore the purchase intention of the consumers in Chennai towards the organic products. The study has been done among 100 organic product consumers who have been selected through simple random sampling. Data has been collected through questionnaires. Processing and analysis have been done through multiple regression.

VII. ANALYSIS AND INTERPRETATION

Influence of Consumer Perception on Purchase Intention Model Summary

R	R Square	Adjusted R Square	F	P-Value
0.913(a)	0.946	0.944	418.423	0.000(a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.074	.081		.914	0.363
Healthiness	0.889	.084	0.896	10.630	0.000
Quality	0.805	.130	0.793	6.193	0.000
Worthiness	0.166	.084	0.169	1.983	0.050
Safety	0.063	.088	0.028	12.056	0.000

H01: There is no relationship between consumer perceptions on purchase intention

The value of R² is 0.946 which is the indicator of high variation regarding store loyalty and is described by store image. In the present case, it has been explained up to 94.6%, which is quite large. The summary table of the model shows that the R² of the model is different from zero. The value of F =418.423 and p< 0 .000. The above table shows that store loyalty is predicted to a better level as per the regression model. As the value for p < 0.0005, it is proved that store loyalty is predicted as per the model of regression. Hence, H01 is not accepted.

VIII. FINDINGS

The results of the present study show that the purchase intention of the consumers towards organic products is highly influenced by their perception towards the organic products.

IX. CONCLUSION

During the time of deciding whether or not to purchase organic products, the consumers consider variety of factors which are far beyond interpretation. As far as India is concerned, the purchase of organic products is found to be at the introductory stage as awareness regarding the organic products is not more. Findings of the research study show that there exist disparities in the socio-economic features of the consumers as well as their perception for the organic products.

Organic products are the ones which provide health and hygiene. The consumes of the current era go for organic product search for satisfying their wish to lead a healthier life. Consumers purchase organic products based on their perceptions for those products. The outcomes of the study reveal that purchase intention of the consumers is highly affected by the perception of the consumers. The findings show that worthiness, quality, healthiness and safety are affecting the consumer's purchase intention in a positive way.

LIMITATION

Restriction of the sample of the study has been limited to Chennai alone in Tamil Nadu, which is the greatest drawback of the study. Hence, more studies are needed to make a discrimination among the varied consumer groups for exploring the segments of consumers who would be suitable for marketing and promoting the organic products in order to build a sustainable pattern of consumption.

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