



## Case Study On Consumer Behaviour Towards Organic Health Drinks In India

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### ABSTRACT :

This case study explores consumer behaviour about organic health drinks in India, in order to outline the most decisive factors influencing consumers' purchasing choices and preferences. A mixed-methods approach by means of questionnaires, interviews, and focus groups has given significant insights on consumer demographics, motivations, barriers to adoption, and brand preference. Findings highlight the impact of health consciousness, environmental considerations, and quality perception on choice, while cost sensitivity and non-availability challenge consumer choice. Strategic pricing, enhanced awareness campaigns, increased distribution, innovation in products, and ensuring transparency and sustainability in practices are the recommendations for market growth.

**Keywords:** Consumer Behaviour, Organic Health Drinks, India, Health Consciousness, Environmental Concerns, Market Trends

### Introduction :

India's dynamic and rapidly growing economy has seen an appreciable swing towards health and wellness products. Organic health drinks have emerged as a significant part of this industry. These organic health drinks appeal to consumers, as they promise health benefits while also being environment friendly. The case study here aims to discuss consumer behaviour with respect to organic health drinks in India, such as the primary factors that govern the purchase, consumer preferences, and market challenges.

### Background :

Organic health drinks are organic beverages prepared from organically grown ingredients, free from synthetic pesticides, fertilizers, and GMOs. These products are marketed as healthier alternatives to traditional drinks and thus provide improved nutrition and detoxification. The Indian market for organic health drinks has grown with increased health awareness, rising disposable incomes, and sustainable living.

### Objectives :

- Identify the main demographics that purchase organic health drinks.
- Explore key motivations for choosing organic health drinks over conventional options.
- Identify barriers preventing wider adoption of organic health drinks.
- Assess brand preferences among consumers.
- Identify emerging market trends and potential future developments.

### Review of Literature :

Research on consumer behaviour towards organic products has been extensive, highlighting various factors that influence purchasing decisions. Paul and Rana (2012) point out that health consciousness, environmental awareness, and food safety concerns are the primary drivers of organic food consumption worldwide. Sahota (2014) mentions that consumers are increasingly driven by the perceived health benefits and quality of organic products. Singh and Verma (2017) reported that younger consumers, especially those from urban areas, are more prone to organic products because of better health awareness and higher disposable incomes. Sarker and Palit (2015) have observed that price sensitivity and limited availability are major constraints for the acceptance of organic products in India.

#### **Brand Trust and Perception:**

According to Kumar and Smith (2018), brand trust and perceived authenticity are significant in shaping consumer preference for organic brands, and the local brands have become popular as they are considered authentic. Bhaskaran and Gligorovska (2019) argued that good marketing and awareness campaigns should be done to inform consumers about the advantages of organic products.

**Health and Environmental Benefits:**

A study by Magnusson et al. (2003) on the relationship between consumer attitudes and organic food consumption revealed that the health and environmental benefits significantly influence buying behaviour. In a study on Indian consumers, Yadav and Pathak (2016) found that a positive attitude towards organic food is determined by environmental concern and perceived consumer effectiveness.

**Market Dynamics and Trends:**

Rana and Paul (2017) offered an overview of the international organic food market, drawing out the growth trends and consumer preferences representing the industry. Chakrabarti (2010) explored the awareness and demand for organic food in India, concluding that while there is a growing demand, still one of the biggest challenges is the lack of awareness.

**Price and Quality Concerns:**

Hughner et al. (2007) have reviewed consumer perceptions of organic foods and noted that price and quality are critical factors in the decision-making process.

Schleenbecker and Hamm (2013) discussed the sustainability aspects of organic food, pointing out consumer willingness to pay a premium for perceived better quality and environmental benefits. Sukhwinder Singh (2014), in their study titled "A Study on Consumer Preference Towards Health Food Drinks," emphasizes that the Indian states are diverse and have large variations in terms of socioeconomic conditions, dietary habits, health infrastructure, and communication facilities. The differences lead to significant disparities in nutritional status among states. In the last 20 years, there has been little change in dietary patterns; cereals are still the staple food. Though the consumption of pulses, roots, and tubers has been decreased, a little increase is observed in sugar, jaggery, fats, oils, and green leafy vegetables. This paper is published in the International Journal of Advanced Research in Computer Science and Software Engineering, Volume 4, Issue 3, March 2014 (ISSN: 2277-128X). Nidhi Vishnoi Sharma (2013) in her paper "A Study on Consumer Perception Towards Health Drink Packaging" observes that health consciousness is fast becoming a concern in modern society. Consumers are increasingly adopting health-oriented changes in their eating habits, creating new opportunities for the food and beverage industry, especially in the healthy drinks segment. The study highlights the need to understand consumer perception of packaging design as a decisive factor in surviving competition in the market. The article "Consumer Preference Towards Micro-Pack FMCG Products" by Aw Yoke Cheng (2013) reveals the food label as one of the primary mediums for information transfer between the producer and consumer. From basic information such as food name, quantity, price, and manufacturer identity, food labels now play a very important role in providing nutritional information, which aids consumers in making informed choices. Feng Tian (2013) in "A Study on Consumer Brand Preference Towards Health Drink Products" points out the challenges marketers face in creating and retaining customers in a competitive environment. The study identifies the factors that affect brand preference and explores sources of awareness and consumer satisfaction. For primary data collection, questionnaires were used, and statistical techniques were applied in the analysis by using explanatory and descriptive research designs. Niranjana Murthy M (2013), in her study on emotional brand loyalty toward consumer health drinks, emphasizes the role of information dissemination in shaping consumer behavior. Even though the consumers are not always actively searching for information, they are normally affected by what they get. According to Higgins, John, Babu, Kavita, Deuster, Patricia, and Shearer, Jane (2018), energy drinks should only be taken in moderation and must not be utilized as a form of hydration or performance booster prior to exercise. Dongmun Ha, Inmyung Song, Gyeongil Jang, Eui-kyung Lee, and Ju-young Shin (2017) did research with 833 Korean adolescents about the advantages and disadvantages of additives in health drinks. Questionnaires were used for collecting data. They could show how young consumers perceived the product. Dr. Sandip G. Prajapati (2017) worked on the effects of TV advertisements on the health drink market. The study based on a sample of 200 respondents in Vadodara city concludes that advertisements significantly influence children, leading to higher consumption levels. Wiggers D., Ried J.L., White C.M., and Hammond (2017) analyzed energy drink usage among consumers aged 12-24 years. The study used chi-square and ANOVA analyses and identified a notable increase in health drink consumption within this demographic.

**Methodology :**

To ensure a robust and comprehensive understanding of consumer behavior towards organic health drinks in India, this study employed a mixed-methods approach. This approach integrates qualitative and quantitative research methodologies to provide a holistic view of the subject.

***Quantitative Research:***

**Survey Design:** A structured questionnaire was designed with sections on demographics, consumption habits, motivations, barriers, and brand preferences. Both closed-ended and open-ended questions were incorporated to gather as diverse a range of responses as possible.

**Sample Selection:** A stratified random sampling method was applied to ensure the sample represented a cross-section of the population along age, income, education, and geographical region. The sample size was 1000, with an equal split between urban and semi-urban locations.

**Data Collection:** Both online and in-person surveys were distributed to reach maximum respondents and maximum response rates. Online surveys were sent via social media, email lists, and online consumer panels, whereas in-person surveys were conducted at stores selling organic products, health clubs, and supermarkets.

***Qualitative Research:***

**In-depth Interviews:** 30 key stakeholders from consumers, industry experts, nutritionists, market analysts, and brand managers. The interviews sought to get a deeper understanding of consumer motivation, industry trends, and strategic insights.

**Focus Groups:** Four focus group discussions with 8-10 participants were conducted. Focus groups sought to understand the perception, experience, and attitude of consumers toward organic health drinks. Participants were chosen based on their familiarity and consumption of organic health drinks.

**Case Studies:** Detailed case studies of successful organic health drink brands in India were developed and compiled to understand market strategies,

challenges, and success factors. This included interviews with brand managers and analysis of marketing and sales data.

### **Secondary Data Analysis:**

**Market Reports:** Analysis of market research reports from leading research firms provided insights into market size, growth trends, and competitive landscape.

**Academic Journals:** Peer-reviewed journals were reviewed to identify theoretical frameworks and previous findings relevant to the study.

**Industry Publications:** Trade magazines, industry newsletters, and online publications provided current information on market dynamics and emerging trends.

**Government and NGO Reports:** Reports from government bodies and non-governmental organizations offered data on agricultural practices, organic certification, and regulatory environment.

### **Data Analysis:**

**Quantitative Analysis:** Descriptive statistics, cross-tabulations, and regression analysis were done using SPSS software to identify the patterns and correlation in the survey data.

**Qualitative Analysis:** Thematic analysis was done on the interview and focus group transcripts to identify the key themes and insights. NVivo software was used to manage and analyze qualitative data.

**Triangulation:** Findings from quantitative and qualitative data were triangulated to validate results and ensure robustness.

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## **Findings :**

### **Consumer Demographics**

**Age:** The majority of the consumers lie in the age group of 25-40 years.

**Income Level:** The higher income groups are more prone to buy organic health drinks.

**Education:** Consumers with higher education levels are more prone to organic products.

**Geographical Distribution:** Urban areas have a higher consumption rate, and there is growing interest in semi-urban areas.

### **Purchasing Motivations**

**Health Consciousness:** The primary motivation is due to health benefits related to organic products.

**Environmental Concerns:** Consumers prefer sustainably produced products.

**Quality and Safety:** Higher perceived quality and safety of organic health drinks is a driving factor for purchase.

**Lifestyle Congruence:** Part of a larger lifestyle decision towards wellness and natural living.

### **Barriers to Adoption**

**Price Sensitivity:** Higher cost than conventional beverages.

**Availability:** Less available in rural and semi-urban locations.

**Lack of Awareness:** Large portion unaware of the benefits.

**Trust Issues:** Organic authenticity.

**Local vs. International Brands:** Local brands are popular for authenticity, while international brands are chosen for quality and reliability.

**Brand Loyalty:** Consumers are loyal to brands that provide quality and transparency.

**Product Range and Innovation:** Brands with varied flavors and functional benefits are more appealing.

### **Market Trends**

**Increased Online Sales:** E-commerce sites increase sales with convenience and a wider selection.

**Product Innovation:** Trend towards innovative products catering to specific health needs.

**Sustainable Packaging:** Biodegradable and recyclable materials are adopted by the environmentally conscious consumer.

**Collaborations and Endorsements:** Very effective in stimulating consumer interest and trust.

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## **Discussion :**

The move towards organic health drinks is part of a global trend toward health and sustainability. However, the market has its challenges, including pricing, availability, and awareness. Growth can be stimulated by strategic pricing, enhanced distribution, and consumer education.

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## **Implications :**

The results of this research hold significant implications for businesses, policymakers, and consumers as they navigate the emerging market of organic health drinks in India.

### **Implications for Businesses:**

**Product Innovation and Diversification:** Businesses need to innovate with developing new products tailored to specific health-related requirements, like immunity or detoxifying drinks. A wide product portfolio will help attract various categories of consumers.

**Strategic Pricing:** Implement tiered pricing to cater to various income groups, with affordable options for price-sensitive segments and premium offerings

for affluent consumers.

**Brand Transparency and Trust:** Companies should focus on transparent sourcing and certification practices to build consumer trust and ensure authenticity.  
**Marketing and Awareness Campaigns:** Businesses should invest in education-based marketing campaigns to overcome the awareness barrier, highlighting the health benefits and environmental impact of organic products.

**Implications for Policymakers:**

**Regulatory Frameworks for Organic Products:** Policymakers should enforce stronger regulations around organic certification to ensure the authenticity of organic claims and protect consumers.

**Incentivizing Organic Farming:** Subsidies and support for organic farming can help secure a steady supply of organic ingredients and reduce production costs.

**Consumer Education Initiatives:** Government-backed campaigns could enhance consumer knowledge of organic products and their benefits, especially in rural and semi-urban areas.

**Implications for Consumers:**

**Health Benefits Awareness:** Informed consumers about health and environmental benefits in organic drinks are likely to make healthy decisions and help both themselves and the environment.

**Environmental Responsibility:** The encouragement of sustainable brands with environmental responsibilities is vital and should help ensure long-term benefits for the environment.

**Environmental Implications:**

**Sustainable and Ecological Practice:** Organic health drinks are currently experiencing increasing markets, providing opportunities for companies to practice sustainable sourcing, production, and packaging. Consumers are on the receiving end of these practices, while the industry strikes at its environmental footprint.

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**Conclusion :**

The organic health drink market in India presents vast opportunities and significant challenges. Businesses, policymakers, and consumers all have roles to play in ensuring the market's growth and sustainability. With strategic investments in product innovation, marketing, and sustainability practices, the organic health drink market has the potential to thrive, meeting the demands of health-conscious consumers and promoting environmental stewardship.

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