

“MARKETING PRACTICES, PROBLEMS AND PERCEPTIONS OF ORGANIC PRODUCERS WITH SPECIAL REFERENCES TO IDUKKI DISTRICT”

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ABSTRACT: *Agriculture is the backbone of Indian economy as the economic development of the country is very much relied upon the agricultural activities. Agriculture provides not only food for the nation but also provides opportunities in employment. India is the largest producer, consumer, and exporter of spices and spice products. Increase in the production of various agricultural products is insufficient for the economic development of the country. It also requires a systematic and scientific marketing system for the purpose of marketing agricultural products. Rapid increase in production of organic food is creating new and more complex challenges for marketing. The principal goal of organic production is to develop enterprises that are sustainable and harmonious with the environment. From the study it has been revealed that most of the respondents choose:- Organic producers highly depend on agents as distribution channel to market their products and this help the producers to enhance demand for their products. The main problems faced by the organic producers include changing climatic conditions, consumer's taste and preferences and cost involved in the production process and most of the respondents choose farmers meeting organic food standards and rain plays a vital role in agricultural sector as the main perception of the organic producers. Organic agriculture is a holistic production management system which promotes and enhances agro-system health, including biodiversity and soil biological activity. However an increasing number of farmers have consciously abandoned agrochemicals and now produce organically, as viable alternative to Green Revolution agriculture.*

Key Words: *Organic agriculture, foreign earnings, GDP, Green Revolution Agriculture.*

INTRODUCTION

Agriculture is the cultivation and breeding of animals and plants provide food, fiber, medicinal plants and other products to sustain and enhance life. Agriculture was the key development in the rise of human civilization, whereby farming of domesticated species created food surpluses that enabled people to live in cities. The history of agriculture dates back thousands of years; people gathered wild grains at least 105,000 years ago, and began to plant them around 11,500 years ago, before they became domesticated. Organic production is a holistic system designed to optimize the productivity and fitness of diverse communities within the agro-ecosystem, including soil organisms, plants, livestock and people. The principal goal of organic production is to develop enterprises that are sustainable and harmonious with the environment. Organic production and trade has been emerged as an important sector in India and in other parts of the developing world. It is seen as an important strategy of facilitating sustainable development. This paper discusses the marketing practices, problems and perceptions of organic producers. Here it also discuss about the marketing of organic food products. For boosting organic agriculture, marketing of organic products will be a main driving force. The most important reason for buying organic food was the concern for the health of children. Organic food is expensive than conventional food and customers have to pay a premium generally 20 -30% for that. Organic Marketing requires different skills than regular marketing and may call for additional costs in the initial stages. Through the implementation of appropriate marketing strategies producers and companies can organize organic production and influence consumers purchasing behavior.

STATEMENT OF THE PROBLEM

This study is intended to find out the answers to the following questions:-

What are the marketing problems faced by the organic producers? What are the perceptions that influence organic producers? What are the practices followed by the organic producers?

As the study is based on the marketing practices, problems and perception of organic producers, the study is entitled as “A STUDY ON

MARKETING PRACTICES, PROBLEMS AND PERCEPTION OF ORGANIC PRODUCERS WITH SPECIAL REFERENCE TO IDUKKI DISTRICT.”

OBJECTIVES OF THE STUDY

The study titled “Marketing practices, problems and perceptions of organic producers of Idukki district” has been carried out with the following objectives:

- 1) To study the existing marketing practices and initiatives of organic producers in idukki district.
- 2) To study the producers perception about the consumers in kerala.
- 3) To identify the problems faced by organic producers in idukki district.
- 4) To give suggestions to above problems.

HYPOTHESES

H₀1-There is no significance difference in the opinion of male and female with regards to the factors influencing problems of organic producers. (Gender-challenges).

H₀2-There is no significance difference in the opinion of male and female with regards to the Factors influencing perception of organic producers. (Gender-perception).

H₀3-There is no significance difference in the opinion of male and female with regards to the Factors influencing challenges of organic producers. (types of markets-challenges).

H₀4-There is no significance difference in the opinion of male and female with regards to the Factors influencing challenges of organic producers. (types of channels-challenges).

RESEARCH METHODOLOGY

The study has adopted a descriptive ,analytical research design so as to gather relevant knowledge on “**Marketing practices, problems and perceptions of organic producers with special reference to Idukki district**” by conducting sample survey. The present study incorporates the collection of both primary and secondary data for an in depth investigation. The researcher aims to collect the primary data with the help of well-structured questionnaire administered to 60 samples are drawn from universe including organic producers. Secondary data is also resorted for the study which consists of professional journals and magazines, reports of projects and studies conducted by experts and online sources. Primary data collected is analyzed using the tools such percentage analysis and One Way Anova which is supported by charts ,graphs and SPSS.

REVIEW OF LITERATURE

(Myint, 1971) (“**Development of agro industries in developing countries**”) has emphasized that the logic of developing agro-based industries by not-well-to-do developing countries on the premise that the export potentiality of processed agricultural product is much brighter than the raw products. The slow growth of agriculture in most less developed countries is due to the poor terms of trade for their agricultural products in the world trade. Processed labor cost involved in processing the raw agricultural products in the developing countries.

(Wcrf, 1990) **found that the productivity of soil is determined by its chemical and physical as well as biological properties.** Inorganic fertilizers can take care of only the chemical aspects of soil fertility while organic manures on the other hand are capable of maintaining and improving biological properties of soils. Prolonged and overall availability of smaller amounts of nutrients over an extended period of time often contributes towards a sustained increase in grain yields.

(Gunjal, 1990) has made a comparative study of ecological farming with conventional farming in South India and observed that one of the most important characteristics in which natural ecosystems differed from conventional agriculture is the continuous presence of vegetative cover on the land.

Vishwanathagupta (‘Agricultural Marketing Scenario Today’). He is of the opinion that organized market will alone ensure fair price to producers as well as consumers. Farmers’ markets operate in the same line. Vishwanathagupta opinion that, “if marketing of agricultural produce is properly organized, it can fetch a good price to the farmer and he will be inspired to produce more. The interest of the consumer will also be taken care because they were the important element. An efficient and properly organized marketing should, therefore, insure fair price to the producer as well as to the consumer.

Sarangi B (‘Economic potential of agro industries’) that the strategy for the development of agro based industry in the Indian context would comprise as follows: - The growth & expansion of agro industries form an inseparable part of the overall programme for economic & industrial development. Extension & dissemination of information through mass media, technology development, research activities and training programmes need to be improved. The strategy put forward is that the related groups of agro industries have to be set up in a co-ordinated manner for the better utilization of by-products and in order to create export market, advanced management and marketing methods need to be introduced in agro industries .To maximize growth impulses of agro industries both backward and forward linkages to be ensured. Suitable strategies have to be formulated to promote rural savings and ploughing them in rural areas for productive investments.

RESULTS AND DISCUSSION

Table No:-1
Channels/Practices used for marketing

Channels	Frequency	Percent
Direct marketing.	17	34
Organic markets by NGOs	9	18
Agents.	18	36
Cooperative societies	4	8
Institutional sales	1	2

On-line	1	2
Total	50	100

Source: Primary Data

From the table:-1 it is clear that 36 percentage of samples are using agents as their channels for marketing their products and 34 percentage are using direct marketing, 18 percentage are using organic markets by NGOs and 8 percentage are using cooperative societies and 2 percentage are using institutional sales and online as their channels for marketing their products.

Table No:-2
Problems faced by organic producers

Measures	Mean	Standard deviation.
Cost involved in the production process when compared with conventional non-organic products.	3.76	1.001
Labour turnover.	3.64	1.064
No market/less market share in India.	3.62	1.141
Financial shortage and quality maintenance problems.	3.82	.962
Non availability of commodities and skilled manpower	3.74	1.046
Changing climatic conditions and consumer tastes and preference.	3.96	1.068

Source: Primary Data

The above table and charts shows the mean and standard deviation on problems faced by organic producers. And from this we can see that the mean value of the factor, changing climatic conditions and consumer tastes and preference (3.96) is the highest and the mean value of the factor no market/less market share in India (3.62) is the lowest, which indicates that the major problem faced by organic producers is changing climatic conditions and consumer tastes and preference.

Table No:-3
Perception of organic producer

Measures	Mean	Standard deviation
Market prices of crops should be added to Index number.	4.06	.818
Govt. should adopt Free market policy.	4.28	.834
Globalization of agriculture is suitable for farmers.	4.00	.808
Farmers needed special packages in case of natural disasters such as Droughts, Floods.	4.32	.891
Farmers should be enhanced to use the Organic Farming.	4.08	.986
Rain plays a vital role in Agriculture sector.	4.46	.862

Source: Primary Data

The above table and charts shows the mean and standard deviation on above statement. And from this we can see that the mean value of the factor rain plays a vital role in agriculture (4.46) is the highest and the mean value of the factor globalization of agriculture is suitable for farmers (4.00) is the lowest, which indicates that the factor which have the strongest influence on perception of organic producers is rain plays a vital role in agriculture.

HYPOTHESES TESTING

H₀:- there is no significant difference between the opinions of the two groups male and female with regards to the factors influencing the problems of organic producers is accepted.

H₁:- there is significant difference between the opinions of the two groups male and female with regards to the factors influencing the problems of organic producers is accepted.

Table no:-4
Factors influencing problems of organic producers.(gender-challenges)

Factors	F	Sig
Cost involved in the production process when compared with conventional non-organic products.	1.693	.199
Labour turnover.	.345	.560
No market/less market share in India.	.039	.844
Financial shortage and quality maintenance problems.	.016	.900
Non availability of commodities and skilled manpower.	.086	.771
Changing climatic conditions and consumer tastes and preference.	.112	.739
Expensive.	.029	.867
Unavailable.	2.287	.137
Don't trust certification of organic food.	.115	.736
Unappealing appearance.	.134	.716
Not good taste.	.069	.794

From the above table we can understand that significance values are above 0.05, which indicates that there is no significant difference in the opinion of two groups male and female with regards to the factors influencing problems of organic producers .**Hence the null hypothesis (H₀) there is no significant difference between the opinions of the two groups male and female with regards to the factors influencing the problems of organic producers is accepted.**

H₀:- there is no significant difference between the opinions of the two groups male and female with regards to the factors influencing the perception of organic producers is accepted.

H₁:- there is significant difference between the opinions of the two groups male and female with regards to the factors influencing the perception of organic producers is accepted.

Table no:-5
Factors influencing perception of organic producers. (gender-perception)

Factors	F	Sig.
Farmers meet organic food standards.	.862	.358
The government effectively regulates food production.	1.677	.202
Organic food standards should include labor standards.	.072	.789
I buy organic to protect myself from consuming pesticides.	.626	.433
I buy organic food to support local farm owners.	1.191	.281
Market prices of crops should be added to Index number.	.092	.763
Govt. should adopt Free Market policy.	1.676	.202
Globalization of agriculture is suitable for farmers.	.515	.477
Farmers needed special packages in case of natural disasters such as droughts, Floods.	.001	.979
Farmers should be enhanced to use the Organic Farming.	.023	.880
Rain plays a vital role in Agriculture sector.	.341	.562
Suicides committing by farmers due to increasing loans must be stopped.	.010	.919

From the above table we can understand that significance values are above 0.05, which indicates that there is no significant difference in the opinion of two groups male and female with regards to the factors influencing perception of organic producers .**Hence the null hypothesis (H_0) there is no significant difference between the opinions of the two groups male and female with regards to the factors influencing the perception of organic producers is accepted.**

H_0 :-there is no significant difference between the opinions of the two groups with regards to types of markets and the factors influencing the problems of organic producers is accepted.

H_1 :-there is significant difference between the opinions of the two groups with regards to types of markets and the factors influencing the problems of organic producers is accepted.

Table no: 6

Factors influencing challenges of organic producers. (types of markets-challenges)

Factors	F	Sig
Cost involved in the production process when compared with conventional non-organic products.	.886	.455
Labour turnover.	.330	.804
No market/less market share in India.	1.438	.244
Financial shortage and quality maintenance problems.	.443	.723
Non availability of commodities and skilled manpower.	.230	.875
Changing climatic conditions and consumer tastes and preference.	.643	.591
Expensive.	.342	.795
Unavailable.	.330	.803
Don't trust the certification of organic food.	.447	.720
Unappealing appearance.	1.557	.213
Not good taste.	1.392	.257

From the above table we can understand that significance values are above 0.05, which indicates that there is no significant difference in the opinion of two groups types of markets with regards to the factors influencing challenges of organic producers. **Hence the null hypothesis (H_0) there is no significant difference between the opinions of the two groups with regards to types of markets and the factors influencing the problems of organic producers is accepted.**

H_0 :-there is no significant difference between the opinions of the two groups with regards to types of channels and the factors influencing the problems of organic producers is accepted.

H_1 :-there is significant difference between the opinions of the two groups with regards to types of channels and the factors influencing the problems of organic producers is accepted.

Table no:7

Factors influencing challenges of organic producers. (Types of channels-challenges)

Factors	F	Sig.
Cost involved in the production process when compared with conventional non-organic products.	.569	.723
Labour turnover.	.253	.936
No market/less market share in India.	.576	.718
Financial shortage and quality maintenance problems.	2.319	.059
Non availability of commodities and skilled manpower.	.830	.536
Changing climatic conditions and consumer tastes and preference.	1.025	.415
Expensive.	.420	.832
Unavailable.	2.818	.027

Don't trust the certification of organic food.	.546	.740
Unappealing appearance.	1.451	.225
Not good taste.	1.171	.339

From the above table we can understand that significance values are above 0.05, which indicates that there is no significant difference in the opinion of two groups types of channels with regards to the factors influencing challenges of organic producers. **Hence the null hypothesis (H_0) there is no significant difference between the opinions of the two groups with regards to types of channels and the factors influencing the problems of organic producers is accepted.**

FINDINGS

- The analysis of the data reveals that majority of the respondents belongs to the age group between 41 -50 and most of them are male who belongs to the income group of 40,000.
- It is clearly mentioned that majority of the respondents are bachelor degree holders, who were producing vegetables with organic label/certification and most of them are using domestic market as the market for their organic products.
- Agents are the main channel used for marketing organic products, who were using direct communication as the methods to enhance sales. Most of them were of the opinion that repayment period is considered as the most important factor to get loan from financial institution.
- Most of the respondents are using the loan money for the purpose of purchasing fixed assets, and also they sell nearly everything as a share of their production.
- The study reveals that majority of the respondents choose, farmers meet organic food standards and rain plays a vital role in agricultural sector as the main perception.
- The main problems faced by organic producers are changing climatic conditions and consumer taste and preferences and unavailability of organic seeds.
- Reason for consumer's organic product purchase is healthier/nutritious and at the same time higher cost of organic products is the reason for consumer's unwillingness to buy organic products.

RESULTS OF HYPOTHESES TESTING

There is no significant difference between the opinions of the two groups male and female with regards to the factors influencing the problems of organic producers.

There is no significant difference between the opinions of the two groups male and female with regards to the factors influencing the perception of organic producers.

There is no significant difference between the opinions of the two groups male and female with regards to type of markets and the factors influencing the problems of organic producers.

There is no significant difference between the opinions of the two groups male and female with regards to type of channels and the factors influencing the problems of organic producers.

CONCLUSION

The project helped me to identify the importance of organic farming and helps to find the different marketing practices, problems and perception of organic producers. There are many factors that influence the perception of organic producers. Organic agriculture is a holistic production management system which promotes and enhances agro-system health, including biodiversity, biological cycles and soil biological activity. It was a great learning experience and I will carry this experience with in all my future endeavors.

LIMITATION & SUGGESTION

This research study has some limitation. It is a post graduate student investigation and hence there are limitations of time and resources and also for doing organic farming it requires considerably more skill to farm organically. The locale of the study comprises of only organic producers of Idukki district.

As most of the respondents who producing organic products are male ,and less part of female ,female can also take initiatives to be a part of development of the nation, while most of the respondents comes under the age group of between 41-50 all the groups belongs to the middle age group, youngsters can also be a part of economic development. Most of the organic producers are degree holders and earn income of above 40000.Since, most of the GDP contribution is from agricultural sector, by focusing on this sector GDP can be increased.

From the above data it reveals that most of the organic producers are producing vegetables, as the place idukki is the warehouse of tea and the soil has more fertility producers can concentrate on production of tea and spices. Most of the respondents are using domestic market for producing their products by meeting quality standards products can be exported to foreign market and can enjoy the benefit of foreign markets. Direct communication is the most practices used by the organic producers to enhance sales, in these technologically enhanced world producers can concentrate on online markets to enhance sales.

Majority of the respondents are of the opinion that they need convenient repayment period and majority of the respondents are using their loan amount to purchase fixed assets, loan amount avail for the purpose of agricultural purpose should use for that purpose.

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