CHAPTER 5

CONCLUSION

5.1 Overview

Present study concluded that organic farming is a technique, which involves cultivation of plant and rearing of animals in natural ways. This process involves the use of biological materials, avoiding synthetic substances to maintain soil fertility and ecological balance thereby minimizing pollution and wastage. It relies on ecologically balanced agricultural principles like crop rotation, green manure, organic waste, biological pest control, mineral and rock additives. Organic farming makes use of pesticides and fertilizers if they are considered natural and avoids the use of various petrochemical fertilizers and pesticides.

The population of the planet is skyrocketing and providing food for the world is becoming extremely difficult. The need of the hour is sustainable cultivation and production of food for all. The Green Revolution and its chemical based technology are losing its appeal as dividends are falling and returns are unsustainable. Pollution and climate change are other negative externalities caused by use of fossil fuel based chemicals. As of 2012, the market for organic farming and other products has reached $63 billion worldwide.

As opposed to modern and conventional agricultural methods, organic farming does not depend on synthetic chemicals. It utilizes natural, biological methods to build up soil fertility such as microbial activity boosting plant nutrition.

We, the people of India had been always interested in things which we are able to get at minimum possible costs and almost love the things we get free of cost. Especially when things are daily usable vegetables and other grocery item. The damn mere “ONION cultivar” sometimes becomes so powerful in Indian democracy that it can cause downfall of age old central ministry.

But now this conventional viewpoint of people is changing and common man is becoming more aware about health, healing and fitness. Thus, now people have begun accepting organic foods concept and have begun spending their hard earned bucks on it.
5.2 Findings

Consumer buying behaviour for organic food

- During the present research it has been seen that female consumers were more than male clients. Talking in terms of age it has been observed that highest percentage of consumers belong to age group 25 – 35 years. It has been seen that service class consumers topped the list in regards of buying organic food in Rajasthan. Graduate consumers were amongst the highest to be using such kind of products followed by post graduates and professionals. Talking in terms of money, mostly people with the income between 15 lakhs to 20 lakhs were seen to do such kind of shopping more frequently than others. The income level of consumers who come for organic shopping was captured by the group having income between 5 lakhs to 10 lakhs. It has also been observed that in terms of family status mostly joint families are seen more interested in such shopping.

- All the whole majority of consumers think that organic food is useful and nutritious. Most of the respondents have heard about organic food from friend of friends rest by advertisements, supermarkets, and posters and by trial pouches.

Reasons of buying organic food

- Overall the selected consumers were found to be convinced with the health benefits of the organic food.

- Most selected consumers consider that organic food is high quality food.

- Almost all have the opinion that organic food has great taste.

- This research shows that most respondents are of the view that organic food industry is devastating for traditional farmers.

- A whole sea of consumers that organic food protects the environment.

- Most people have the view that organic food is safe for babies.

- A lot many clients disgruntle over limited variety of organic food.

- It is believed by huge number of people that organic food strengthens species of food.
Conclusion

- Almost all the consumers think that there is no innovation in organic food industry.
- Many people think that organic food does not give employment to illiterate sections of the society.
- Most consumers are convinced that organic food is not reasonable.
- Overall consumer says that organic food is not easily available in market. The demand for organic food is high and the supply is low due to the very slow production of crops.
- Now, most sensible and intellectual consumers do not regard organic food as an indicator of status symbol.
- Most hombre becomes speechless on topics where organic food products range is being discussed.
- Most of the consumers are neutral regarding their preferences of organic food over normal food which shows lack of popularity of organic food.
- Majority of the consumers were willingly paying for organic coffee, sugar & tea.
- A large group of highly awakened consumers are now paying for organic cereals, grains and flours.
- People have developed a liking and taste for organic everyday spices, despite of them being costlier.
- It has been remarkably noticed that majority of the consumers are paying for organic edible oil and ghee.
- Depreciation in the amount of artificially and chemically ripened fruits has bought a hike in sale of organic fruits and vegetable.
- As protein benefits of pulses are well known especially for the vegetarian populace, majority of the consumers were paying for organic pulses.
- A large number of people did not opt for organic packed juices and chips.
- Most of the consumers were not paying for organic Garam Masala.
- This majority of the consumers were paying for organic Dalia and Atta.
Conclusion

- A lot many of the consumers were not paying for organic milk products.
- Mostly the consumers were not paying for organic Mangodi and Papad.
- Organic heat and eat products are not so popular in Indian households.
- Most consumers are not paying for organic honey.
- Majority of the clients were not interested in going for organic dry fruits.
- Most of the consumers were not paying for organic snacks and bakery items.

Marketing Strategies for Organic food

- The present research would not have been possible without participation of companies from different cities. Out of all the cities from where the organic food company’s responses are taken in which most companies were from Jaipur, then from Udaipur, Nawalgarh and Jodhpur. Few are also wholesalers in Jaipur city at Vaishali Nagar, Sanganer and WTP Jaipur. Most companies have 4-6 years’ experience, in this field.
- Majority of the participant companies deal in cereals and grain, followed by companies dealing in all food products and dealing with only wheat.
- It has been concluded that all the 29 companies considered here are certified.
- Most organic food companies buy their raw materials from farmers and the rest buy from local vendors.
- All the companies are convinced that organic food is less marketed than normal food products.
- Regarding the means of sale applied by these companies about half of them sell their through many hands including outlets, own shop, by online website, and rest companies use any one of the above mentioned sources.
- Majority of companies are not using internet as their marketing tool.
- Most of companies are not using flyers on roads as their marketing tool.
- It has been practically become evident that majority of companies are not using posters in supermarket / public places as their marketing tool.
- Most of companies are not using Road shows for their promotion.
• Despite of television being a daily habit in lives of all Indian bloke, none of the company has explored this venture.

• Majority of companies are not using social media as their marketing tool.

• Most companies are using pamphlets/ advertisement in newspaper as their marketing tool.

• Three-fourth of companies is using Value Added (free coupons & discounts) as their means of promotion.

• Quite a number of companies are using follow up from customers as their marketing tool.

• Majority of companies are using door to door/ phone calling as means of attracting more business to their stores.

• Many companies are using special events/ parties as marketing tool.

• A major factor of costly organic food products is no use of chemicals and more labour.

• Higher fertilizer cost is another reason behind the costly organic food products.

• The production of organic crops is very slow due to which the market demand is sometimes fulfilled and sometimes not.

• But, against the previous beliefs crop rotation has been ruled out as the cause behind the costly organic food products.

• Post-harvest handling cost is also a major reason behind the costly organic food products. For organic food production a farmer must leave its farm without any cultivation for three years. After that government inspector inspect the farm and give organic certification of land to the farmer. So this three years’ time period somehow affect the cost of organic food but not much.

• The organic certification process is costly and time taking. In India many companies do this certification business and have different cost. Yet, as it is to be taken once so it does not affect the cost of organic food products.

• Cost of covering higher losses is a reason behind the costly organic food products.
- Most companies do not think that better living conditions for livestock is a reason behind the costly organic food products.
- The total 29 companies responded that limited production is the biggest reason behind the costly organic food products.
- Most companies think that subsidies are a reason behind the costly organic food products.

**Table 5.1: Results of Customer Based Hypothesis Testing**

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Hypothesis</th>
<th>Test Used</th>
<th>Variables</th>
<th>Sig. value</th>
<th>Null Hypothesis accepted /Rejected</th>
<th>Result/decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>There is no significant difference between selected buying behaviour factors of organic food across categories of gender</td>
<td>Mann Whitney U test</td>
<td>Great taste, Support to poor Farmers, Safe for babies, Easily available, Status symbol, Preference over normal food</td>
<td>More than 0.05</td>
<td>Accepted</td>
<td>Results shows that reasons to buy organic food by consumers across gender is not significantly different for these mentioned buying behaviour factors</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Strengthen species of food, Innovation, Employment to illiterates, Large Product range, Employment to illiterates, Reasonable prices, Easily available, Preference over normal food</td>
<td>Less than 0.05</td>
<td>Rejected</td>
<td>Results concluded that reasons to buy organic food by consumers across gender is significantly different for given buying behaviour factors</td>
</tr>
<tr>
<td>2</td>
<td>There is no significant difference between selected buying behaviour factors of organic</td>
<td>Kruskal Wallis H test</td>
<td>Protect environment, Status symbol, Large Product range</td>
<td>More than 0.05</td>
<td>Accepted</td>
<td>Results shows that reasons to buy organic food by consumers across age is not significantly different for these mentioned buying behaviour factors</td>
</tr>
</tbody>
</table>

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### Conclusion

<table>
<thead>
<tr>
<th>Food across categories of age</th>
<th>Buying behaviour factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Benefits</td>
<td>Less than 0.05</td>
</tr>
<tr>
<td>Health Quality</td>
<td></td>
</tr>
<tr>
<td>Great Taste</td>
<td></td>
</tr>
<tr>
<td>Support to poor farmers</td>
<td></td>
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<tr>
<td>Safe for babies</td>
<td></td>
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<tr>
<td>Variety</td>
<td></td>
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<tr>
<td>Strengthen species of food</td>
<td></td>
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<tr>
<td>Innovation</td>
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<tr>
<td>Employment</td>
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<td>to illiterates</td>
<td></td>
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<tr>
<td>Reasonable prices</td>
<td></td>
</tr>
<tr>
<td>Easily available</td>
<td></td>
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<tr>
<td>Preference over normal food</td>
<td></td>
</tr>
</tbody>
</table>

| Results shows that reasons to buy organic food by consumers across age is significantly different for given buying behaviour factors |

<table>
<thead>
<tr>
<th>3</th>
<th>There is no significant difference between selected buying behaviour factors of organic food across categories of income</th>
<th>Kruskal Wallis H test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High Quality Support to poor farmers Protect environment Status symbol Large Product range</td>
<td>More than 0.05</td>
</tr>
<tr>
<td></td>
<td>Health Benefits Great taste Safe for babies Variety Strengthen species of food Innovation Employment to illiterates Reasonable prices Easily available Preference over normal food</td>
<td>Less than 0.05</td>
</tr>
</tbody>
</table>

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### Conclusion

<table>
<thead>
<tr>
<th>4</th>
<th>There is no significant difference between preferences of selected organic foods across categories of gender</th>
<th>Mann Whitney U test</th>
<th>Coffee, sugar tea, Pulses, Garam masala, Dalia atta, Milk products, Mangodi, papad, Honey, Dry fruits, Snacks bakery</th>
<th>More than 0.05</th>
<th>Accepted</th>
<th>shows that preferences of consumers across gender is not significantly different for these mentioned buying behaviour factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>There is no significant difference between preferences of selected organic foods across categories of age</td>
<td>Kruskal Wallis H test</td>
<td>Edible oil ghee, Milk products, Honey, Dry fruits, Snacks bakery</td>
<td>More than 0.05</td>
<td>Accepted</td>
<td>Results shows that popularity among consumers across different age categories is not significantly different for stated buying behaviour factors</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Coffee, sugar tea, Cereals grain flour, Everyday spices, fruits, vegetables, Pulses, Packed juices, chips, Garam masala, Dalia atta, Mangodi, papad, Heat and eat products</td>
<td>Less than 0.05</td>
<td>Rejected</td>
<td>Result concluded that popularity among consumers across different age categories is significantly different for specified buying behaviour factors</td>
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</table>
### Conclusion

<table>
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<tr>
<th>6</th>
<th>There is no significant difference between preferences of selected organic foods across categories of income</th>
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<td>Coffee, sugar tea, Cereals grain flour, fruits, vegetables, Pulses, Packed juices chips, Garam masala, Milk products, Mangodi papad, Heat and eat products, Honey</td>
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<thead>
<tr>
<th>7</th>
<th>There is no significant difference within various marketing strategies adopted by selected organic food companies</th>
<th>Kolmogorov-Smirnov (KS) test</th>
<th>Internet Flyers, Posters, Road shows, Television, Social media, Pamphlets/Advertisement in newspaper, Value Added (free coupons &amp; discounts), Follow up from customers, Door to door/phone calling, Special events &amp; parties</th>
<th>Less than 0.05</th>
<th>Rejected</th>
<th>Results show that there is a significant difference within various marketing strategies adopted by selected organic food companies</th>
</tr>
</thead>
</table>

| 8 | There is no significant difference between various marketing strategies adopted across selected organic | Kruskal Wallis H test | Internet Flyers, Posters, Road shows, Television, Social media, Pamphlets/Advertisement in newspaper, Value Added (free coupons) | More than 0.05 | Accepted | Result depicted that there is a significant difference between various marketing strategies adopted across selected organic food companies. |
Conclusion

As seen from above table the entire hypotheses framed for empirical study. Finally result of these tests performed on the on the basis of above hypotheses. Prime objective of the study is “To analyses various buying behaviour pattern for organic food.” to prove this objective research framed a hypothesis “There is no significant difference between selected buying behaviour factors of organic food across categories of gender”. For testing above hypothesis researcher used Mann Whitney U test to know there is a significant difference between selected buying behaviour factors of organic food across categories of gender. Analysis drawn that reasons to buy organic food by consumers across gender is not significantly different for health benefits, high quality, great taste, support poor farmers, protect environment, variety, easily available, status symbol and preference of organic food over normal food buying behaviour factors. On the contrary, reasons to buy organic food by consumers across gender is significantly different for the buying behaviour factors namely safe for babies, strengthening species of food, innovation, employment to illiterates, reasonable prices.

Second objective of the study was “To analyses various buying behaviour pattern for organic food.” to verify this objective research framed a hypothesis “There is no significant difference between selected buying behaviour factors of organic food across categories of age”. Researcher used Kruskal Wallis H test to know there is a significant difference between selected buying behaviour factors of organic food across categories of age. Analysis drawn that reasons to buy organic food by consumers across age is not significantly different for Protect environment, Status symbol, Large Product range buying behaviour factors. On the contrary, reasons to buy organic food by consumers across age is a significantly different for the buying behaviour factors namely safe for babies, strengthening species of food, innovation, employment to illiterates, reasonable prices. Health benefits, high quality, great taste,
support poor farmers, variety, easily available, and preference of organic food over normal food.

Third Objective of the study was “To analyses various buying behaviour pattern for organic food” to confirm this objective research framed a hypothesis “There is no significant difference between selected buying behaviour factors of organic food across categories of income”. Then it assessment researcher used Kruskal Wallis H test and result drawn from this test was that reasons to buy organic food by consumers across income is not significantly different for support poor farmers, protect environment, status symbol and large product range. On the contrary, reasons to buy organic food by consumers across income is significantly different for the buying behaviour factors namely safe for babies, strengthening species of food, innovation, employment to illiterates, reasonable prices, health benefits, high quality, great taste, variety, easily available, and preference of organic food over normal food.

Fourth Objective of the study was “To find out the preference of consumers for variety of organic food.” to prove this objective research framed a hypothesis “There is no significant difference between preferences of selected organic foods across categories of gender”. For testing above hypothesis researcher used Mann Whitney U test and result drawn from this test was shows that preferences of consumers across gender is not significantly different coffee, sugar & tea, pulses, garam masala, dalia & atta, milk products, magodi papad, honey, dry frits, snacks bakery. On the contrary, results shows that preferences of consumers across gender is significantly different for cereals, everyday spices, fruits & vegetables, packed food & chips and heat & eat products.

Fifth Objective of the study was “To find out the preference of consumers for variety of organic food” to prove this objective research framed a hypothesis “There is no significant difference between preferences of selected organic foods across categories of age”. For testing above hypothesis researcher used Kruskal Wallis H test and result drawn from this test shows that popularity among consumers across different age categories is not significantly different for edible oil & ghee, honey, dry fruits and snacks & bakery items. On the contrary, shows that popularity among consumers across different age categories is significantly different for coffee, tea & sugar, cereals & grains, fruits & vegetables, pulses, packed juice & chips, garam masala, milk products, Mangodi & papad, heat & eat products and honey.
Next Objective of the study was “To find out the preference of consumers for variety of organic food” to prove this objective research framed a hypothesis “There is no significant difference between preferences of selected organic foods across categories of income”. For testing above hypothesis researcher used Kruskal Wallis H test and result drawn from this test was shows that popularity among consumers across different income categories is insignificantly different for every day spices, edible oil & ghee, dalia & atta, dry fruits and snacks & bakery items. On the contrary, result shows that popularity among consumers across different income categories is significantly different for coffee, tea & sugar, cereals & grains, fruits & vegetables, pulses, packed juice & chips, garam masala, milk products, Mangodi & papad, heat & eat products and honey.

Next Objective of the study was “To identify the various marketing strategy adopted by organic food company” to prove this objective research framed a hypothesis “There is no significant difference within various marketing strategies adopted by selected organic food companies”. For testing above hypothesis researcher used Kolmogorov- Smirnov (KS) test and result drawn from this test was shows that there is a significant difference within various marketing strategies adopted by selected organic foods companies. It can be concluded from the results of arithmetic mean that marketing strategies namely Pamphlets/ Advertisement in newspaper, Value Added (free coupons & discounts), Follow up from customers, Door to door/ phone calling and Special events & parties are more popular among organic food companies (as their means are higher than 4) whereas marketing strategies namely Internet, Flyers, Posters, Road shows, Television and Social media are less popular among organic food companies (as their mean is less than 4).

Last Objective of the study was “To suggest an effective frame work to improve the popularity of organic food” to prove this objective research framed a hypothesis “There is no significant difference between various marketing strategies adopted across selected organic food companies”. For testing above hypothesis researcher used Kruskal Wallis H test and the results depict that there is a significant difference between various marketing strategies adopted across selected organic food companies. It can be concluded that all the selected organic food companies are implementing similar marketing policies to promote their organic food.
5.3 Suggestions

**Suggestions to Organic Food Companies**

1. All organic food production companies must emphasize more on advertisement and campaigning on organic food products only then will they become a common household name.

2. All companies must explore the uncharted waters of internet and use it as their marketing tool.

3. All companies should use social media as their marketing technique as it is cheaper than other marketing strategies.

4. Majority of companies are using follow up from customers as their marketing tool. But it should be done by all companies, as customer feedback is a very helpful means for any business to develop, get better and flourish.

5. Hiring cheap labour to work as farmers at a reasonable rate will help to reduce the cost of the products.

6. If the national and state governments take the initiative to help the farmers financially and also to provide fertilizers to farmers at reasonable rates, will drastically reduce the cost of organic food products.

7. Demand overwhelming supply is a prime cause behind the costly organic food products. The production of organic crops is very slow due to which the demand of market is not fulfil which sometimes increase the price of organic food and sometimes not. Thus, appropriate measures should be undertaken to bridge this gap

8. All possible reasons for higher price of organic farm products must be identified and sorted out.

9. The inventory handling cost of organic food is high and the food products spoil very soon because no preservative or chemicals are used. Due to this farmers get loss and it affects the cost of the product. Hence, other methods that is able to keep these items safe for longer durations must be made available to the farmers and wholesalers.
10. The organic food certification process is costly and time taking. It must be made unanimous, quick and simple.

11. The production of organic crops is very slow. And the farmers have to follow the rules of government to make the crop organic. It is very time taking and slow cultivation results in limited stock. So, all possible steps must be taken both by the government and the cultivators to reduce this time gap and grow more.

5.4 **Limitations of the study:**

1. The results of the study are confined to the state of Rajasthan only.

2. This research focuses on age, income and gender of consumer. A detailed research can be done further focusing only on income of consumers, to have a crystal clear image of organic food market.

3. The time lag between questionnaire sending and actual response from customer may be large that affects actual decision making and analysis.

4. Consumers may have different perceptions regarding the different variables regarding organic food.

5. Time was a major factor, as a short period of time was not enough for conducting the research.

Some people may not be enough aware about organic food products, concept and benefits of organic food to fill the proposed questionnaire.

5.5 **Scope for Further Study**

There is a large scope for further research from this study. Some of the research areas are as follows:

- A vast study can be conducted which may include international and national organic food companies. Present research is confined to companies operating in Rajasthan only.

- The area of study was only Rajasthan in this study it can be expanded for example metro cities of India can also be taken.

- This study covers only urban population of Rajasthan in which only limited cities are cover, rural population can also be covered in a large scale study.