

## **Study on the Impact of Consumer Awareness of Organic Food on Green Purchase Intention with the Mediation Effect of Premium Price**

**I.V.M.N. Premadasa\* and P.I.N. Fernando**

Uva Wellassa University of Sri Lanka, Passara Road, Badulla, Sri Lanka

### **Abstract**

Continuous degradation of earth is turning the land into a concrete jungle and this led to emergence of the concept of “going green” which creates a tremendous opportunity for food manufacturers as lead for organic food. The two key reasons behind the purchase intention of organic food have been identified as the environmental concern and health consciousness. Further premium price of organic food has been deemed the main reason for not to develop positive purchase intention. The Study was conducted in order to assess the impact of consumer awareness of organic food on green purchase intention with the mediation effect of premium price. The data were collected from a sample of 300 individuals who have purchased organic food from Western Province using multistage and judgmental sampling methods. The mixed research design has been adopted and data was analyzed by using descriptive statistics such as Karl Pearson’s correlation analysis, regression analysis, Baron and Kenny model and Sobel test analysis and thematic analysis. Thus, the results of the analysis concluded that there was a strong positive relationship between consumer awareness and green purchase intention. Further, the relationship between consumer awareness and green purchase intention is partially mediated by premium price. As recommendations, social media promotions, local and international organic certification bodies, outlets within highly complex cities to attract the market segment, environmental concern and health consciousness in marketing organic foods and introduce differentiated and innovative organic food products can be suggested.

**Keywords:** Environmental concern, Green purchase intention, Health consciousness, Organic food, Premium price

**\*Corresponding Author:** [nawamalika2015@gmail.com](mailto:nawamalika2015@gmail.com)