

A STUDY ON THE FACTORS THAT INFLUENCE CUSTOMER'S INTENTION TO BUY ORGANIC PRODUCT

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CHAPTER 1

1.0 INTRODUCTION

The purpose of this research is to study the factors that influence customer's intention to buy organic product. Besides that, the researcher also wants to recommend the company to improve their strategy to enhance purchase from their customer. A questionnaire was distributed to 100 customers randomly in Segamat Johor. The health consciousness, knowledge & education, habit & attitudes and environment concerns were examined as independent variables. Limitation and discussion of future research are provided. Based on this chapter, the study will discuss about the background of the studies and how the studies prove that the research is relevant. It is also including the problem statement, research question, research objectives, and scope of the study, hypothesis, limitation and the significance of the study which will be explained below.

1.1 BACKGROUND OF THE STUDY

Food consumption patterns are rapidly changing nowadays as a result of environmental issues, concern about the nutritional value of food and health issues. Organic food is commonly known for its healthier content without the use of pesticides, herbicides, inorganic fertilizers, antibiotics and growth hormones. (Mohd Rizaimy Shaharudin J. J., 2010). Consumers always worried about untested and unlabelled genetically modified ingredients in foods commonly sold in supermarkets.

Consumers are concern on the products could bring more nutritional value and superior taste to them. For those consumers who are more concern on the environment, they are more likely to consume organic products as they believed organic products are more environmentally friendly. Until a few years ago, organic produce from India mostly went into export markets such as Europe and the US. In 2011, the total sales value of organic products, according to our estimates, was Rs 9.9 crore for Hyderabad, Rs 17.9 crore for Mumbai, and Rs 21.4 crore for Bangalore. (Dasari.Pandurangarao, 2017)

However, even the growing number of consumers which are moving toward organic products is increase, the purchasers of organic products are still considered less in Malaysia. This clearly show that there is a wide difference between preferences and behaviour in purchasing organic products. Many of the organic products farmers, processors, manufacturers and retailers have increased their offering of organic products due to the increased demand. Hence, due to the existence of a great.