# **Organic Food Industry**

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# Abstract

Food consumption practice in consumer is changing world wide and demand for organic food is increasing which are free from synthetic chemical, fertilizers, and pesticides these means people around world want organic food which is good for health but also environment friendly. The demand for product is not very high but the production by farmers is less so the prices of the product are high. There is need to create awareness of organic product in people and promote as much as we can, also there is need to educate farmers to produce it.

A study tells that there is insight of organic product in India as well as worldwide. It is also been seen that under taking preference, knowledge, and satisfaction regarding organic food product. Need was seen and developed by people for organic food. Accordingly, organic food industry in India is at early stage of growth. There is huge demand in selling organic product, not only to export market but also for health conscious domestic consumer. India has abundance of labour and diverse agro climatic region that is well suited for agriculture.

India is still strongly practicing traditional agriculture these can be a comparative advantage to introduce sustainable agriculture practice and the same time improve income of marginal and small farmers. As these farmers will realise there is an opportunity to get higher income tough there is low yield in organic agriculture. Organic farming cost could be less than inorganic farming. In addition to domestic demand global market is also demanding for organic product and providing significant opportunities for Indian farmers to capture larger share in global market. This analyses the growth of organic food industry in relation to domestic and export demand.

Keywords – organic, agriculture, sustainable, consumer, India.

# Introduction

Organic food industry have practice a high growth in the past few years. Total land covered by agriculture still remains the same that too in organic agriculture. Large amount of organic food and drinks are still demanded in developed countries of North America and Europe, there is huge demand in developing countries to increase organic production to large extent of traditional farming techniques. Strong institutional support is required to further grow the organic industry from a small market into a mainstream agricultural industry.

In India total organic land under organic certifications is 5.2 million hectares. The Indian agriculture sector is highly classified into large proportion of households. Only 36% of India lands depend on irrigation system and other by rain fed. The rain fed system provides many

opportunities to improve the social economic status of farmers by adopting organic farming techniques. The government is making constant efforts towards improving the support to growth by introducing several policies and promotion. Looking at today's demand for organic food market there are several factors affect the customer's choice.

# **Objectives**

- 1. A study on how organic food industry evolves in Operations.
- 2. A study of factors that help in increasing the production.
- 3. The increase in organic food consumption.

# Methodology

The study is based on secondary data collected from various sources such as news articles, reports, research papers and other online database.

Understanding consumer behaviour and decision making towards organic food and products it is seen that health, safety, taste and environment were the most important factors for consumers. As mention above the above method can increase the productivity and these will lead to availability of demand in market and can influence consumer preference and choice for purchasing organic food products.

The growth rate of the retail sales of organic food industry represents around a total of 5.3% at present.

# **Recent Trends and development**

The 9 Organic and Sustainable Food Trends Taking Over 2018

#### 1. Even More Organic Food.:

When people thought the market for organic food can't grow anymore, it starting growing. Forbes credits millennial, in large part, for the increasing demand for organic food. In 2016, the organic food market reached a whopping \$43 billion, and organic food currently represents 5.3 percent of total retail food sales in the U.S.

#### 2. Plant-Based Diet Innovation.:

The popularity of plant-based diets will not wane this year, but vegan meals won't necessarily look like what you're used to, either. With a plant-based mind-set gaining a hold on mainstream food choices, we predict even more innovations in this food space.

#### **3. More Grass-Fed Meat.**

People who eat meat are more concerned about the place from where it comes. The grass-fed market is increasing.

#### 4. Better Baby Food.:

Baby food is always made at home and its being going on for years.But nowadays food is also home-delivered like Nurturie and raised real.

#### 5. A New Outlook on Fat:

The heavily publicized announcement this year that <u>butter is, in fact, good for you</u>, compounded with growing popularity of fat-rich diets such as keto and paleo, our attitudes on fat have done a full 180 – and according to Nordby, this isn't over.

#### 6. Root to Stem.:

The increased popularity of vendors selling "ugly" produce is just one reaction to the increased awareness of food waste: the new year is going to see even more tips and tricks for using every scrap of your produce, from throwing onion skins into a bone broth to making a pesto from leafy carrot tops.

#### 7. Florals:

This trend is confirmed by <u>Whole Foods</u>, which notes in its 2018 food trends predictions that bright pink hibiscus trees and citrusy elderflower are going to be in the spotlight, as well as by Clint Jaeger, Executive Chef of Seventeen in Sydney, who tells <u>Forbes</u> that petals will likely take the place of micro greens in restaurants for a simple, edible garnish.

#### 8. Middle Eastern Food:

Whole Foods confirms this trend prediction, noting that spices like harissa and cardamom and condiments like tomato jam and tahini will be taking on a more important place in your kitchen. Middle Eastern food also jives fairly well with the plant-based trend, seeing as according to One Green Planet, many Middle Eastern dishes are already "accidentally vegan."

#### 9. Organic (and Delicious) Functional Foods:

Health food with taste. People are trying to make delicious shakes, juices

To attract the marker towards organic health food.

### Conclusion

# New approach is required to realize the need of organic food industry in India. There are many challenges at every stages of the market that are to be noticed in order to develop the industry. At production level farmers faces the certification problems as there rates are high for certifications. The policies have been introducing participatory guarantee system (PGS) for low cost of certification method. Farmers should be included under schemes and organized into farmers group which will help into easy and greater bigger groups, agriculture inputs might be available into cheaper rates as there will be bulk purchasing. These will reduce production cost and will increase profit margin.

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