



**A STUDY ON THE FACTORS INFLUENCING BUYING INTENTION
OF ORGANIC FOOD AMONG YOUNG PEOPLE IN KERALA**

Project Report

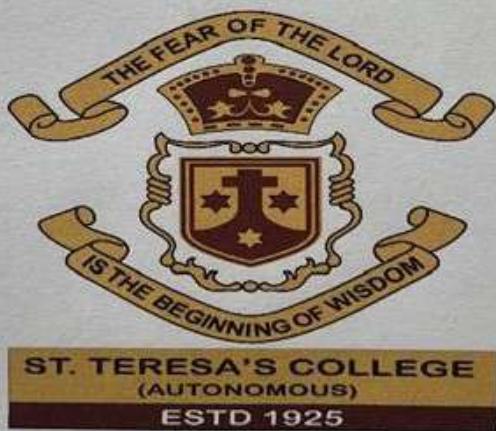
Submitted By

NAMITA MARIAM JOSEPH (Reg. No. SB22BMS018)

Under the guidance of

Dr. ANU RAJ

In partial fulfillment of the requirements for the award of the degree of
Bachelor of Management Studies (International Business)

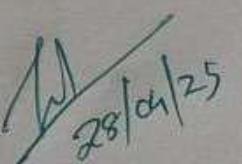


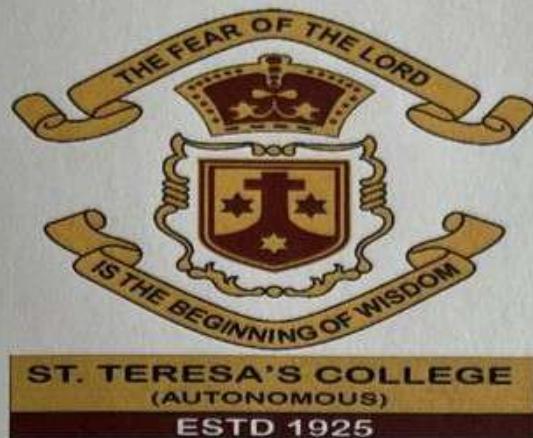
ST. TERESA'S COLLEGE (AUTONOMOUS), ERNAKULAM

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March 2025


Dr. TESSLA ARAKAL
28/03/25



CERTIFICATE

This is to certify that the project report entitled, "Study on the factors influencing buying intention of organic food among young people in Kerala", is a Bonafide record submitted by Ms. Namita Mariam Joseph, Reg. No. SB22BMS018, in partial fulfillment of the requirements for the award of the Degree of Bachelor of Management Studies in International Business during the academic years 2022-2025.

A handwritten signature in black ink, appearing to read "Alphonsa" or "Alphonsa Vijaya Joseph".

Date: 28/4/2025

Dr. Alphonsa Vijaya Joseph

PRINCIPAL



CERTIFICATE

This is to certify that the project report entitled, "Study on the factors influencing buying intention of organic food among young people in Kerala", is a Bonafide record submitted by Ms. Namita Mariam Joseph, Reg. No. SB22BMS018, in partial fulfillment of the requirements for the award of the Degree of Bachelor of Management Studies in International Business during the academic years 2022-2025.



Dr. ANU RAJ

INTERNAL FACULTY GUIDE

Date:

DECLARATION

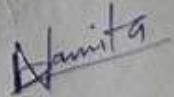
I, NAMITA MARIAM JOSEPH, Reg. No. SB22BMS018, hereby declare that this project work entitled "Study on the factors influencing buying intention of organic food among young people in Kerala" is my original work.

I further declare that this report is based on the information collected by me and has not previously been submitted to any other university or academic body.

Date: 26/04/2025

NAMITA MARIAM JOSEPH

Reg No. SB22BMS018



DECLARATION

I, NAMITA MARIAM JOSEPH, Reg. No. SB22BMS018, hereby declare that this project work entitled “Study on the Factors Influencing Buying Intention of Organic Food among Young People in Kerala” is my original work.

I further declare that this report is based on the information collected by me and has not previously been submitted to any other university or academic body.

Date:

NAMITA MARIAM JOSEPH

Reg No. SB22BMS018

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NAMITA MARIAM JOSEPH

EXECUTIVE SUMMARY

The organic food industry is gaining momentum as consumers become increasingly health-conscious and environmentally aware. This research investigates the factors influencing the buying intention of organic food among youth in Kerala, a demographic that represents a significant portion of the population and is increasingly health- and environmentally conscious. The study aims to fill the existing gap in literature regarding young consumers' motivations and barriers to purchasing organic products, providing insights that can inform businesses and policymakers in the organic food sector. The research identifies five key factors that impact the buying intention of organic food: health consciousness, environmental concern, trust in organic labelling, social media influence, and price sensitivity. Through a structured survey administered to a sample of young consumers, the study employs multiple regression analysis to assess the significance of these factors. Data was collected using primary data collection instruments, like surveys and secondary data collection instruments, like previously published research papers and articles. Convenience sampling was the sample technique employed, and 84 responses were gathered. Regression analysis was used to examine the relationship between independent variables (health consciousness, environmental concern, trust in organic labelling, social media influence, and price sensitivity) and the dependent variable (buying intention).

Findings from the study indicate that health consciousness, trust in organic labelling, and price sensitivity significantly influence the buying intention of young consumers. This suggests that young consumers prioritize personal health and authenticity in organic products over environmental concerns and social media influence when making purchasing decisions. Despite increasing awareness of organic food benefits, high prices and limited availability continue to act as barriers to wider adoption.

The study provides valuable insights for businesses, policymakers, and marketers to develop strategies that encourage organic food consumption among young consumers. Key recommendations include enhancing transparency in organic certifications, increasing affordability through government incentives, and implementing effective marketing campaigns to boost awareness. As young consumers are the future drivers of sustainable food consumption, addressing these factors can contribute to the growth of the organic food market and the promotion of healthier eating habits in Kerala.

CHAPTER-1

INTRODUCTION

1.1 INTRODUCTION

“Organic foods are products of holistic agricultural practices focusing on bio-diversity, soil health, chemical free inputs etc. with an environmentally and socially responsible approach that have been produced in accordance with organic production standards.” (FSSAI, 2017)

There has been a great shift in consumer demand for organic food products in the last couple of years, with more people demanding higher health and environmental awareness. Demand for organic food is increasing worldwide as well as in India, i.e., the state of Kerala, as more and more people are becoming environment- and health-conscious. Youth is a key consumer segment among different demographic groups because their taste and buying habits decide future market trends. Yet, in spite of this trend, the young Indian organic food shopping culture below the age of 35 years, which accounts for 70% of the country's population (Ministry of Youth Affairs and Sports, 2011), is not taken much in account for research and study purposes.

Many researchers have previously conducted their study on factors influencing the purchase intention of organic food products, however most of the researches is catered around middle aged or older age group of consumers. This one however provides a deeper insight into the minds of young consumers of organic food products in Kerala and gives a clear picture about the motives which influences them to purchase organic food. It is important to recognize the determinants of the organic food buying intention among young people in Kerala since they are the future market trend-setters. The evidence of youth opinions on organic food is inconclusive. *“On the contrary, research indicates that the young generation of Asia is more health- and environment-conscious than earlier generations” (Deliana & Rum, 2019).*

This study attempts to investigate the determinants influencing the purchase intention of organic food products among the youth in Kerala including health consciousness, environmental concern, social media influence, trust in organic labelling, and price sensitivity. Based on the knowledge of the contribution of the most crucial determinants, the study will be able to provide insight into the consumer mind, which will aid business and policymakers in framing effective strategies for organic food consumption. The findings of the present study will be helpful in overcoming the challenges of the adoption of organic food and ensuring the sustainable growth of the organic food market in Kerala.

1.2 RESEARCH PROBLEM

Although there is an increased global demand for organic food, Indian young consumers, specifically in Kerala, are still under researched. Organic food as a relatively healthier and more sustainable substitute for conventional food is accepted enormously by the young people due to numerous crucial considerations. This lack of certainty in what drives organic food and its effect on buying intention among young people in Kerala is an enormous gap in research. Lacking proper understanding of the factors that motivate or demotivate them, policymakers and firms might be unable to create effective marketing policies, awareness campaigns, and price structures to encourage organic food consumption. Hence, this study also attempts to explore and determine the key drivers influencing the purchase intention of organic food items among Kerala youth, thus impacting the organic food market's sustainable growth in the state.

1.3 LITERATURE REVIEW

Health Consciousness

Health consciousness refers to the desired state of well-being and focus to maintain a healthy life. Akhondan & et, 2015, defines Health consciousness as a degree of person involvements towards health in their daily life. Health consciousness is the “readiness to undertake health actions”. Therefore, consumers are now buying organic foods as an investment, which depicts the level of individuals’ awareness and concern about their health. (Charoenpanich, A.; Vongurai, R,2018). Previous studies have disclosed that health consciousness shows up as the most significant reason for purchasing and consuming organic foods, as people apparently believe that organic foods can benefit their health better than conventional foods (Yilmaz, B.S.; Ilter, B.,2017). It was stated by *Pham et al., 2018*, that Health consciousness is the most commonly stated motives for purchasing organic food by young consumers. Young consumers believed that organically grown foods are safer, better nutritional value and contribute to greater health benefits than conventional foods.

Environmental Concern

It refers to "people's awareness of the environmental issues and their willingness and support to resolve them" (Hu et al., 2010). Environmental concern shows emotions related to environmental issues (Lee, 2008), in other words, the environmental concern mentions of an emotional attribute, expressing anxiety, passion and attention to the environmental consequences (Yeung, 2004). A few studies (i.e., Nguyen and Nguyen 2016; Hassan, Loi and Kok 2015; Basha et al. 2015) have found that environmental concern was a major determinant of consumer purchase behaviour of organic food products. The increasing awareness on environmental degradation has changed consumer attitude to purchase more environmental-friendly and organic products (Basha et al. 2015). Nguyen and Nguyen (2016) concluded that young consumers with higher education levels have higher awareness of the effective environmental actions which influenced their purchase intentions of organic food. In contrast, Leong and Paim (2015) asserted that young Malaysian college students or consumers seldom take environmental issues into consideration when shopping for organic food. They further commented that environmental concern factor is a non-significant predictor of the purchase intentions of organic food products for this category of consumers.

Trust in organic labelling and certifications

Labelling is the primary means producers communicate with consumers, offering essential details about a product's characteristics, certifications, and production methods (Aitken et al., 2020). Well-designed labels empower consumers to make informed choices and establish trust and credibility in the organic food industry. But customer awareness, perceptions, and the legitimacy and openness of the certification process affect the trust. A study conducted by Lamonaca, Cafarelli, Calcutti & Tricase (2022) shows that the perception of organic food as being safer, healthier, and more environmentally sustainable is greatly influenced by the specific information provided on food labels. There is a favourable relationship found between increased consumer perception and the amount of information offered on food labels. However, trust issues persist, as consumers are wary of organic food producers and marketers due to greenwashing practices, which lead to scepticism, product distrust, and an increased risk of purchasing substandard products (Aji & Sutikno, 2015; Junior et al., 2019). In addition, it is worth noting that the availability of sufficient information on organic food product labels is crucial for shaping consumer attitudes and purchasing behaviour. Organic food products with

a lack of comprehensive information can lead to negative perceptions and decreased consumer interest in them (Aitken et al., 2020; Schwartz et al., 2020).

Social Media Influence

The existence of social media has become an integral element of business in the last decade (Felix et al., 2017) in terms of marketing of newly developed food (Panagiotopoulos et al., 2015), and social media influencers are self-labelling people. As a marketing tool, social media has opened up other marketing channels to reveal organic food (Kilgour et al., 2015). Marketing products using social media is one way today to brand activation swiftly. Food producers could collaborate with the government to form a positive image of green products, including organic food, to help consumers being optimistic about green products (Sun and Wang, 2019). Consumer knowledge and awareness will be increased by adequate information communicated to consumers regarding the benefits of organic foods. Furthermore, the central idea behind advertising is to make use of the endorsers' fame to attract prospective customers and affect their awareness, knowledge, and purchasing behaviour (Pandey, S.; Srivastava, S., 2016.). Hill and Lynch (2002) found that some consumers perceived organic food to be a fashionable product which conveys exclusive status because of considerable coverage in the media, promotional campaigns and the higher prices linked with organic food.

Price Sensitivity

Price sensitivity refers to the degree to which **consumers' purchasing decisions are influenced by changes in price**. In general, organic items are more sensitive to price than non-organic products. This is because the extra expenses associated with creating and certifying organic goods frequently result in their higher price. The degree of price sensitivity does, however, change for various organic product categories and customer demographics. Numerous studies have investigated the willingness of consumers to pay more for organic foods (. Oroian, C.E.; Safirescu, C.O.; Harun, R.; Chiciudean, G.O.; Arion, F.H.; Muresan, I.C.; Bordeanu, B.M, 2017), and discovered that, due to the perceived price premium requested by organic produce, those with more disposable revenue are more likely to be in a position to purchase organic food. Following Pearson, Henryks, & Sultan (Pearson, D.; Henryks, J.; Sultan, P.; Anisimova, T, 2013), to some consumers, organic food's high prices suggest a high-ranking quality, which is attractive to them, while others are discouraged by the higher cost, due to priorities set in their budgets. Organic products are perceived healthier than conventional food products resulted in people seeking healthier-lifestyle willing to pay extra for organic food

(Dauncey, 2002). Often young consumers have limited resource of money, and this can act as a barrier in consumption of it (Nasir and Karakaya, 2014). In addition, Organic food is seen as more of a ‘luxury good,’ where the higher price tag gives the purchaser a feeling of high product quality and social esteem (Govindasamy, DeCongelio, Italia, Baobour & Anderson 2001).

Buying Intention

The concept of buying intention refers to the likelihood of a buyer acquiring a specific product after numerous inducements from the consumer (Alqaysi and Zahari, 2022). Intention is related to proximal measure of actual behaviour. As per Peña-García et al. (2020), the buying intent is a condition between the shopper and the vendor; this condition is triggered when the buyer is prepared to accept the offer from the vendor. Factors such as price, perceived quality, and perceived value can significantly influence purchase intention. The purchasing process is influenced by both internal and external factors for buyers (Kim, 2020). Buying intention has been vastly studied, especially in marketing example like green marketing (Nguyen et al., 2016). Prestwich et al. (2011) defined buying intention as the perceived value of a product that pushes the buyer to buy the same.

Examining Gen Z Consumers' Purchase Intention Towards Organic Food In Coimbatore City (Kavipriya R, Kumarasamy T, T. S. Sreenidhi,2024)

This study examines Gen Z consumers' purchase intentions towards organic food in Coimbatore City. The organic food industry is experiencing growth due to changing consumer attitudes and increased awareness of health and environmental issues. This is especially noticeable among Gen Z, who are becoming more conscious of their consumption's impact on the planet. The COVID-19 pandemic has further driven consumers to adopt healthier and more sustainable eating habits. The study involved distributing a structured questionnaire to 219 Gen Z participants, focusing on health awareness, environmental concerns, product quality, price sensitivity, and social influences. Structural Equation Modelling (SEM), Factor Analysis, and One-Way ANOVA were used to analyse the data. Results indicate that regular buyers of organic food have stronger purchase intentions, motivated by health benefits, environmental sustainability, and perceived product quality. Despite awareness, purchase decisions are greatly impacted by prices and social influences. No significant links were found between demographic factors like age, education, and income, and purchase intentions, suggesting similar reasons for opting for organic food across various backgrounds. This highlights the increasing popularity of conscious consumption among Gen Z and provides insights for

stakeholders looking to engage with the expanding organic food industry in Coimbatore. The research identified eight key dimensions influencing Gen Z consumers' purchase intention: health consciousness, environmental concerns, quality perception, purchase intention, price sensitivity, social influence, availability, and ethical concerns. Health awareness and environmental concerns are primary drivers, with quality perception also significantly influencing buying decisions.

Factors Influencing Millennials' Purchase Intention of Organic Food (Harsheshkumar Ramanlal Patela , Mahendra Sharmab , Rajen Purohitc ,2023)

This study investigates the factors influencing millennials' purchase intentions of organic food, specifically in the context of India. The research examines the impact of attitude, environmental concern, sensory appeal, trust in organic food, and willingness to pay a price premium on millennials' decisions to buy organic food products. It also explores the direct and indirect effects of trust in organic food on purchase intention. The study found that willingness to pay a price premium, attitude, and trust in organic food significantly influence purchase intention. Additionally, environmental concern and sensory appeal have a positive impact on consumers' attitudes toward organic food products. Trust in organic food also positively influences willingness to pay a price premium. The study confirms that trust in organic food has a more indirect effect than a direct effect on millennials' purchase intention. Data was collected from 227 millennials through an online survey and analysed using confirmatory factor analysis (CFA) and structural equation modelling (SEM). The study highlights the importance of developing marketing strategies that foster a positive attitude towards organic food and instil trust in organic food to influence consumers' willingness to pay extra. This research contributes insights into millennials' purchase intentions regarding organic food, especially how environmental concern, sensory appeal, trust, and willingness to pay a premium play a role in their consumption decisions. The direct and indirect effects of trust are also examined.

Assessing the Young Consumers' Motives and Purchase Behavior for Organic Food: An Empirical Evidence from a Developing Nation (Song Bee Lian, Liew Chee Yoong,2019)

The study attempts to investigate the young consumers' motives to purchase organic food in a developing nation (Malaysia). Four key motives of food safety concern, health consciousness, affordability and environment concern are examined in this study. Consumers' purchase behaviour is represented by purchase intentions and actual purchase. The questionnaires used was administered to a convenience sample of 398 young consumers from Kuala Lumpur and

Petaling Jaya, Malaysia, through a self-administered questionnaire. Data were analysed using Structural Equation Modelling and five hypotheses were tested. The findings reported that food safety concern, health consciousness, and environment concern have significantly influenced purchase intentions of organic food. Purchase intentions is positively correlated to the actual purchase of organic food. There was no significant effect of affordability on purchase intentions.

Purchase Intention towards Organic Food among Undergraduate Students (Yaty Sulaiman, Wanna Prommanop Eh Kan, Maruf Gbadebo Salimon ,2020)

This study examines the factors influencing undergraduate students' intentions to purchase organic food, focusing on students at University Utara Malaysia. The study uses the Planned Behaviour Theory model to predict behaviour, examining health awareness, environmental concerns, knowledge, and subjective norms as variables influencing purchase intentions. The study found all variables to be significant in influencing the intention to purchase organic food. Consumers today are more concerned about their diet, health, and the environment. Organic foods, free from synthetic pesticides and chemical fertilizers, are considered healthier due to their higher vitamin and protein content. Commercial advertisements have increased awareness of organic farming. However, many still do not fully understand what organic food is and how it differs from conventional food. Organic food demand has increased, leading to rapid growth in the organic food market because consumers perceive it as safer, more nutritious, and tastier than conventional food. Organic agriculture combines environmental practices with biodiversity, natural preservation, and high animal welfare. Despite increased demand, the development of organic agriculture is slow. Price is a significant factor, with organic fruits and vegetables often costing double that of ordinary goods. Consumers with positive attitudes toward purchasing organic food tend to make actual purchases. Health issues, environmental concerns, knowledge, perceived quality, and food safety are among the many factors that motivate the purchase of organic food.

What Motivates Young Indian Consumers to Buy Organic Food? (Gurmeet Kaur Matharu, Tania von der Heidt, Golam Sorwar & Achchuthan Sivapalan, 2021)

This paper explores the factors motivating young Indian consumers to purchase organic food (OF). It addresses the gap in empirical research on what drives organic food purchases among young Indians and how these intentions translate into actual buying behaviour. The study uses the theory of planned behaviour (TPB) to model the antecedents of organic food purchase

intention and its relationship with purchase behaviour. Data was collected via surveys from 401 students in higher education in North India, and structural equation modelling was used for analysis. The study found that attitude toward organic food purchases and subjective norms significantly influence organic food purchase intention, which in turn strongly predicts organic food purchase behaviour. These findings can help organic food producers and marketers in India and internationally to better tailor their strategies to this demographic. The research incorporates a wide set of potential antecedents of OFPI, including attitude toward OF purchases, subjective norm, perceived consumer effectiveness, perceived quality of product (PQ), and price consciousness (PC). It focuses on understanding purchase intention and behaviour related to OF in the Indian context, specifically among young consumers aged 18 to 30, while capturing additional demographic variables. The study corroborates existing knowledge that OFPI positively influences OFPB, even in an Indian context. The findings point to a unique adaptation of the TPB comprising just two salient antecedents (attitude and subjective norms) as predictors of young consumers OF purchase intention, but not perceived quality of product or price consciousness.

1.4 SIGNIFICANCE OF THE STUDY

This research investigates the determinants of the buying intention of organic food among the youth in Kerala, offering implications for firms, policymakers, and consumers. The knowledge of these determinants will facilitate stakeholders to overcome obstacles, develop opportunities, and enhance organic food adoption. A sustainable consumer market needs coordination between government agencies, businesses, and awareness groups. The results will help businesses streamline marketing strategies, aid policymakers to create effective policies, and motivate educational institutions and influencers to promote organic food. Through the study of these key factors influencing youth organic food consumption, this research hopes to boost consumer confidence, enhance accessibility, and support the sustainable development of the organic food market in Kerala.

1.5 SCOPE OF STUDY

The research aims to examine the important determinants of buying intention of organic food products among youth in Kerala. Based on an understanding of these organic food consumption determinants, the research provides insights into consumer behaviour, market forces, and business prospects in the region. This study will educate young, health-conscious consumers to make the right decisions while encouraging companies to align their marketing strategies with consumer demands. It will also assist policymakers in formulating programs for organic food adoption and sustainability. Besides, the results will benefit to expand the market, expand access to organic food, and raise awareness among young consumers. This, in turn, is able to drive development of the organic food industry, generate economic opportunities, and result in overall development towards a healthier and more sustainable society.

1.6 OBJECTIVES OF STUDY

- To examine the impact of health consciousness on the buying intention of organic food among youth in Kerala.
- To evaluate the influence of environmental concern on consumers' preference for organic food products.
- To analyse the role of trust in organic labelling and certifications in shaping consumers' willingness to purchase organic food.
- To investigate the effect of social media on consumers' awareness and intention to buy organic products.
- To assess the role of price sensitivity in determining organic food purchase decisions among young consumers.

1.7 RESEARCH METHODOLOGY

The study examines the impact of Health Consciousness, Environmental Concern, Social Media Influence, Trust in Organic Labelling and Certifications, and Price Sensitivity on buying intention for organic products among young people in Kerala. A structured survey was designed, incorporating validated measures from existing literature to ensure accuracy and relevance. The collected data were analysed using Multiple Regression Analysis to assess the statistical significance of these factors. The findings provide valuable insights for businesses, policymakers, and marketers to develop effective strategies for promoting organic food consumption and ensuring the sustainable growth of the organic food market in Kerala.

1.7.1 Defining variables

Dependent Variable:

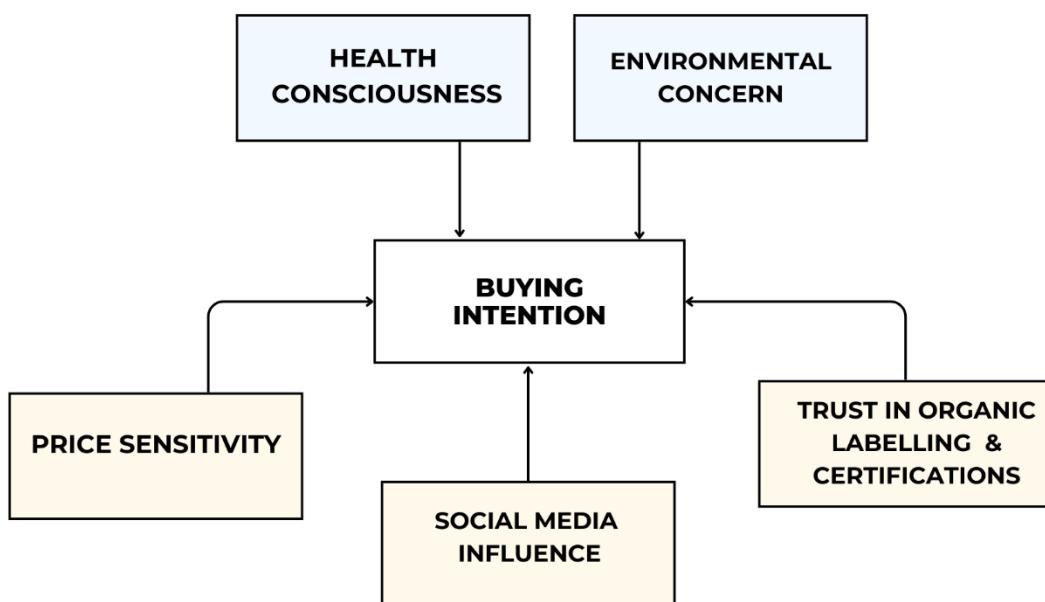
1. **Buying Intention** – The likelihood of consumers purchasing organic products. It reflects consumers' willingness to choose organic food based on various influencing factors.

Independent Variables:

2. **Health Consciousness** – The degree to which consumers are aware of and concerned about their health, influencing their preference for organic food due to perceived health benefits.
3. **Environmental Concern** – The level of awareness and sensitivity consumers have towards environmental issues, which can drive them to prefer organic products as they are seen as more sustainable and eco-friendlier.
4. **Trust in Organic Labelling and Certifications** – The extent to which consumers trust organic certifications and labels, impacting their confidence in the authenticity and quality of organic products.
5. **Social Media Influence** – The effect of social media platforms, influencers, and digital marketing in shaping consumer perceptions and purchase intentions regarding organic food.

6. **Price Sensitivity** – The degree to which consumers' purchasing decisions are influenced by the price of organic products. Higher prices may act as a barrier, while perceived value may justify premium pricing for some consumers.

1.7.2 Conceptual Model



1.7.3 DATA COLLECTION

Data collection is the systematic process of gathering and measuring information on specific variables within an established framework. This process enables researchers to address pertinent questions and assess outcomes effectively.

Researchers commonly employ two primary methods for data collection: primary data collection and secondary data collection. Primary data collection involves obtaining first-hand information directly from sources through techniques such as observation, interviews, questionnaires, case studies, projective techniques, and schedules. On the other hand, secondary data refers to pre-existing information, which can be accessed from published or unpublished sources. Examples of published sources include government reports, public records, and bank data. Unpublished sources may consist of letters, diaries, unpublished biographies, and similar documents.

In the research context, questionnaires were utilized as the primary tool for collecting primary data. Meanwhile, secondary data was leveraged to investigate the factors impacting the purchase intention. It also played a key role in the study's introduction and literature review. All secondary data used was sourced from prior research studies and credible online resources.

1.7.4 SAMPLING

1.7.4.1 POPULATION

A population is a group of elements that share some or all their characteristics. The population size is determined by the number of elements in the population. In this survey, the population comprises of consumers within the Age range of 18 - 60, most of them belonging to the age group and 26 – 35 age group.

1.7.4.2 SAMPLE SIZE

The study was conducted with 84 respondents, considering time constraints and available resources. Consumers of organic food across Kerala were surveyed using a structured questionnaire.

1.7.4.3 SAMPLING TECHNIQUE

In this study, convenience sampling has been used by choosing participants from different demographics, focusing more among the youth. This targeted selection helps ensure that the sample aligns with the study's objectives while maintaining a manageable data collection process. Additionally, by focusing on accessible respondents, the researcher aimed to enhance response rates and obtain meaningful insights within the given timeframe.

1.7.4.4 TOOLS USED FOR DATA COLLECTION

The questionnaire is carefully designed by the researcher to meet the research requirements. Initial questions are based on the respondent demographics. However, it significantly concentrates on questions about Health Consciousness, Environmental Concern, Social Media Influence, Trust in Organic Labelling and Certifications, and Price Sensitivity on buying intention for organic products among young people in Kerala.

The questionnaire mainly consists of Likert scales ranging between 1 – Strongly Disagree, 2 – Disagree, 3 – Neutral, 4 – Agree, 5 – Strongly Agree.

1.7.5 STATISTICAL ANALYSIS TECHNIQUE

This study employs Multiple regression analysis to examine the impact of independent variables—health consciousness, environmental concern, trust in organic labelling, social media influence, and price sensitivity—on the dependent variable, buying intention of organic products. Regression analysis helps determine the strength and significance of these relationships, allowing for a deeper understanding of consumer preferences. The statistical significance of each factor is assessed using p-values, while the model's explanatory power is evaluated through R-squared (R^2) values.

Additionally, ANOVA (Analysis of Variance) is used to test the overall model fit, ensuring that the chosen variables significantly predict buying intention. These statistical tools provide actionable insights for businesses and policymakers to enhance organic food adoption strategies.

1.8 LIMITATIONS OF STUDY

- One major limitation was the time constraints.
- Convincing people to fill in the questionnaire was also an issue.
- One of the major constraints – Findings of the survey are based on the assumptions that the respondent has given an accurate response.

CHAPTER- 2

INDUSTRY PROFILE

Food Industry

The global food industry is a vast and ever-evolving sector valued at over \$9 trillion, playing a crucial role in feeding the world's population while driving economic growth and employment. It encompasses various segments, including agriculture, food processing, packaging, retail, and food services. With rapid advancements in technology, shifting consumer preferences, and increasing concerns over sustainability, the industry is undergoing significant transformations. The demand for convenient, healthy, and ethically sourced food has led to the rise of organic, plant-based, and functional foods, while food processing innovations ensure longer shelf life and improved safety. The rise of e-commerce and direct-to-consumer models has reshaped food retail, with supermarkets, hypermarkets, and online delivery platforms such as Amazon Fresh, Zomato, and Uber Eats making food more accessible. Sustainability has become a major focus, with initiatives such as sustainable packaging, food waste reduction, and ethical sourcing gaining traction worldwide. However, the industry faces several challenges, including supply chain disruptions, rising production costs, food security concerns, and environmental issues such as deforestation and water scarcity. Governments are implementing stricter food safety regulations, ensuring transparency in labelling and enhancing food traceability. The future of the global food industry will be driven by emerging trends such as AI-driven food production, lab-grown meat, and personalized nutrition, alongside a stronger push toward sustainable and climate-resilient agriculture. As global demand continues to rise, innovation and sustainability will be key factors in shaping a more efficient, safe, and environmentally responsible food industry.

Overview of the Organic Food Industry

The organic food industry is a rapidly expanding sector within the global food market, driven by increasing consumer preference for healthy, chemical-free, and environmentally sustainable food products. Organic food refers to agricultural products cultivated using natural farming methods that exclude synthetic pesticides, chemical fertilizers, genetically modified organisms (GMOs), and artificial preservatives. This industry has grown significantly over the past decade due to rising health consciousness, environmental concerns, and government support for sustainable agriculture. The global organic food market, valued at over USD 200 billion in 2023, is projected to reach USD 366.66 billion by 2029, growing at a CAGR of 12.83%. The United States, Germany, France, China, and India are among the largest markets for organic food, with demand increasing across both developed and emerging economies. Consumers are

increasingly choosing organic fruits, vegetables, dairy products, meat, grains, and processed organic food as part of a healthier and more sustainable lifestyle. The industry is supported by strict certification and regulatory frameworks, such as USDA Organic (USA), EU Organic (Europe), and India Organic (India), ensuring transparency and trust in organic labelling. Retail chains, supermarkets, organic specialty stores, and e-commerce platforms have made organic food more accessible, with online sales contributing significantly to industry growth. Additionally, technological advancements such as blockchain-based food traceability, AI-driven organic farming, and sustainable packaging solutions are further enhancing the efficiency and credibility of the sector. Despite its rapid growth, the organic food industry faces several challenges, including higher production costs, limited availability, shorter shelf life, and consumer scepticism regarding authenticity. However, government subsidies, farm-to-table initiatives, and increased investment in organic agriculture are helping to address these issues. As demand for eco-friendly, ethically sourced, and nutritious food continues to rise, the organic food industry is expected to play a crucial role in shaping the future of global food consumption.

Organic Food Industry in India

The organic food industry in India is experiencing rapid growth, driven by increasing health awareness, environmental concerns, and government support for organic farming. India is one of the largest producers of organic food globally, with a strong agricultural heritage and a favourable climate for organic farming. The Indian organic food market, valued at USD 1.5 billion in 2022, is projected to grow at a CAGR of 20%, making it one of the fastest-growing organic markets in the world.

Key Drivers of the Indian Organic Food Industry

1. Government Initiatives and Policies

- The **National Program for Organic Production (NPOP)** regulates organic certification and export policies.
- The **Paramparagat Krishi Vikas Yojana (PKVY)** promotes organic farming by providing financial assistance to farmers.
- The **Jaivik Bharat Certification** ensures transparency and standardization in organic food labelling.

2. Increasing Consumer Awareness

- Rising concerns over pesticide residues, food adulteration, and lifestyle diseases have led consumers to shift towards organic food.
- Urban consumers, particularly in metros like Delhi, Mumbai, Bengaluru, and Chennai, are driving demand for organic fruits, vegetables, grains, dairy, and pulses.

3. Expansion of Retail and E-Commerce

- Major supermarkets, specialty organic stores, and online platforms such as Amazon, Big Basket, and Organic India are making organic food widely available.
- Direct-to-consumer (DTC) brands and farm-to-table models are becoming popular.

4. Growth in Organic Exports

- India is a significant exporter of organic tea, spices, rice, pulses, and processed organic foods to markets in the US, EU, and Middle East.
- Export demand is rising due to India's competitive pricing and government support for organic certifications.

Organic Food Industry in Kerala

The organic food industry in Kerala is growing steadily, driven by government initiatives, increasing consumer awareness, and the state's strong agricultural heritage. Kerala has been at the forefront of sustainable agriculture and organic farming, with a focus on chemical-free, eco-friendly, and locally sourced food products. The state's tropical climate, fertile soil, and traditional farming practices make it an ideal location for organic cultivation. Regarding the market share within India, specific data for Kerala's contribution to the national organic food market is limited. However, Kerala has been recognized as a significant player in the organic sector. The state has seen a rising demand for organic products, attracting various companies, including agricultural startups, to enter the market. Additionally, regions like Kannur in Kerala are emerging as hotspots for organic cultivation and retailing, indicating the state's growing prominence in the organic food industry. While precise figures for Kerala's market share are

not readily available, the state's proactive approach towards organic farming and the increasing consumer demand suggest that Kerala holds a notable position in India's organic food market.

Key Drivers of the Organic Food Industry in Kerala

1. Government Support and Policies

- The Kerala government has introduced several initiatives to promote organic farming, including:
 - **Kerala Organic Farming Policy:** Launched to encourage farmers to switch to organic cultivation.
 - **Subhiksha Keralam:** A food security project focusing on organic farming.
 - **Organic Certification Schemes** to ensure credibility and trust among consumers.
- Various subsidies and training programs are provided to help farmers adopt organic farming methods.

2. Growing Consumer Awareness and Demand

- Consumers in Kerala are becoming more health-conscious, leading to higher demand for organic vegetables, spices, dairy products, rice, and fruits.
- Organic food is increasingly available in supermarkets, organic stores, and online platforms.
- Urban centres like Kochi, Thiruvananthapuram, and Kozhikode are witnessing a rising demand for organic food products.

3. Kerala's Strength in Organic Farming

- Kerala is known for its organic spices, tea, coffee, cashew, coconut, and rice production.
- Many small-scale farmers and cooperatives have shifted to chemical-free, sustainable agriculture.
- The state is also promoting home-based organic vegetable farming through local self-government bodies.

4. Rise of Organic Markets and E-Commerce

- Several organic markets and farmer cooperatives have emerged, ensuring direct sales from farmers to consumers.

- Online platforms like Amazon, Big Basket, and specialized organic stores are making organic food more accessible.
- Farmers' markets and weekly organic bazaars are becoming popular, allowing consumers to buy fresh, chemical-free produce directly from farmers.

Indian Organic Labelling and Certifications

To maintain the integrity of organic food products, India has implemented a stringent certification and labelling system to distinguish organic products from conventional ones. The primary certification bodies and standards include:

- **National Programme for Organic Production (NPOP)** – Managed by the Agricultural and Processed Food Products Export Development Authority (APEDA), NPOP sets the guidelines for organic farming and ensures compliance with international organic standards.
- **Participatory Guarantee System (PGS-India)** – A decentralized certification system designed for the domestic organic market, making it more accessible for small and marginal farmers.
- **Jaivik Bharat** – An initiative by the Food Safety and Standards Authority of India (FSSAI) that mandates proper labelling and ensures consumer confidence in organic products.
- **USDA Organic and EU Organic Certifications** – Required for Indian organic food products to be exported to the USA and Europe, ensuring they meet global organic farming standards.

Proper labelling and certification help consumers make informed choices and prevent the misrepresentation of conventional food as organic. The stringent guidelines also enhance the credibility of Indian organic products in international markets.

Trends in the Organic Food Industry

The organic food industry is rapidly evolving due to changing consumer preferences, technological advancements, and sustainability concerns. Consumers are shifting towards organic, chemical-free, and eco-friendly food, driving businesses and governments to focus on sustainable agriculture and stricter regulations. A key trend is the rising demand for health and wellness products, as people become more aware of the harmful effects of pesticides, preservatives, and GMOs. Functional foods like organic superfoods, plant-based proteins, and probiotics are gaining popularity. The growth of plant-based and vegan foods has increased demand for organic dairy alternatives and meat substitutes. The expansion of e-commerce has made organic food more accessible, with platforms like Amazon, Big Basket, and Organic India offering home delivery. Sustainability is also a priority, with regenerative farming, blockchain traceability, and urban farming (hydroponics, aquaponics) gaining traction. Stricter organic certification regulations ensure product authenticity, while AI, IoT, and automation improve farming efficiency. The rise of organic convenience foods, including ready-to-eat meals, snacks, and beverages like cold-pressed juices and kombucha, caters to busy lifestyles. Companies are also adopting sustainable packaging and zero-waste initiatives, promoting biodegradable materials and refillable shopping options. The farm-to-table movement supports local organic farmers, strengthening regional food economies. Governments worldwide, including India's PKVY and NPOP programs, are encouraging organic farming through subsidies and training. As organic food demand grows, industry innovations will shape a healthier and more sustainable future.

Challenges in the Organic Food Industry

Despite the rapid growth of the organic food industry, several challenges hinder its widespread adoption. High production costs due to labour-intensive farming, lower yields, and expensive natural fertilizers make organic food costlier and less affordable for middle- and lower-income consumers. Limited availability and accessibility remain issues, as organic products are mostly found in urban supermarkets and online platforms, with rural areas having fewer options. The shorter shelf life of organic food, caused by the absence of preservatives, leads to spoilage and food waste, requiring better cold storage and transportation infrastructure. Certification and trust issues also pose a challenge, as obtaining organic certification is costly and time-consuming, making it difficult for small farmers to compete. Additionally, fraudulent organic labelling and lack of strict enforcement reduce consumer confidence. The organic food supply

chain is vulnerable to climate change, weather risks, and inefficient logistics, leading to inconsistent supply and higher costs. Price barriers further restrict market reach, making organic food a premium product mainly for high-income consumers. Despite government initiatives, organic farmers receive fewer subsidies than conventional farmers, limiting their ability to scale operations. Lack of consumer awareness and confusion between organic, non-GMO, and natural products also slow down market growth. Lastly, competition from conventional and GM foods remains strong, with large agribusinesses offering cheaper alternatives. Many brands market "natural" or "eco-friendly" foods, diverting attention from truly organic products. Addressing these challenges through policy support, affordability, and better infrastructure is key to expanding the organic food industry.

Why Study Buying Intention of Young People in Organic Food?

The buying intention of young people in organic food is an important area of study as youth consumers are key drivers of market trends and sustainable consumption. Their purchasing behaviour influences future food markets, environmental sustainability, and public health. Understanding why young people choose or avoid organic food can help businesses, policymakers, and farmers develop better strategies to promote organic consumption and support sustainable agriculture. One of the main reasons for studying young consumers' buying intentions is their growing awareness of health and wellness. With rising concerns about food safety, pesticide exposure, and processed food consumption, young people are increasingly seeking healthier and more natural food choices. Organic food is perceived as a chemical-free and nutrient-rich alternative, making it attractive to health-conscious youth. However, despite their awareness, factors like price, availability, and trust in organic labelling may influence their decision to purchase organic food. Another critical factor is environmental consciousness. Young consumers are more eco-conscious than previous generations and are actively involved in climate change movements, sustainability campaigns, and ethical consumption. Organic farming promotes soil conservation, biodiversity, and reduced carbon emissions, aligning with the values of young consumers who support environmentally responsible brands and businesses. By studying their buying intention, stakeholders can understand how environmental concerns impact organic food choices. Additionally, the role of social media and digital influence is significant in shaping young consumers' food preferences. With the rise of health influencers, nutritionists, and fitness experts on platforms like Instagram, YouTube, and TikTok, young people are constantly exposed to organic food trends, diet tips, and sustainable lifestyle choices. Studying their buying behaviour helps marketers and organic food brands

develop effective promotional strategies that resonate with their digital habits. Despite the positive factors, barriers such as high costs, lack of availability, and scepticism about organic certification can deter young consumers from purchasing organic food. Many young people are price-sensitive and may prioritize affordability over sustainability, making it important to study how pricing strategies and promotional offers can encourage them to choose organic products. From a business perspective, young consumers represent the future market for organic food. Their preferences today will shape long-term demand, investment in organic agriculture, and government policies related to sustainable food systems. By understanding their buying intention, businesses can create affordable, accessible, and trustworthy organic food options, ensuring greater adoption and growth of the organic food sector.

CHAPTER-3

DATA ANALYSIS AND

INTERPRETATION

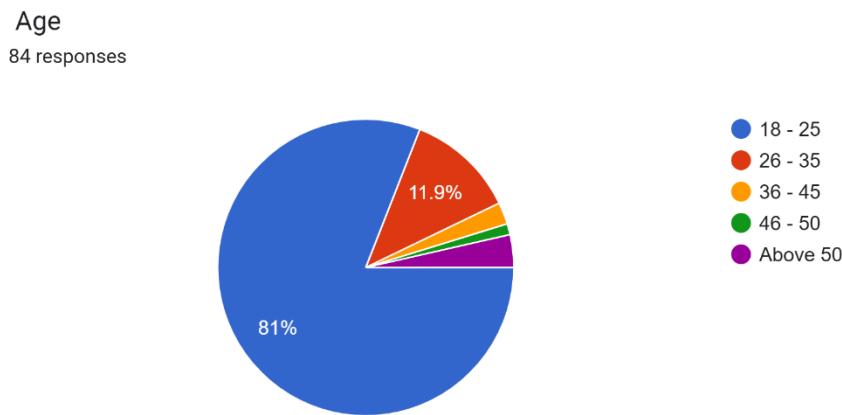
3.1 DESCRIPTIVE STATISTICS

3.1.1 Demographic Representations

To understand the composition of the sample, various demographic factors such as age, gender, occupation, and income level were analysed.

| Age | | | | | |
|---------|-----------|---------|---------------|--------------------|--|
| | Frequency | Percent | Valid Percent | Cumulative Percent | |
| Valid 1 | 68 | 81.0 | 81.0 | 81.0 | |
| 2 | 10 | 11.9 | 11.9 | 92.9 | |
| 3 | 2 | 2.4 | 2.4 | 95.2 | |
| 4 | 1 | 1.2 | 1.2 | 96.4 | |
| 5 | 3 | 3.6 | 3.6 | 100.0 | |
| Total | 84 | 100.0 | 100.0 | | |

Table 3.1.1(a) Table showing respondents' age



Graph 3.1.1(a) Graph showing respondents' age

Majority of respondents (81%) fall within the 18–25 age group, indicating that young adults constitute the primary demographic for this study. This is particularly relevant to the research on factors influencing consumer preference for organic products, as younger consumers are often more aware of health trends, environmental concerns, and sustainable consumption practices.

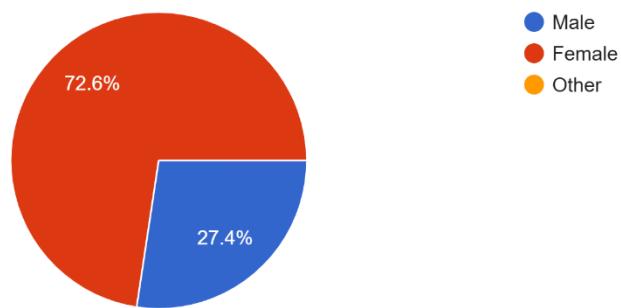
Gender

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-----------|---------|---------------|--------------------|
| Valid 0 | 61 | 72.6 | 72.6 | 72.6 |
| 1 | 23 | 27.4 | 27.4 | 100.0 |
| Total | 84 | 100.0 | 100.0 | |

Table 3.1.1(b) Table showing respondents' gender

Gender

84 responses

*Graph 3.1.1(b) Graph showing respondents' gender*

The survey results indicate that the majority of respondents (72.6%) are female. This is a significant factor in analysing consumer preferences for organic products, as previous studies suggest that women are generally more health-conscious and environmentally aware in their purchasing decisions.

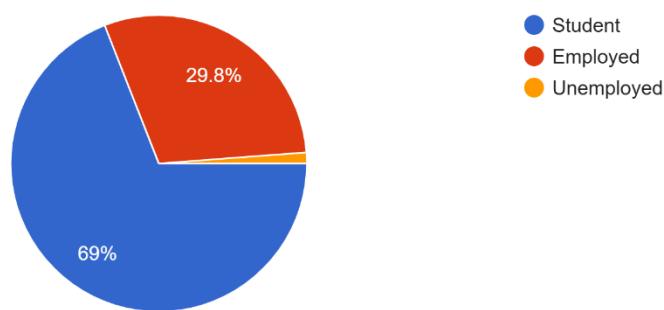
Occupation

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-----------|---------|---------------|--------------------|
| Valid 1 | 58 | 69.0 | 69.0 | 69.0 |
| 2 | 25 | 29.8 | 29.8 | 98.8 |
| 3 | 1 | 1.2 | 1.2 | 100.0 |
| Total | 84 | 100.0 | 100.0 | |

Table 3.1.1 (c) Table showing respondents Occupation.

Occupation

84 responses



Graph 3.1.1 (c) Graph showing respondents Occupation.

The survey findings show that the majority of respondents (69%) are students. This is an important aspect of the study, as students often have distinct consumption patterns influenced by factors such as budget constraints, lifestyle choices, and access to information through digital platforms. Their preference for organic products may be driven by health awareness, environmental consciousness, or social influence. Understanding the motivations and barriers faced by students in choosing organic products can provide valuable insights for marketers and policymakers in promoting sustainable consumption among young consumers.

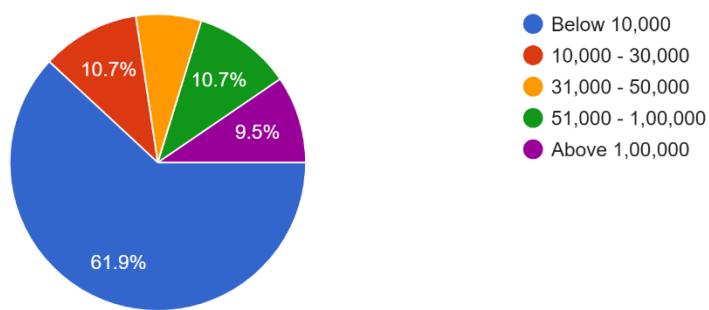
Income Level

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-----------|---------|---------------|--------------------|
| Valid 1 | 52 | 61.9 | 61.9 | 61.9 |
| 2 | 9 | 10.7 | 10.7 | 72.6 |
| 3 | 6 | 7.1 | 7.1 | 79.8 |
| 4 | 9 | 10.7 | 10.7 | 90.5 |
| 5 | 8 | 9.5 | 9.5 | 100.0 |
| Total | 84 | 100.0 | 100.0 | |

Table 3.1.1 (d) Table showing respondents Income Level.

Income Level

84 responses



Graph 3.1.1 (d) Graph showing respondents Income Level.

The survey results reveal that the majority of respondents (61.9%) fall within the income level of below ₹10,000. This indicates that a significant portion of the participants have limited financial resources, which may influence their purchasing decisions regarding organic products. Price sensitivity is often a key factor in consumer behaviour, especially for individuals with lower income levels. Understanding how affordability, perceived value, and accessibility impact their preference for organic products can provide insights into potential strategies for making organic options more appealing and accessible to budget-conscious consumers.

INFERENTIAL STATISTICS

To analyse the impact of Health Consciousness, Environmental Concern, Social Media Influence, Trust in Organic Labelling and Certifications and Price Sensitivity—on the dependent variable, Buying Intention, a multiple linear regression analysis was conducted. By analysing these relationships, it can help to determine the significance and strength of each factor in shaping consumer preferences for organic products. The most influential factors affecting buying intention of organic food among youth can be found through multiple linear regression.

3.2 HYPOTHESIS TESTING

The following hypotheses are generated to better understand the link between

1. Health Consciousness and Buying Intention
2. Environmental Concern and Buying Intention
3. Trust in Organic Labelling &Certifications and Buying Intention
4. Social Media Influence and Buying Intention
5. Price sensitivity and Buying Intention

H1: Health Consciousness has a significant impact on Buying Intention.

H2: Environmental Concern has a significant impact on Buying Intention.

H3: Trust in Organic Labelling &Certifications has a significant impact on Buying Intention.

H4: Social Media Influence has a significant impact on Buying Intention.

H5: Price sensitivity has a significant impact on Buying Intention.

3.3 MULTIPLE REGRESSION

Multiple regression is an extension of simple linear regression. It is used when we want to predict the value of a variable based on the value of two or more other variables. The variable we want to predict is called the dependent variable (or sometimes, the outcome, target or criterion variable). In this case the dependent variable is Buying Intention. The variables we are using to predict the value of the dependent variable are called the independent variables (or sometimes, the predictor, explanatory or regressor variables). In this case the independent variables are Health Consciousness, Environmental Concern, Social Media Influence, Trust in Organic Labelling &Certifications and Price Sensitivity.

The SPSS output is as shown below:

3.3.1 ANOVA

| ANOVA ^a | | | | | |
|--------------------|------------|----------------|----|-------------|--------|
| Model | | Sum of Squares | df | Mean Square | F |
| 1 | Regression | 30.821 | 5 | 6.164 | 17.771 |
| | Residual | 27.056 | 78 | .347 | |
| | Total | 57.877 | 83 | | |

a. Dependent Variable: Buylnt

b. Predictors: (Constant), PriceSen, EnvCon, HeathCons, SMInf, OrgLabelCert

Table 3.3.1

From this table, we can infer that all the independent variables (Health Consciousness, Environmental Concern, Social Media Influence, Trust in Organic Labelling &Certifications and Price Sensitivity) has an impact on Buying Intention and it is statistically significant. ($p < 0.05$)

The F -ratio in the ANOVA table tests whether the overall regression model is a good fit for the data. The table shows that the independent variables statistically significantly predict the dependent variable, $F(5,78) = 17.771, p < .0005$ (i.e., the regression model is a good fit of the data).

3.3.2 MODEL SUMMARY

Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .730 ^a | .533 | .503 | .58896 |

a. Predictors: (Constant), PriceSen, EnvCon, HeathCons, SMInf, OrgLabelCert

Table 3.3.2

The table represents the Model Summary for the multiple regression analysis, showing how well the independent variables explain the dependent variable (Buying Intention).

1. R (.730)

The "R" column represents the value of R, the multiple correlation coefficient. R can be considered to be one measure of the quality of the prediction of the dependent variable; in this case, Buying Intention. A value of 0.730, indicates a good level of prediction.

- It indicates the strength of the relationship between the independent variables (Price Sensitivity, Environmental Concern, Health Consciousness, Social Media Influence, and Trust in Organic Labelling) and the dependent variable (Buying Intention).
- An R value of 0.730 suggests a strong positive correlation between the predictors and buying intention.

2. R Square (0.533)

The "R Square" column represents the R^2 value (also called the coefficient of determination), which is the proportion of variance in the dependent variable that can be explained by the independent variables (technically, it is the proportion of variation accounted for by the regression model above and beyond the mean model)

- It represents how much of the variance in the dependent variable (Buying Intention) is explained by the independent variables.
- 53.3% of the variation in Buying Intention is explained by the predictors in *the model*.

3.3.3 COEFFICIENTS

| Model | Coefficients ^a | | | | | | |
|--------------|-----------------------------|------------|---------------------------|--------|------|---------------------------------|-------------|
| | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | 95.0% Confidence Interval for B | |
| | B | Std. Error | Beta | | | Lower Bound | Upper Bound |
| 1 (Constant) | -.641 | .453 | | -1.414 | .161 | -1.542 | .261 |
| HealthCons | .287 | .115 | .237 | 2.487 | .015 | .057 | .516 |
| EnvCon | .109 | .094 | .117 | 1.160 | .250 | -.078 | .297 |
| OrgLabelCert | .266 | .130 | .232 | 2.046 | .044 | .007 | .525 |
| SMInf | .121 | .121 | .104 | 1.002 | .319 | -.119 | .361 |
| PriceSen | .350 | .130 | .263 | 2.688 | .009 | .091 | .610 |

a. Dependent Variable: BuyInt

Table 3.3.3

3.3.3 (a) Effect of each IV on the DV

Unstandardized Coefficients (B) represents the direct effect of each independent variable on Buying Intention. The regression equation can be written as:

Buying Intention=

$$-0.641 + (0.287 \times \text{HealthCons}) + (0.109 \times \text{EnvCon}) + (0.266 \times \text{OrgLabelCert}) + (0.121 \times \text{SMInf}) + (0.350 \times \text{PriceSen})$$

- **Health Consciousness (0.287):** A 1-unit increase in Health Consciousness leads to a 0.287 increase in Buying Intention, assuming other factors remain constant.
- **Environmental Concern (0.109):** A 1-unit increase in Environmental Concern leads to a 0.109 increase in Buying Intention. However, this variable is not statistically significant ($\text{Sig} = 0.250$).
- **Trust in Organic Labelling (0.266):** A 1-unit increase in trust in labelling increases Buying Intention by 0.266 units.
- **Social Media Influence (0.121):** A 1-unit increase in Social Media Influence leads to a 0.121 increase in Buying Intention, but it is not statistically significant ($\text{Sig} = 0.319$).
- **Price Sensitivity (0.350):** A 1-unit increase in Price Sensitivity leads to a 0.350 increase in Buying Intention.

The constant (-0.641) represents the baseline Buying Intention when all predictors are zero. However, this value is often not meaningful in practical interpretation.

3.3.3 (b) Statistical significance of the independent variables

If Sig. < 0.05, the variable significantly influences Buying Intention.

If Sig. > 0.05, the variable is not statistically significant in this model.

| Model | Coefficients ^a | | | | | | |
|--------------|-----------------------------|------------|---------------------------|--------|------|---------------------------------|-------------|
| | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | 95.0% Confidence Interval for B | |
| | B | Std. Error | Beta | | | Lower Bound | Upper Bound |
| 1 (Constant) | -.641 | .453 | | -1.414 | .161 | -1.542 | .261 |
| HeathCons | .287 | .115 | .237 | 2.487 | .015 | .057 | .516 |
| EnvCon | .109 | .094 | .117 | 1.160 | .250 | -.078 | .297 |
| OrgLabelCert | .266 | .130 | .232 | 2.046 | .044 | .007 | .525 |
| SMIInf | .121 | .121 | .104 | 1.002 | .319 | -.119 | .361 |
| PriceSen | .350 | .130 | .263 | 2.688 | .009 | .091 | .610 |

a. Dependent Variable: BuyInt

Health Consciousness: Sig. = 0.015 < 0.05, therefore Significant.

Environmental Concern: Sig. = 0.250 > 0.05, therefore Not Significant.

Trust in Organic Labelling and Certifications: Sig. = 0.044 < 0.05, therefore Significant.

Social Media Influence: Sig. = 0.319 > 0.05, therefore Not Significant.

Price Sensitivity: Sig. = 0.009 < 0.05, therefore Significant.

- Health Consciousness, Trust in Organic Labelling, and Price Sensitivity significantly influence Buying Intention.
- Environmental Concern and Social Media Influence do not have a statistically significant impact in this model.

3.4 REPORTING THE RESULTS OF THE MULTIPLE REGRESSION ANALYSIS

A multiple regression was run to predict Buying Intention from Health Consciousness, Environmental Concern, Trust in Organic Labelling and Certifications, Social Media Influence, and Price Sensitivity. These variables statistically significantly predicted Buying Intention, $F(5, 78) = 17.771$, $p < .0005$, $R^2 = 0.533$. Among the predictors, Health Consciousness ($p = 0.015$), Trust in Organic Labelling ($p = 0.044$), and Price Sensitivity ($p = 0.009$) significantly contributed to the model, while Environmental Concern ($p = 0.250$) and Social Media Influence ($p = 0.319$) did not.

Therefore,

H1: Health Consciousness has a significant impact on Buying Intention, is supported.

H2: Environmental Concern has a significant impact on Buying Intention, is rejected.

H3: Trust in Organic Labelling &Certifications has a significant impact on Buying Intention, is supported.

H4: Social Media Influence has a significant impact on Buying Intention, is rejected.

H5: Price sensitivity has a significant impact on Buying Intention, is supported.

CHAPTER- 4

FINDINGS, SUGGESTIONS &

CONCLUSION

4.1 LIST OF FINDINGS

1. Demographic Findings

- Graph 3.1.1(a) shows that majority of respondents (81%) were aged between 18-25 years, indicating that young adults are the primary focus of this study.
- Graph 3.1.1(b) shows that 72.6% of respondents were female, suggesting that women tend to be more health-conscious and environmentally aware, influencing organic food consumption.
- Graph 3.1.1(c) shows that 69% of respondents were students, showing that students form a significant part of the organic food consumer base, though they may face financial constraints.
- Graph 3.1.1(d) shows that 61.9% of respondents had an income below ₹10,000, indicating that price sensitivity is a major factor affecting purchasing decisions.

2. Regression Analysis Findings

- Table 3.3.1 indicates that the overall regression model was statistically significant, meaning that the independent variables (Health Consciousness, Environmental Concern, Trust in Organic Labelling, Social Media Influence, and Price Sensitivity) had a significant impact on the dependent variable (Buying Intention).
- Table 3.3.2 shows that the model's R^2 value was 0.533, meaning that 53.3% of the variation in buying intention was explained by the selected independent variables.

3. Factors Affecting Buying Intention

Table 3.3.3 indicates the following:

- **Health Consciousness** – Health consciousness significantly influences the buying intention of organic food among youth in Kerala. A 1-unit increase in health consciousness leads to a 0.287 increase in buying intention, indicating a strong positive correlation. Consumers strongly associate organic food with better health, making it a significant factor influencing purchase decisions.

- **Trust in Organic Labelling and Certifications** – Trust in organic labelling significantly affects buying intention, with a 1-unit increase leading to a 0.266 increase in buying intention ($p = 0.044$). This highlights the importance of credible labelling and certifications in influencing consumer confidence in organic products. Consumers who trust certification standards are more likely to purchase organic products.
- **Price Sensitivity** – Price sensitivity significantly impacts buying intention, with a 1-unit increase resulting in a 0.350 increase in buying intention ($p = 0.009$). This finding emphasizes that price remains a critical factor for young consumers when considering organic food purchases. High costs remain a significant barrier, preventing many young consumers from regularly purchasing organic food.
- **Environmental Concern** – Environmental concern was found to be a factor, but it did not have a statistically significant impact on buying intention ($p = 0.250$). This suggests that while young consumers may be aware of environmental issues, it does not strongly drive their purchasing decisions for organic food. It shows that young consumers prioritize personal health over environmental sustainability when purchasing organic food.
- **Social Media Influence** – Social media influence was not statistically significant in impacting buying intention ($p = 0.319$). This indicates that while social media may play a role in awareness, it does not directly translate to increased purchasing behaviour among the youth. Despite widespread promotion of organic food on social media, it had no significant impact on actual buying behaviour.

4.2 SUGGESTIONS

- Based on the study's findings, stakeholders in the organic food industry should prioritize strategies that enhance the appeal and accessibility of organic products among youth in Kerala. The research indicates that when young consumers feel informed and supported in their choices, their willingness to purchase organic food significantly increases. To achieve this, businesses should implement comprehensive educational campaigns that highlight the health benefits and environmental sustainability of organic food. Collaborating with educational institutions to integrate organic food awareness into curricula can further reinforce these messages.
- Additionally, enhancing trust in organic labelling is crucial; organizations must strengthen the certification process for organic products to ensure transparency and authenticity. Providing clear and accessible information about organic labelling will help build consumer confidence.
- Leveraging social media effectively is another vital strategy; utilizing platforms to promote organic food through engaging content and influencer partnerships can create a community of health-conscious consumers.
- Addressing price sensitivity is also important; developing pricing strategies that make organic food more affordable, such as discounts and loyalty programs, will encourage young consumers to make the switch.
- Furthermore, expanding accessibility by increasing the availability of organic food in urban and rural areas through organic markets, farmer cooperatives, and online platforms will help reach a broader audience.
- Promoting the health and environmental benefits of organic food through targeted marketing campaigns that resonate with youth values is essential. Engaging in community initiatives, such as organizing workshops and farmers' markets, will allow young consumers to interact directly with organic producers and learn about sustainable practices.
- Lastly, conducting further research to explore changing consumer preferences regarding organic food will provide valuable insights for adapting marketing strategies and policies. By integrating these targeted strategies, stakeholders can effectively enhance the adoption of organic food among the youth in Kerala, contributing to a healthier population and a more sustainable environment.

4.3 CONCLUSION

In conclusion, this research has provided valuable insights into the factors influencing the purchase intention of organic food among youth in Kerala. The findings highlight the significant roles of health consciousness, trust in organic labelling, and price sensitivity in shaping young consumers' decisions to buy organic products. While environmental concern and social media influence were also examined, they did not demonstrate a statistically significant impact on purchasing behaviour in this study.

The increasing awareness of health and environmental issues among the youth presents a unique opportunity for stakeholders in the organic food industry to tailor their strategies effectively. By implementing targeted educational campaigns, enhancing trust through transparent labelling, and addressing price sensitivity, businesses can foster a supportive environment that encourages organic food consumption. Additionally, expanding accessibility and engaging in community initiatives will further strengthen the connection between young consumers and organic products.

As the organic food market continues to grow, understanding the motivations and barriers faced by young consumers will be crucial for driving sustainable consumption patterns. This research not only contributes to the existing literature on organic food consumption but also serves as a foundation for future studies aimed at exploring the evolving preferences of young consumers. Ultimately, by aligning marketing strategies with the values and needs of the youth, stakeholders can promote healthier lifestyles and contribute to a more sustainable food system in Kerala.

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ANNEXURE

Questionnaire

SECTION 1 - DEMOGRAPHICS

1. Age

- 18 – 25
- 26 – 35
- 36 – 45
- 46 – 50
- Above 50

2. Gender

- Male
- Female
- Other

3. Occupation

- Student
- Employed
- Unemployed

4. Income Level

- Below 10,000
- 10,000 - 30,000
- 31,000 - 50,000
- 51,000 - 1,00,000
- Above 1,00,000

SECTION 2 - HEALTH CONSCIOUSNESS

(Song Bee Lian, Liew Chee Yoong, Jan 2019)

This section measures the extent to which you are concerned about your health and make food choices based on their potential impact on your well-being. Please indicate your level of agreement with each of the following statements.

5.

*

I believe organic food products are nutritional and improves my health.

1 2 3 4 5

Strongly Disagree

Strongly Agree

6.

I believe organic food products are healthier than conventionally grown food. *

1 2 3 4 5

Strongly Disagree

Strongly Agree

7.

*

I believe organic food products are higher in quality and promotes my health.

1 2 3 4 5

Strongly Disagree

Strongly Agree

8.

I believe organic food products supports my healthy lifestyle. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| 1 | 2 | 3 | 4 | 5 | | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

9.

I consume organic food products to promote my long-term health benefits. **

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| 1 | 2 | 3 | 4 | 5 | | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

SECTION 3 - ENVIRONMENTAL CONCERN

(Song Bee Lian, Liew Chee Yoong, Jan 2019)

This section measures the extent to which you are concerned about environmental issues and how they influence your food choices. Please indicate your level of agreement with each of the following statements.

10.

Organic food products are produced using environmentally friendly methods. *** *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| 1 | 2 | 3 | 4 | 5 | | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

11.

Organic food products consumption will help to protect the environment. *

1 2 3 4 5

Strongly Disagree

Strongly Agree

12.

*

I buy organic food products because I am concerned about animal welfare.

1 2 3 4 5

Strongly Disagree

Strongly Agree

13.

*

I buy organic food products because I support the environmental sustainability measures.

1 2 3 4 5

Strongly Disagree

Strongly Agree

SECTION 4 - TRUST IN ORGANIC LABELING AND CERTIFICATIONS

(Ammar Bahadur Rokaya , Dr. Akhilesh Chandra Pandey , Dec 2023)

This section measures the extent to which you trust organic labelling and certifications in influencing your food choices. Please indicate your level of agreement with each of the following statements.

14.

I read the label of organic food products before purchasing them. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

15.

I trust organic labeling and certifications. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

16.

I believe Organic labeling has an effect on the consumers purchase decisions. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

17.

Organic labeling system in our country is reliable *



SECTION 5 - SOCIAL MEDIA INFLUENCE

(Adam Ramadhan, Evan Saputra Janitra, Fernando Eric Muljono, Intan Utamawati, Mudita Wijaya, Istijanto, July 2022)

This section measures the extent to which social media influences your perception and purchasing decisions regarding organic food products. Please indicate your level of agreement with each of the following statements.

18.

I have purchased organic food products because of social media. *



19.

Based on social media, organic food products are perceived as affordable. *



20.

Social media claims that organic food products are good for health. *



SECTION 6 - PRICE SENSITIVITY

(Ammar Bahadur Rokaya , Dr. Akhilesh Chandra Pandey , Dec 2023)

This section measures the extent to which the price of organic food products influences your purchasing decisions. Please indicate your level of agreement with each of the following statements.

21.

My decision is affected by the price of organic food products.*

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

22.

My decision is affected by the price of organic food products *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

23.

I am willing to pay a premium for organic food products than non-organic products.*

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

24.

I believe that the higher price of organic food products is justified by their higher production cost. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

25.

Availability of cheaper non-organic food products influence my decision to buy organic food products. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

26.

I Value the health and environmental benefits of organic food products over their price. *

| | | | | | | |
|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----------------|
| | 1 | 2 | 3 | 4 | 5 | |
| Strongly Disagree | <input type="radio"/> | Strongly Agree |

SECTION 7 – BUYING INTENTION

(Adam Ramadhan, Evan Saputra Janitra, Fernando Eric Muljono, Intan Utamawati, Mudita Wijaya, Istijanto, July 2022)

This section measures the extent to which you intend to purchase organic food products in the future. Please indicate your level of agreement with each of the following statements.

27.

I am willing to purchase organic food products although the options are limited. *



28.

I am willing to purchase organic food products due to the additional nutrients. *



29.

*

I am willing to purchase organic food products although it is a bit pricey.



30.

...
...

I am willing to spend time sourcing for organic food products.*

1

2

3

4

5

Strongly Disagree

Strongly Agree
