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## A Study on Consumer Preferences and Market Potential for Organic Food Products in Pune: Insights for Emerging Entrepreneurs

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### **Introduction:**

The demand for organic food in India has expanded significantly over the last decade as consumers increasingly prioritize health, environmental sustainability, and food safety. Pune, known for its educated and health-conscious population, has emerged as an important market for organic products. For new and aspiring entrepreneurs, Pune represents a remarkable opportunity to enter a rapidly growing sector with evolving consumer expectations. However, starting an organic food business requires a thorough understanding of consumer perceptions, purchasing behaviour, and influencing factors. This research attempts to bridge that gap by studying the preferences of 50 consumers in Pune and generating insights that can help entrepreneurs design competitive, sustainable business models in the organic food sector.

This study focuses on analysing how consumers perceive organic food products, what motivates their purchasing decisions, and which demographic segments show the strongest inclination toward organic consumption. The findings aim to support entrepreneurs, homegrown brands, small-scale organic farmers, and emerging agri-

based businesses in building customer-centric strategies. The dependent variable (DV) of this study is consumer purchase intention toward organic food, whereas the independent variables (IVs) include health consciousness, environmental concern, product availability, pricing, trust in certification, and brand perception.

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**Keywords:** Organic Food Market, Consumer Behaviour, Entrepreneurship, Purchase Intention, Sustainability, Pune Consumers, Agro-Based Businesses, Organic Certification, Marketing Strategies, Health-Conscious Consumers.

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### **Research Question:**

The primary research question guiding this study is:

“What key factors influence the purchase intention of consumers toward organic food products in Pune, and how can these insights support new entrepreneurs entering the organic food industry?”

### **Research Gap:**

While several studies in India have examined consumer behaviour toward organic food, the majority of them focus broadly on national trends or metropolitan cities like Delhi, Mumbai, and Bengaluru.

Limited research has specifically explored the consumer market in Pune, despite its rising organic consumption culture. Moreover, existing literature rarely translates findings into actionable business guidance for entrepreneurs. There is also a noticeable gap in studies that link demographic behaviour with strategic implications for small and medium organic enterprises. This research fills these gaps by analysing localised data from Pune and interpreting results in a way that directly benefits new entrepreneurs who want to enter or scale within the organic food market.

### **Objectives of the Study:**

The study was conducted with the following objectives:

1. To understand consumer perceptions, awareness levels, and trust in organic food products in Pune.
2. To identify the key factors influencing consumer purchase intention toward organic food.
3. To analyse demographic trends that determine preferences for organic food consumption.
4. To provide practical insights and recommendations for new entrepreneurs wishing to enter the organic food market.
5. To evaluate barriers that prevent consumers from purchasing organic food consistently and propose strategic solutions for overcoming them.

### **Significance of the Study:**

This study holds strong significance for multiple stakeholders, especially entrepreneurs. For individuals entering the

organic food industry—either through retail stores, subscription models, farm-to-home delivery, processed organic foods, or small-scale farming—the insights from this research offer a clear understanding of consumer expectations. Entrepreneurs often struggle to navigate pricing decisions, product positioning, branding, and customer retention. By identifying the factors that strongly shape purchase intention, this study equips them with evidence-based knowledge that reduces uncertainty and increases the likelihood of business success. The findings also contribute to academic literature by adding localized insights from Pune and extending the practical application of consumer behaviour theories to business development strategies.

### **Hypotheses:**

The study is guided by the following hypotheses:

H1: Health consciousness has a significant positive influence on consumers' intention to purchase organic food products.

H2: Environmental concern positively affects the likelihood of consumers buying organic food.

H3: Trust in organic certification and labelling significantly enhances purchase intention.

H4: Higher product prices negatively impact consumer willingness to buy organic food.

H5: Greater product availability and accessibility increase the probability of consumers choosing organic products.

These hypotheses are analysed in the findings and discussion section.

**Literature Review:**

Previous research strongly suggests that health consciousness remains the primary motivator for organic food consumption. Studies by Suki et al. (2016) and Singh and Verma (2017) indicate that consumers perceive organic products as safer and more nutritious. Environmental concern has also been linked to organic purchase behaviour, as individuals who value sustainability tend to prefer chemical-free agricultural methods (Paul and Rana 2012).

Another major factor frequently discussed in the literature is trust. Hughner et al. (2007) found that consumer skepticism increases when organic certification lacks transparency, making trustworthy branding crucial for influencing purchase decisions.

Pricing is another recurring theme. Research consistently highlights affordability challenges, as organic products typically cost more due to labour-intensive production methods (Singh and Verma 2017). Despite higher prices, several studies suggest that educated and urban consumers are willing to pay a premium for perceived health benefits (Suki et al. 2016).

Availability, too, plays an essential role. Young consumers in metropolitan cities often report inconsistent supply as a barrier to regular organic consumption. This study extends these ideas by applying them to the Pune market and developing entrepreneur-oriented interpretations.

**Research Methodology:**

The research adopts a descriptive, quantitative methodology to understand consumer preferences toward organic food. Data was collected through a structured

questionnaire administered to 50 consumers in Pune city. The sample included working professionals, homemakers, students, and senior citizens to ensure demographic diversity. The questionnaire included items measuring variables such as health consciousness, environmental concern, trust in certification, availability, affordability, and overall purchase intention.

A Likert-scale format was used for measuring attitudinal responses, while demographic questions captured age, income, and education level. The collected data was analysed using simple statistical tools such as percentage analysis, frequency distribution, and cross-tabulation. Charts were generated to visually represent consumer behaviour patterns. Ethical norms were followed by ensuring participant confidentiality and voluntary participation.

**Findings and Analysis:**

The findings reveal clear trends that highlight both opportunities and challenges for new entrepreneurs entering the organic food market. A significant majority of respondents reported moderate to high awareness of organic food products, suggesting that Pune consumers already possess a basic understanding of organic farming and its benefits. This awareness correlates positively with purchase intention, supporting Hypothesis 1, which states that health consciousness significantly influences buying behaviour. Many respondents expressed the belief that organic foods reduce the risk of long-term health issues, which drives their willingness to pay premium prices.

Environmental concern also played an influential role, validating Hypothesis 2.

Respondents with higher awareness of environmental sustainability showed a stronger inclination to support organic agriculture, particularly when aware of the harmful impacts of chemical fertilizers and pesticides. However, this concern was secondary to personal health considerations.

One of the strongest findings relates to trust. Consumers placed high importance on certification labels, transparent sourcing information, and brand credibility. Entrepreneurs who communicate their supply chain clearly and display authentic certifications are more likely to gain customer loyalty. This supports Hypothesis 3, indicating that trust in certification significantly boosts purchase intention.

Price continues to be a major barrier, consistent with existing literature. While respondents acknowledged health benefits, many expressed hesitation about buying organic items regularly due to cost concerns. This supports Hypothesis 4, as higher prices showed a negative relationship with purchase intention. The study also found that respondents with higher income levels were more consistent buyers.

Availability emerged as another influential factor, validating Hypothesis 5. Consumers reported that they often cannot find fresh organic products easily, or that availability is inconsistent across stores. This represents a business opportunity for entrepreneurs who can develop stable supply chains or subscription models. Demographic analysis revealed that young professionals and educated women showed the highest interest in purchasing organic products, making them ideal target segments.

### **Recommendations:**

Based on the analysis, several recommendations can help entrepreneurs build successful organic food ventures in Pune. First, entrepreneurs should prioritise transparent communication. Consumers trust brands that clearly communicate farming practices, certification details, and sourcing processes. Providing QR-code-based traceability solutions or farm-visit programmes can strengthen trust further. Second, price sensitivity must be addressed by offering smaller trial packs, subscription discounts, loyalty points, and combination bundles. These strategies can make organic products more affordable without compromising profit margins.

Entrepreneurs should also focus heavily on improving product accessibility. Establishing micro-distribution channels, tie-ups with local organic farmers, and offering home delivery through apps can enhance availability. Additionally, marketing should be crafted around health benefits, as this is the strongest driver of purchase intention. Social media campaigns featuring nutritionists, fitness influencers, and real customers can help build credibility.

Another practical recommendation is to focus on niche product lines. Instead of competing with large brands on all categories, new entrepreneurs can specialise in products such as organic fruits, grains, snacks, or ready-to-eat items. Packaging innovation and sustainability should also be prioritised, as environmentally-conscious consumers respond positively to brands that reduce plastic usage.

Finally, educational outreach can play a major role in shaping consumer behaviour. Many respondents mentioned

that organic foods are misunderstood or perceived as overpriced. Workshops, pop-up stalls, farmer interactions, and explanatory content can help clarify misconceptions, increase trust, and build long-term customer relationships.

#### **Conclusion:**

This research highlights that Pune offers significant market potential for entrepreneurs aspiring to enter the organic food industry. The findings confirm that consumer purchase intention is primarily influenced by health consciousness, environmental concern, trust in certification, pricing, and product availability. Entrepreneurs who strategically address these factors—particularly trust-building and affordability—stand to benefit from a rapidly expanding consumer base. By understanding the motivations and barriers expressed by local consumers, new businesses can tailor their products, marketing strategies, and operational models to achieve success in an increasingly competitive organic food market.

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