# Unveiling Consumer Intentions: An Analysis Of Organic Food Product Purchases Through The Lens Of The Extended Theory Of Planned Behavior

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## Abstract

There has been a notable global growth in consumer demand for organic foods. Various internal and external factors influence a consumer's decision to purchase organic foods. This study aims to explore the various factors that have a significant impact on consumers' purchase intention of organic products. The data is collected from 112 retail consumers, and regression analysis is used to determine the impact of studied variables. The study observes that environmental concern and the perceived value of health are major factors that shape consumers' purchase intention of organic products.

**Keywords:** Organic foods, consumer behavior, environmental concern, purchase intention

## Introduction

Consumer behavior is a dynamic concept and is crucial in developing an understanding of consumer purchase intention for organic product categories in an emerging market like India. India has an immense growth opportunity in the organic product category in the retail category. The Western market realized the importance of green and organic products a long time ago and has shown a positive trend in the consumption of organic products (Rana, 2009). On the other hand, in the Indian market, the decision to purchase organic products was mixed with a thought of dilemma; however, the trend has shown a significant increase in the consumption of organic products (Patil, 2015). The shift of this consumption pattern of organic products can also be attributed to the rapid urbanization leading to an increase in disposable income. India is an emerging

economy, and with the rise in disposable income of retail consumers in the Indian market, the demand for organic products has also shown a significant rise (Sally, 2013). There is a certain and much-expected transition of customer preference and purchase decisions towards organic products in the Indian market.

Various factors create an impact in framing the customers' purchase decision of a product. Past literature gives an insight into various theories that suggest various crucial factors that affect a consumer's purchase intention. This study adopts the factors identified in the Theory of Planned Behavior (TPB) i.e. Subjective Norm (SN) and Intention (INT), along with other factors, which include Environmental Concern (EC), Perceived Value of Health (PVH) and Knowledge (KNW).

Various literature states the importance of various factors contributing to frame behavioral intention in consumer purchase decisions and, henceforth, creating a research need to study the significant factors leading to customer purchase intention for organic products in India. The study aims to conceptualize and explore the various factors that are important to understanding consumer behavior in the Indian market for the organic food product category.

## Literature Review

### Subjective Norm (SN)

Subjective norm is an essential element of the Theory of Planned Behavior (TPB). Ajzen (1991), conceptualizes subjective norm as a perceived social pressure or influence of peer group impacting the performance or non-performance to carry out a specific behavior. Various authors explain subjective norms as a direct impact of friends, family, and peer groups in shaping consumers' purchase intention (Singh and Verma, 2017).

### Knowledge (KNW)

Knowledge of health factors and consciousness about the health benefits of organic factors determine the consumption and purchase intention of consumers. Media and other social media platforms play a significant role in creating knowledge of health benefits from organic products among consumers (Yilmaz and Ilter, 2017). Thus, sufficient knowledge of the health benefits of organic products enables consumers to improve their control of perceived behavior (Chakrabarti, 2010; and Kumar et al., 2017).

### Intention (INT)

Ajen (1991), in his study, states that intention significantly determines the behavior. Various literature also regards intention as the best predictor to analyse consumer behavior (Han and Kim, 2010; and Wu and Chen, 2014).

## Perceived Value of Health (PVH)

Consumers prefer organic foods as they are safer and healthier and thus prefer it for their own and family. Various literatures have examined different factors which create perceived value of health among consumers by consumption of organic foods (Hoppe et al., 2013; Kumar et al., 2017; and Shit et al., 2018). Further, Asif et al. (2018), in their study, also suggest that consumers' purchase intention is significantly affected by the perceived attitude and health consciousness of the consumer toward organic food.

## Environmental Concern (EC)

Consumer form a positive behavior towards products that are environmentally friendly. Environment-sensitive consumers are more likely to form positive behavior toward the consumption of organic products (Chen et al., 2014; and Savita and Verma, 2017).

## Research Methodology

The study is exploratory in nature and uses a structured questionnaire to collect data. A total of 155 questionnaires were distributed in order to gather data; of those, 127 were returned, and an additional 15 responses were deleted because they had missing information. So, 112 responses were finally used for data analysis. This study adopts linear regression analysis to analyse the impact of various identified factors on consumers' purchase intention of organic products.

The final equation formed is as follows:

$$INT = \beta(KNW) + \beta(PVH) + \beta(SN) + \beta(EC)$$

Where,

INT is Intention

KNW is Knowledge for health factors

PVH is Perceived Value of Health

SN is Subjective Norms

EC is Environmental Concern

### Analysis and Interpretation

The results of regression analysis are as follows:

**Table 1: Model Summary**

**Variables Entered/Removed[a]**

| Model | Variables Entered | Variables Removed | Method |
|---|---|---|---|
| 1 | KNW, PVH, SN, EC[b] | . | Enter |

a. Dependent Variable: INT

b. All requested variables entered.

**Table 2: Model Summary**

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .466[a] | .217 | .188 | .38022 | 1.644 |

a. Predictors: (Constant), KNW, PVH, SN, EC

b. Dependent Variable: INT

The above Table 1 and Table 2, show the various variables used in the regression analysis. The dependent variable is Intention (INT), and the independent variables i.e. KNW, PVH, SN and EC are cumulatively able to explain 21.7% of the variation in INT.

**Table 3: ANOVA**

**ANOVA[a]**

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 4.298 | 4 | 1.074 | 7.432 | .000[b] |
| | Residual | 15.469 | 107 | .145 | | |
| | Total | 19.767 | 111 | | | |

a. Dependent Variable: INT

b. Predictors: (Constant), KNW, PVH, SN, EC

Table 3 shows the result of ANOVA, and it can be observed that the independent variables are significantly explaining the variation in the dependent variable i.e. INT.

### Table 4: Coefficients

**Coefficients[a]**

| Model | | Unstandardized Coefficients B | Unstandardized Coefficients Std. Error | Standardized Coefficients Beta | t | Sig. | Collinearity Statistics Tolerance | Collinearity Statistics VIF |
|---|---|---|---|---|---|---|---|---|
| 1 | (Constant) | 1.047 | .183 | | 5.704 | .000 | | |
| | SN | .120 | .050 | .218 | 2.397 | .018 | .884 | 1.132 |
| | EC | .247 | .102 | .256 | 2.423 | .017 | .656 | 1.525 |
| | PVH | .234 | .114 | .206 | 2.056 | .042 | .730 | 1.369 |
| | KNW | .115 | .057 | .177 | 2.025 | .045 | .960 | 1.041 |

a. Dependent Variable: INT

**Residuals Statistics[a]**

| | Minimum | Maximum | Mean | Std. Deviation | N |
|---|---|---|---|---|---|
| Predicted Value | 1.4026 | 2.3043 | 1.7232 | .19677 | 112 |
| Residual | -.75492 | .74956 | .00000 | .37331 | 112 |
| Std. Predicted Value | -1.629 | 2.953 | .000 | 1.000 | 112 |
| Std. Residual | -1.985 | 1.971 | .000 | .982 | 112 |

a. Dependent Variable: INT

Table 4 shows that the Environmental Concern (EC) and Perceived Value of Health (PVH) create the maximum variation in the dependent variable (INT) with beta values of 0.247 and 0.234, respectively, followed by SN and KNW with values of 0.120 and 0.115 respectively. The results also show that there is no multi-collinearity among the independent variables considered in the study for analysis.

**Figure 1: Histogram**
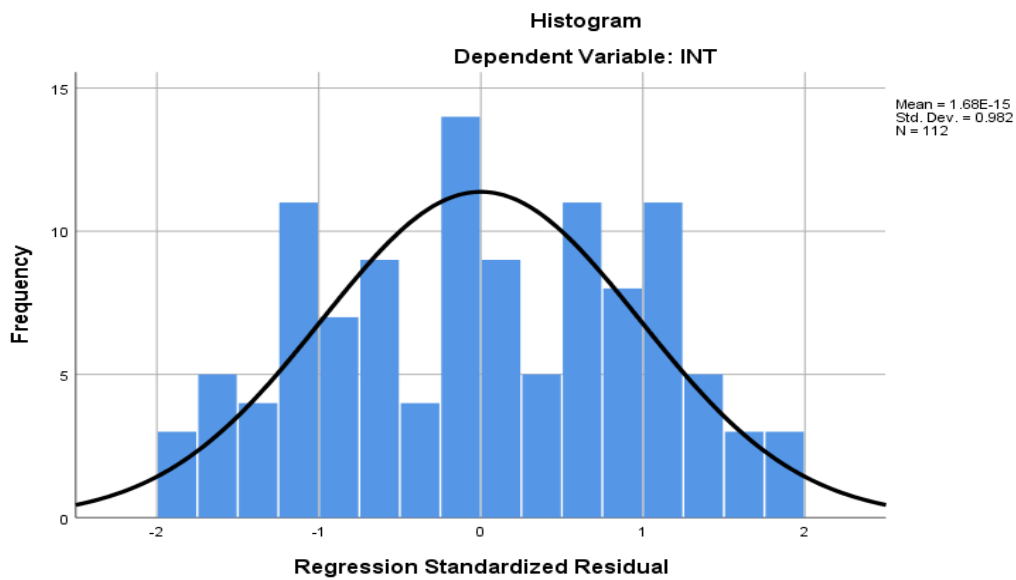


As observed in Figure 1, the data is normally distributed and the graph is following the bell shaped curve.

**Figure 2: P-P Plot**
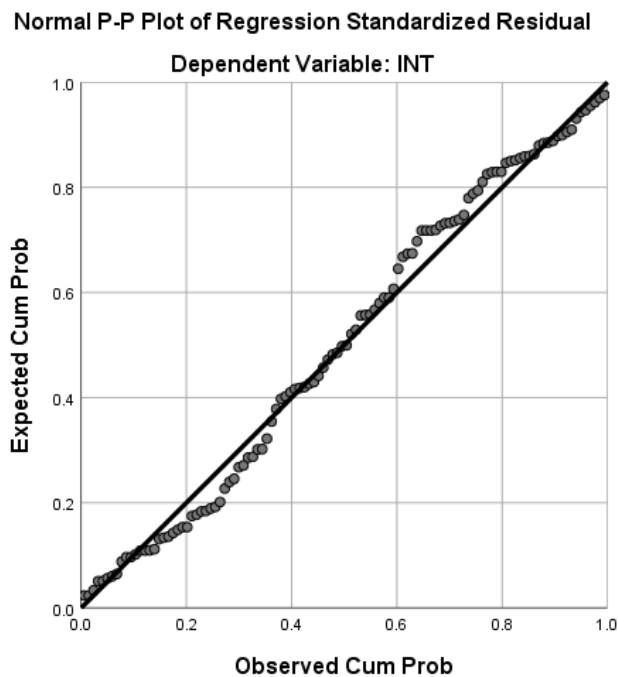


As it can be observed in Figure 2, most of the values are closely intact to the fitted distribution line. Thus, it signifies that the distribution is a good fit.
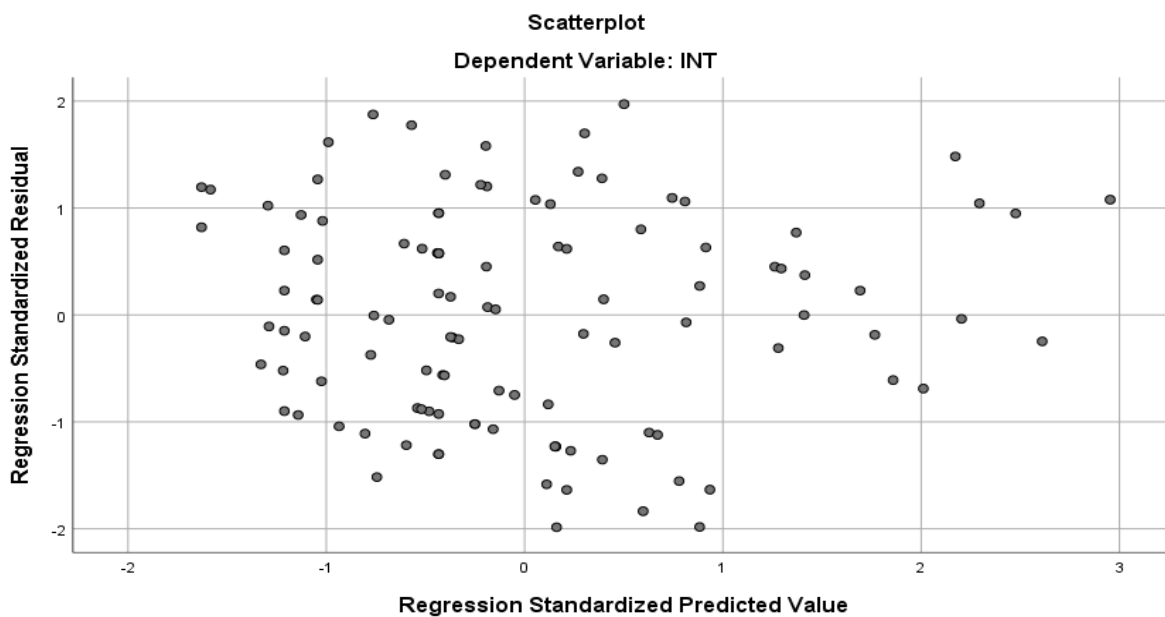
**Figure 3: Scatter Plot**



Scatterplot
Dependent Variable: INT

Figure 3 shows the scatter plot, which shows the relationship between standardized Residuals and Standardized Predicted Value. It can be observed that there is no correlation between the mentioned variables.

## Conclusion and Suggestions

The study explores the impact of significant factors influencing consumers' purchase intention of organic products in India. The study concludes that several important independent factors have a major impact on the dependent variable, Intention (INT). The study identifies Environmental Concern (EC) and Perceived Value of Health (PVH) as a crucial component indicating an increasing consciousness and attentiveness to environmental matters that align with the need of educated consumer decision-making when it comes to the purchasing of organic products. Further, the study also found Knowledge of health factors (KNW) and Subjective Norms (SN) as significant variables, thus emphasizing the importance of people's views about the health advantages of organic goods and the normative and social factors that influence their decisions in the consumption of organic products. The study is in line with the literature, which states that independent variables such as subjective norms, knowledge, environmental concern, and perceived value have a significant impact on the consumers' purchase intention (Unusan, 2007; and Savita and Verma, 2017).

To increase the consumption of organic foods, it is essential to concentrate on removing barriers to consumption and focus on motivators in advertising, education, and campaign activity. To boost organic products demand, it is important to raise the awareness and knowledge of consumers by making them more informed about the various benefits of consumption of organic products. Firms should also take a step forward to win consumers' trust by engaging in informative work and collaborating with consumer associations for assistance in promotional efforts.

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