

CHALLENGES IN THE PROMOTION OF ORGANIC FOOD IN DELHI (NCR)

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INTRODUCTION

The consumer of the modern era gives due weightage to the quality and safety aspects in his consumption pattern. The organic farming technique comprises all aspects of a pesticide and fertilizer free production process based upon certain standards and strict certification system (Lampkin, 1999). Thus organic farming satisfies the quality and safety concerns of the rationale consumer.

Due to increasing concern about nutritive food and health issues, the demand for eco-friendly products such as organic food has increased considerably (Loureiro et al 2001; Nair 2005;)

In simple words, organic food is any and all natural foodstuffs that are free of artificial chemical fertilizers, herbicides and organisms. The United Kingdom Register of organic Food Standards (UKROFS) defines organic production system through which organic produce is obtained as being designed to produce optimum quantities of food of high nutritional quality by using management practices which aim to avoid the use of agro chemical inputs and which minimize damage to the environment and wild life (Jones et al 2001 p.359)

Review of Literature

This part presents a critical appraisal of existing research studies undertaken to investigate customers' as well as company's perspective relating to organic food and consumers' buying behavior. In the end, contribution of the present study in the light of bridging existing research gaps is delivered.

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According to a study conducted by **Kumar and Ali (2011)** in Delhi and Lucknow, awareness and knowledge are critical for affecting a change in the attitude and behavior of consumer towards organic food. The outcome of their research was that respondents in Delhi were comparatively more aware about organic food than in Lucknow. It is also found that male population, higher income level, higher education level (especially with science and medical streams), young generation and people with access to information and communication technologies are more aware about organic food.

According to a recent study conducted in Malaysia by **Shamsollahi et al (2013)**, purchase intention is greatly influenced by the knowledge about organic food. Though, as per another study conducted in Malaysia by **Ahmad and Juhdi (2010)** it is found that having more information about organic products does not simply means that the intention to buy the products will also be high. The intention is governed by other factors too.

Challenges in the promotion of organic food in Delhi (NCR)

Factors on the supply side (farmers/suppliers)

This segment focuses on the challenges confronted by peasants/institutions working with organic produce in Delhi (NCR)

Because of increasing awareness about the health benefits of the organic food among the middle class, newer markets have emerged in Delhi – NCR. But the market has not grown large so far due to lack of marketing initiatives from key players (producers, traders, NGOs etc.), the low awareness of organic products for customers and their higher price (**Salvador and katke 2003**).

Further, there is problem in availability, transportation and application of biological materials to meet the nutrient demand of the organic crops. Also there is lack of adequate research and development back up as well as training in organic farming in India (**Marty & Tripathi**). The same case is found with Delhi (NCR).

As per media reports the reason behind not adopting organic farming by small farmers in Delhi(NCR) is that shifting from conventional farming to organic farming technique involves high costs (cost of organic manure, cost of certification) and low returns as organic farming is difficult to practice on large scale. Moreover due to speedy process of urbanization, the Delhi (NCR) area is turning into an industrial zone. Therefore the cultivable land is also disappearing from the area. The farmers are readily selling their land to construction companies as they are paying much higher price for their produce than what organic produce can yield.

Furthermore, the lack of a suitable plan on the part of the government to compensate the farmers for the initial low yields during the transition period is also responsible for the low promotion of organic produce.

Developing countries, like India, are already producing a wide range of organic products. However most of them are often faced by a number of constraints such as lack of technical know-how e.g. organic farming practices and methods and lack of market information for example which product to grow, which markets and distribution channels to choose, competition, market access etc. (Bello 2008). All these constraints are found in Delhi (NCR) too.

From the **marketing** point of view too, the production and distribution agencies lack expertise in the marketing of organic produce. There is also lack of an integrated supply chain and the retail presence for the organic produce is also insufficient. The main problems encountered in the market place are price competition and logistic arrangements. With high cost and smaller logistic infrastructure, it is difficult for many local marketing organizations to offer certified products competitively in market places (iifoam workshop, 2003)

Factors on the demand side (final consumers)

The awareness level of consumers about the organic product and towards its health benefits is found to be low. Most of the consumers have the notion that the health benefits associated with the organic products do not justify the high price charged by the organic suppliers (organic products are 30 – 40% more expensive than traditional food). Because of the low demand of organic products, the distributors in the open market segment keep its limited stock.

It can be concluded that lack of proper regulations, complicated and costly certification processes, absence of an appropriate marketing and distribution strategy and lack of government support has hindered the development of the organic food production and marketing in Delhi (NCR).

Strategies to overcome the challenges in the promotion of organic food

For the spread of organic agriculture, certain issues require attention at the govt. policy making levels.

All facilities need to be extended to organic farmers as they need appropriate package of practice, voluminous amounts of organic inputs and good domestic as well as export markets. (Bhattacharya and Chakrabarty 2005). The transition period after harvesting and before marketing is indeed a crucial phase as a number of insects and other living organism and

climatic variation influence the stored harvest. For this farmers and persons dealing with organic produce need proper training **(Dutt 2006)**

A vigorous campaign to highlight the benefits of organic farming against the conventional system is essential to increase awareness of both farmers and consumers **(Narayanan 2005)**. Financial support is needed at least in the initial 3 years during when the yield is usually very less. The loss of organic producers should be supported by the government's initiatives in educating the customers, finding out the markets and giving them financial incentives **(Indu & Jagalty 2008)**. The process of certification and inspection should be simplified and the cost of certification should be reduced **(Reddy 2010)**.

The women are playing very significant role in restoring nature and making organic farm a success in several places throughout the country. As organic farming can be termed as family enterprise, the involvement of women can provide organic farming the requisite motherly care **(Dutt 2006)**.

From marketing point of view also it is important that the target markets and the distribution channels need to be selected and developed after a detailed analysis. The product enterprises can work together with the local market stockiest and seller organization for better promotion and sale of organic products through their distribution channels.

To develop a proper marketing strategy for organic products, it is important to go through the customs and fundamental habits of the targeted customers e.g. from where do they mostly shop, on what sources of information do they rely to get informed about food, health issues etc. Thereby they can be motivated to shift from traditional products to healthier options by convincing them of the beneficial effects of the organic products. To intensify the awareness level, the promotional material and the product both need to be displayed prominently in the shop. Distribution of free samples and or promotional campaigns offering products at less than the MRP can also help build up customer loyalty.

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