

Problems And Prospects Of Organic Food Marketers In Kanniyakumari District – A Study

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ABSTRACT

In India organic food market is the most rapidly increasing market. This paper focuses on the problems faced by the marketers of organic food and the prospects of marketing of the organic food products. According to the findings of the study, the Kanniyakumari district's organic food marketing is gradually expanding. The marketers of organic food are reasonably good income afford for organic products. However, and Limited Availability are the most important challenge faced by the marketers of organic food products. It can be concluded that marketers have better experience with organic food products for a decade. The primary determinants of organic food marketing are product quality, pricing, and market promotion. In addition to offering promotions to draw in new customers, marketers must develop plans for retaining their current customers. The four main issues that marketers deal with are cost, marketing, advertising, and awareness. By fixing these issues, marketers will build a solid foundation for their market that will enable them to turn a profit and successfully manage the market.

Key Words: Organic Food, Fertilizers, Awareness, Sustainable Farming and Problems.

INTRODUCTION

Agriculture is the most significant sector for shaping the economy of our Nation. There was a time in India that, after independence there was food crises condition leading to food scarcity. As a result, during 1960's, green revolution in India helped in becoming self-sufficient in food. The introduction of green revolution leads to improved irrigation, better varieties of crop, use of various chemical pesticides and fertilizers and better access to credit helped the agricultural sector take a break through. But in today's scenario due to green revolution the use of various chemical fertilizers and chemical pesticides in crops is now used in such an alarming rate that it is affecting our environment and health of living organisms. The instrument of organic marketing is decidedly not the same as that of standard marketing (of delivery of conventional cultivating). Organic markets are as yet a specialty fragment in which particular purchasers are focused on. Watchful choice and advancement of target markets and appropriation channels are of the most extreme significance if there should be an occurrence of organic. Such advertising require unexpected aptitudes in comparison to customary showcasing and may require extra expenses in the underlying stages. The organic market development is fundamental progress towards growing the dynamic self-rule of the part. Rising salaries, urbanization, the advancement of retail exchange, changing ways of life and quick financial development have been the key drivers of the expansion in the sale

of organic food.

REVIEW OF LITERATURE

Bhanu Pratap Singh (2021) found in his study on organic product in India that there is awareness about the existence of organic products and the consumers are positive towards the approach. The government should also support the producers and the marketing agencies to implement and boost their production and marketing initiatives to capture the market for organic products.

K. N. Sharmila et al., (2021) conducted a study on factors influencing consumers of organic food products with special reference to Coimbatore city. The study has been concluded that various factors namely good in taste and more hygienic, no preservatives, more nutritious, fresh and safe, vital role in diet chart, better quality and non-condemnation, good packaging, good quality and quantity and healthy lifestyle that are to influencing consumers to purchase organic food products.

B. S. Ghanghas et al., (2021) in their article prospects and constraints experienced in organic farming by farmers concluded that sincere efforts are required by government for promotion of environment friendly and sustainable farming in form of technological empowerment, remunerative and assured markets along with enhanced intelligence as well mobilization of organic farmers in functional groups.

Dr. R. Narmadha (2022) concluded that India can enjoy a number of benefits from the adoption of organic farming. Economic and social benefits like generation of rural employment, lower urban migration, improved household nutrition, local food security and reduced dependence on external inputs will be large gains in the Indian conditions. The protection of environment and the consequent increase in the quality of human life will be other contributions of organic farming. Market development for the organic products is a crucial factor to promote domestic sales.

STATEMENT OF THE PROBLEM

Organic food is grown without the use of synthetic chemicals, such as human-made pesticides and fertilizers and does not contain genetically modified organisms. During the past decades, there were remarkable changes in Indian food industry due to the changes in socio-economic development. In spite of the growing market, organic food marketers faces many challenges. The higher cost, health consciousness, government support, buying behaviour of customers, awareness among customers and competition from common products are a few major issues faced by the marketers. Though there is a positive attitude towards the organic products, there is relatively a low purchase level. The end user switch between using organic food and inorganic food. So, organic food marketers are not getting any sustainable development and there is no proper legitimate marketing channel for organic produce.

Only a few researchers have studied the challenges and prospects of organic food marketers. By considering these issues this study will analyze the factors and challenges faced by the organic food marketers and also further investigate the prospects that are useful for framing new strategies for marketing their products through a structured interview. In this study the researcher has made an attempt to study the problems and prospects of organic food marketers with special reference to Kanyakumari district.

OBJECTIVES

1. To study the profiles of organic food marketers.
2. To identify the issues faced by marketers in selling organic food products.
3. To develop appropriate strategies to promote organic food products.

SCOPE OF THE STUDY

The main scope of this study is to figure out the main the challenges faced by the organic food marketers in Kanniyakumari district. The study will help the marketers develop strong strategies to attract more customers. Hence, the result of this study may provide useful information for organic food marketers to frame successful marketing policies.

METHODOLOGY

The research was undertaken on the basis of data collected from both primary and secondary sources. The analysis was carried out by using statistical tools like Percentage analysis, Friedman rank test and Factor Analysis to evaluate the objectives of the study. The results were presented in the form of tables and charts. Judgmental sampling technique has been adopted to select respondents for the study. The data has been collected from 60 marketers of organic food in Kanniyakumari district. The calculations were made with the help of SPSS software.

TOOLS FOR ANALYSIS

Statistical tools such as Percentage, Factor Analysis and Friedman Rank Test are used to analyse the primary data.

LIMITATIONS OF THE STUDY

- Prejudice of the respondents might have caused errors.
- This study is limited to Kanniyakumari district in Tamil Nadu. Hence the findings cannot be generalized.

ANALYSIS AND INTERPRETATION

1. Profile of the respondents

The parameters such as gender, age, education, capital, type of family, area and monthly income of the family are considered in the present study to understand the socio-economic and demographic profile of the respondents and are exhibited in Table 1.

Table 1

Profile of the Respondents

Profile Variables	Particulars	No. of Respondents	Percentage
Gender	Male	88	73.3
	Female	32	26.7
	Total	120	100
Age(in years)	21-30 years	24	20.0
	31-40 years	24	20.0
	41-50 years	38	31.7
	Above 50 years	34	28.3
	Total	120	100
Educational Status	School level	46	38.3
	Graduate	52	43.3
	Post Graduate	18	15.0
	Professional	4	3.3
	Total	120	100
Capital	Rs.100000-500000	64	53.3
	More than Rs.5,00,000	56	46.7
	Total	120	100
Type of Family	Nuclear	28	23.3
	Joint	92	76.7
	Total	120	100
Area	Rural	38	31.7
	Urban	52	43.3
	Semi Urban	30	25.0
	Total	120	100
Monthly Income	Up to Rs.50,000	74	61.7

	Rs.50,000-1,00,000	46	38.3
	Total	120	100

Source: Primary Data

It is found out from Table 1 that 73.3 per cent respondents were male. 31.7 of the respondents belonged to the age group of 41 to 50 years. 43.3 per cent of the respondents are graduated. 53.3 per cent of the respondents invested capital from 100000 to 500000. The type of the family of the respondents revealed that 76.7 per cent of the respondents lived in joint family. 80.77 per cent of the respondents have an occupation of business/profession and 56.15 per cent of the respondents had a monthly income of below 25000. Thus, it is inferred that with reasonably good income afford for organic products.

2. Problems of organic food marketers

The organic food marketers face difficulties while procuring the organic food products from farmers. The challenges faced by marketers are analyzed with the help of the factor analysis method. For this, fourteen variables were identified, and their scores have been included. The inter-correlations between the fourteen variables were analyzed using Principal Component Analysis (PCA) and the Varimax rotation of factor analysis. The results of Rotated Component matrix of the fourteen variables of problems faced by organic food marketers along are exhibited in Table 2

Table 2

Rotated Component Matrix

Problems	Component				
	1	2	3	4	5
Transportation cost	.858				
Supply Chain Issue	.833				
Demand and Supply Gap	.769				
Lack of branding and packages	.589				
Limited Availability	.500				
Low Customer frequency		.751			
Lack of awareness among customers		.682			
Reliability		.648			
Advertisement in media increase cost			.792		
Lack of promotional activity			.681		
Buying behaviour of customers				.795	
Lack of marketing intelligence				.719	
Higher cost					.643
Competition from common Products					.639

Source: Primary Data

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

Table 2 exhibits the rotated factor loading for fourteen variables. It is observed that all the fourteen variables have been extracted and were considered to be challenges to the organic food marketers. The fourteen variables were reduced to five factors. As per the marketer's point of view, the problems of the marketers in the study area evinced factor such as marketing, awareness, advertisement, customer retention and competition as the problematic factor for marketing organic food. The five components are presented along with the factor.

2.1. Marketing

The marketing of a product is vital to stimulate demand and creating new customers. The variables defining component-one their factor loading are presented in Table 3.

Table 3
Marketing

Sl. No.	Variables	Factor Loading
1	Transportation cost	.858
2	Supply chain issue	.833
3	Demand and Supply Gap	.769
4	Lack of proper branding and packages	.589
5	Limited Availability	.500

Source: Compiled from Table

The variables such as transportation cost, supply chain issue, demand and supply gap, lack of proper branding and packages and limited availability were included in component-one. The five variables with a higher factor loading on component-one was characterized as 'Marketing'. The five variables had high factor loading indicating that the variables within the component had a high association among them.

2.2. Awareness

The core idea of organic food marketing is to create awareness among people about environment issues and how consumers would be helping the environment and their health if they switched over to organic food products. The variables defining the component-two and their factor loading are presented in Table 4.

Table 4
Awareness

Sl. No.	Variables	Factor Loading
1	Low Customer frequency	.751
2	Lack of awareness among customers	.682
3	Reliability	.648

Source: Compiled from Table

The variables such as low customer frequency, lack of awareness among customers and reliability were included in component-two. The three variables with a higher factor loading on component-two were characterized as 'Awareness'. The three variables had high factor loading indicating that the variables within the component had a very high association among them.

2.3. Advertisement

Advertisement factor increases the sale of organic food products. It helps the marketers to promote their products and attract more customers. The variables of advertisement and their factor loading are presented in Table 5.

Table 5
Advertisement

Sl. No.	Variables	Factor loading
1	Advertisement in media increase the cost	.792
2	Lack of promotional activity	.681

Source: Compiled from Table

The third component includes advertisement in media increase the cost and lack of promotional activity. The two variables with higher factor loading on component-three were characterized as 'Advertisement'. The two variables

had high factor loading indicating that the variables within the component had a high association among them.

2.4. Customer retention

The customer retention was also a problem faced by the organic food marketers because of customer's switching behaviours between conventional food and organic food. The variables defining the component four with their factor loading are presented in Table 6

Table 6

Customer Retention

Sl. No.	Variables	Factor Loading
1	Buying behaviour of customers	.795
2	Lack of marketing intelligence	.719

Source: Compiled from Table

Component-four was characterized as 'Customer retention' in which attributes such as buying behaviour of customers and a lack of marketing intelligence constituted with higher factor loading. The two variables had high factor loading indicating that the variables within the component had a high association among them.

2.5. Competition

Competition is the major challenge faced by every marketer. The competition affects the cost of the organic food products. The variables defining component-five and their factor loading are presented in Table 7.

Table 7

Competition

Sl. No.	Variables	Factor Loading
1	Higher Cost	.643
2	Competition from common products	.639

Source: Compiled from Table

Component-five was characterized as 'Competition' in which attributes such as higher cost and competition from common products constituted with higher factor loading. The two variables had a high factor loading, indicating that the component had a high association among them.

Eigen Value of problems of marketers

Factor analysis of fourteen attributes relating to problems faced by the organic food marketers identified six components. The six challenges encountered by the marketers along with the Eigen value, Percentage of Variance and Cumulative Percentage of Variance are presented in Table 8

Table 8

Problems of Marketers

Sl. No.	Problems	Eigen Value	Percentage of Variance	Cumulative Percentage
1	Marketing	2.405	17.234	17.234
2	Awareness	2.058	13.722	30.956
3	Advertisement	1.696	11.306	42.262
4	Customer Retention	1.583	10.551	52.813
5	Competition	1.142	7.615	60.428

Source: Compiled Data

It has been observed from Table 8 that there are six problems such as marketing, awareness, advertisement, customer retention, transportation cost and competition. These components accounted for about 60.428 percent of variance in the data.

Eigen value for first component, 'Marketing', was 2.405 and the percentage of variance was 17.234. This component is the major challenge for marketers selling organic food products in the study area. Significant items under this component were transportation cost, demand and supply gap, supply chain issue, limited availability and lack of proper branding and packages.

Eigen value of second component, 'Awareness', was 2.058 and the percentage of variance was 13.722. The significant items under this component were low customer frequency, reliability and lack of awareness among customers.

Eigen value of third component, 'Advertisement', was 1.696 and the percentage of variance was 11.306. This component indicates that the lack of promotional activity and advertisement in media increased cost were also the problems faced by organic food marketers.

Eigen value of fourth component, 'Customer retention', was 1.583 and the percentage of variance was 10.551. The buying behaviour of the customers and lack of marketing intelligence of the marketers were also problems for the marketers.

Eigen value of fifth component, 'Competition', was 1.142 and the percentage of variance was 7.615. The components higher cost and competition from conventional products also affect the marketing of organic food and become a challenge for marketers.

Thus, factor analysis reveals that Marketing is the most important challenge faced by the marketers of organic food products in Kanniyakumari District

3. Prospects for marketing organic food products

Considering the importance of the environment and health aspects for human beings, the government should also take initiatives to improve the marketing of organic food products. Marketing organic produce requires a sound knowledge to target the customers. For that, the mean scores on eight factors are calculated from the score respective variables are ranked and the results are presented in Table 9.

Table 9

Prospects of marketing organic food products

Sl. No.	Prospects	Mean Score	Rank
1	Decrease the price of product	3.30	VIII
2	Give more awareness program	4.32	VI
3	Control the inventory	5.18	II
4	Use of online marketing channels	4.84	IV
5	Increasing demand for organic food	5.09	III
6	Build relationship with customers	3.39	VII
7	Diversify the product range	5.23	I
8	Increasing investment from government	4.65	V

Source: Primary Data

The above table 9 shows that diversifying the product range has a high mean score of 5.23, thus given it the first rank. The second rank was given to control the inventory, with a mean score of 5.18. Increase the demand for organic food gets third rank with a mean score of 5.09. The use of online marketing channels placed fourth rank with a mean

score of 4.84. With a mean score of 4.65, the increasing investment from the government places it in the fifth rank.

FINDINGS

The major findings of the study are:

- Majority of the marketers of organic food products (73.3 percent) are male.
- Cent percentage of the marketers are educated.
- Most of the respondents (31.7 percent) are belongs to the age group of 41 to 50 years.
- Majority of the respondents (53.3 percent) are invested capital from Rs.100000 to Rs.500000.
- Majority of the respondents (76.7 percent) of the respondents lived in joint family.
- 80.77 percent of the respondents have an occupation of business.
- Majority of the respondents (56.15 percent) had a monthly income of below 25000.
- Factor analysis reveals that Marketing is the most important challenge for the marketing of organic food products. The buying behaviour of the customers and lack of marketing intelligence of the marketers are problems for the marketers. The components higher cost and competition from conventional products also affect the marketing of organic food and become a challenge for marketers.
- The marketing of organic food increases if the demand for the organic food increases. This can be done by conducting more awareness programs by the government, controlling the inventory in a proper manner, and diversifying the organic food product.

SUGGESTIONS

- Kanniyakumari District has only limited number of women marketers in organic food marketing. More number of women are expected to get motivated to deal with organic food products and to protect the environment.
- Most number of marketers in organic food marketing are mostly above the age of 40 years so youngsters may be encouraged to this field.
- The monthly income of the organic food marketers are go to the extent of one lakh. So, promotion required to increase the income of organic food marketers.
- Majority of the organic food marketers in Kanyakumari are rented in urban areas when compared to rural and semi urban areas. It can be better if the organic food markets are evenly distributed in the study area.
- More awareness campaigns can be conducted by the marketers and the government to convince the people to consume organic food products, which are essential to protect the environment.
- The government might offer loans to organic food marketers at a reasonable interest rate to improve their financial support. Thus, the marketers might advance their company to a new level, which may promote organic farming.

CONCLUSION

Organic products reduce health risks to the consumers by minimizing their exposure to toxic and persistent. Children are especially vulnerable to pesticides. Thus, offering organic food and fiber products into the marketplace gives parents the option of choosing products produced without the use of these toxins. Not only does organic production help reduce public health risks, mounting evidence shows that food grown organically are rich in nutrients, such as Vitamin C, iron, magnesium, and phosphorus, with less exposure to nitrates and pesticide residues in organically grown fruits, vegetables, and grains when compared to conventionally grown products.

According to the findings of the study, Kanniyakumari district's organic food marketing is gradually expanding. According to the study, it can be concluded that marketers have better experience with organic food products for a decade. The primary determinants of organic food marketing are product quality, pricing, and market promotion. In addition to offering promotions to draw in new customers, marketers must develop plans for retaining their current customers. The four main issues that marketers deal with are cost, marketing, advertising, and awareness. By fixing these issues, marketers will build a solid foundation for their market that will enable them to turn a profit and successfully

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