

A STUDY ON ORGANIC FOOD PRODUCTS RETAIL MARKETING IN SALEM DISTRICT

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Abstract

Organic food products are trending recently because of its all good quality which is really essential for highly polluted environment of artificially produced foods. The market of organic food is growing rapidly not only around the world but also in our country. The Indian organic market is largely spread across the food and beverages, health, cosmetic, personal care and also textile industries. Nevertheless, the highest growth is observed in the organic food sector. When compared to other selected states Tamil Nadu is at its initial stage in case of organic food market, which made the research to put focus on Tamil Nadu where several areas are raising hands; which especially includes Salem district. The study focuses on current marketing strategies used by the localized organic food product retailers of Salem district and also various problems faced by them.

Key words: Green marketing, organic food products, environmental sustainability, sustainable farming, etc.

1. Introduction

The consumers are ever more becoming aware of food safety and environment issues because of increased concern about their health, environment's wealth and its global implications. This leads them towards organic food products, as these meet various certification standards for their production, handling, processing and marketing. In one hand, the organic food marketers are ready to make use of the demand and the emerging organic food market. On the other hand, specialty shops and other willing retailers are getting terminated from involving in organic food sector because of its high rate of basic investment and lack of proper marketing strategy. These retailers can make use of various marketing strategies to widen their market and to increase their sales. The special focus of this research is on selective zones in Salem district, which is to help organic food retailers for their better marketing performance. This research paper put out the various marketing strategies used by the organic food retailers and also various problems faced by them in marketing the organic food products.

2. Organic food market

According to the World of Organic Agriculture Report (2018), more than 30% of world's organic producers are in India. In this report it also stated that number of certified organic producers are 83500 are from India which is home to more than 30% of total number of organic producers of 2.7 million around world. India contributes only 2.59 per cent of total area around the world. India takes the 9th place with, according to the 19th edition of the World of Organic Agriculture Report. It is claimed that organic agriculture area and its products value has increased. Marketing of food products remains viable and highly lucrative in case of conventional food products. When it comes to organic food products unlike other countries it is being harder in India. Even though the demand is being increasing along with the awareness, the marketing has to be developed. Only by improving the retail marketing strategy used for marketing organic food products it can be developed.

3. Objectives of the study

1. To determine the various marketing strategies used by the organic food retail marketers.
2. To identify their problems in marketing organic food products in the study area.

4. Organic food retailers marketing strategy

Marketing strategies adopted by current organic food products by the retail marketers of Salem district are really limited. Only selected organic food retailers are using pamphlets and newspaper marketing that too only for the store opening ceremony. When it comes to value added marketing strategy like discounts, coupons, etc. are used by organic food product retailers at a very limited range. In case of internet marketing, a very few organic food marketers are using. This shows that organic food product retailers of Salem district are using much selected marketing strategies for increasing their sales.

5. Problems of retailers in marketing organic food products

Organic food marketers in Salem district are facing numerous problems in marketing the organic food products. The most important problems stated by the organic food retailers are: High retail price, the retailers are affected by higher retail price as the customers are terminated because of higher price. When it comes to timing, as organic foods are unadulterated and avoids preservatives they has to be sold and used in a limited period of time. Organic food retailers are also affected by lack of common seal for organic products. One of the notable marketing issues faced by organic food retailers is that they are unable to provide attractable or higher discounts, offers, coupons, etc. because of their higher price and limited retail profit percentage.

6. Conclusion

The study concluded that when it comes to organic food products, the lack of regulated marketing and affordability are the main drawbacks. There are only limited registered organic food retailers in this study area as these products are high investment business. Number of retailers is getting terminated. This shows that there is lack of awareness among organic food retailers regarding marketing their products. This issue has to be concentrated along with the consideration of price reduction for increasing its sales and expanding the retail market.

7. Reference

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