CHAPTER - 2

REVIEW OF LITERATURE
2.1 Introduction

Consumers include different types of foods in their shopping baskets that may include food that is healthy to food that is indulgent; food that is expensive to food that is cheap; or food that is conventional to food that offers some added health benefits. Health and Wellness foods are generally included in the diets of people who perceive these to provide health benefits beyond basic nutrition. Researchers have been trying for long to comprehend the food choices of people and their perceptions and attitudes towards health and wellness food products.

There are numerous empirical researches on consumer buying behaviour for food products, food safety and factors influencing buying preferences and attitudes of consumers. This chapter highlights the key findings of researches on consumers’ perceptions and attitudes towards purchase of different health and wellness food categories and factors affecting the purchase of health and wellness food products. In this chapter, an attempt has been made to review the existing literature on health and wellness foods, in order to understand the key areas of concern in the related fields and to point out the conclusions and develop new perspectives on the findings of correlated studies.

Literature review section has been organized into five sub-sections to understand the research gap in the area of health and wellness food markets in a better way. Studies related to understanding the consumer behavior for healthy food and drivers of health and
wellness food industry have been reviewed to understand the market trends and structure. Empirical evidences on consumers’ perceptions and attitudes towards purchase of health and wellness food have been reviewed in the next sub-section. A set of studies have been reviewed to understand the factors affecting the purchase behaviour for health and wellness food products. Finally, motivation and scope of the study has been stated in the last section of this chapter.

2.2 Understanding Consumer Behaviour

Consumer behaviour, being an aspect of human behaviour in general and is thus studied by many social sciences such as economics, psychology, sociology, anthropology or management (Nicholson and Xiao, 2011; Galalae and Voicu, 2013; Wells, 2014). The term ‘behaviour’ means an observable response to stimuli from the environment. Therefore, human behaviour can be understood as various responses to different stimuli, internal and external. Human behaviour is a complex and multi-dimensional result of individual responses to various factors: economic, social, and psychological. Consumer behaviour is a complex and dynamic decision process; and physical activity of evaluating, acquiring, using, or disposing of products and services. Developing an effective marketing strategy requires in-depth knowledge of target consumers and how they behave and make their buying decision. Proper study of consumer behaviour is important as all marketing decisions are based on assumptions about consumer behaviour.
Consumer buying behavior is a widely researched topic and the concept of consumer behavior has been defined by several researchers. According to American Marketing Association, consumer behaviour can be defined as “the dynamic interaction of affect and cognition, behaviour, and environmental events by which human beings conduct the exchange aspects of their lives”. Similarly, Hawkins et. al. (2001) has defined consumer behaviour as "the study of individuals, groups or organisations and the processes they use to select, secure, use and dispose of products, services, experiences or ideas to satisfy needs and the impacts that these processes have on the consumer and society". According to Batra and Kazmi (2004), consumer behaviour is "the mental and emotional processes and the observable behaviour of consumers during searching, purchasing and post consumption of a product and service".

There are several factors, which influence the buying decision of consumers, comprising of psychological forces, social and group forces and situation factors (Gourville and Norton, 2014). Buying process of a product starts with identification of need and searching of matching products as per the need of the consumers (Fig. 2.1). Consumers try to collect required information from various sources to evaluate the products suitability, which clearly satisfies their needs and requirements. Companies can influence the consumers in making their choices for specific products by providing triggers, which give the consumers a buying consideration. A number of factors affects the consumer buying decision, which may be internal to the consumers as well as environmental factors. Finally, consumers make the decision for which brand to buy,
place of buying, quantity of buying and the methods of making the purchase of the desired products. It is also important to maintain a post-purchase relationship with the consumers, as happy consumers are more likely to buy the products again and would also held in referral marketing.

**Fig 2.1. Influences on the purchase decision-making process**

Source: Gourville and Norton, 2014

**Foxall (2001)** in his essay reviewed the course of consumer behaviour analysis, a research program that employs the findings and principles of behavioural research to elucidate consumer behaviour and marketing management. He pursued three themes in
his essay, namely, to explicate recent developments in behaviour analysis such as the
analysis of verbal behaviour, to take account of work by behaviour analysts on economic
choice and to apply its lessons to understand consumer behaviour and marketing action
in naturally occurring environments, and to establish the requirements of an interpretive
approach to consumer behaviour and marketing which is not limited to an experimental
analysis of choice.

Foxall (2003) studied various papers that examined the consumer choice over a range of
laboratory and naturalistic settings, demonstrating the variety of interpretations of
consumer choice. He argued that the characteristics of marketing-oriented economic
systems such as product characteristics, advertising and promotional campaigns,
competitive price strategies and distribution policies; together clubbed with non-
marketing influences such as interpersonal communications among consumers (e.g.
word-of-mouth), governmental interventions, prior experience of customers and
situational influences on purchase and consumption, influence the consumer choice.

Hansen (2005) in his study developed a framework, which integrates several
perspectives on consumer decision making, and hypothesize possible links between
several basic constructs. The results of this study support the complexity of consumer
decision making with three findings; first, consumers do not use their cognitive and
affective skills independently, rather they affect each other. Secondly, the cognitive,
evaluative constructs of quality and attitude had significant direct effect on buying
intention, whereas the affective construct of emotion had no significant effects on buying intention. Thirdly, price affected perceived quality, which in turn affected attitude, which in turn affects the buying intention.

**Johns and Pine (2002)** reviewed the literature relating to consumer studies in foodservice discussing survey work, experimental studies and investigations relating to economic and geography, and sociological and anthropological research. He argued that sociological and anthropological studies have the potential to enrich consumer research in the food service industry by casting light on the individual experience that underlies consumer responses. He argued that although location and economic factors are important attributes of food and service, these have received little research attention. The study concluded that there is a need for studies to seek new techniques and to exchange ideas and perspectives between disciplines with the application of appropriate methodology and newer modelling techniques.

**Strack et al. (2006)** analyzed a dual system consumer behaviour model based on reflective and impulsive determinants. The Reflective-Impulsive Model (RIM) is based on the assumption that all human behaviour are joint function of reflective and impulsive mechanism. The reflective behaviour is caused by a decision that is based on rule-based reasoning and assessment of likelihood, while impulsive behaviour is sudden, compelling, and hedonic. The relative contribution of impulsive and reflective processes
depends on personal and contextual circumstances, which in turn contributes to an act of buying.

Wesley et al. (2006) in their study on consumer shopping behaviour, assessed how consumers’ decision making styles relate to their shopping mall behaviour. They provided a theoretical model of antecedents and consequences of consumer decision-making styles based on exploratory data analysis (EDA) from 527 mall shoppers. Findings of the study supported the existence of different consumer decision making styles among adult mall shoppers and confirmed the possibility that a substantial share of consumers are not oriented strongly to any one CDM style. Results also revealed that gender is a prime antecedent associating with CDM styles, although income, education, and age were not found to be significantly associated with consumer decision-making style.

2.3 Drivers of the Health and Wellness Food Industry

Health and wellness food industry is increasingly being influenced by a variety of drivers such as market opportunities, emerging consumer demand, enhanced health consciousness, changing regulations related to food safety and consumers’ inclination towards lifestyle products. Drivers of the health and wellness food industry primarily comprise of industry drivers, policy/ regulatory drivers and market drivers.
Broring and Cloutier (2008) analysed the buyer-seller relationship in value creation in the competitive business environment through new product development in the functional and nutraceutical food segments. Their research was based on a qualitative primary survey of project managers, who were working actively in the fields of R&D, NPD, corporate innovation management and marketing of functional foods and other ingredients of businesses in pharmaceutical, specialty chemistry and food industries; and the data was collected by means of 54 in-depth interviews. Through their study, they indicated that product offerings such as functional ingredients can become more standardized only with the emergence of industry standards.

Cardello et al. (2013) in their study on better-for-you food products, tried to empirically determine whether increasing better-for-you food products/lower-calorie products could help businesses achieve superior performance while addressing the issue of obesity at the same time. They evaluated the consumer packaged goods (CPG) companies and the restaurant industry by analyzing the data related to these companies, obtained from public and third party data sources such as A. C. Nielson Company and NPD group. From their study, they concluded that for both the industries, superior business results were achieved for the time periods when better-for-you/ lower-calorie foods were offered to the consumers. They concluded that companies having higher than average sales of such food products showed stronger sales growth, coupled with operating profit margins and growth, and enhanced company reputation. The study suggested that CPG companies and restaurants could enhance their business opportunities, increase their
financial gains by placing more emphasis on selling better-for-you products and at the same time, can play a substantial role in addressing the widespread problem of obesity too.

**German (2008)** argued that poor dietary choices have affected the health of people and in order to ensure safe and healthy food delivery in the market, a significant investment is required in science, agriculture and food industrialization. He further emphasized that investment in safe food system can brighten the prospects for changing the food market from product-centric to a consumer-centric one, for delivering adequate health benefits to the consumers. It has been further argued that collaborative efforts of all the stakeholders are required for delivering healthy food to the consumers, for improving the overall health status of the population.

**Granato et al. (2010)** in their research on functional foods highlighted the key strategies for the development of this category of foods, particularly probiotic dairy products. They argued that the functional food segment has been growing rapidly in recent years and consumers have been looking for food products, which provide health benefits in addition to energy and nutrients. They highlighted that in specific sectors of the dairy industry, such as cheese, yogurts and deserts, probiotics showed significant potential for growth and expansion. They emphasized that since the global functional foods market is growing rapidly, the biggest challenge for both science and industrial sectors is to undertake the development of food products as a key research priority. They further
argued that special attention needs to be paid to the sensory attributes of functional foods in terms of dissemination of information regarding their most desirable characteristics.

Granato et al. (2010), in another study on functional foods, have examined the importance of non-dairy food products containing probiotic bacteria strains. They emphasizes that the modern consumers are increasingly becoming interested in maintaining and improving their personal health and are constantly looking for food that is healthy or capable of averting diseases. They argued that researches should be undertaken to evolve new medium for the growth and development of probiotics. This would help in satisfying the needs and demands of all kinds of consumers by increasing the number and variety of products in the market. They concluded that both non-dairy and soy-based probiotic categories of functional foods have huge potential for developing newer and novel ingredients, processes and products, which may subsequently open new avenues for growth of food industry.

Green (2006) discussed the efforts of the corporate sector in promoting the health and well-being of consumers, by discussing a case of Nestlé’s Initiatives in nutrition, health and wellness, to meet the growing challenge of global obesity. She emphasised that food companies play a vital role in improving the health and wellness of people by improving their nutritional profiles, providing them adequate information on nutrition and health benefits of food and undertaking collaborative steps along with other stakeholders to bring forth apt solution for health related problems. She suggested that food companies
should undertake the processes of product renovation and innovation through research and development in order to provide the consumer with food products, which are both tasty and provide good nutrition at the same time.

Hawkers (2007) in her study for WHO on the changing regulatory environment in food industry regarding the marketing of food products to young consumers, examined how statutory regulations and industry-wide self-regulations have been developed by the governments and the food industry in response to the needs and calls for regulating the food marketing in view of the changing regulatory environment. The study revealed that there are three types of regulations on marketing food to young people, which include ‘statutory regulations’ that could be used by the governments or regulatory bodies to implement restrictions or prohibitions on the quantity, content and medium of advertising; ‘government guidelines’, which are implemented and issued by the concerned governments; and ‘self-regulations’, which are voluntary codes of practices that govern the content of marketing campaigns, developed by individual food companies but administered by the industries concerned.

Hobbs et al. (2014) compared the Canadian method of regulation of health-claims with the regulatory framework for health-claims in other countries including the United States, the European Union, Japan, Australia and New Zealand. They emphasized that the consumers need to be protected from false and misleading health-claims. At the same time, there is also a need for undertaking research and development of new products that
consists of beneficial and healthy ingredients. They further explored the factors that lead to the failure of regulations related to production and consumption of health foods. They stressed the need for bringing about uniformity of health claims’ regulations across various countries. They provided suggestions for the Canadian regulatory system to design proper regulations on functional foods by including insights from other regulatory dominions in order to be more effective.

Kaufmann and Palzer (2011) argued that product attributes in certain categories of food products like low energy density, high content of fibers & proteins, presence of whole grains and added micronutrients & bioactive compounds can be linked to health and wellness and nutritional wellbeing of the consumers. They emphasized the need for inclusion of advanced and complex properties in the food products by way of food engineering and by altering and restructuring the food matrix. This could be done via adjustments in the production processes to enhance the nutritional quality of the food, leading to development of food products, which can address the nutritional needs of the consumers.

Sun-Waterhouse (2011) in her study provided an overview of the various research opportunities available in the area of functional foods, especially fruit-derived food products. She argued that the changing consumer needs and current trends provide opportunities for new product development and innovations in the field of functional foods, especially with respect to fruit-derived ingredients and bio-actives because of their proven health benefits and consumers’ perceptions of naturalness in these products.
She stresses that there is a need for adopting a consumer-led, structured approach for designing and developing potential functional foods. For an assured market success, the novel functional foods should be subjected to consumer assessment and acceptance, along with utility and safety with health claims.

**Sutar et al. (2010)** examine the growth of the Indian functional food market and the existing trends with respect to functional foods in the Indian market, as well as its current and potential contributions to the international markets. The study highlights the various barriers in developing functional foods in India, which include low income of most of the population, the high costs involved in bringing a new product to the market, market search, research and development, quality certification and regulations. The future growth and development of functional food product in India would depend on how these barriers are handled and removed by the concerned stakeholders including the government, private sector and international organisations.

**Thompson and Moughan (2008)** in their study on functional foods, examined the drivers behind the growth of functional foods industry, the future of the industry and the issues it would face. They identified that the two primary factors leading to the consumption of functional foods were the general stimulation of health and wellness, and the avoidance or reduction of diseases. They concluded that although the functional food industry will continue to grow with a fast pace, it is important that issues related to consumers’ expectations and trust in the functional foods are looked after. This can be
achieved if the producers, retailers, regulatory authorities as well as the scientists work together in association with each other.

**Williams and Ghosh (2008)** reviewed the scientific researches and review publications from the National Centre of Excellence in Functional Foods (NCEFF), on the regulatory aspect, usage and understanding of health-claims. They presented a summarized evaluation of the existing and proposed regulations on nutritional benchmarks and health-claims in Australia and New Zealand. They argued that the location of the claim on the label, the wordings used, the novelty of the claim and design of the label can significantly influence the buyers in understanding the health-claims and developing trust in them. They also argued that since the health-claims are the key drivers of food purchase intention, the disclosure of nutritional information on the food label is of prime importance in marketing of new as well as existing health foods.

### 2.4 Consumers’ Perceptions and Attitudes towards Purchase of Health and Wellness Food

A number of studies have been conducted in various parts of the world, which have tried to study the perceptions and attitudes of the consumers towards various types of health and wellness food products. A number of researchers have tried to understand the behavioural aspects related to purchase intentions of the consumers for health and wellness food products, by studying the interaction between lifestyles, values, attitudes, perceptions and habits of the consumers. From among these, attitudes and values are
significant guiding forces with respect to general behaviour of human beings, as well as food purchase and consumption behaviour in particular. Most of the studies have been conducted for a single type of health and wellness foods, especially functional foods and organic food products.

Annunziata and Vecchio (2011) analysed consumer attitudes and the factors that influences the consumers’ attitudes toward functional foods in Italy, based on a primary survey of 400 households. Cluster analysis revealed three groups of respondents, categorized on the basis of demographic characteristics with different confidence levels, satisfaction, and health perception of functional food. The study also indicated that the consumers were not very clearly informed about the concept of functional foods and generally perceived them to be food items that are inherently healthy in themselves. The study stressed the need for educating the consumers about functional foods by means of labeling information, education campaigns and clearly defined government policies to curb false health claims.

Badrie et al. (2007) analysed the perception, opinions, choices and motives of the exercise enthusiasts in West Indies, regarding improvement of health through the consumption of functional foods, using primary survey of 120 respondents through structured questionnaire. Results of the study indicated that only 50 percent respondents were aware about functional foods and they perceived these to be costlier, helped in prevention and cure of diseases, were important for elderly people, and were to be taken
after consultation with medical practitioners. The consumers attributed performance enhancement and health benefits to be the main drivers behind their consumption of functional foods. When the consumers’ responses on their agreement with the manufacturers’ health-claims about functional foods were analysed, 39 percent respondents agreed that the manufacturers exaggerated the health-claims about the products.

Bellows et al. (2008) in their study on consumer’s interest in organics, analysed the association between consumer attitudes about organic farming and their organic food’s purchase behaviour, and the reasons why the consumer’s views about organic farming may not result in consequent consumption behaviour with regard to organic food products. Results of the study showed that although people value organic farming methods, they actually do not end up buying organic food products. They postulated that the consumers who were non-buyers of organic foods would buy organics if they did not face barriers like price, location of the store, availability of the products, availability of relevant information, doubts regarding authenticity of organic production, or uncertainty in purchase decision-making due to availability of excessive and confusing information. They concluded that for devising effective marketing strategies and regulatory policies with regard to organic food products, it is important to identify the consumers who value organic production methods and systems. They suggested that the organic food market segment can be broaden by informing the consumers regarding organic foods and developing appropriate marketing and merchandising strategies.
Cornish (2012) studied the role of functional foods in the diets of modern consumers and the relative important of the nutritional attributes vis-à-vis aesthetic qualities in the consumption of functional foods and how these nutritional and aesthetic qualities affect the consumption pattern of the consumers for these food items. They demonstrated that many consumers believe nutrition as central to health, and health claims by the producers are a motivating factor for consumption of functional food products.

Granzin et al. (1998), in their study on consumer behaviour for health and wellness foods and services, provided insights for the marketers on the possible strategies that can be followed in order to reach out the consumers more effectively. They suggested that the behaviour of the consumers in the market is affected by their orientation towards health related issues. They used the Pender’s Health Promotion Model to demonstrate how a healthy lifestyle can be used for offering health related products to the consumers. They suggested that segmentation of the consumers can be done on the basis of personal and demographic variables for designing effective marketing strategies.

Hansen (2005) studied the process of consumer perception towards quality attribute of food products. In his study, he proposed a conceptual model for explaining the consumers’ choices on various food product characteristics and their perception on the quality aspect of the products. He argued that the consumers do not really evaluate the properties of the food products but the attributes of the food products, although there may not be any correlation between the two. He suggested that there is significant
interaction between theoretical perception and subjective assessment of the consumer regarding the food quality, at the time of making the purchase decision.

**Labrecque and Charlebois (2011)** examined the relationship between the consumers’ perception regarding health benefits of functional foods and the production technology used for making functional foods. They argued that the technology used for production of functional foods was the key driver for determining the attitudes of the consumers, their health perception and intention to buy functional foods. They also concluded that the consumers give value to the technology used for production of functional foods, irrespective of the perceived health benefits of the ingredient added during production. The study provided insights for the functional food manufacturers for understanding the perceptions of the consumers regarding the health benefits associated with functional foods in today’s world in a better way.

**McMahon et al. (2010)** reviewed how the meaning of wellness and well-being is perceived and understood across various disciplines and its effects on the consumers’ choices for healthy foods. They argued that the understanding about how marketers or key players in the food industry make use of these definitions and terms can help in enabling and ensuring more effective communication across various segments of the food industry. Developing a consistent definition would help in providing more meaningful nutritional information to consumers, and in turn, enable promotion of healthier food choices among people. Food suppliers and manufacturers may use these
terms for marketing their food products or read just their food assortments to meet the consumer’s expectations in a more effective way.

**Naspetti and Zanoli (2009)** analysed the consumers’ perceptions on organic food quality and safety in Europe using primary survey of 792 respondents. Results indicated that majority of the consumers were highly aware of the benefits associated with organic food consumption and had purchased organic foods at least once. But, in spite of their awareness, they still had deep concerns about quality and food safety issues since they had little knowledge about how actually the organic production and processing takes place and what essential quality and food safety attributes they should look for, while purchasing organic food products. The analysis significantly confirmed that there is a need for a new positioning and marketing strategy for organic food products.

**Pang et al. (2012)** assessed the role of functional food in human health. They provided a scientific value of specific foods or physiologically active food components by explaining the digestive system of human body. A detailed explanation has also been provided regarding the mechanisms by which functional foods protect against a number of diseases. They also suggested future research agenda for enhancing the understanding on functional food versus human health.

**Pelletier et al. (2013)** analyzed the attitudes of young adults toward organic, locally available, and sustainable food products with respect to high dietary quality of the food
using survey data of 1201 students. Findings of the study revealed that the preferred characteristics of foods for the young consumers included more fruit and vegetable servings, high fiber content, less added sugar, less sweetened drinks and low fat in the food. Findings of the study also revealed that this age group was well receptive of information regarding nutrition as well as social and environmental concerns related to the production methods and practices related to food.

Sääksjärvi et al. (2009) conducted a nationwide survey in Finland to measure the knowledge of the consumers regarding functional foods, using a multi-dimensional index. Results indicated that demographic profile of the consumers such as gender, age, education and income are the key influencers affecting the attitudes of the consumers and their knowledge of functional foods, which in turn, affects their purchase behaviour for these food items. The study also suggested that one of the main goals of the marketers and producers of functional food items is to inform and educate the consumers regarding the ingredients of these products along with the perceived health benefits attached to them.

Sarkar (2007) conducted a study on functional foods whereby he examined the functional foods as self-care and complementary medicinal products. He also evaluated the various concerns related to functional foods such as consumer preferences for functional foods, health-claims, the production and regulatory issues and the labeling of functional foods. He emphasized that as a wide range of functional foods are available in
the global market, there is a need for proper regulatory arrangement to assess the efficacy of these foods prior to their labeling.

Yu and Bogue (2013) in their study on functional foods, tried to identify the most ideal attributes/features for Fermented Functional Cereal Beverages (FFCBs) in order to generate knowledge and information for facilitating the development of new FFCBs with greater market potential. In order to identify these attributes, they conducted twelve in-depth interviews and three focus groups, collecting information from 299 respondents for evaluating factors that affected the consumers and the attributes that were relevant and acceptable to the consumers with respect to FFCBs. Findings indicated that the most likely takers for FFCBs were young females with higher educational background and relatively higher incomes. The product attributes which were found to be most important for the respondents were flavour and health claims.

2.5 Factors Affecting the Purchase of Health and Wellness Food

A number of studies have been undertaken with the aim of analysing the purchase behaviour of the consumers with respect to various types of health and wellness food products, the most common being functional foods and organic food products, since these are the two most common and popular types of health and wellness food categories. Researchers across the world have undertaken theoretical studies or developed models in the attempt to study and understand the various factors, which drive the consumers across the world to include health and wellness food products in
their diets. Some studies have also tried to identify the profile of the consumers who are generally buying health and wellness food products, based on their socio-demographic characteristics.

Azam et al. (2012) analysed the factors affecting purchase intentions of the consumers for organic food products using primary consumer survey of 250 respondents in Malaysia. They conceptualized the empirical model based on the Theory of Planned Behaviour, which postulates that the behaviour of an individual is directly affected by his intentions. They proposed five factors that are likely to affect purchase decisions for organic food products. These were attitude, health awareness, subjective norm, personal norm and the perceived behavioural control. The results of the study indicated that from among these, all factors except health awareness were significantly affecting the purchase decisions of the consumers.

Chakrabarti and Baisya (2009) investigated consumer purchase behaviour for organic foods by constructing a model based on various variables like consumer innovativeness; the related perceived risk and personal influence; and the demographic characteristics and time of adoption. Their findings demonstrated that the factors which played an important role in explaining the diffusion of innovation in case of organic food products, were innovativeness of the consumer and the personal influence variable. The study also confirmed the role of select demographic parameters in the level of regular purchase in the organic food category. They concluded that the retailers should develop an in-depth
understanding about these variables of consumer behaviour and should devise effective relationship marketing campaigns for the consumers.

**Chase et al. (2009)** studied the purchase behaviour of the Canadian consumers with regard to innovative functional food products, based on social-demographic profile of the consumers. The findings of the study revealed that consumers who were above 65 years of age and the families having children were more likely to purchase such food products. They argued that knowledge of the nutritional facts and health benefits associated with food items were important factors which motivated the consumers to buy these foods.

**Chen and Lobo (2012)** investigated the factors affecting consumer’s organic food purchase intentions in urban China by developing a conceptual model based on Theory of Planned Behaviour, Consumer Decision Making Process and Hierarchy of Effects Model, based on a survey of 960 respondents. Findings of the study revealed that factors that directly and positively affected the organic food purchase decisions of Chinese consumers were product attributes, regulatory framework and lifestyle. They found that both product attributes and regulations had a significant influence on the pre-purchase evaluation by the consumer. Their study provided implications for various stakeholders such as consumers, vendors and government agencies. They concluded that since the consumers had little clarity about the term ‘organic’, marketers of organic food products should attempt to leverage on these findings by educating both existing and potential consumers by means of educational campaigns, accurate labeling information along with
a certification logo as a sign of quality. Government agencies should focus on the need to regulate the organic food market and enhance the inspection and certification processes.

**Chung et al. (2012)** analyzed the purchase intentions of Chinese consumers for imported soy-based dietary supplements (DS), based on the theory of planned Behaviour and the Health Belief Model, using primary survey data from 215 respondents. Results indicated that the factors that had a significant influence on the purchase intentions of the consumers for these food products were attitudes of the consumers towards soy-based dietary supplements, subjective norms and perceived behavioural controls.

**Cranfield et al. (2011)** analysed the consumption of foods and beverages with functional ingredients to avert or offset health problems. They analysed the factors which determined the frequency as well as the intensity of consumption of functional foods using Canadian data and found that socio-demographical factors had a limited role in determining consumers’ receptiveness to functional foods, except for gender and age. They found that the level of consumption among those consumers who have made the purchase decisions for functional foods was critically affected by their confidence in such foods. They further suggested that the intensity of the consumption of functional foods appeared to be the highest in case of consumers who were having positive health related perceptions about themselves along with health motives including enhanced performance and general wellbeing. Thus, the promoters of functional foods must
concentrate on promoting acceptance and use, by designing promotional strategies aimed at changing the attitudes of the consumers regarding the effectiveness of the functional ingredients.

**Divine and Lepisto (2005)** sought to identify healthy lifestyle consumers who based their food product choice decisions on health considerations and the factors or personal values which differentiate these consumers from the others. They examined the demographic characteristics, personal values and psychological antecedents of the healthy lifestyle consumers based on their diet and exercise behaviour, using 582 mail survey responses. They concluded that females and people who were older, more educated, gave lesser value to excitement, had the tendency of planning ahead and had less role overload, were most likely to maintain a healthy lifestyle. They suggested that the companies trying to expand their markets in healthy lifestyle products need to focus upon two attributes, namely, health and convenience.

**Goetzke and Spiller (2014)** conducted a comparative study on functional food consumers vis-à-vis organic food consumers, based on a primary survey of 500 German consumers, with respect to the concepts of health and wellbeing and the factors which drive them in making their purchase decisions. They argued that the most important motive for the consumption of organic as well as functional foods is the consumer’s desire for health and wellbeing. Their research aimed at investigating if the consumption of organic and functional foods is dependent on the same level of consumer
understanding about health and the particular lifestyles, which drive the consumption of these products. They concluded that the motive behind purchase of both organic and functional foods is the same, that is, health. However, the purchase of these products varies across different lifestyles.

**Gonzales (2009)** analysed the market potential for organic products in Costa Rica, and the profile of consumers who accessed the organic farmers’ markets, based on three mega databases undertaken at 3 points in eight years duration. The study was conducted for examining the profile of the buyer purchasing organic food products and the motivators, which lead the consumer into buying organic food products. The study stressed that the information regarding the consumer profile and the factors affecting their organic food purchase intent could be helpful in designing long-term market development strategies for organic food products. The study findings indicated that those consumers who had higher levels of education, belonged to higher income groups, had a smaller family where the purchase decision for organic food products was generally made by men, were concerned about health and environment related issues, and were residing in sub-urban locations rather than metropolitan areas, were the most likely buyers of organic food products. As far as the motivating factors were concerned, it was found that price levels and expenditure on food items were the most important determining factors leading to purchase of organic food items. Factors like quality, presentation and availability of organic food products were found to have gained importance for the consumer as a factor leading to organic food purchase.
Gottschalk and Leinster (2012) in their study on organic food products tried to find whether an augmented supply of organic foods in supermarkets and discount stores led to persistent effects on the purchase behaviour of the consumers. The results of the study revealed that the customers were interested in the availability of the organic food products in supermarkets since they had the opportunity to compare these products with other available products. Comparative price advantage, ready availability and perceived qualitative superiority of the organic food products were found to play a key role in the purchase decisions of the consumers. The study suggests that regional production, adequate communication and information regarding the products, and the opportunity for the consumers to compare the organic food items with other conventional food products can lead to increased sales for organic food products.

Guilabert and Wood (2012) studied the importance of organic certification in winning the consumer belief on health benefits of organic labeled products. They argued that consumers had strong preferences for organic or non-organic foods based on their beliefs about the benefits of organic foods, and the reliability of the product labels. The results showed a correlation between choice of organic-labeled products and health beliefs. It was found that the consumers’ taste discriminations were influenced by prior beliefs about health and organic foods, and that these beliefs were triggered by the label information. The study provided insights on public policy for strengthening organic food labeling process and certification programs.
Hauser et al. (2013) through a questionnaire survey of 851 consumers in Switzerland, analysed how attitudes and values affected consumers’ purchase decisions for different categories of food products. Results of their study indicated that values related to food products had a significant influence on the attitudes of the consumers, which in turn, influenced the actual purchase behaviour of the consumer for food products. The results of the study also revealed that food-related values influenced the food purchase behaviour unconsciously, implying that the consumers were mentally unaware of this process. The study suggested that the marketers should provide arguments highlighting the value of sustainable food production and high quality of organic food products, in order to boost their sales.

Hirogaki (2012) conducted a detailed survey among 1255 young Japanese consumers to study their attitudes, perceptions and buying behaviour for functional foods and the factors that shape the food choices of the consumers for functional food products. The results of the study revealed that health claims could increase the acceptance of functional food among consumers. The study also revealed that the consumption of functional foods was closely associated with the consumers’ motivation regarding health, and the more health conscious a consumer was, the more likely he was to buy functional foods. It was also argued in the study that demographic characteristics were also important factors which influenced the consumers’ buying decision for functional foods. In addition, those consumers who attached more significance to the naturalness in food products bought less functional foods.
Kareklas et al. (2014) provided a theoretical assessment on the factors influencing consumer purchase behaviour for organic food products. Finding of the study revealed that the consumers’ beliefs that organic foods are healthier than other conventional food products (egoistic factor); and that organic foods are produced in an environmental friendly way (altruistic factor), influenced or shaped the attitudes and purchase intentions of the consumers towards organic food products. Thus, health as well as environmental concerns together drives the consumers towards making organic food purchases. The study also provided empirical evidences that those advertisings that highlighted both the egoistical and altruistic concerns of the consumers, were most effective in shaping the attitudes of the consumers towards organic food and in turn, led to purchase intentions for organic food products among the consumers.

Kapsak et al. (2011) analysed consumer attitudes, perceptions, and behaviours towards functional food in the United State of America based on primary consumer survey. Key findings indicated that one of the important factors that influenced the purchase decisions of the consumers was healthfulness, beside others. In addition, price was also increasingly becoming more and more important whereas, taste, by and large, was the most important factor considered by the American consumers while selecting food and beverages. The study highlighted that according to market information sources, functional food was included in the food choices of the consumers even during difficult economic conditions. The factors which led to generation of consumers’ interest in
functional foods included demographic patterns, dedication to healthcare and marketing through social media.

Kim et al. (2013) examined the factors affecting the food choices of senior and non-senior diners in restaurants including variables like Lifestyle of Health and Sustainability (LOHAS), healthy food choices, trust, emotional loyalty and age of senior and non-senior diners. The study revealed that there was significant difference in food choices of both the groups of customers in terms of the effect of LOHAS on healthy food choices, which was much stronger in case of senior customers. The impact of LOHAS was also strong on senior diners in terms of trust and emotional loyalty. The study highlighted that the foodservice operators should focus on the growing needs for specialty restaurants for catering to the needs of the customers by offering them healthier food options, and at the same time, more variety in terms of healthy food choices, organic ingredients and healthier methods of cooking, in order to win the confidence of the customers.

Krivy and Mecking (2011) examined the environmental and health consciousness of a consumer, and the effects of the behavioural costs on the purchase behaviour of the consumers for organic food products. Results of the regression analysis showed that income did not affect the organic food purchase although it significantly affected how much the consumer spent on organic food products. The study revealed that organic food consumption was more closely associated with health consciousness rather than
environmental concerns and the motivation to eat healthy food had a stronger effect on the purchase behaviour of the consumer with regard to organic food products. Similarly, Higher education also affected the purchase of organic products positively. Household income had a strong effect on expenditure on organic food, but it did not have a significant impact on the probability of being a regular consumer of organic food products.

**McEachern and Warnaby (2008)** explored the relationship between the purchase behaviour of the consumer for food products bearing value-based labels and consumer knowledge. They conducted the study based on the survey of 353 Scottish consumers using stratified random sampling technique. Structural equation modelling techniques were used for identifying causal influences on the consumers for making informed choices. Results of the study revealed that product knowledge generated through food labels had a substantial role in influencing the purchase decisions. Overall, value based labeling can act as an effective means of communication to solve the problem of unbalanced information flow between consumers, retailers and manufacturers.

**Methakornkulnan et al. (2013)** studied the existing functional food market in Thailand and assessed the consumers’ motivations, perception, attitudes and their purchase intention towards functional food. Results of the study revealed that the consumers had a very positive attitude towards functional food products and were aware of the health benefits from functional foods, safety of functional foods, innovative functional foods
and medicinal functional foods. Women were found to be more inclined towards purchasing functional food products. The functional foods’ market in Thailand was found to be very competitive with functional foods becoming a popular trend in the country.

Michaelidou and Hassan (2008) examined the roles played by factors such as health consciousness, food safety concerns and ethical self-identity towards the purchase intent of the consumers for organic food products. They argued that a consumer’s association with ethical concerns affected his purchase intentions, which subsequently led to consumption behaviour for organic food products, indicating that individuals now seem to be driven by motives like food safety and ethical concerns for purchasing organic food, rather than health concerns. The study also highlighted that the respondent’s favourable attitude towards organic food are formed as a result of their concern over the safety of food, such as residues in food from fertiliser, artificial additives, preservatives and chemical sprays. The results of the study suggested that advertisers of organic products should highlight the perceived benefits of organic food products when marketing these products to consumers since consumption of organic food is affected by ethical values and food safety concerns.

Paul and Rana (2012) analysed the purchase intentions and purchase behaviour of ecological consumers for organic food products. They also tried to determine the factors which influenced the behavior of the consumer towards organic food products through a
survey of 463 Indian respondents using a structured questionnaire. Finding of the study revealed that the demographic factors that positively impact the attitudes of the consumers towards organic food purchase decision were health, availability and education. The study emphasizes that the retailers can stress the health benefits and quality aspects of organic food products in order to influence the consumers positively, which may lead to increased sales of organic food products.

**Petrovičová (2009)** analysed consumer behaviour and factors affecting the purchase and consumption of healthy food products based on a primary survey of 236 respondents in Slovakia. Findings indicated that more than 85 percent respondents showed very high interest in healthy nutrition foods such as soya products. These products were purchased mostly by consumers from the age of 46 till 60 years, women, vegetarians and people caring about their health and healthy nutrition. This research provided implications for companies to know the needs of their customers and their attitudes towards healthy products, which may help them in developing an effective marketing strategy and design suitable marketing mix.

**Quah and Tan (2008)** examined the purchase behaviour of consumers in Penang for organic food products based on the primary survey of 400 consumers, using logit regression model. Study results indicated that consumers’ socio-demographics and attitudes were important factors that affected the purchase decisions of the consumers. The study identified organic food purchasing consumers to be generally urban, females
and people with higher income. In addition to these, characteristics related to attitude also impacted the food purchase decisions of Malaysian people significantly, especially of those who were concerned with food safety issues, who had sick friends or members in their families, who spent on health supplements and those who were conscious of price and availability attributes of organic foods. The study suggested that the marketers of organic foods should use proper segmentation strategies to identify their target customers and design tailored marketing strategies for their target groups.

Suh et al. (2012) analysed the attitudes and perceptions of Korean consumers for organic food products and the factors that affect their choices for these foods, using primary data of 75 respondents. Results of the study indicate that the factors that affect organic food choices among the Korean consumers included positive and negative attitudes of the consumers, and their trust and past experiences with organic food purchases. The study highlights the need for informed future academic and marketing research by providing a better understand of the perceptions, attitudes and purchasing intentions of Korean consumers for organic food products.

Truong et al. (2012) identified and analysed the potential Vietnamese consumers’ perceptions of organic foods using quantitative data of 264 potential Vietnamese consumers. Their analysis indicted that the probable Vietnamese consumers purchase intention was directly linked to factors like their health and safety concerns. Females were found to give higher weightage to the nutritional value of organic foods. Since the
consumers perceived the quality of the organic foods as superior, price was not found to affect their purchase decisions. Likewise, environmental concerns and sustainability issues did not influence the purchase decision of the Vietnamese consumers. The study suggested that in order to expand the market for organic foods in Vietnam, organic food sellers and retailers should devise appropriate sales and marketing strategies in order to retain their existing customers and attract potential customers by effectively differentiating their products from the conventional products in the Vietnamese market.

**Verbeke (2005)** investigated the socio-demographic and attitudinal factors that determine the preference of consumers for health attribute over taste, for functional food products. This cross sectional study was conducted on two samples of population in 2001 and 2004, for analysing the consumers’ willingness to compromise on taste in place of health. The empirical findings reveal that although the expectation of health benefit from functional foods was the most crucial factor which led the consumers to compromise on taste, both the level and the acceptance were found to be decreasing over time from 2001 to 2004, with taste now emerging as a critical factor leading to acceptance of functional foods in the future. The study concluded that in general, the consumers are unwilling to compromise on taste over the perceived health benefits of functional foods.

**Zepeda and Deal (2009)** confirmed consumer behaviour towards organic and local food with existing theoretical frameworks –Value-Belief-Norm (VBN) Theory and Attitude-
Behaviour-Context (ABC) Theory. The finding of the study revealed that the consumers purchasing organic food products were motivated by factors like values, beliefs and norms. Results of the study suggested that knowledge, habits, and information seeking affected the purchase behavior for organic food products. The study emphasizes that Alphabet Theory could offer an explanation as to why education is the demographic variable that constantly and significantly correlates with organic food purchase.

2.5.1 Motivation and Scope of the Study

The review of literature provides a direction to find out the research gap for further studies. This rigorous literature review also motivates for undertaking a research on consumer behavior for health and wellness food products in the Indian context. It is evident from the review on drivers of health and wellness food industry that there is a need to look more deeply into industry competition, policies/regulations and consumer & market related factors, local as well as international, for sustainability in health and wellness food markets. Most of the studies undertaken for understanding the consumers’ attitudes towards health and wellness foods, and factors affecting the purchase decisions are primarily focusing on functional and organic food products. Moreover, most of these studies have been conducted in the developed markets, whereas there is rapid growth in the market potential in emerging markets like India, as well.

Therefore, it becomes imperative to analyze the consumer behaviour for health and wellness food products in a comprehensive manner in the context of developing markets.
This study aims at analyzing the market potential for health and wellness food products in India, identify the consumer’s preference on health and wellness food product and market attributes and also identifies the factors affecting the purchase decision for health and wellness products among the consumers. Finally, this study provides managerial implications for various stakeholders of health and wellness food product markets.