MARKETING PRACTICES, PERCEPTIONS AND PROBLEMS OF ORGANIC PRODUCERS IN KERALA

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ABSTRACT

The rapid increase in production of organic food is creating new and more complex challenges for marketing. The study and understanding of existing marketing practices and issues of organic producers will help the stakeholders, authorities, researchers and producers to identify the loopholes and plug them correctly. It gives an idea about the current status, conditions and future of the industry. The study explores the marketing trends for organic food products and unveils the areas where more attention is needed and which issues are to be further researched, resolved and improvised.

Keywords: Organic producers, sustainable development, price premium, health benefits, purchase behavior, quality assurance (QA)

Introduction

Organic production and trade has been emerged as an important sector in India and in other parts of the developing world. It is seen as an important strategy of facilitating sustainable development. This paper discusses the marketing practices, problems and perceptions of organic producers. Here we are discussing about the marketing of organic food products. For boosting organic agriculture, marketing of organic products will be a main driving force. A country like India can enjoy a number of benefits from the adoption of organic production. Economic and social benefits like generation of rural employment, increased earning capacity of household, poverty alleviation, social uplifting, ensuring the health of young generations, women empowerment, sustainable development, prevention of disasters caused by the pesticides, improving the environmental conditions, conservation of the natural resources, improved soil fertility, prevention of soil erosion, preservation of natural and agro-biodiversity are the major benefits. The threat posed by the conventional food products to the human health and the damage done to the ecology are being viewed seriously. Efforts are made to produce healthy foods and the demand for them is increasing.

Though 50% of the organic food production in India is targeted towards exports, there are many who look towards organic food for domestic consumption. ACNielsen, a leading market research firm, conducted a survey among 21000 consumers in 38 countries to find their preference for foods that have additional health benefits. The survey revealed that India was among the top ten countries where health food, including organic food, was demanded by the consumers. The most important reason for buying organic food was the concern for the health of children. Organic food is expensive than conventional food and customers have to pay a premium generally 20 -30% for that. Still many people are willing to pay this higher premium due to the perceived health benefits of organic products. Rising incomes, urbanization, the development of retail trade, changing life styles, and rapid economic growth have been the other key drivers of the increase in sales of organic foods.

Marketing considerations are important for organic producers. Opportunity to receive premium for organic products have heightened producer’s interest in the organic production and marketing. Organic products are specialty items and have high growth rate. So special marketing techniques and efforts are needed in its case. Producers must research potential market for size, consistency and competition. They must match their production to their market. Organic marketing is quite different from that of regular marketing. Organic markets are still a niche segment in which specific buyers are targeted. Careful selection and development of target markets, distribution channels, certification, awareness creation etc., are important in the case of organic Marketing. Such marketing requires different skills than regular marketing and may call for additional costs in the initial stages. Through the implementation of appropriate marketing strategies producers and companies can organize organic production and influence consumers’ purchasing behaviour.

Objectives

1. To study the existing marketing practices and initiatives of organic producers.
2. To evaluate the perceptions and intentions of organic producers about growth and expansion.
3. To study the producer’s perception about the consumers in Kerala.
4. To identify the problems faced by the organic producers.
5. To give suggestions to solve the above said problems.

Methodology
A descriptive and exploratory research design was chosen for the study. The study was conducted in the southern and middle part of Kerala state. Judgment sampling design was used to select the sample. The information was collected through individual visits, personal discussions and with the help of a structured questionnaire. The study included a survey of 50 domestic producers and 10 exporters. Secondary data was collected from journals, previous research reports, books, and internet.

Review of Literature
Organic produce is considered as a healthy, natural and safe choice by consumers everywhere. A lot of efforts and measures were taken to promote organic farming, production and trade in the recent years in different parts of the world at various levels.

By definition, organic means fruits, vegetables, food grains and processed products that have been produced with no pesticides or inorganic fertilizers.

Organic production is defined by the USDA as follows:
'A production system which avoids or largely excludes the use of synthetic compounded fertilizer, pesticides, growth regulators and livestock feed additives. To the maximum extent possible, organic farming systems rely upon crop rotation, crop residues, animal manures, legumes, green manures of farm organic waste and aspects of biological pest control to maintain soil productivity, to supply plant nutrients and to control insects, weeds and other pests’ (cited in Browne et al, 2000).

The growing health concerns and increasing non-tariff barriers like Sanitary and Phyto Sanitary (SPS) measures in the international market (Naik, 2001), coupled with non-viability of modern farming on a small scale, are some of the factors behind the move from chemical based to organic production and consumption systems. According to Sylvander (1999) the market for organic food is currently growing by around 20% per year. Though organic produce is expensive, consumers are showing interest in organic products. Consumers were very much interested to buy organic food, as they had become aware of the harms of chemical-laced conventional food production and the need to maintain their health (Seikh, 2000).

Thus, the organic market is growing fast, but market demand is not stable (Hamm, 2001)

Organic production in India
In India organic farming was practiced since thousands of years. In traditional India, where organic farming was the backbone of the economy, entire agriculture was practiced using organic techniques, where the fertilizers, pesticides, etc., were obtained from plant and animal products.

The Green Revolution
The country faced severe food scarcity due to the ever increasing population and several natural calamities during 1950s and 1960s. The government imported the government food grains from foreign countries. To increase food security, the government decided to increase food production in India. The Green Revolution (under the leadership of M. S. Swaminathan) became the government’s most important program in the 1960s. Several hectares of land was used for cultivation using hybrid seeds, chemical fertilizers and chemical pesticides. As a result of that the country reduced its imports every passing year. In 1990s, India had surplus food grains and once again became an exporter of food grains.

But due to the ill effects of chemical farming such as increased cost, loss of soil fertility, environmental problems caused by the pesticides etc., both consumers and farmers are now gradually shifting back to organic farming in India. Consumers believe that the organic products are healthier and are willing to pay higher premium for the same. Many farmers in India are shifting to organic farming due to the domestic and international demand for organic food.

Organic Products and Markets in India
Major organic products in India include plantation crops (tea, coffee, and cardamom), spices (ginger, turmeric, chillies and cumin), cereals (wheat, rice, jowar, and bajra), pulses (pigeonpea, chickpea, green gram, red gram, and black gram), oilseeds (groundnut, castor, mustard and sesame), fruits (banana, sapota, custard apple and papaya), vegetables (tomato, brinjal, and other leafy vegetable), besides honey, cotton and sugarcane especially for jaggery (GOI, 2001). The organic products available in the domestic market are rice, wheat, tea, coffee, pulses and vegetables. On the other hand, products available for export market, besides these, include cashew nuts, cotton, oilseeds, various fruits, ayurveda products and medicinal herbs. The major export markets for Indian organic products are the EU, the USA, Canada, Australia and the Middle East Asian countries.
Organic Production and Marketing in Kerala

An initiative to make the state of Kerala fully organic has begun with the formulation of a draft policy in 2003. Organic farming and Products are now gaining popularity in Kerala. The state controlled Vegetable and Fruits Promotion Council, Keralam (VFPCK), several societies like The Peerumedu Development Society (PDS), Wayanad Social Service Society (WSSS), and NGO’s like Thanal, Gandhibhavan etc are taking initiatives in promoting organic farming and marketing in Kerala.

The mechanism of organic marketing is quite different from that of regular marketing (of produce of conventional farming). Organic markets are still a niche segment in which specific buyers are targeted. Careful selection and development of target markets and distribution channels is of utmost importance in case of organic. Such marketing requires different skills than regular marketing and may call for additional costs in the initial stages.

The organic market Development is an important step towards increasing the progressive independence of the sector. Rising incomes, urbanization, the development of retail trade, changing life styles, and rapid economic growth have been the key drivers of the increase in sales of organic foods.

Benefits of Organic Production

The various benefits of organic farming include high premium, low capital investment, ability to achieve higher premium in the market, and the ability to use traditional knowledge. According to a research conducted by the Office of Evaluation and Studies (OE), International Fund for Agriculture Development (IFAD), small farmers in India, China and Latin America can benefit drastically from organic farming and will help in alleviating poverty in these countries.

Problems and Constraints

The problems and constraints also need attention. Inadequate Government Support, Lack of Awareness of Consumers and Producers, Output Marketing Problems, Shortage of Bio-mass, Inadequate Supporting Infrastructure, High Input Costs, Marketing Problems of Organic Inputs, Lack of Financial Support, Low Yields, Inability to Meet the Export Demand, Market Development for the Organic Products etc., are the major problems faced by the organic industry. Save (1992) found that after three years of switching over to natural cultivation, the soil was still recovering from the after effects of chemical farming. When the soil regained its health, production increased and the use of inputs decreased.

Data Analysis and Discussion

1) **Type of products produced by the organic producers**

The percentage and number of farmers who produce different type of organic products are shown in the Table 1. The data of exporters and domestic producers are given separately.

<table>
<thead>
<tr>
<th>Type of organic products</th>
<th>No. of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exporters</strong></td>
<td></td>
</tr>
<tr>
<td>Spices</td>
<td>5</td>
</tr>
<tr>
<td>Tea/Coffee</td>
<td>3</td>
</tr>
<tr>
<td>Oil</td>
<td>1</td>
</tr>
<tr>
<td>Ayurvedic products</td>
<td>1</td>
</tr>
<tr>
<td><strong>Domestic producers</strong></td>
<td></td>
</tr>
<tr>
<td>Vegetables</td>
<td>50</td>
</tr>
<tr>
<td>Fruits</td>
<td>41</td>
</tr>
<tr>
<td>Flowers</td>
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<tr>
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<td>9</td>
</tr>
</tbody>
</table>
2) Producers having Organic label/Certification

Out of the 10 exporters surveyed, 9 exporters have the certification of recognized certifying agencies. The domestic producers who produce mostly vegetables, fruits and flowers don’t have certification. Most of them are small scale farmers and for them the certification process is costly and unaffordable.

3) Type of Markets for organic products

Out of 10 exporters 5 could find market for their products inside the country also. The domestic producers market their product in the urban and rural markets only. It is very difficult for the individual small scale farmers to identify and develop national and international market for their products unless they get the help of any well-organized societies or NGOs. Currently nobody is practicing that in southern Kerala where the study was conducted.

4) Channels used for marketing

As given in Table 2 the exporters prefer direct marketing and marketing through agents/distributors. Most of the Domestic producers prefer to sell through organic markets co-ordinated by NGOs and many are engaged in direct selling also. When they sell directly they are able to create and maintain a good relation with the customers and this result in repeat purchases. NGOs help the producers not only to sell the product in the market but also in distribution also. Very small numbers of domestic producers are engaged in institutional sales activities. They occasionally get orders from ayurveda hospital, panchakarma centres etc. None of the respondents opted co-operative societies, supermarket/retailer or on-line marketing.

<table>
<thead>
<tr>
<th>Channels used</th>
<th>No. of producers</th>
<th>Exporters</th>
<th>Domestic producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct marketing /Own shop</td>
<td>6</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Organic markets by NGOs</td>
<td>0</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>Agents/Distributors</td>
<td>4</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Organic producers co-operative societies</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Generic supermarket/Retailer</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Institutional sales (hotels, hospitals, ayurveda centers,</td>
<td>0</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>hostels etc.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>On-line</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

5) Perception about the increase in organic product sales in the next five years

The organic producers- both exporters and domestic producers, unanimously agree that there will be an increase in the organic product sales in the next five years (table-3).

<table>
<thead>
<tr>
<th>Response</th>
<th>No. of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>3</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
</tr>
<tr>
<td>Neutral</td>
<td>0</td>
</tr>
<tr>
<td>Disagree</td>
<td>0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>0</td>
</tr>
<tr>
<td>Exporters</td>
<td></td>
</tr>
<tr>
<td>Domestic producers</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>13</td>
</tr>
</tbody>
</table>
6) Percentage of premium charged

When the exporters are compared with domestic producers the price premium charged by the exporters are high. The premium charged by exporters varies from 20% to 200% (in some cases more than 200%). Domestic producers charge from 6% to 30%. Among exporters 40% charge premium 31%-50% and 30% of the exporters charge 21%-30%. 54% of the domestic producers charge 11%-20% premium and 38% charge 6%-10% premium. The rate of premium varies according to the type, demand and availability of the products. The reasons behind charging high premium by the exporters are mainly the production cost, certification cost, transportation cost, processing cost, quality assurance cost, storage cost, shipping cost, labour cost and input cost.

<table>
<thead>
<tr>
<th>Percentage of premium (%)</th>
<th>Exporters</th>
<th>Domestic producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>01-May</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>06-Oct</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Nov-20</td>
<td>0</td>
<td>27</td>
</tr>
<tr>
<td>21-30</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>31-50</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>51-100</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>100-200</td>
<td>1</td>
<td>0</td>
</tr>
</tbody>
</table>

7) Satisfaction on existing business

90% of the exporters and 100% of the domestic producers are satisfied in their present organic business. This fact is underlined by their prediction about the positive growth in the organic sales in future (discussed in table-3 above). The highly positive response to this question shows that they are able to meet their expenses with their income. Thus organic production and marketing can be developed as a mean to improve the living and financial conditions of the rural communities and to create job opportunities for the unemployed people including women. But a well-studied, planned, organized and coordinated effort is needed from the Government for achieving this. District wise division, co-ordination and setup of bodies is also required for efficient functioning. Objectives such as increasing the earning capacity of household, poverty alleviation, social uplifting, ensuring the health of young generations, women empowerment, sustainable development, prevention of disasters caused by the pesticides, improving the environmental conditions etc., can be achieved through a well-developed model of Organic management. The government should take initiatives for this with the help of other stake holders.

8) Intention to expand the business

Here also 90% of the exporters and 100% of the domestic producers wish to expand their business. This intention may also due to their highly positive expectation about the future growth of organic consumption.

9) Perception about Kerala as a potential market for organic products

Though all the domestic producers agree Kerala as a potential market for organic products, exporters don’t show much confidence. 50% of the exporters agree and 50% are neutral in their response. None disagreed with the statement. The high price of processed organic products, the nature and domestic demand of the export items etc., can be the reasons for the reduced confidence of exporters in Kerala Market.

<table>
<thead>
<tr>
<th>Response</th>
<th>No. of producers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>1</td>
</tr>
<tr>
<td>Agree</td>
<td>4</td>
</tr>
<tr>
<td>Neutral</td>
<td>5</td>
</tr>
<tr>
<td>Disagree</td>
<td>0</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>0</td>
</tr>
</tbody>
</table>

10) Having a brand name

None of the domestic small scale producers has a band name. 40% of the exporters have a brand name and 60% don’t have. If the domestic producers can sell their products under a brand name, that will improve the sales, image and identity of the products. The authorities and state department can help them in doing that.

11) Method of communication with customers to enhance sales

The methods of communication adopted by the exporters are direct communication, trade fairs and information through website. Domestic producers mostly use direct communication and trade fairs. 30% of
domestic customers use education through social groups and NGOs. Small numbers use awareness campaign in educational institutions, institutional campaigns and public awareness campaign by state department. None uses pamphlets, notices and advertisements in media for communication.

Table 6 Method of communication with customers to enhance sales

<table>
<thead>
<tr>
<th>Methods of communication</th>
<th>Exporters %</th>
<th>Domestic Producers %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct communication</td>
<td>10</td>
<td>28</td>
</tr>
<tr>
<td>Trade fairs conducted by organic producer groups, NGOs etc.</td>
<td>7</td>
<td>37</td>
</tr>
<tr>
<td>Advertising in media</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Public awareness campaign by state department</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Awareness campaign in schools, colleges etc.</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Education through social groups, NGOs</td>
<td>0</td>
<td>15</td>
</tr>
<tr>
<td>Institutional campaigns</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Distributing Pamphlets, notices etc.</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Information through website</td>
<td>7</td>
<td>0</td>
</tr>
</tbody>
</table>

12) Reasons for consumer’s organic product purchase
According to the study consumers buy organic products mainly because they are healthier/nutritious, chemical free and fresher and tastier than conventional products.

Table 7 Reasons for consumer’s organic product purchase

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Mean X=S(fx)/n</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthier/Nutritious</td>
<td>4.66</td>
<td>1</td>
</tr>
<tr>
<td>Chemical free</td>
<td>4.28</td>
<td>3</td>
</tr>
<tr>
<td>Home grown/Natural</td>
<td>2.77</td>
<td>7</td>
</tr>
<tr>
<td>Clean/Pure</td>
<td>3.75</td>
<td>5</td>
</tr>
<tr>
<td>Personal environmental concern/Earth friendly</td>
<td>2.97</td>
<td>6</td>
</tr>
<tr>
<td>Specific type of food</td>
<td>2.32</td>
<td>9</td>
</tr>
<tr>
<td>Alternative lifestyle</td>
<td>2.75</td>
<td>8</td>
</tr>
<tr>
<td>Freshness and long shelf life</td>
<td>4.45</td>
<td>2</td>
</tr>
<tr>
<td>More tasty</td>
<td>3.92</td>
<td>4</td>
</tr>
</tbody>
</table>

13) Reasons for consumer’s unwillingness to buy organic products
Consumers show unwillingness to purchase organic products because of their lack of awareness, non-availability of the products, and higher cost.

Table 8 Reasons for consumer’s unwillingness to buy organic products

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Mean X=S(fx)/n</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inconvenience</td>
<td>2.6</td>
<td>5</td>
</tr>
<tr>
<td>Higher cost</td>
<td>3.28</td>
<td>3</td>
</tr>
<tr>
<td>No significant environment benefit for organic products</td>
<td>1.61</td>
<td>7</td>
</tr>
<tr>
<td>Non availability/Lack of consistent supply</td>
<td>4.08</td>
<td>2</td>
</tr>
<tr>
<td>Lack of awareness</td>
<td>4.35</td>
<td>1</td>
</tr>
<tr>
<td>Lack of environmental concerns</td>
<td>2.83</td>
<td>4</td>
</tr>
<tr>
<td>Lack of health concerns</td>
<td>2.57</td>
<td>6</td>
</tr>
</tbody>
</table>

Problems of organic Producers
The researchers had personal discussions with the producers about various problems faced by them. Open ended questions are also used in the questionnaire to get the response of the producers about their problems. The information about the constraints collected by the researchers through personal discussions and questionnaire are given below:

**Problems faced by the Organic exporters:-**

1. Main problem is cost involved in the production process. To produce organic products 3-4 times cost is involved when compared with conventional non-organic products.
2. No market/less market share in India. For organic products usually the premium is very high due to the high production, processing and distribution cost. An ordinary customer in India cannot afford that price. Even in metro cities a big campaign is needed to attract rich customers and create awareness. This again adds cost and demand should be created within short time period because of the short shelf- life of the products.
3. Financial shortage and quality maintenance problems
4. Non availability of commodities and skilled manpower
5. Infra-structure and system maintenance problems
6. Changing climatic conditions and consumer tastes and preferences
7. Competition and consistency in supply.
10. Inadequate Supporting Infrastructure - The state governments should formulate policies and a credible mechanism to implement them. Exclusive bodies and departments should be set up for that. More certifying agencies, awareness campaigns, organic markets, trade channels etc., are yet to be formed.
11. High Input Costs -The costs of the organic inputs are higher than those of industrially produced chemical fertilizers and pesticides including other inputs used in the conventional farming system.
12. Labour turnover.
13. Inability to Meet the Export Demand - In the developed countries like USA, European Union and Japan, the demand for organic products is high. The market survey done by the International Trade Centre (ITC) during 2000 shows that the demand for organic products is growing rapidly in many of the world markets while the supply is unable to match it.

**Problems faced by the Domestic Organic producers:-**

1. Government is not doing anything specifically to encourage organic producers and to increase the consumption of organic products. Government support is needed to create the public awareness.
2. Lack of Awareness - Social groups and other stakeholders must show more interest in awareness building and encouraging the producers.
3. Changing climatic conditions.
4. Low Yields in the initial 3 years– 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 financial incentives. Small and marginal farmers are facing the risk of low yields for the initial 3 years on the conversion to organic farming. There are no schemes to compensate them during the gestation period. The price premiums on the organic products will not be much of help in this case.
5. High Input Costs -The costs of the organic inputs are higher than those of industrially produced chemical fertilizers and pesticides including other inputs used in the conventional farming system. The groundnut cake, neem seed and cake, vermi-compost, silt, cow dung, other manures, etc. applied as organic manure are increasingly becoming costly making them unaffordable to the small cultivators.
6. Shortage of Bio-mass - The small and marginal cultivators have difficulties in getting the organic manures.
7. Unexploited opportunities in national and international market.
8. Absence of an Appropriate Agriculture Policy to co-ordinate and help organic producers.
9. Absence of certification
10. Inability to tap the export market.

**Suggestions**

1. **Certification (Quality Assurance) -** The analysis of data illustrates that the domestic producers who produce mostly vegetables, fruits and flowers don’t have certification. Most of them are small scale farmers and for them the certification process is costly and unaffordable. Certification enhances the credibility of the product and ensures the quality also. This will improve the customer’s confidence
and trust and will result in increased sales. As the number of certifying agencies is less and the certification process is costly and time consuming, the government should find some other alternative for domestic small scale organic product certification. If the government set-up an agency exclusively for this purpose with different branches will help to solve this problem to a certain extent. Consumers are not aware of the certification system. Since certification is not compulsory for domestic retail in India, many fake organic products are available in the market. The certification will help the domestic producers or their societies or groups to export their products.

2. **Untapped Market Segments**- From the analysis it is clear that the institutional market segment, organic cooperative stores and retail market are still untapped. The state department and NGOs can help and train the domestic producers to exploit these channels properly. Exporters can rely on online sales also.

3. **Cost Reduction Leads to Affordable Pricing and Increased Consumption**- Large number of exporters charges a premium 21-50% and domestic producers 6-20%. The reasons behind charging high premium by the exporters are mainly the production cost, certification cost, transportation cost, processing cost, quality assurance cost, storage cost, shipping cost, labour cost and input cost. If we can identify the high cost areas of production and marketing process and can apply cost reduction techniques, the high price can be brought down and consumption can be increased.

4. **Financial Support during the Gestation Period**- Small and marginal farmers are facing the risk of low yields for the initial 3 years on the conversion to organic farming. There should be some schemes to support them and to compensate their loss during the gestation period.

5. **Organic Inputs at Subsidized Rates**- To overcome the difficulty of unavailability and high cost of organic inputs, it can be distributed at subsidized rates through agriculture department.

6. **Awareness Creation**- The domestic producers need the help of State and Central governments to create awareness among the public about organic products and to sell their products under a brand name. More campaigns in the educational institutions, government offices and media campaign by the state departments will help the organic producers to survive.

7. **Consumer Education** - The Indian organic food consumer needs education. Many consumers are unaware of the difference between natural and organic food. Many people purchase products labeled as Natural thinking that they are organic.

8. **Producer Education and Training Programmers** – Producers should be educated about the available opportunities, benefits and requirements in the national and International markets. Making them up to date with technical and marketing information and imparting the required skills will improve the system efficiency.

9. **Development of an Integrated Organic Management Model**- To develop an integrated model of organic management, more studies are required in the fields of procurement, production, quality assurance, pricing, distribution, communication, financing, and supply chain management of organic products. If a dedicated department can conduct research in the above said areas and plan, implement and co-ordinate the activities of the members of the value chain based on the research findings, the dream of an effective Integrated Organic Management Model can be fulfilled.

10. **System Approach** – A system approach is required to study, plan, implement, monitor and correct the organic management activities. Each sub- system or part should get individual attention and professional approach is needed.

### Improvement Plan for Present System

An improvement plan is developed for the present functioning of the organic management system. All the suggestions given above based on this study are incorporated in this. Based on the different research studies and their findings either a new integrated organic management model can be developed or suggested improvements can be made in the present system.
Conclusion

The organic producers - both exporters and domestic producers, unanimously agree that there will be an increase in the organic product sales in the next five years and they are satisfied with their business. They expressed their willingness to expand the business also. They have a highly positive expectation about the future growth of organic consumption and Kerala market. Objectives such as increasing the earning capacity of household, poverty alleviation, social uplifting, ensuring the health of young generations, women empowerment, sustainable development, prevention of disasters caused by the pesticides, improving the environmental conditions etc can be achieved through a well-developed Integrated Model of Organic Management. The government should take initiatives for this with the help of other stake holders.

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