



A STUDY ON PROMOTIONAL STRATEGIES TO ENHANCE THE MARKET POTENTIAL OF ORGANIC FOOD PRODUCTS IN COIMBATORE DISTRICT

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Abstract

Due to green revolution, the harmful chemicals and pesticides entered food chain and agricultural practices become unsustainable and there is an increase in prevalence of several chronic diseases to consumers. Thus consumers are becoming more health conscious and they have given considerable attention and interest towards the food products free from chemicals, additives, preservatives etc., This has gained a lot of momentum in recent years with the growth of Organic food sector. It is the fastest growing sector all around the world. With growing awareness towards healthy foods, surging income levels and shift in consumer behavior, India's emerging organic food market is recently transforming into the world's fastest growing food market. The overall image of Organic food sector seems to be positive but the intention to purchase Organic food products is not upto the mark in India because of the limited knowledge and awareness among consumers due to ineffective promotion. Hence this study aims to investigate the promotional strategy that can be initiated to increase the awareness and market potential of Organic food products among consumers. A disproportionate stratified random sampling method has been used and a total of 550 respondents were surveyed by using a questionnaire in this study. The results showed that majority 49.1% of the respondents stated that Television advertisement can be used to promote Organic food products and 40% of the respondents opined to use in-store advertising in the retail outlets to promote Organic food products.

Key Words: *Organic Foods, Awareness, Promotional Strategies.*

INTRODUCTION

The growth of world population, life expectancies and economies created increasing demand for food supplies. To meet this demand, the technical green revolution has been the corner stone of India's agricultural achievement, transformed India from a food-deficient to a self-sufficient country. But this self-sufficiency was achieved through an indiscriminate and excessive use of chemical fertilizers and synthetic pesticides that jeopardized the agricultural productivity in the long run.

The harmful chemicals and pesticides entered food chain and the current agricultural practices become unsustainable and due to it there is an increase in prevalence of several chronic diseases. Thus consumers are becoming more health conscious and they ask for more information about health and nutrition. The food related health scares motivates the consumers to talk more about food safety, health benefits, environmental issues and as a result their food habits and dietary patterns are changing. Considerable attention and interest has been shown by the consumers towards the food products free from chemicals, additives, preservatives etc., and hence they are willing to spend more premium to greener, healthy and natural food products. This has gained a lot of momentum in recent years with the growth of Organic food sector.

Organic agriculture in India was practiced long back in 1900 by Sir Albert Howard, a British agronomist, in local village of North India and he is often referred to as the "Father of Modern Organic Agriculture". Organic food products are produced without using modern inputs such as synthetic pesticides and chemical fertilizers in an environmentally and socially responsible approach. Today's educated society is showing greater interest to their children's health and prefer food products with more nutritional values, less additives and the foods coming from natural production methods and thus they are beginning to search and opt for more food products of Organic origin. Hence eating organic foods has become a popular and healthy trend.

Organic food sector is the fastest growing sector all around the world. With growing awareness towards healthy foods, surging income levels and shift in consumer behavior, India's emerging organic food market is recently transforming into the world's fastest growing food market.

In general, the overall image of Organic food products seems to be positive, since they are considered to be nutritious, better tasting and more environmental friendly. But the appropriate information about the importance of Organic food products has



not reached completely to the consumers. Consumers are unaware about the existence of Organic food products and the specific attributes that differentiate it from conventional ones

The success in the growth of Organic food sector depends on consumers' acceptance and use, so building consumer's awareness is very important. Consumers' awareness can be increased with the help of various promotional strategies to get potential Organic food consumers and for the successful widening of Organic food sector in India.

STATEMENT OF THE PROBLEM

In general, the intention to purchase Organic food products is not upto the mark in India because of the limited knowledge and awareness among consumers due to ineffective promotion. Hence this study aims to investigate the promotional strategy that can be initiated to increase the awareness and market potential of Organic food products among consumers.

SCOPE OF THE STUDY

The global demand for Organic food products is growing at a very rapid rate. The identification of market potentials for Organic food products is an important task, since the product attributes are not familiar to consumers. Hence familiarity can be done with the help of promotion because it introduces good and quality products like Organic food products to general public immediately. Hence the promotional strategy that can be initiated to increase the market potential of Organic food products among consumers is evaluated in this study.

OBJECTIVES OF THE STUDY

The study aims to achieve the following objectives. They are

1. To analyze the consumers' level of awareness about Organic food products.
2. To identify the promotional strategy to enhance the market potential of Organic food products.
3. To suggest suitable measures to improve the marketability and growth of Organic food products.

HYPOTHESIS FORMULATED

- The ranking of the respondents regarding the information expected by them in Organic food advertisements does not differ. (Friedman ranking analysis)

RESEARCH METHODOLOGY

Type of research	:	Quantitative research
Area of the study	:	Coimbatore District
Sources of data	:	Primary and Secondary Data
Tools used for Data collection	:	Questionnaire
Scaling technique used	:	Likert Scaling
Sampling design	:	Disproportionate stratified random Sampling
Sample size	:	550 respondents
period of study	:	April 2012 to October 2012.
Statistical tools used	:	Percentage analysis & Friedman ranking test

LIMITATIONS OF THE STUDY

In spite of the fullest effort put in by the researcher, this research work also possess certain limitations. Some of the unavoidable limitations of the present study are as follows.

1. This study covers only Coimbatore District and hence the results may vary from district to district.
2. The sample size is restricted to 550 respondents

ANALYSIS AND INTERPRETATION

PERSONAL PROFILE OF THE RESPONDENTS

TABLE NO. 1
PERSONAL PROFILE OF THE RESPONDENTS



The below table no.1 shows the personal profile of the respondents associated with this study

Factors	Classification	Frequency	Percent
Age	Less than 20 years	22	4
	21 to 30 years	182	3.1
	31 to 40 years	233	42.4
	41 to 50 years	70	12.7
	Above 51 years	43	7.8
	Total	550	100
Gender	Male	189	34.4
	Female	361	65.6
	Total	550	100
Marital Status	Married	366	66.5
	Unmarried	184	33.5
	Total	550	100
Educational Status	No formal education	3	.5
	Primary school education	7	1.3
	Secondary school education	81	14.7
	Diploma	39	7.1
	Under graduation	175	31.8
	Post graduation	159	28.9
	Professional	86	15.6
Total	550	100	
Occupational Status	Employee	327	59.5
	Professionalist	63	11.5
	Business people	28	5.1
	Agriculturalist	17	3.1
	Home makers	105	19.1
	Others	10	1.8
	Total	550	100
Food Habits	Vegetarian	166	30.2
	Both (Veg and Non-Veg)	384	69.8
	Total	550	100
Family Type	Joint	354	64.4
	Nuclear	196	35.6
	Total	550	100
Family Size	1 to 3 members	186	33.8
	4 to 6 members	327	59.5
	Above 6 members	37	6.7
	Total	550	100
Economic status of the family	Below Rs.10,000	104	18.9
	Rs.10,001 to Rs.20,000	207	37.6
	Rs.20,001 to Rs.30,000	89	16.2
	Rs.30,001 to Rs.40,000	54	9.8
	Rs.40,001 to Rs.50,000	23	4.2
	Above Rs. 50,001	73	13.3
	Total	550	100
Residential area	Urban	285	51.8
	Semi-urban	134	24.4
	Rural	131	23.8
	Total	550	100

Source Primary Data



TABLE NO. 2, IMPORTANCE OF BUYING FOOD PRODUCTS WITHOUT SYNTHETIC PESTICIDES AND CHEMICAL FERTILIZERS

S.No.	Level of Importance	Frequency	Percent
1	Very Important	417	75.8
2	Important	127	23.1
3	Not very important	6	1.1
Total		550	100

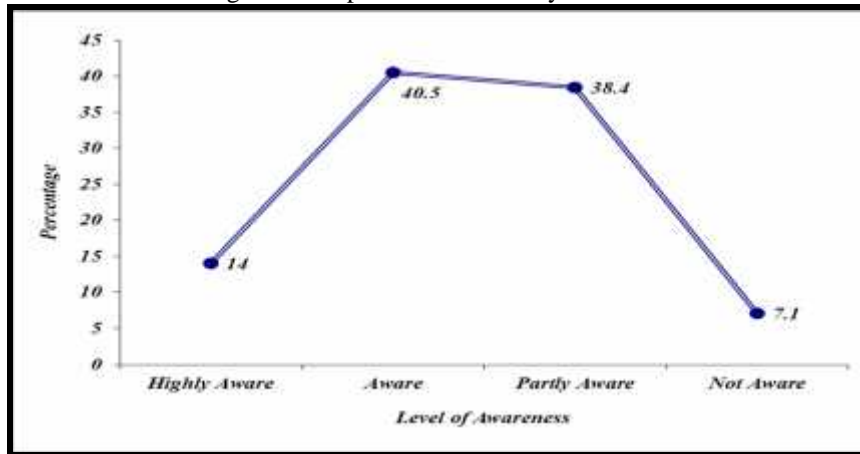
Source: Primary Data

From the above table no. 2, it is clear that, 75.8% of the respondents opined that it is very important to buy food products without synthetic pesticides and chemical fertilizers for safety health, 23.1% opined that it is important and 1.1% of the respondents opined that it is not very important.

Majority (75.8%) of the respondents opined that it is very important to buy food products without synthetic pesticides and chemical fertilizers for safety health.

CHART NO: 1, AWARENESS LEVEL ABOUT ORGANIC FOOD PRODUCTS

The respondent's awareness level about Organic food products were analyzed and the result is shown in the below chart



Source: Primary Data

From the above chart no. 1 it is found out that, 40.5% of the respondents are aware about the Organic food products, 38.4% are partly aware, 14% are highly aware and 7.1% are not aware about the Organic food products.

Majority (40.5% and 38.4%) of the respondents are aware and partly aware about the Organic food products.

TABLE NO. 3, SOURCE OF AWARENESS ABOUT ORGANIC FOOD PRODUCTS

The respondents were asked from which source of information they came to aware about the Organic food products and the result is shown in the below table

S.No.	Source of Awareness	Frequency	Percent
1	Television	127	24.8
2	Radio	20	3.9
3	Internet	27	5.3
4	Newspaper, Magazine and Books	163	31.9
5	Friends and Colleagues	111	21.7
6	Seminar and Conference	11	2.2
7	Health worker like Doctor, Nurse or Nutritionist	40	7.8
8	Others	12	2.4
Total		511*	100

Source: Primary Data

*** The sample size is 511, as 39 respondents are unaware about Organic food products, they are excluded.**



From the above table no. 3 it is clear that 31.9% of the respondents came to know about the Organic food products through Newspaper, Magazine and Books, 24.8% through Television, 21.7% through friends and colleagues, 7.8% through Health workers like Doctor, Nurse and Nutritionist, 5.3% through Internet, 3.9% through Radio, 2.4% through other sources like window display in stores, relatives, farmers producing Organic foods, parents, Organic food retailers and 2.2% of the respondents came to know about the Organic food products through seminar and conference. **Majority (31.9%) of the respondents came to know about the Organic food products through Newspaper, Magazine and Books.**

PROMOTIONAL STRATEGIES TO ENHANCE THE MARKET POTENTIAL OF ORGANIC FOOD PRODUCTS

Unless potential consumers know about the product, it will be difficult to make any sales. One way to make the consumers to know about the product is through promotion. Promotion is not only considered as an advertising material, but it brings together the other components of marketing mix.

Organic food provides individuals with a healthy diet. But everybody is not knowledgeable about Organic food products. They still go for conventional food products which are grown with harmful pesticides and chemicals. Thus the awareness can be created about Organic food products and the people can be protected from taking chemical residues through promotional techniques. By using certain promotional tactics, sustainable growth of Organic food products can be achieved.

Moreover a systematic promotion of Organic food products should be undertaken by all the involved stakeholders This systematic promotion should includes advertisement in various media, introducing in online shopping, conducting trade shows, exhibitions, food mela and through various promotional campaign etc

TABLE NO: 4, INFLUENCE OF ADVERTISEMENT IN MEDIA ON FOOD SAFETY AND HEALTH ISSUES

The respondents' opinion about the influence of advertisement in media on food safety and health issues regarding food purchasing decision is analyzed and result is presented below

S.No.	Respondent's Opinion	Frequency	Percent
1	Always	99	18.0
2	Often	194	35.3
3	Sometimes	176	32.0
4	Rarely	66	12.0
5	Never	15	2.7
Total		550	100

Source: Primary Data

From the above table no.4 it is clear that 35.3% of the respondents opined that advertisement in media on food safety and health issues often influenced them in food purchasing decision, 32% opined that it influenced them sometimes, 18% opined that it influenced them always, 12% opined that it influenced them rarely and 2.7% of the respondents opined that it never influenced them in food purchasing decision. **Majority (35.3%) of the respondents opined that advertisement in media on food safety and health issues often influenced them in food purchasing decision.**

TABLE NO: 5, MODE OF ADVERTISING TO PROMOTE ORGANIC FOOD PRODUCTS

The respondents' opinion about the mode of advertising that can be used to promote Organic food products is investigated and the result is shown below

S.No.	Mode of Advertising	Frequency	Percent
1	Television Advertisement	270	49.1
2	Radio Advertisement	42	7.6
3	Internet Advertisement	45	8.2
4	Newspaper, Books and Magazine	111	20.2
5	Window display	52	9.5
6	Issuing pamphlets / brochure	26	4.7
7	Others	4	0.7
Total		550	100

Source: Primary Data



From the above table no. 5 it is clear that, 49.1% of the respondents opined that Television advertisement can be used to promote Organic food products, 20.2% opined that Newspaper, Books and Magazine can be used, 9.5% opined that window display of Organic foods can be used, 8.2% opined that Internet advertisement can be used, 7.6% opined that Radio advertisement can be used, 4.7% opined that pamphlets and brochure explaining benefits of Organic food products can be issued and .7% opined that to promote Organic food products it can exhibit in trade shows. **Majority (49.1%) of the respondents opined that Television advertisement can be used to promote Organic food products.**

TABLE NO. 6, FRIEDMAN RANKING ANALYSIS SHOWING THE INFORMATION EXPECTED BY THE RESPONDENTS IN ORGANIC FOOD ADVERTISEMENTS

The information expected by the respondents in Organic food advertisements is analyzed through Friedman ranking analysis and the following null hypothesis has been framed.

Null Hypothesis:

The ranking of the respondents regarding the information expected by them in Organic food advertisements does not differ.

Alternate Hypothesis:

The ranking of the respondents regarding the information expected by them in Organic food advertisements does differ.

S.No.	Information expected	Rank Value	I	II	III	IV	V	VI	VII	VIII	Total score	Mean	Rank
			1	2	3	4	5	6	7	8			
1	Price	No.	96	108	100	53	42	45	38	68	2114	3.84	3
		Score	96	216	300	212	210	270	266	544			
2	Quality	No.	231	123	77	29	32	24	24	10	1376	2.50	1
		Score	231	246	231	116	160	144	168	80			
3	Benefits	No.	83	150	125	69	48	48	16	11	1762	3.20	2
		Score	83	300	375	276	240	288	112	88			
4	Organic Logo and label details	No.	26	44	48	81	76	94	82	99	2892	5.26	6
		Score	26	88	144	324	380	564	574	792			
5	Place of availability	No.	22	31	75	98	102	59	100	63	2769	5.03	4
		Score	22	62	225	392	510	354	700	504			
6	Production Method	No.	25	34	62	88	82	103	85	71	2822	5.13	5
		Score	25	68	186	352	410	618	595	568			
7	Variety of Product	No.	19	21	34	48	89	110	129	100	3163	5.75	8
		Score	19	42	102	192	445	660	903	800			
8	Verification Method	No.	49	38	31	83	78	66	76	129	2900	5.27	7
		Score	49	76	93	332	390	396	532	1032			

Source: Primary Data

The above table no. 6 clearly indicates that the majority of the surveyed respondents expect the quality related information in Organic food advertisements which is ranked first. The respondents expect the information related to benefits and price of the Organic food products in the advertisements which are ranked second and third. **It is concluded that the majority of the surveyed respondents expect the “quality” related information in the Organic food advertisements.**

TABLE NO. 7, TEST STATISTICS

N	Chi – square value	Degree of Freedom	Asymp. Sig.	Hypo. result	S / NS
550	872.078	7	.000	Rejected	S

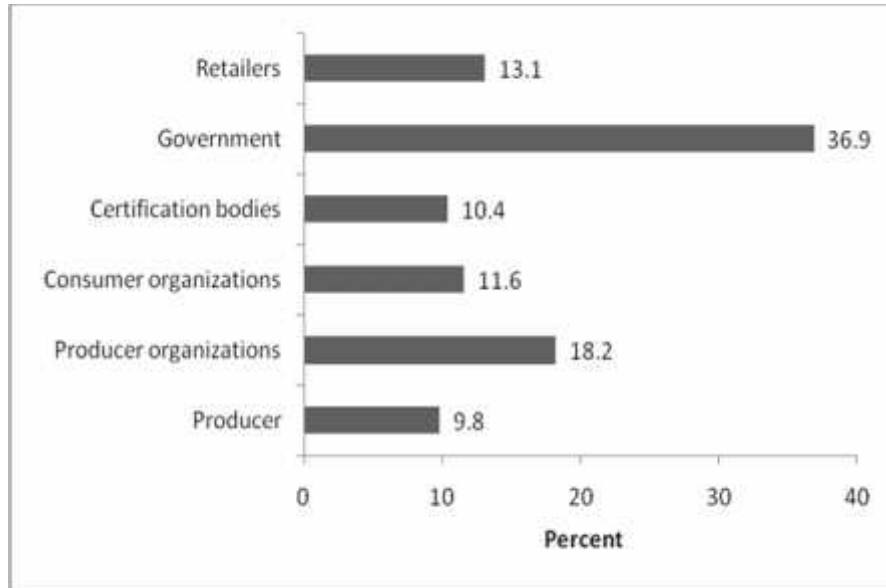
Significant – (Significant value 0.01), Not Significant – (Significant value 0.01)



From the above table no. 7 it is clear that the significant value of .000 is less than .01, thus the null hypothesis is rejected and alternate hypothesis is accepted. **It is concluded that the ranking of the respondents regarding the information expected by them in Organic food advertisements differs.**

CHART NO: 2,ROLE OF KEY PERSONS IN PROMOTING ORGANIC FOOD PRODUCTS

The respondents' opinion about the role of key persons in promoting Organic food products is analyzed and the result is depicted below



Source: Primary Data

The above chart no. 2 shows that 36.9% of the respondents opined that government should play a key role in promoting Organic food products, 18.2% opined producer organizations, 13.1% opined retailers, 11.6% opined consumer organizations, 10.4% opined certification bodies and 9.8% opined that producer should play a key role in promoting Organic food products.

Majority (36.9%) of the respondents opined that government should play a key role in promoting Organic food products.

TABLE NO: 8,VARIOUS TYPE OF PROMOTIONAL STRATEGY THAT CAN BE EXECUTED BY RETAIL OUTLET

The respondents' opinion about the various type of promotional strategy that can be executed by retail outlet to promote Organic food products is analyzed and result is shown below

S.No.	Various types of Promotional strategy	Frequency	Percent
1	In-store advertising of displaying information about Organic food health benefits and portraying photographs of production method	220	40.0
2	Following box scheme method	81	14.7
3	Having knowledgeable employees to explain its benefits	160	29.1
4	Door delivery to customers without delivery charges	57	10.4
5	Online shopping method can be initiated for consumer's convenience	32	5.8
Total		550	100

Source: Primary Data



The above table no. 8 shows that, 40% of the respondents opined to use in-store advertising of displaying information about Organic food health benefits and portraying the photographs of its production method in retail outlets, 29.1% opined that knowledgeable employees should be there in retail outlets to explain its benefits, 14.7% opined that box scheme method that is selling bulk quantity of fresh products in box with discounted price can be followed, 10.4% opined that door delivery without delivery charges can be encouraged and 5.8% of the respondents opined that online shopping method can be initiated to promote Organic food products. **Majority (40%) of the respondents opined to use in-store advertising of displaying information about Organic food health benefits and portraying the photographs of its production method in the retail outlets to promote Organic food products.**

SUGGESTIONS

- As per the study, majority of the respondents opined that television advertisement can be used to promote Organic foods. Nowadays, importance of television advertising has increased because of rapid growth in viewership especially children. Hence television can be robustly used to promote Organic food products and its benefits. Television advertisement can be designed in such a way that reaches all ages of people especially children with more attractive advertisements.
- Majority (36.9%) of the respondents opined that government should play a key role in promoting Organic food products. The government can also make use of the existing Public Distribution System for supplying Organic food products at reasonable price to consumers. To develop domestic market, Organic food stalls should be opened by the policy makers and private organizations in the busiest places like hospitals, colleges, school canteens, railway stations, airport, shopping malls, cinema theatres etc. and food should be supplied at reasonable price.
- As suggested by Indian Organic Trade Association (OTA), with the help of Indian railways, a 'vegetable wagon' can be attached to each passenger train to transport Organic vegetables from one part of the country to another. Hence the considerable transportation charges and wastage can be minimized for the producers and for the consumers there can be a reduction in premium. The vegetable wagon will bridge the gap of demand and supply of Organic vegetables.
- In retail shops, a pamphlet which explains the benefit of certified Organic foods should be distributed to the consumers who visit the shop and a separate Organic food price catalogue should be kept for consumers' convenience. Box scheme method can be followed by a retailer in the outlets that is selling bulk quantity of fresh produce in box with discounted price. A separate feedback note should be maintained in the retail outlets to identify the consumers' opinion about the health difference they have observed by eating Organic food products.
- A monthly information bulletin should be supplied to the farmers about Organic farming news in their local language to know about the recent innovations in their field and for market information.
- Promotion of Organic food products can be done through involvement of some NGOs like Naturopathy centres, Yoga centres, Rotary clubs, Lions club, Ladies associations and religious growers.

CONCLUSION

Green revolution transformed India from a food-deficient to a self-sufficient country. The ultimate goal of Green revolution was to increase the quantity of food production, hence the quality aspect was completely forgotten and neglected. Due to more usage of synthetic pesticides and chemical fertilizers, various ill effects have been observed. The whole world is now in the need to move to a new concept called "Ever green revolution" for the benefit of environment and present, future mankind. Thus with the changing dietary needs, enhanced income and rising awareness about the presence of chemical residues in food, there is a growing appreciation for Organic food products among consumers.

Lack of knowledge and awareness about Organic food products can affect the attitude and perception about that product and ultimately the buying decision of the consumers. So, there is a need to increase consumers awareness through various promotional measures and the marketers also needs to be innovative and dynamic in order to compete with the consumers changing purchase behavior.



In India, Organic food sector are ready to take the center stage but the need of the hour is to chalk out a definite nationwide promotional strategy to ensure its growth. The promotion of Organic food products not only protects the environment, but also preserves the diversity of large and even small variety of species. Thus the promotion plays a vital role in contributing to the green economy by developing a stronger market for Organic food products.

The future of Organic food sector in India seems to be very bright and the concept of an organic lifestyle is here to stay. Various policies promoting Organic food sector should be enacted by the policy makers to overcome existing challenges and to utilize the possible favourable opportunities prevailing in this field. Organic food sector is the right platform for the producers, retailers, marketers and consumers to come under one roof with a belief to serve the society and human to lead a healthy and peaceful life.

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