Consumer Preferences and Influencing Factors for Purchase Places of Organic Food Products: An Empirical Evidence from India

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Abstract

The market for organic products in India is at the early stage of its development. There is no sufficient knowledge about organic consumers in India. In this regard the present exploratory study was conducted to gain knowledge about consumer preferences and factors influencing the degree of consumer preferences for purchase places of organic food products in India. The consumer preferred places of purchase and socio demographic characteristics of the consumers were collected by means of face to face interview with 201 consumers by using simple random technique at different purchase places. The analysis was carried out in two steps. In the first step, simple ranking procedure was applied to calculate a measure of preferences. In the second step consumer preferences were regressed upon the consumer specific variables to know the consumer specific characters influencing on purchase place preferences. The data obtained from the survey were analysed with descriptive statistics, Friedmen's test, Kendall's W test and seemingly unrelated regression. The results reveal that the most preferred purchase places for organic food products are specialised organic stores and supermarkets. The least preferred purchase places are local open market and conventional retail shops. Further the results from seemingly unrelated regression showed that the preferences about places to purchase organic food products are mainly influenced by gender, education, family size and family income. Policy makers in agricultural marketing, institutions who are involved in organic food marketing and producer should consider the differences in consumer preferences and socio-demographic attributes of consumers for determining and supporting efficient marketing channels for organic food.

Keywords: Products, consumer preference, Organic food, purchase place, Seemingly Unrelated Regression Model

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