

## Awareness of Organic Products in Bangladesh: A Marketing Perspective

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**Abstract :** Bangladesh since its inception has been an economy that is fuelled by agriculture and agriculture has significant contribution to the GDP of Bangladesh. The agriculture of Bangladesh predominantly and historically dependent on organic sources of raw material though the place has taken in decades by inorganic sources of raw materials due to the high demand of food for rapidly growing of population. Meanwhile, a new market segment, which is niche market, has been evolving in the urban area in favor of organic products, though 71.1% population living in rural areas is dependent mainly on conventional products. The new market segment is search of healthy and safer source of food and they could believe that organic products are the solution of that. In Bangladesh, food adulteration is very common practices among the shop-keepers to extend the shelf life of raw vegetables and fruits. The niche group of city dwellers is aware about the fact and gradually shifting their buying behavior to organic products. A recent survey on organic farming revealed that 16,200 hectares under organic farming in recent time, which was only 2,500 hectares in 2008. This study is focused on consumer awareness of organic products and tried to explore the factors affecting organic food consumption among high income group of people. The hypothesis is developed to explore the effect of gender (GENDER), ability to purchase (ABILITY) and health awareness (HEALTH) on purchase intention (INTENTION). A snowball sampling was administered among the high income group of people in Dhaka city among 150 respondents. In this sampling process the study could identify only those samples who has consume organic products. A Partial Least Square (PLS) method was used to analyze data using path analysis. It was revealed from the analysis that coefficient determination R<sup>2</sup> is 0.829 for INTENTION endogenous latent variable. This means that three latent variables (GENDER, ABILITY, and HEALTH) significantly explain 82.9% of the variance in INTENTION of purchasing organic products. Moreover, GENDER solely explains 6.3% and 8.6% variability of ABILITY and HEALTH respectively. The inner model suggests that HEALTH has strongest negative effect on INTENTION (-0.647) followed by ABILITY (0.344) and GENDER (0.246). The hypothesized path relationship between ABILITY->INTENTION, HEALTH->INTENTION and GENDER->INTENTION are statistically significant. Furthermore, the hypothesized path relationship between GENDER->ABILITY (0.262) and GENDER->HEALTH (-0.292) also statistically significant. The purpose of the study is to demonstrate how an organic product producer can improve his participatory guarantee system (PGS) while marketing the products. The study focuses on understanding gender (GENDER), ability (ABILITY) and health (HEALTH) factors while positioning the products (INTENTION) in the mind of the consumer. In this study, the respondents are found to care about high price and ability to purchase variables with loading -0.920 and 0.898. They are good indicators of ability to purchase (ABILITY). The marketers should consider about price of organic comparing to conventional products while marketing, otherwise, that will create negative intention to buy with a loading of -0.939. Meanwhile, it is also revealed that believability of chemical free component in organic products and health awareness affects health (HEALTH) components with high loading -0.941 and 0.682. The study analyzes that low believability of chemical free component and high price of organic products affects intension to buy. The marketers should not overlook this point while targeting the consumers in Bangladesh.

**Keywords :** health awareness, organic products, purchase ability, purchase intention

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