

# **Understanding the Consumer Behaviour towards Organic Food: A Study of the Bangladesh Market**

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**Abstract:** *The market for organic food in Bangladesh is at an early stage and has huge opportunity of growth. There is rapid growth in the demand for healthy as well as tasty food products, which are safer than industrially produced goods, follow the rules regarding animal and environmental welfare, have a sustainable approach towards production and are also high in nutrition values. This paper presents results of a study conducted to identify and explain the factors that influence consumer buying behaviour of organic foods in Bangladeshi Supermarkets. The study follows a qualitative research approach with some overlapping of quantitative research methods, in order to establish a theoretical foundation on factors that influence consumer behaviour and then conducting a primary research and justifying the results against the theoretical findings. Majority of the participants of the survey questionnaire expresses that organic food is healthier than industrially manufactured food, they are high in nutrition, and perceives the organic production methods with a positive approach. The major problems identified through the research are lack of awareness and sufficient knowledge about organic food, lack of availability and limited range of products, high price and high regard for certification labelling. The influences of these factors are significant to alter consumer buying behaviour and can sometimes also act as deciding factors for purchase decisions.*

**Keywords:** *Bangladesh Food Market, Consumer Attitude, Consumer Behaviour, Market Survey, Organic Food*

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## **I. Introduction**

### **1.1 Background and Context**

In the recent years consumers have grown concerned about the traditional agriculture industry. Growth in cases of bird flu and mad-cow disease, and other factors such as genetically modified food drove a significant change in the industry of agriculture. The normal consumer-perspective on production of food can be altered if food is produced by organic farming. The industry of organic-farming avoids the use of pesticides and fertilisers, and this is held to specific standards as the industry is regulated by a strict system of certification. Also, the demand for organic food in the food-market has increased significantly in the USA, Australia and Europe. According to Kristallis and Chrysohoidis (2005) this growth in the organic industry implies dynamic procedures of certification, reformation of the supply-chain and understanding consumer-demand for organic food. Increasing demand for organic food by the consumers has been ascribed to scarcity of different foods as well as opposition by the consumer to genetically modified food (Michelsen et al., 1999).

Established approaches to marketing, particularly the theory of consumer marketing, are still inept to properly grasp the appearance of recent consumer-demand, such as the one for organic food (OF). According to Baker (2003) these consumers seek not just the product but also the value added to the product. The literature available, although provoked great curiosity, are still unable to provide wisdom into the relationship between the initial stages of the market for organic foods (along with its characteristics) and consumer motivation to purchase organic food.

Using samples representing national consumer behaviour (Cottingham, 2012), prominent market intelligence companies in the UK have assessed purchase of organic food by consumer along with their outlook on the product on a regular basis. The analysis covered a wide range of issues: aspects related to socio-demography and consumer typology; location of purchase, availability and how often the consumer purchased the goods; inspirations and attitude to make the purchase; obstacles and available information about organic food. A panel data, actually describing consumer behaviour about purchasing organic food, was added to this information (Cottingham, 2012).

According to a survey, the Soil Association (Cottingham, 2012) came up with a detailed breakdown of organic-food consumers. There were eight categories, according to the frequency at which consumers purchased along with the number of product categories bought. It was found that consumers who frequently bought organic-food were, in comparison to an average shopper; older, wealthier and had fewer children. It was also found that two-thirds of the people who bought organic food frequently were in socio-economic groups in comparison to less than 50 in the populace. It was also found, that people who spent the highest on organically grown food were younger and wealthier on average.

According to Cottigham (2012), though the greater numbers of organic food are purchased in the supermarkets, last two years saw a rise in direct selling of organic food. It is higher than the average growth; 16.2 per cent compared to 10 per cent on average. Although the growth has been smaller over the last two years, retailers still make up for 80 per cent of the organic food sales and remain the most crucial source of organic-food for consumers. Stores in the developed countries market and stock varied a range of organic-food, whereas this trend is not as strong in other parts of the world.

People in the oldest and the youngest age brackets were found to have the least concern about organic-food according to a survey (Mintel, 2010). This emphasized a lower concern of diet and health in the aforementioned age groups. When consumers reach their 30s and have no children, the purchasing of organic food grows. It was also seen that, wealthier households with children who have left had more disposable income with which organic food could be purchased. It was concluded that if the supply improved, the profile would be spread down the socio-economic scale. According to a NOP World survey where 1057 adults were considered, the Soil Association reports by Cottingham (2008, 2009, 2010, 2011, 2012) made a claim that the demand for appeal good has spread and includes more groups in the society.

According to the TNS panels' data published in Soil Association (2008, 2009, 2010, 2011 and 2012), even with a slow growth, the repetitiveness of buying and the average money spent after organic food has increased in the past couple of years. By the year ending June 2004, an average organic consumer purchased 13.6 times annually which in comparison to 2002 was 12.8 times annually. According to Cottingham (2012), 84 per cent of the purchases of organic food were carried out by 25 per cent of the consumers for organic food. This implies that the market for organic food is dependent on a fraction of dedicated organic food buyers.

Several surveys have been carried out which relates to the potential of growth in consumer demand along with its limits. Many have found and recognized motivations to purchases of organic food. MINTEL (2011) and Cottingham (2012) argues the results from the survey are generally positive and point towards a strong demand, which is confirmed by the growth seen in the retail market through the 1990s and the early twenty-first century. Makatouni (2002) believes that the slow market growth that is observed is due to a direct conflict between the desire to buy and the actual demand for organic goods. There is an evident dissimilarity between people who are thought to be consumers of organic food and the people who are actually the consumers (Zanoli et al., 2004). It thus requires cautiousness when dealing with studies that derive optimistic results.

Cottingham (2014) believes that according to the market research conducted recently by the Soil Association, there has been a decrease in the sales of organic food products in the world over the past year, although the trend that is observed worldwide shows increasing demand for organic food products. In 2014, there was decrease in sales for organic products in Bangladesh. This has led the researchers of this paper to investigate into the factors that play a crucial role in a consumer's decision to buy organic food products.

## **1.2 Aims and Objectives**

The study focuses on the investigation and identification of factors that influence a consumer's buying behaviour towards organic food products and attempts to form a theoretical foundation through which the findings can be related to a market that is yet to be exploited by mass production and marketing of organic food products in Bangladesh. The following research objectives were formed to breakdown and define the studies main purposes:

1. To present an in-depth review of the organic food sector in Bangladesh and to investigate and identify the attributes of organic food that can be exploited by marketing strategies to promote these products.
2. To investigate and review the existing literature review on consumer behaviour in order to form the theoretical foundation behind the identification of the factors that impact on a consumer's buying behaviour towards organic food.
3. To analyse the perception of Bangladesh consumers towards the organic food products of available in the market and to recommend necessary strategies that can be implemented to positively effect a consumer's buying behaviour towards organic food.

## **II. Literature Review**

During the last century there have been major changes in the technological aspects of agriculture. The change has left a huge impact on the inhabitants and as well as on the countryside. The uprising of the new methods is influenced by the usage of the resources in the farms which is also interlinked with the food making techniques. The development of technology has resulted in a drop of labour work. On the other hand increase in the use chemical fertilizers have increased the harvest. But the effect this is having on the environment is being ignored since it is cost-effective. Maintainable food production has become more important due to the urbanization of the agronomic sector. Certain steps have been taken by establishments and new strategies have been introduced by the urbanized countries regarding food production. Organic agronomy is a new method

which can be introduced to solve difficulties that are being faced by urbanized agronomy. It'll help to create humanitarian, cost-effective, environment friendly and workable agronomic production schemes.

It can be said that after the end of World War II significant changes in the agronomy was noticed. The use of chemical fertilizers and the rigorous farming methods had an adverse effect on the environment. Due to the problems that were arising, new methods of agronomy were being looked for by different countries. According to Rehber and Turhan (2002), the most challenging and effective method that can be introduced is Organic agronomy. The productiveness of Organic agronomy would help reduce some of the problems the customers have in regards to the making of conventional food. As stated by Lampkin (1999), the industry of Organic agronomy has introduced innovative methods by which fertilizer free pesticides can be produced. In addition they take special measures in making sure that the production process that is being carried out is of precise standard. Larkin has also found in his research that the Organic agronomy sector is spreading out very rapidly, particularly in USA and in Europe. This sector is growing by almost 30 percent per year.

New innovative ideas need to be introduced in the market which would be appropriate in handling new customers who are now more inclined in buying organic food items. According to Baker (2003), the ancient old-style promotion of products would not be suitable to deal with the present customers. To attract new customers the products in the market should have a high standard; it should contain specifications of what it contains and how it's helpful. The author also states that though the literatures regarding the organic products are attention-grabbing, very little information is included regarding the influence of the organic agronomy in the current economy and how it's spreading throughout different countries.

## **2.1 Organic Food Products- Conceptual Background**

In order to look at the background of organic food products we need to know exactly what organic food is or how it is described in general sense. And to compare it with other food products we need to know how different it is compared to that of others.

Many people think that there is no difference between the two and both mean the same. But this is not true. If we compare organic and natural from their definitions, the difference will be clear.

Organic foods are foods that are produced using methods that do not involve modern synthetic inputs such as synthetic pesticides and chemical fertilizers. Organic foods are also not processed using irradiation, industrial solvents, or chemical food additives. Organic food refers to food items that are produced, manufactured and handled using organic means defined by certifying bodies such as the United States Department of Agriculture (USDA) under its Organic Food Products Act. Natural food, on the other hand, generally refers to food items that are not altered chemically or synthesized in any form. These are derived from plants and animals. Thus a natural food item is not necessarily organic and vice versa. To have a more clear and specific understanding of what an organic food is we can look at the definition of organic food provided by the Green Earth Organics. It is stated that organic foods are made without artificial preservatives or ingredients and is marginally processed.

According to the Lifestyles of Health and Sustainability, it has been seen that people are more motivated to buy organic products and natural products since in their opinion it helps them to maintain a healthier lifestyle. Even then a question arises as to why some people prefer organic food and on the other hand others prefer natural food. This is because some people have the belief that synthesizing a food item results in loss of its nutrients and properties. Hence they demand natural foods. Organic food fans, on the other hand, want their food to be free of chemical fertilizers, pesticides and preservatives. Apparently, the demand for organic food is more than natural food because organic food seals are granted and monitored by the government. An act similar to the Organic Food Products Act is necessary for the natural food products as well.

Researches have also been carried out in regards to the products that are environmentally friendly. These products are commonly known as Green Products. Green products might, typically, be formed or part-formed from recycled components, be manufactured in a more energy-conservative way, or be supplied to the market with less packaging. The term is used to describe a product that meets one of these criteria:

- comprises of qualities that will protect the environment.
- has replaced artificial ingredients with natural ingredients.

There are no legal guidelines or strict definitions for use of the term, so it is subject to interpretation. On the other hand it is clear that there are both significant similarities and differences between green products and organic products. Many researchers (Balderjahn, 1988; Ellen et al, 1991; Berger and Corbin, 1992; Amyx et al., 1994) have looked into the personality, values, attitudes, interests, and lifestyles of customers who are more inclined to buy green products. Some factors that affect the way customers think when they buy the green products are:

- According to Balderjahn (1998), Ellen et al (1991), Berger and Corbin (1992) the general view of the customers is that if a person wants to, he/she can work to solve problems related to the environment.
- On the other hand Amyx et al. (1994) stated that customers concern for the environment is directly proportional to their inclination in buying the green products.
- Schwepker and Cornwell (1991) and Shamdasani et al. (1993), focuses on the occurrences which lead consumers to act in the way they do.
- Berger and Corbin (1992) put forward a very different view in which they stated that the factor which affects consumers when they buy the green products is their faith in others.

## **2.2 The organic consumer**

### **Reasons for buying organic food**

From further analysis of the literature it has been seen that many surveys were carried out to understand the mental framework of customers to understand their views on organic food. The main focus of the surveys that were carried out revolves around the issues such as the attitudes of the customers when they are buying organic foods, what type of organics foods they prefer more, the reasons behind their interest in the organic food and reasons why they are not interested in buying them etc. The reasons that were provided by the customers had quite a lot of variations. According to certain scholars (Fotopoulos and Krystallis, 2002; Wier and Calverly, 2002; Larue et al., 2004) organic foods are considered to be healthier than the conventional foods. They are also nutritious and have a better taste. In addition they are environmental friendly.

Customers did not have only positive views about the organic foods. According to certain authors/scholars (Fotopoulos and Krystallis, 2002; Wier and Calverly, 2002; Larue et al., 2004; Verdurme et al., 2002; Worner and Meier-Ploeger, 1999), from a negative perspective, the reasons that prevent the customers from buying organic foods are:

- The price of the organic products are higher compared to others
- Small range of products are available
- Qualities are not always satisfactory
- Some customers are unable to understand the difference between conventional food and organic food
- Lack of knowledge about the advantages of using or consuming organic products(e.g. food)

Hutchins and Greenhalgh (1997); and Squires et al. (2001) considered all factors and came to the conclusion that the main reason behind the consumption of organic food by the customers is because they think it is a healthier option. On the other hand Kristensen and Grunert (1991) lead a research to see how the issue of environment effects the customers' consumption of organic food. The outcome was not definite. Some are concerned about the environment due to which they buy organic food; others don't give environmental issues much importance.

### **Profiling organic food consumers**

Makatouni (2002), Verdurme et al. (2002), Baker et al. (2004), Zanolli and Naspetti (2002) have given some well establish views on how profiling of the organic food consumers can be done and what drives them to buy the organic products.

A number of researches were carried out to categorise the organics food customers. The research was based on the customers' sex, education level, income level, marital status, occupation, religion, the regularity of purchase, purpose behind the purchase etc. From the information gathered from these researches, scholars have made a list of different types of organic buyers and their characteristics (Davis et al., 1995; Fotopoulos and Krystallis, 2002; Baker et al., 2002; Solomon et al., 1999).

Even though age does not play an important role, people of younger age have a tendency to buy more organic products due to their increased concerns about the environment. Though, they don't always have the financial capability to do so.

In 2006, Hamzaoui and Zahaf suggested a new meaning for the word 'organic' and on the other hand gave a general profile by which the organic consumers would be known by (TOPC- typical organic products consumers). The customers/consumers who fell under this category were vegetarians, some had concerns regarding the environment, some bought the food to help the farmers, and others 'were concerned about their health.

Alternatively, cultural differences also play a role when determining the categories in which customers are listed into. According to Baker et al. (2004) the customers in Germany are richer than customers in some other countries due to which they have different principles behind the consumption of organic food. Except for the studies conducted in Europe by Baker et al (2004), Zanolli and Naspetti (2002), Makatouni (2002) are of the view that people from different countries all possess the same principles but not to the same extent. Many

different types of researches are being introduced in regards to the principles of the customers as they play such a huge part in their behaviour.

Baker et al. (2004), Zanolini and Naspetti (2002), and Makatouni (2002) carried out three researches in European countries. The main focus of their research was to classify the principles of life into three branches:

- Principles that involve personal lifestyle
- Principles that related to the environment
- Principles that are related to the welfare of animals

Though the main concept remains the same, there are significant differences between the customers of organic foods in UK, Germany and Italy. According to Baker et al. (2004) the key factors which determines the German customers consumption of organic food is their faith in environment, their health and their enjoyment which additionally depends on the taste and quality of the food. On the other hand nature or environment does not play any role behind the customers' consumption of organic food. Alternatively, according to Makatouni (2002) equal importance is also given to the welfare of animals. In respect of Italian customers, Zanolini and Naspetti (2002) are of the view that, they give priority to their fitness, desire, accomplishment as well as the ecosystem.

A different research route was adopted by Davis et al. (1995). In his research he presented the theory that as time passed, customers gave more importance to the food they are buying and the types of organic food they are consuming. At the end he came to the conclusion that the change was due to the effect of an increase in the environmental awareness.

### **2.3 The Bangladesh Market**

The economy of the United Kingdom has suffered major backlash during the last couple of years. The same can be said in regards to the economy of other countries. All sectors, in particular trade zone is still under a lot of stress. There is an increase in the number of people who are jobless, have a cut-off in their salary and are living on hand to mouth conditions. Due to these social and financial problems people are spending less amount of money, which is directly affecting the trade sector. Nonetheless, it is very surprising that this has not affected the production of organic food at all. Rather, from a research carried out by Cottingham (2014), there has been an increase in the sales of organic food by 8 % in 2013. This progress has continued in the European and US markets. In china the market has multiplied during the past five years. On the other hand statistics show yearly growth of 40% in Brazil. Professional analysts foresee that there would be an increase in the yearly growth of the organic products in Asia by 20%.

The scenario is not as bright in Bangladesh as it is in some other regions. Although there is an increase in transactions in the organic baby food department by almost 7% and moderate increase in the poultry and textiles department, the organic sector has had a fall in their market by almost 4% in Bangladesh. Some new sectors are developing and this might be the first sign of change in Bangladeshi customers spending patterns.

Though some major retailers are not very hopeful about the organic product market, many small private companies and farms are still trying to emerge and take a stand in the organic product market. The organic market does have a good standing in the market since from a survey it has been seen that out of 10 families eight of them buy organic products.

### **2.4 Consumer Attitude and Behaviour**

Determinants of consumer analysis

Peter and Olson (2008) analysed the customers/consumers and stated that there are three main aspects through which such analysis can be carried out. The main 3 categories are:

- Customer's intellectual level
- Their performance, and
- Their surroundings

Another fact that should also be given importance is their relationship with each other. All these factors can have an impact on other areas of their life. The factors should always be taken into account when advertising tactics are designed.

Customers intellectual level is a primary basis for the way they act and the way they think assess and understand certain things. An individual has their own way of dealing with matters or situations they are exposed to. All individuals are of similar to a certain extend but emotional impact and intellect are interlinked (Peter and Olson, 2008; Chisnall, 1995). Since there are different ways of interpreting the behaviour of the customers, Peter and Olson (2008) has summarised all the interpretations and has identified the interpretations with a specific term. The term is known as the 'overt consumer behaviour'. This means that the customers' actions or accomplishments can be scrutinized by measurable techniques.

In many occasions a customer might like a product but he/she might not necessarily buy it (Peter and Olson, 2008). As stated by Blackwell et al. (2001) the surroundings of the customer include the things that are closer to him/her and affect him directly as well as the external effects. All customers have to bear the burden of the community, family and other outside effects.

## **2.5 Internal factors affecting consumer behaviour**

### **Demographics and personal choices**

In most cases Demographics hold a special significance for the sellers. By using this sellers can actually keep an account of the changes that are occurring in the society or in a country as a whole. It helps to get the increase in the number of inhabitants, the monetary state, etc. A very good example was given by Blackwell in 2001. He stated that women are more inclined towards shopping or in other words, women spend more than men. Due to this reason many companies are updating their strategies and are keeping the women in their list of priorities. Another example was given by Solomon in 2006. He somewhat had a different perspective on the matter in question. He stated that the companies should keep an eye on how the capital is being allocated and to whom. The companies/sellers then can attract those who have got the most potential to invest or spend in the market.

People spend their money in various ways. Some spend their money on food, others on household or beauty products, others on gadgets etc. As stated by Solomon et al. (2002), it all comes down to one point and that is a person's personal life. Members of a family have different ways of spending their money compared to a person who's single. Parents who have got children tend to buy healthier foods and spend more money on household products. A completely opposite example would be that of the spending tendency of a person who's single. Singles have a tendency to spend money by eating outside or by buying books or gadgets. On the other hand children sometimes tend to alter the decisions of their parents if they find any new toys when they go out for shopping with their parents.

According to Chisnall (1995) every customer has a different personality that makes him stand out in the crowd. Personality can be described in many ways. Personality of a person includes his mental and emotional status as well as his characteristics. People with different personalities are attracted to different sorts of products or brands.

A research was carried out to check how the customers' personality influences him/her to choose a particular product. In one case it was seen that customers who prefer to have more milk in their coffee are more likely to be calm and are less outgoing compared to those who prefer strong coffee. As stated by Solomon (2006), companies who sell or manufacture coffee had to this change in personalities had to set up their cafes in a different style. Solomon (2006) also stated that it is easy to predict a person's trading behaviour and his principles if his personality can be predicted. Armstrong and Kotler (2007) has a totally different view regarding this issue. According to them a person can adjust and change his way of life if there is a change in the situation but it's difficult for a person to change his personality to adapt to his surroundings. When a person takes up a new profession his income would have an impact on the way he would spend his money.

### **Consumer attitude**

As there are many different meanings for the word personality, the word attitude can also have a lot of different meanings. Chisnall (1995) has given a meaning to the word 'attitude'. He has described it as "a mental and neural state of readiness organised through experience, exerting a directive or dynamic influence upon the individual's response to all objects and situations with which is related". In plain words attitude is the way a person thinks or acts. A person's attitude can change in a positive way or in a negative way depending on the circumstances he is put in. According to Chisnall (1995), a person's approach/attitude towards a certain thing can also change if he gains more knowledge on the subject matter.

A person's outlook on a particular subject can sometimes play an important role in determining whether that person would buy the object or where he would like to buy it from. According to Blackwell et al. (2001) it is essential to assess a person's approach or attitude to determine how their attitude is being manipulated by the present market.

Several corporations are carrying out surveys to make sure that they have the up to date information about the changes in the approach of the consumers and how they feel towards specific products or brands. Peter and Olson (2008) in one of their articles stated that there were many large corporations who failed to attract customers. As a result they failed to perform properly and failed to deliver products according to the need of their customers. But that doesn't mean that a customer's attitude/approach is the only way by which the corporations would understand how much money the customers are ready to spend and when. But they do give some sort of a direction as to how the customers may behave if they were put in a specific situation (Chisnall, 1995).

### **Consumer motivations**

As the lifestyles of people change their requirements change as well. Time and needs/requirements are directly proportional to each other. It's impossible to hang onto the old requirements when a person's perspective of life changes. According to Solomon (2006), when a person wants something they tend to make sure that they get it in any possible way or they try to find a way to make sure that the reason behind them wanting it is no longer there.

As stated above peoples requirements and their enthusiasm to find a way to fulfil those requirements are interlinked. One can't operate without the other. An excellent example was given by Abraham Maslow and Sigmund Freud. According to them a person starts to perform in a good manner if he is enthusiastic. And this enthusiasm guides him to proceed towards his aim. An enthusiastic person has a tendency to be more interested to act than that if a person who lacks that enthusiasm. As stated by experts, enthusiasm or in other words motivation plays a significant part in the way an individual acts. It is what makes a person prosper in life. Maslow on the other hand divided this into two parts. He has said that a person's personal requirements can be categorised in two parts. There are some requirements that a person can do without and there are certain requirements that need to be fulfilled to move forward.

According to Maslow the mental desires should be put at the bottom of the list of priorities and the realistic thinking of the same person should be given the utmost priority. Moreover, Sigmund Freund stated that individuals don't actually know what drives them to purchase things. The whole thing happens in their subconscious mind and the way they act is mainly influenced by their mental desires. In Armstrong and Kotler's (2007) opinion individuals have many wishes and those wishes are formed deep within themselves. For example, when a person buys an expensive car he/she might say that he likes the feel of the car but in his subconscious mind he might have a need to make an impression in front of others.

### **Learning and Knowledge**

Each and every person in their everyday life learns new things. They learn from their mistakes, they learn from others, from books etc. Knowledge plays one of the most important parts in our lives. Lack of knowledge may lead to mishaps. Whereas on the other hand a person who thinks he possess knowledge more than anyone else lacks an understanding of what knowledge actually means. Many experts have mentioned in their articles that human beings have learnt most of their behaviours. As stated by Solomon (2006), it's important for sellers to know how the customers might behave and they can then act accordingly.

It is true that all customers don't possess equal standard of knowledge about a specific product. But even then corporations should make sure that they know how much knowledge the consumer has in regards to the product on question and how much more information they are looking for. According to Blackwell et al. (2001) corporations should also carry out surveys so that they know what sort of products the customers are more interested to buy, what shops they most likely visit and how much significance are being giving to the different sorts of products. The information obtained by the survey could further help the corporations to build a good rapport between themselves and their customers.

For example, a girl wants to buy a laptop and she decided to do so after seeing her sister's laptop. When the girl, who is the consumer makes a final decision as to which brand she would go for. According to Armstrong and Kotler (2007) if the customer is pleased with the product then she most likely would buy the same brand again.

When an individual wants to buy a product, he/she makes a mental note of the things he/she would be looking for in that specific range of products. Customers sometimes have more preference in regards to the shape or colour or smell of the product. In Peter and Olson's (2008) opinion when a customer comes to a shop to look for a specific product the sellers must take into account the fact that the customer might have some knowledge about the product they are looking for. The seller should thus act accordingly and should not in any circumstances treat the customer in a manner which would make the customer feel unwelcome. Certain customers have certain principles and corporations should make sure that they have products available for all kinds of customers.

### **2.6 External factors affecting consumer behaviour**

There are many aspects which are responsible for the difference in behaviour amongst the customers. Customers can be from different countries, thus can have different traditions. Each and every individual have a unique lifestyle. Armstrong and Kotler (2007) stated in one of their articles that the environment in which an individual grew up, their surroundings, culture traditions all play a vital role in building up their behaviour, i.e. the way they act, talk, socialise, communicate etc. Corporations thus appoint experts who have knowledge on different cultures. If the corporations want to target customers in general they should keep in mind that they have to redesign their strategy and make products that can be used by individuals from all countries. Solomon (2002) gave an example in regards to the matter in discussion; in some stores frozen or canned foods are sold,

which resembles the American mode of life. In America both parents work, as result they don't always have sufficient time to cook or eat home cooked meals. Customers purchase goods so that their life can get a bit easier with the help of the purchased good; and they do so with a mentality that that they are negotiating with their problems with the help of the goods purchased.

### **III. Methodology**

#### **3.1 Research**

This chapter presents a chronological description of the research methods used to carry out this study. A discussion about the procedures followed, the settings, the resources used, and the participants that have taken part in the research are presented according to the prescribed methods in the works of Saunders et al. (2009). The underlying principles of the followed research methods, the techniques to achieve validity and reliability of data, along with the methods followed for data analysis are also discussed in this chapter. The researcher also explains the methods through which the findings are used to draw conclusions and present the results of the research. The study was conducted to identify the factors that influence the consumer buying behaviour towards organic food products especially in the case of supermarket customers of Bangladesh.

The researcher conducts this study by following a mixture of qualitative research analysis along with some aspects of quantitative research to conduct a thorough literature review and primary data collected from participant responses. The researcher uses descriptive statistics to present and analyse the collected primary data and compares the findings to deduce the factors that have significant influence on the "buying behaviour of consumers" from the responses made by the participants in the survey questionnaire.

#### **3.2.3 Sampling Techniques**

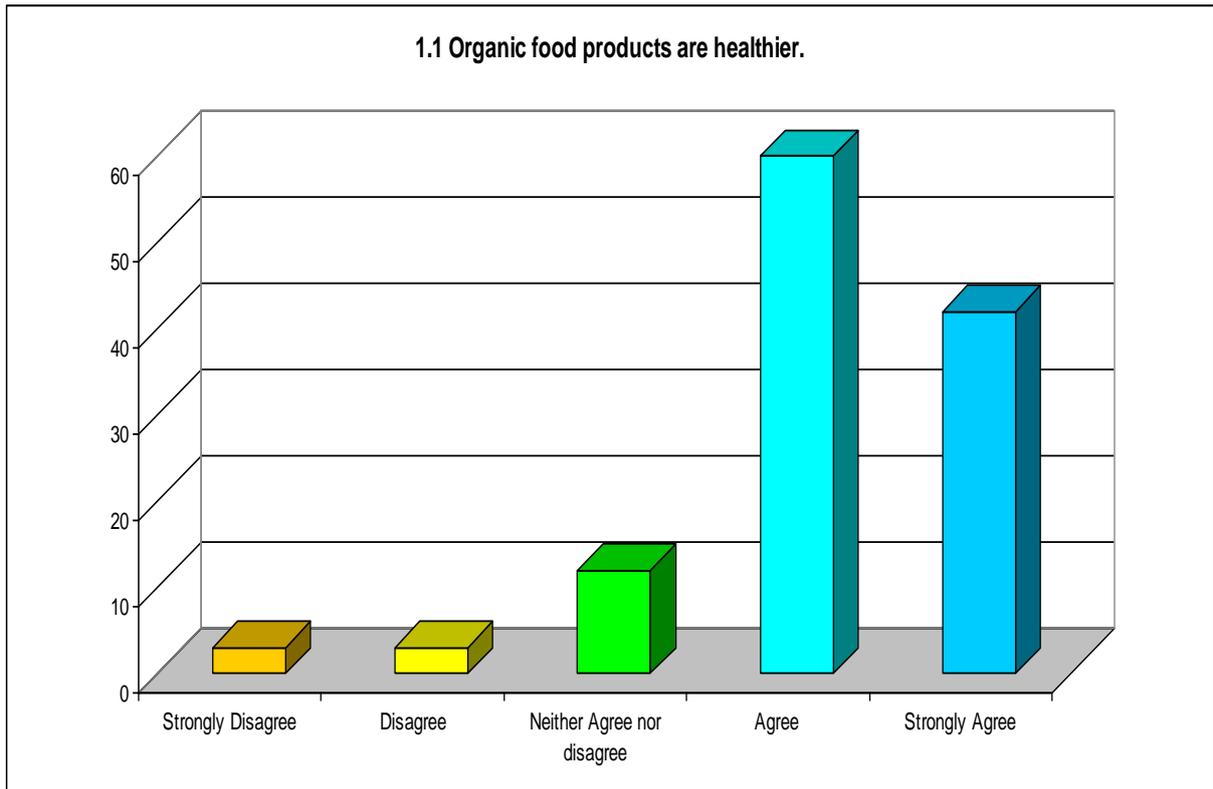
Random sampling method was used to select 120 participants for the survey questionnaire. The locations for selecting the respondents were determined to be outside busy supermarket stores that have a dedicated Organic Food sections. First of all people whom are interviewed are told that, this questionnaire is only for the people who has bought an organic product during 2014. As the surveys are made during the end of the year, this means that respondents have bought an organic product at least in the last eleven or twelve months.

### **IV. Data Presentation and Analysis**

This chapter presents the findings of the primary research through descriptive statistics and graphical representation of the collected data. The primary data was coded with the help of a statistical software (SPSS v 17.0), which eased the process of quantifying the scalar values of the data collected through the survey questionnaire. SPSS outputs for frequencies for each data variable along with the demographic data were input in Microsoft Excel 2007 for the graphical representation. Though the SPSS software is powerful enough to produce graphs and charts, the researcher chose Excel for this purpose as Excel has more features for editing the graphs and making it simpler for the understanding of the reader. The coding process involved definitions of the different factors and attributes measured through the questionnaire in the variable section of the programme. These inputs were then used to calculate the frequency of occurrence through the descriptive statistics tool of the software. The descriptive statistics output along with the frequency tables were used to present a data analysis through the use of charts and graphs. The results were described from the output and discussed in regard to the context of the study.

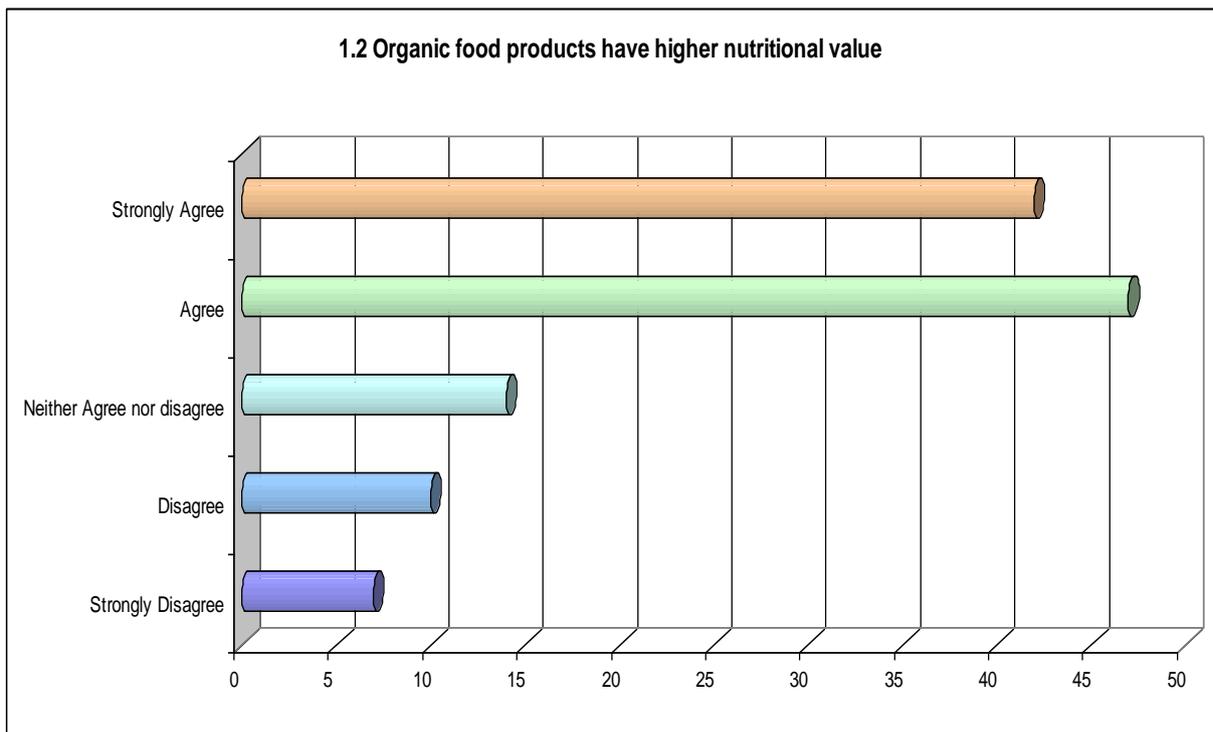
#### **4.2 Survey Results**

The next eight statements in the survey questionnaire were designed to measure the factors that play role behind the purchase decision of organic food products in general. Each statement is about an attribute of organic food products and the respondents were asked to choose their level of agreement with the statements about organic food products relating to those attributes.



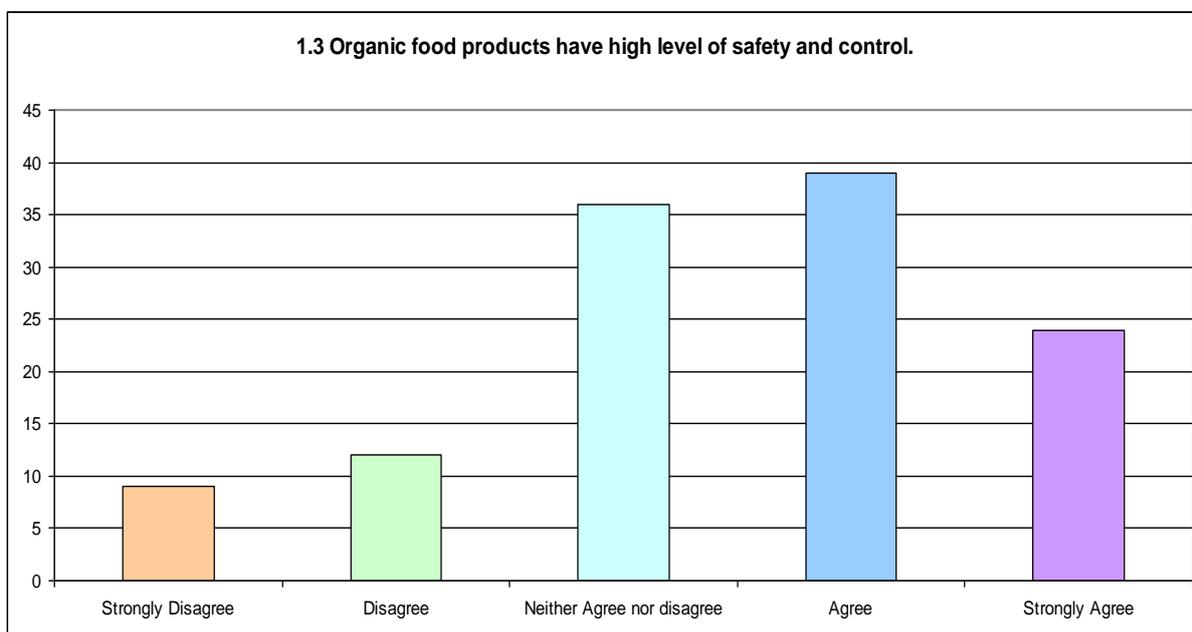
**Figure: 4.1**

From the responses collected through the survey questionnaire it is evident that the majority of the participants perceive organic food products to be a healthier choice as opposed to conventional food products produced by means of industrial agriculture. 50% of the respondents agreed with the statement that “organic food products were healthier” and a further 35% strongly agreed with the statement. A small 2.5% strongly disagreed with the notion and another 2.5% disagreed and only 10% were not sure of their answer.



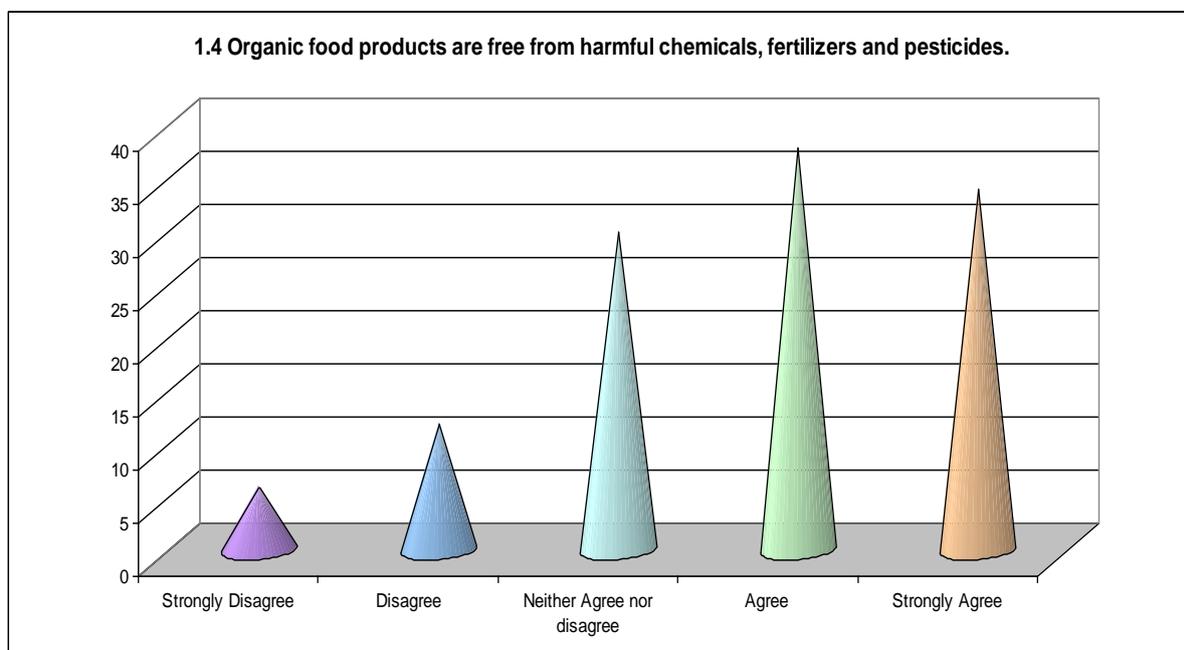
**Figure: 4.2**

When asked about their view on the nutritional value of organic food products 35% strongly agreed that it was superior to industrial products and a further 39.2% agreed with the statement. The rest either disagreed or showed their opinion to be neutral.



**Figure: 4.3**

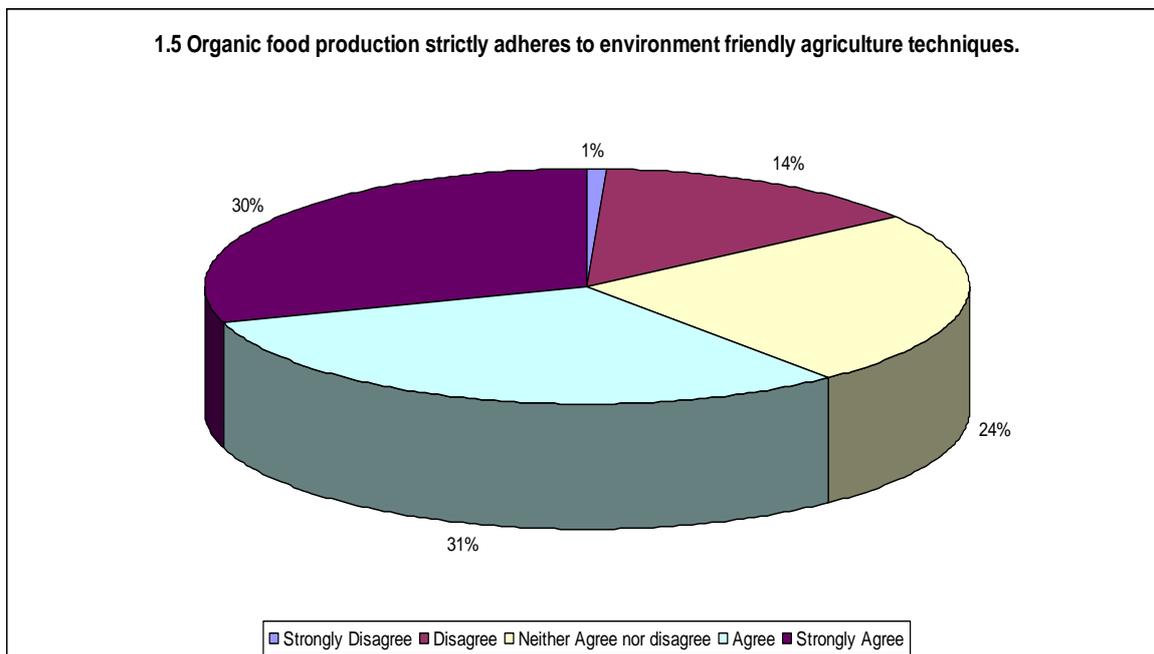
When asked about the safety and control of organic food products 7.5% of the respondents strongly disagreed that it was better than other food products, and another 10% disagreed. A large number of the respondents (30%) neither agreed nor disagreed which shows that they didn't have information about organic food product's safety and control to make a judgement. A cumulative 52.5% of the sample agreed or strongly agreed with the statement.



**Figure: 4.4**

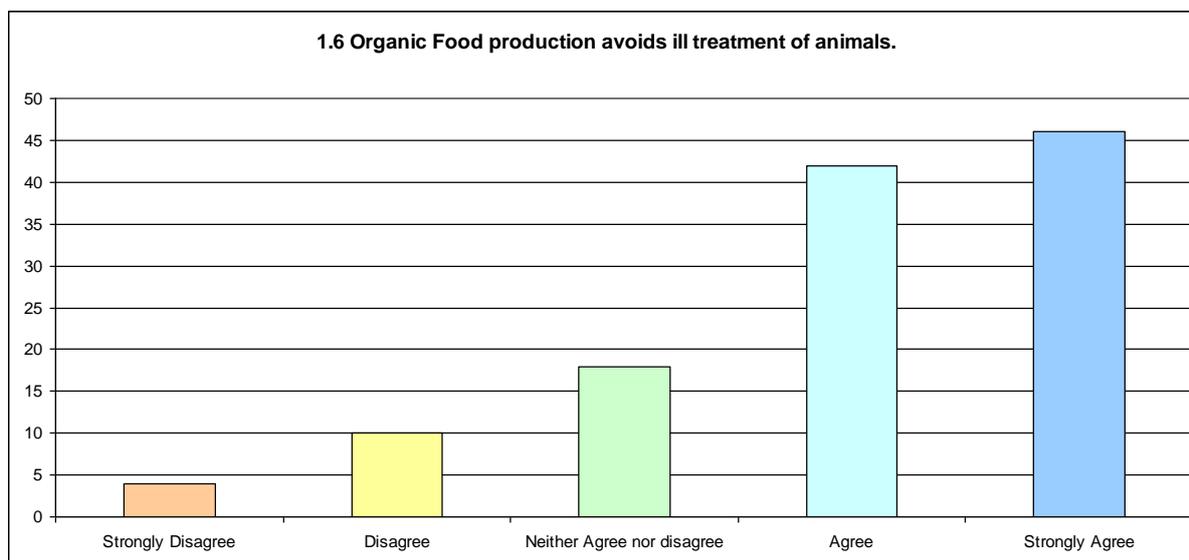
5.0% of the respondents strongly disagreed with the statement and a further 10% disagreed with the statement, which shows that a significant percentage of the sample were unaware of the attributes of organic products and thought them to be not free from chemicals, fertilisers and pesticides. This finding is more

strengthened by a large percentage 25% choosing neither agree nor disagree, which only shows their unawareness about the product attributes. 31.7% agreed with the statement and 28.3% strongly agreed.



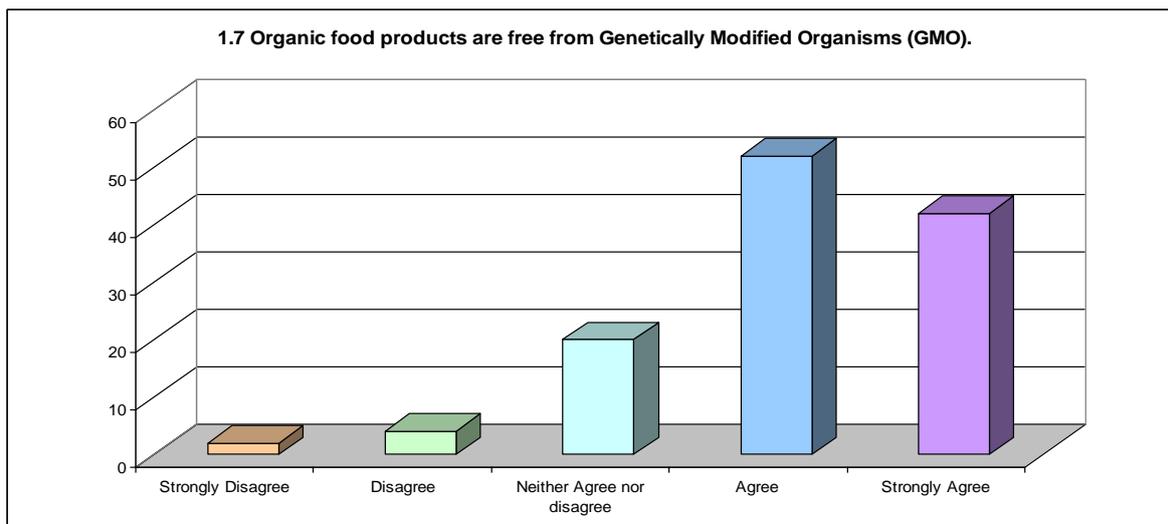
**Figure: 4.5**

This statement was also like the previous one designed to measure the level of awareness about organic products among the consumers, and a cumulative 39.2% of the respondents choosing negative or neutral opinion shows that the level of awareness about organic production being strictly adhering to environmental rules and regulations are not communicated to the target audience in the proper level. Though majority of the respondents (60.8%) agreed or strongly agreed with the statement, almost 40% on the other side shows a significant lack of product attribute awareness.



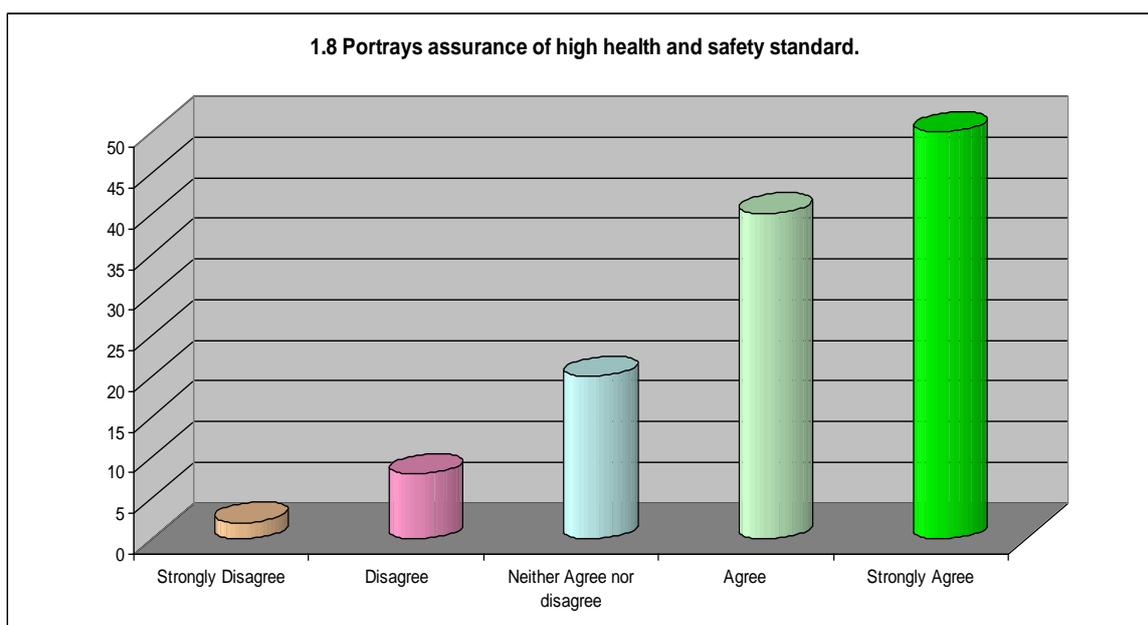
**Figure: 4.6**

This statement also follows the previous pattern with the same purpose, and shows that more than 70% of the respondents agreed or strongly agreed with the statement, but close to 30% of the respondents choosing other wise shows a significant lack of awareness programmes on behalf of the producers. The consumers (at least 12% of them) have a misconception about the conditions that has to be fulfilled before a product can be titled as Organic.



**Figure: 4.7**

The concern over GMO’s health effects over the past years motivated the researcher to include this question, as organic products are free from genetic modification and hence the researcher tried to find out if the target consumers were aware of this fact. 5% of the respondents disagreed or strongly disagreed, showing they were unaware, and a further 16.7% neutral answers show those respondents were confused as well.



**Figure: 4.13**

To this statement, 41.7% of the respondents strongly agreed and another 33.3% agreed. 16.7% were neutral and a small cumulative 8.3% were disagreed or strongly disagreed.

## V. Results and Discussions

### 5.1 Results

#### Knowledge about Organic Food

A profile for organic food consumers was developed on the basis of the coding scheme that was used in quantifying the survey responses and also the through the findings from interviews with the managers. The responses from the survey questionnaire were used to categorise the consumers according to their frequency of organic food purchase. The collected data reveals two main types of organic consumers: regular consumers (RC) and non regular consumers (non-RC). The second category of consumers consists of all the respondents that were occasional or irregular purchasers of organic food.

Many of the respondents answered differently when they were answering the questions regarding the characterisation of organic food products. The common responses were products that are free of chemical fertilisers, pesticides, hormones, genetic modifications, and anti-biotic. Other answers also included non-processed, natural packaging, free from animal harm foods that are naturally nutritious, fresh and tasty. The production method used to produce these foods is labour intensive that does not involve use of machinery that is harmful to the environment. These choices made by the respondents gives a new look towards the meaning of organic food. This clearly divided the gap of knowledge between the regular and non-regular consumers of organic food.

The findings from the primary research about the consumer's knowledge about organic food was compared with the findings from the literature review and revealed that non-regular customers have lack of knowledge about organic food and simply considers it to be naturally grown food, whereas, regular organic food consumers has a clear concept about the difference between organic and natural food. Some respondents showed negative approach towards organic food due to their lack of knowledge about the product and categorisation of organic food with natural food. The respondents had a view about organic food to be natural food being marketed with a new fancy name and charging them extortionary prices for that. Some consumers thought that buying organic is a new trend and producers just put a label on the product to better market it.

### **Trust**

The trust factor about organic food was revealed through the survey questionnaires about company reputation and image, and also their knowledge about the process of certification and requirements that are needed to be get certified as an organic food producer. A significant proportion of the participants showed that they lack the knowledge about certification about the products, while the others showed that certification is important, making it a significant factor that companies must use to market their products. Labelling with certification makes the organic foods more authentic and the health conscious customers feel a lot more trusting towards the consumption of those products. From the literature review we can relate that many consumers even care about the body that is providing the certification and the more stringent the rules, the more trust it creates among the customers. Majority of the consumers lack knowledge about the specific rules that producers have to fulfil before they can use a certification label and it is clear that more knowledge about this issue would greatly benefit the producers.

### **Availability of Organic products**

The product placement plays a big part in the success of organic products, and the survey reveals that consumers would be more interested to buy organic products if it was placed better in the stores. The range of products also plays a big role, if there is less choice in the organic food products, and then consumers will definitely go for conventionally produced foods. Consumers are not satisfied with the range of products they are being offered by the superstores. Not all stores have a dedicated organic section, and consumers face difficulty finding their desired products.

## **VI. Discussions**

This research paper is primarily based on theoretical and literature based findings about the influence of factors that influence consumer buying behaviour in the case of organic food products.

The paper also identifies gap in literature about consumer behaviour of organic food products, as there is little existing literature on practical research conducted to verify whether the factors identified through the theoretical investigation plays a significant role in cases of real life companies. Thus this piece of research contributes to the existing literature on the subject matter, chiefly through providing a practical insight.

The factors identified through the literature review are mainly relating to customer attitude, knowledge and motivational attributes of organic food products. It has been revealed that the knowledge about organic food varies greatly from customer to customer, and regular customers and non-regular customers have totally different concepts about the products attributes. Thus their purchase decisions also depend on different factors. For example, price is not a big deciding factor for regular customers, whilst it can be the sole deciding factor for non-regulars.

The factor of health issues gets the same level of attention from both regular and non-regular customers, thus showing us that the attribute of being a healthier choice of food is one of the key factors that can be exploited to market these products. Fotopoulos and Krystallis (2002) also agrees on that point, and argues that consumers are more likely to a buy a product that is known to be a healthier choice if there is enough availability. The factors of availability also play a major roloe, as hard to get products loses popularity among consumers. Certification of products is a misunderstood concept among many of the consumers and producers who fail to make the target consumers aware about the policies and regulations required to get certification perform poorly in the market.

## VII. Conclusions

This paper is a study of the consumer perception towards organic food products in the Bangladesh, which was carried out with the aid of questionnaires targeted at Bangladesh consumers. In the discussion part, the resemblances and discrepancies are summarized by a method of comparison. Despite the fact a few people responded, the study is capable of providing a new dimension about the attitude of consumers and their behaviour towards organic food. Analysis carried out on the socio-demographic scene of the country chosen for the research; show both young and senior age groups to be consumers for organic products. To spread the consumption of organic products to wider age groups and to change the general shopping trend towards organic products, the organic industry of Bangladesh needs to develop a more robust network of information along with improved infrastructure. Female consumers are dominant in the market however their male counterparts are getting more curious about organic food. Added to that, it was observed during the research that retail stores are popular when purchasing organic products as there is a lack of other sources to obtain the products. Purchasers expect to find more shops that sell organic goods in their locality and also more varieties in the organic products these stores stock. They would also prefer discounts and shops that are specialized.

The research that follows was carried out with the intention of measuring the information consumers know about organic products, the methods of production and labels. A lion's share of the consumers who responded to the survey believed that organic products were healthier containing high values of nutrition. They were also in unison, agreeing that organic-food production is compatible with nature and environment. They also believed that animals are respected, as the use of chemicals and organisms those are genetically modified, are avoided during farming. Also, the consumers were unaware of the importance of rules related to certification and policies in the market for organic-products.

The final step of the study was to look at motivations and obstacles that either facilitate or discourage consumption of organic goods. The first issue that motivates consumers to choose organic food is health. Support for organic enterprises and sustainability of these received the same ratings in all the surveys. It was also noticed that there is a concern among consumers to preserve resources for generations of the future, problems associated with safety of food. Consumers in general agreed that they preferred to purchase organic products because this would save the environment while supporting local small farmers. They also liked how the organic goods tasted. Added to that, higher price and lower availability were major obstacles for the consumers according to the survey.

As things stand, the market is inexperienced and developing. Problems which are both similar and different as depicted by the consumer are explained in this study. The Bangladesh organic food market would benefit from research and development of organic agriculture and once in conjecture with subsidies, more people will play a leading role in production of organic goods and the area on which organic farming is based, will increase. This will lead to a rise in production, and obstacles such as high prices, availability and ease of access in markets would be tackled. The producers should take into account the market at home and base their production for national consumers rather than for export purposes. More consumers should also be informed by the producers about issues such as certification and labels. Moreover producers are also encouraged to conduct studies on labels that are owned privately which would in turn ensure protection of customers with a reduction of confusions surrounding the product. The local producers are also encouraged to increase knowledge of customers regarding home-grown products, which will uphold their business in their vicinity. It is presumed that sales of organic-products would increase as more volume of organic-food carries the local indicator.

A limiting factor for this research paper is that the data that was collected from one locality only and overlooks the trend and socio- economic aspects of other locations. This calls for an extended study in smaller societies and in urban markets all over the country. Since this research deal with exploring a market that is growing in importance both theoretically and for practical purposes, the results may be used for further research into the organic food industry. Using quantitative approaches, further studies must be undertaken to fully comprehend consumers' reasoning to purchase organic products. Further studies should also be done to deepen the understanding of the association of consumed food to the producer and also into government policies that need to be put into effect.

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