

Purchase Intention Determinants and Beneficiary Satisfaction: Evidence from Kerala Agricultural Development Society

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ABSTRACT

Beneficiary satisfaction and purchase intention are critical indicators of the effectiveness and sustainability of agricultural development organisations. Purchase intention reflects beneficiaries' willingness to continue purchasing products, while satisfaction arises from their overall evaluation of product quality, pricing, and service experiences. The Kerala Agricultural Development Society (KADS) plays a significant role in supporting agricultural development in Kerala by ensuring fair prices for farm produce, promoting organic and eco-friendly agricultural practices, and reducing the influence of intermediaries.

This study examines the key determinants influencing purchase intention and beneficiary satisfaction among KADS beneficiaries. Using empirical evidence collected from beneficiaries across Kerala, the study analyses the relationship between organisational initiatives, perceived value, satisfaction, and purchase intention. The findings highlight that fair pricing mechanisms, product quality, and trust in KADS significantly influence beneficiary satisfaction, which in turn positively affects purchase intention. The study provides practical insights for strengthening beneficiary-oriented strategies and enhancing the effectiveness of agricultural development programmes implemented by KADS.

Keywords: Beneficiary Satisfaction, Purchase Intention, Purchase Behaviour and Agricultural Products

INTRODUCTION

The global economy necessitates the promotion and regeneration of the agricultural extension programmes to better serve the various requirements of farmers. To reach these, training programs in modern farm practices, post-harvest techniques, value addition, and marketing were held as a usual routine. It increases the confidence of farmers in adopting environment-friendly farm practices to achieve sustainable agriculture growth. Direct marketing of agricultural products to the consumers is not as easy particularly in the case of local farmers. They faces some difficulties because of limited access to modern farming and marketing techniques.

Kerala Agricultural Development Society (KADS), provide proper support to transferring the latest technology to the farmers at the appropriate time for the promotion of local market, easy availability of farm and green products, better quality services to both the farmers and consumers. Consumer Satisfaction is the product's performance to satisfy buyer's expectations. Products and services consist of number attributes that are evaluated by consumers before purchasing the same. Consumer behaviour influence the consumer decision making about purchasing. There are number of variables which controls the customer satisfaction as well as buying Behaviour in this digital era.

Reviews on earlier studies, Alpert, M.I. (1971), Identification of Determinant Attributes: A Comparison of Methods. Anderson, E. W., Fornell, C., & Lehmann, D. R. (1994). "Customer Satisfaction, Market Share, and Profitability: Findings and Implications for Business Practices, Baal, S. and Dach, C. (2005) Free riding and customer retention across retailers' channels, Baumgartner, H. & Steenkamp, J. B. E. (1996), Exploratory consumer buying behavior: Conceptualization and measurement, International journal of Research in marketing, Caruana, A. (2002). Service Loyalty: The Effects of Service Quality and the Mediating Role of Customer Satisfaction, Foxall, G. & Yani-de-Soriano, 2005. Situational influences on consumer' attitudes and behaviour, Government of Kerala, (2020). Agricultural Development Policy.

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Agricultural Transformation and the Role of Institutions, Sharma, R., & Verma, P. (2019), Role of Cooperative Societies in Promoting Sustainable Agriculture, Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2017). Services Marketing: Integrating Customer Focus Across the Firm focused on the buying behaviour, purchase determinants and customer satisfaction.

The research on the measurement of the consumer buying behaviour, categories of consumer buying behaviour, factors affecting buying behaviour, models of consumer buying behaviour and consumer decision-making processes conclude whether the customers are satisfied or not. Rapid change in the Technological Advancement leads to changes in Consumer Behaviour, along with continuous changes in consumer satisfaction levels because various new variables are added every time.

Statement Of Problem

Innovative development of the agricultural economy, supporting organic produce are revolutionary during these periods due to the advancement of technology. Marketing of products and services is strictly strategic and needs continuous advancement in the present and future. The agricultural sector is not well organised. Hence, the local farmers' faces lot of issues and take risks to market their products. Awareness of technological advancements in the field of agriculture is lacking, which affects product quality and quantity. Traditional farmers are exploited by the local traders.

They do not get a fair return on their efforts. Consumers are also affected by the unfair trade practices of these traders. This study investigated the factors supporting beneficiary satisfaction by analysing the consumer's attitude towards the intermediaries for the marketing of agricultural products of the local farmers. It aims to understand the diverse needs of beneficiaries (buyers and sellers) and assess the organisation's ability to address these needs through its various services and business models for their satisfaction.

Kerala Agricultural Development Society (Kads)

Kerala Agricultural Development Society (KADS) is a voluntary organisation of farmers registered in 2001 under the Charitable Society Act, 1955 of Kerala. KADS most successful business models are Farmers' Open Market and KADS Producers Company Limited (Swadeshi Supermarket). Both business models help farmers to sell their agricultural products in the open market without an intermediary.

This process has opened up a window for all farmers to boost their self-confidence and channelise to market their products without extra effort. KADS takes complete responsibility to sell their product under its banner or buy their products, process it, and sell it with its own supply chain system. 'Swadeshi Supermarket', the major project of KADS to facilitate marketing of farm fresh products like fruits and vegetables, organic and other value-added products to the consumers.

Significance of the Study

The significance of the study lies in measuring the customer satisfaction of Kerala Agricultural Development Society through its potential to provide actionable insights into improving the quality and reach of KADS's services. Key findings from the study will inform strategies to enhance infrastructure, leverage digital platforms for better service delivery, and establish efficient feedback mechanisms. These improvements are essential for ensuring that KADS continues to play a vital role in Kerala's agricultural ecosystem by addressing the evolving needs of its beneficiaries. Establishing efficient feedback mechanisms is vital for understanding beneficiaries' needs and enhancing their satisfaction.

Scope of the Study

The scope of this research is confined to KADS centres in the Kerala state. Sample centres are located in the Thodupuzha Municipality within the Idukki district. By focusing on this specific region, the study aims to provide a detailed analysis of KADS's service quality to its consumers from local farmers through the best agricultural practices. The findings from the beneficiary satisfaction survey offer valuable insights into the organization's strategies and emphasise its crucial role within the state's agricultural ecosystem. Beneficiaries are categorised into two groups, representing the buyers and sellers of agricultural products and services, respectively. This classification helps in understanding the diverse needs and expectations of KADS's clientele. This study focused on the consumers of KAD's products and services and analysed the satisfaction of consumers under the head beneficiary.

Objectives of the Study

1. To identify the factors determining the beneficiaries' purchase intention towards the products available at Kerala Agricultural Development Society (KADS)
2. To examine the impact of purchase intention determinants on beneficiary satisfaction with purchasing behaviour at the Kerala Agricultural Development Society.

Hypothesis of the Study

1. H_0 : Purchase intention determinants have no impact on the beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society.

METHODOLOGY OF THE STUDY

For the purpose of the study, the researcher considered the consumers of Kerala Agricultural Development Society (KADS) located in the Thodupuzha Municipality within Idukki district as the sample of the study. Since the study covers a universe with an infinite population, that is, the number of consumers of Kerala Agricultural Development Society (KADS) is unknown, the sample size is determined by adopting a convenience sampling method, and the sample size is calculated by using Cochran's formula.

Assuming the maximum variability, which is equal to 50 per cent ($p=0.5$ and $q=0.5$) and taking at 95% confidence level ($z=1.96$) with 10 per cent ($e=.1$) desired level of precision. Cochran's formula for calculating the representative sample from the infinite population is: $n_0 = z^2 pq / e^2$; sample size = $(1.96)^2 (0.5) (0.5) / (0.1)^2 = 96.04$. Thus, the adequate sample size of the study at 95 percent confidence level and at 10 percent precision is 96.

The researcher circulated the questionnaire to 96 identified consumers of Kerala Agricultural Development Society (KADS) in Thodupuzha Municipality through google form. Hence, the study adopts a convenient sampling method in identifying the sample size of 96 consumers of Kerala Agricultural Development Society (KADS) in Thodupuzha Municipality.

Primary data was collected with the help of structured questionnaire and the Cronbach's alpha for the factors determining the beneficiaries purchase intention towards the products available at KADS and beneficiary satisfaction about purchasing behaviour at KADS is 0.824 and 0.796 respectively and that indicates an acceptable reliability of the parameters in the questionnaire. Thus, the collected data met with all normality assumptions and further analysed using statistical tools namely exploratory factor analysis and multiple regression analysis.

RESULTS AND DISCUSSIONS

Clustering the factors determining the beneficiaries purchase intention towards the products available at Kerala Agricultural Development Society (KADS) in the Thodupuzha Municipality: Exploratory Factor Analysis

Here, exploratory factor analysis is used to explore the factors determining the beneficiaries' purchase intention towards the products available at Kerala Agricultural Development Society (KADS) in the Thodupuzha Municipality through Principal Component Method with Varimax Rotation.

Table: 1 (a) Reliability analysis

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.851
Bartlett's Test of Sphericity	Approx. Chi-Square	3287.336
	Df	253
	Sig.	.000

Source: Computed from primary data

The table presents the findings of two assessments: the Kaiser-Meyer-Olkin measure of sample adequacy and Bartlett's Test of Sphericity, which evaluate the significance of the relationships among the variables. The Kaiser-Meyer-Olkin measure of sampling adequacy indicates a test statistic value of 0.851, indicating that factor analysis for the specified variables is suitable.

Bartlett's Test of Sphericity indicates a significant value of 0.000, representing that the variables selected are statistically significant and demonstrate a strong correlation among the factors influencing beneficiaries' purchase intentions regarding the products offered by the Kerala Agricultural Development Society (KADS) in Thodupuzha Municipality.

Table: 1 (b) Clustering the factors determining the beneficiaries purchase intention towards the products available at KADS

Factor	Parameters	Rotated Factor Loadings
Factor 1: Functioning of KADS 25.24 % of Variance	KADS is beneficial to the customers	.854
	The concept of KADS is good and it should continue its operation	.712
	Proper allotment of stalls is made at KADS for vegetables, fruits, meat products, fish, groceries etc.	.623
	Proper administration is maintained at KADS	.599
Factor 2:	Parking facilities are adequate at KADS	.784
	Transport facilities are good at KADS	.739

Infrastructure facilities and amenities at KADS 21.83 % of Variance	Drinking water facility is provided at KADS	.698
	Market is kept clean at KADS	.651
	Toilet facilities are provided at KADS	.573
	Proper storage facility is maintained at KADS	.524
Factor 3: Sellers behavior at KADS 17.04 % of Variance	No need to bargain with the sellers at KADS	.848
	Sellers have pleasing manners at KADS	.709
	Both men and women customers are treated equally at KADS	.637
	They sell the products beyond the fixed limit at KADS	.516
	Courteous behavior of sellers at KADS	.492
Factor 4: Product quality and variety at KADS 14.56 % of Variance	Availability of good quality vegetables, fruits, meat products, fish, groceries etc at KADS	.722
	Freshness of all product at KADS is another feature	.667
	Availability of variety of product at KADS	.624
	Weighment scale and right measurement is properly maintained at KADS	.533
	Sufficient quantity is provided at KADS	.486
Factor 5: Marketing at KADS 11.37 % of Variance	Affordable price level is maintained at KADS	.836
	Convenience and easy to access into KADS	.762
	Working hours of KADS is highly convenient	.694
Total Variance Explained: 90.04 % Variance		

Source: Computed from primary data

The table indicates that of the 23 criteria influencing beneficiaries' purchase intentions for products at KADS, 5 factors have been identified, resulting in a total variance of 90.04 percent.

The five factors influencing beneficiaries' purchase intentions regarding products at KADS are as follows: the functioning of KADS accounted for 25.24 percent of the variance, infrastructure facilities and amenities at KADS contributed about 21.83 percent, sellers' behaviour at KADS explained around 17.04 percent, product quality and variety at KADS represented about 14.56 percent, and marketing at KADS explained a variance about 11.37 percent.

The loading patterns of the components indicate a strong relationship among the parameters, with all variables contributing to the beneficiaries' purchase intention regarding the products offered at KADS.

H₀: Purchase intention determinants have no impact on the beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society.

Here the multiple regression analysis for beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society (Y) was performed with 5 independent variables of beneficiaries' purchase intention regarding the products sold at KADS such as functioning of KADS (X₁), infrastructure facilities and amenities (X₂), sellers' behaviour at KADS (X₃), product quality and variety at KADS (X₄), marketing at KADS (X₅).

Inter correlation between the factors determining the beneficiaries purchase intention towards the products available at KADS revealed that all the predictor variables were entered simultaneously for regression equation because no multicollinearity exists among the selected 5 predictor variables.

Table: 2 (a) Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.864	.746	.731	.3448
Predictors: (Constant), Functioning of KADS (X ₁), Infrastructure facilities and amenities (X ₂), Sellers' behaviour at KADS (X ₃), Product quality and variety at KADS (X ₄), Marketing at KADS (X ₅)				
Dependent Variable: Beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society				

Source: Computed from Primary Data

The model summary table illustrates the overall predictability of the regression model. The adjusted R² value of 0.731 indicates that the five independent variables influencing beneficiaries' purchase intentions regarding products at KADS account for 73.1 percent of the variance in the dependent variable, beneficiary satisfaction concerning purchasing behavior at the Kerala Agricultural Development Society.

As a result, it is determined that the beneficiaries' purchasing intentions regarding the products offered at KADS influence their satisfaction with purchasing behaviour at the Kerala Agricultural Development Society.

Table: 2 (b) ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	38.422	5	7.684	4.307	.000*
	Residual	160.567	90	1.784		
	Total	198.989	95			

Source: Computed from Primary Data * 5 Percent level of significance

The ANOVA findings indicate a p-value of 0.000 (F value = 4.307), which is less than 0.05, signifying that the regression model is statistically significant. The null hypothesis is rejected. Therefore, a substantial association exists between the variables examined in the hypothesis. Thus, it has been identified that the factors determining the beneficiaries' purchasing intentions regarding the products sold at KADS are closely associated and have an influence on their satisfaction with purchasing behaviour at the Kerala Agricultural Development Society.

Table: 2 (c) Coefficients of Multiple Regression Analysis

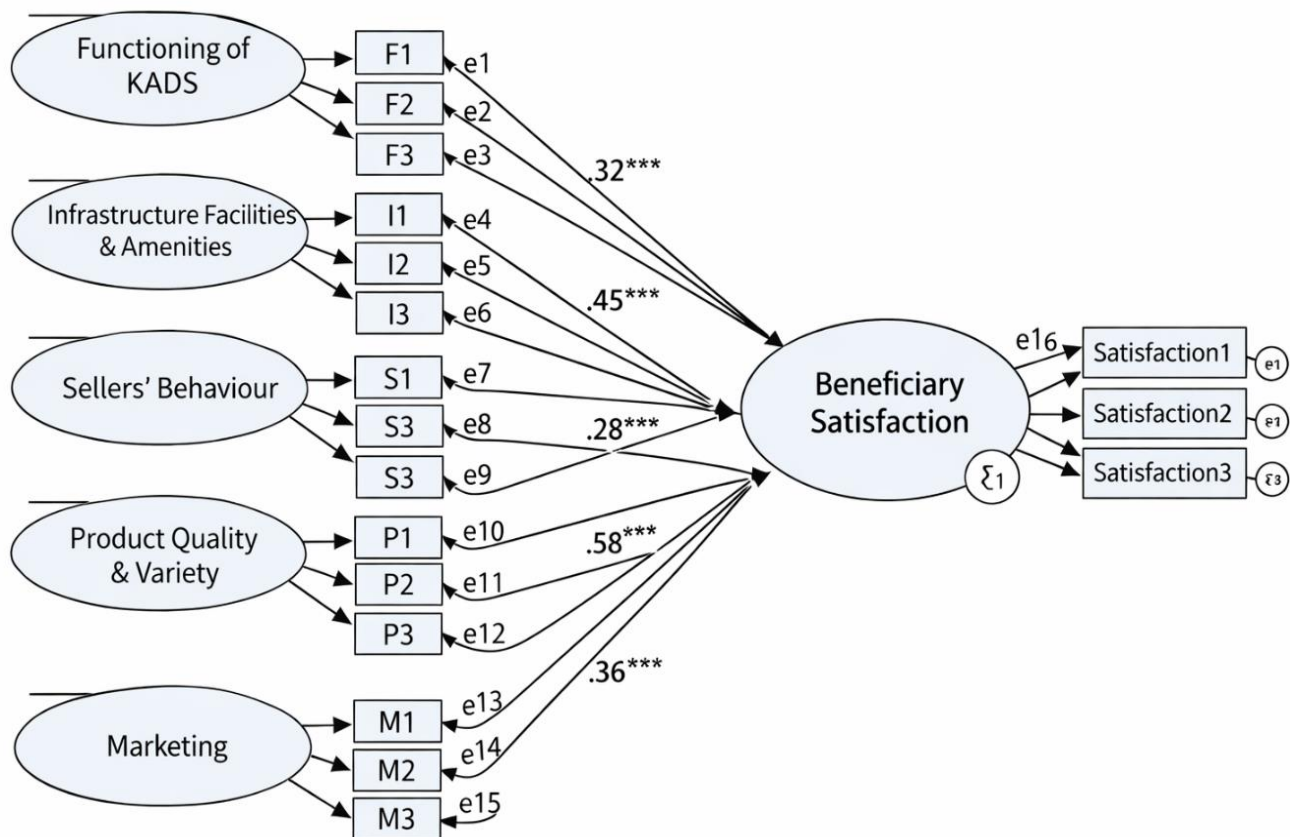
Model	Variables	UC		SC	T	Sig.
		B	SE	Beta		
1	(Constant)	3.128	.113		29.944	.000*
	Functioning of KADS (X ₁)	.642	.021	.617	11.369	.000*
	Infrastructure facilities and amenities (X ₂)	.768	.037	.743	15.039	.001*
	Sellers' behaviour at KADS (X ₃)	.584	.019	.545	8.583	.010*
	Product quality and variety at KADS (X ₄)	.831	.044	.809	17.634	.002*
	Marketing at KADS (X ₅)	.697	.029	.682	13.485	.000*
Dependent Variable: Beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society						

Source: Computed from Primary Data * 5 Percent level of significance

It is identified from the coefficient table that the factors determining the beneficiaries' purchasing intentions regarding the products sold at KADS such as functioning of KADS (X_1) (Beta Coefficient = 0.617, Sig = .000), infrastructure facilities and amenities (X_2) (Beta Coefficient = 0.743, Sig = .001), sellers' behaviour at KADS (X_3) (Beta Coefficient = 0.545, Sig = .010), product quality and variety at KADS (X_4) (Beta Coefficient = 0.809, Sig = .002), marketing at KADS (X_5) (Beta Coefficient = 0.682, Sig = .000) have significant positive impact on the beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society, since all the significant values of predictor variables is less than 0.05.

It reveals that the product quality and variety at KADS has the highest significant positive impact on the beneficiary satisfaction about purchasing behaviour at the Kerala Agricultural Development Society. Hence, it is concluded that the factors determining the beneficiaries' purchasing intentions regarding the products sold at KADS have significant influence on their satisfaction with purchasing behaviour at the Kerala Agricultural Development Society. Therefore, the Kerala Agricultural Development Society offers items of superior quality and at appropriate quantities. The product's freshness, variety, and availability at a reasonable price significantly enhance consumer happiness for those who purchase from KADS.

The ease, accessibility to KADS, infrastructure facilities, and appropriate allocation of spaces for each product category significantly benefit the consumers. As a result, it is determined that kind seller actions, effective marketing strategies, appropriate pricing of products, product quality and freshness, along with efficient management, enhance consumer satisfaction for those purchasing at KADS, thereby fostering customer loyalty and referrals to other consumers.



The structural model results reveal that all five purchase intention determinants exert a positive and statistically significant impact on beneficiary satisfaction, leading to the rejection of the null hypothesis. The quality of the products and the variety of products are the most influential factors affecting beneficiary satisfaction, and they enhance beneficiaries' purchasing experience at KADS. Quality assurance remains the primary factor of

satisfaction in agricultural product marketing. The infrastructure facilities and amenities, marketing, affordable pricing, convenient working hours, and ease of access to KADS centres play an important role in encouraging repeated purchases and fostering favourable perceptions among beneficiaries. The Functioning of KADS demonstrated a meaningful positive relationship with beneficiary satisfaction, indicating that effective administration, proper stall allocation, and overall operational efficiency enhance trust and confidence among consumers. Courteous behaviour, fair treatment, and the absence of bargaining contribute to a pleasant shopping environment, reinforcing customer satisfaction and loyalty. The results validate the structural model and emphasise that strengthening these determinants will enhance beneficiary satisfaction, encourage repeat purchasing behaviour, and support sustainable agricultural marketing through KADS.

CONCLUSION

KADS is influential in promoting agricultural growth and addressing the challenges faced by farmers in Kerala. By focusing on enhancing service quality and accessibility, KADS can improve beneficiary satisfaction and contribute to sustainable agricultural development. Addressing the existing infrastructure gaps and incorporating digital solutions will play a pivotal role in ensuring that farmers receive timely assistance and access to necessary resources. Like other studies, this research also has several limitations. The result is only applicable to the agricultural product which is tested in this research. Therefore, future studies can investigate non- agricultural products and other agricultural supporting organisations. Behavioural attributes considered in this study do not represent all attributes of the buying intention. This means other attributes that have not been tested can be included in future studies. Sample selected for this study is limited to one of the municipalities in the state of Kerala, the local taste might influence the results of this study.

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