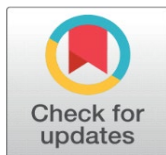
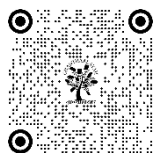


ORGANIC FARMING AND MARKETING CHALLENGES: A CASE STUDY OF HARYANA

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ABSTRACT

The growing issues of health among people and increasing awareness for organic products has directed number of people towards organic consumption. This also led the number of opportunities for farmers to produce organic food. Along with the emerging opportunities, farmers are also facing challenges, thus this study aims to explore the limitations and challenges faced by farmers to switch over organic productions. The sample size for this study comprised 100 farmers from various districts in Haryana, which includes both organic as well as conventional producers. For this study, sequential form of mixed method is used, that is quantitative as well as qualitative. The major findings of qualitative analysis revealed six major market challenges namely, less production, shortage of warehousing facility, lack of government support especially in form of subsidy and promotion, inadequate demand of crops, market price issues and high cost of transportation. This study is to understand market challenges for organic farmers in a developing country like India. The findings of this study will contribute to various stakeholders at policy level to build better strategies to successful promotion of organic farming. This will definitely contribute in fulfilling healthy consumption in India as well as reaching the goals of sustainable development goals.

Keywords: Organic Farming, Marketing, Challenges, Haryana

1. INTRODUCTION

Organic production has been considered to be a sustainable practice as per the International Federation of Organic Agriculture Movement (IFOAM), which defines organic production as “a production system that sustains the health of soils, ecosystems and people, it also combines tradition, innovation and science to benefit the shared environment and promote fair relationships and good quality of life for all involved”. Also, it becomes important to understand that IFOAM provided four basic principles of organic farming, that are good for health, fair deal for the farmers, sustenance to ecology, and care for the environment which provides a ground for organic food production; hence, organic food is considered as sustainable food (Pretty & Ward, 2001). It can be considered as a win-win practice for both consumers as well as farmers. Organic food has been the impression of nutritional value, freshness, local supply, healthy meals, direct links between farmers and consumers, and the avoidance of preservatives and synthetic chemicals. Therefore, the increasing health consciousness among the people and increasing awareness about organic food consumption benefits has been providing numerous opportunities for the organic producers.

Organic food carries the trust factor of the consumers which is growing up considerably. Therefore, the demand of organic products in the market is noticeably increased. However, here organic farmers comprise very small proportion among all the farmers. We can say, majority of organic farming is a voluntary choice among farmers not with an expanding business vision. One of the major reasons behind the lack of growth in organic farmers has been the marketing issues faced by them. Jari and Fraser (2009) mentioned about this issues that the farmers generally sell their products in informal market places, due to less support from the government at policy level. Also, lack of infrastructure, lack of awareness, technical assistance and investment are the reasons behind less participation of farmers towards organic farming. Further, more than 80% of the farmers in India hold less than two acres of land which comes under marginal and small categories (Agriculture Census, 2011). Small scale farmers are financially poor and because of this reason their challenges and limitations become differ from the big farmers carrying large scale of lands.

2. LITERATURE REVIEW

Organic farming has been considered as a sustainable and environment friendly practice. It has been noticed that various stakeholders are keen to raise awareness among people about organic products and its benefits. These days organic products are gaining popularity among consumers as their awareness for better health and environment are increasing. Because of the high price, only few people are the consumers of organic food and its products, who understand the health benefits, improved lifestyle, as well as concern for environment protection.

Number of studies have discussed the multiple factors that induced the people to keen towards better environment. People are also worried about the effect of environmental damage on their health and lifestyle. Also, this anxiety has pushed the marketers to consider environmental issues in their decision making. Among the developing nations, India is emerging as one of the potential markets for organic food and products. Many people in old times are well aware that organic food is superior from the point of view of health. India has been one of the leading followers of organic food culture; rather, it has been making use of the natural fertilizers in agriculture. Therefore, India can be a good potential market for the marketers of organic food and its products, but before this change, they will have to have the confidence of the people who would support them towards organic food for their quality.

3. ORGANIC FARMING AND MARKET CHALLENGES

Farmers in India hold less than two acres of land which comes under marginal and small categories (Agriculture Census, 2011). Small scale farmers are financially poor and because of this reason their challenges and limitations become differ from the big farmers carrying large scale of lands. Hazell and Diao (2005) mentioned that in developing countries like India, small-scale farmers suffer unfair competition from the farmers of big scale capacity, in both the export as well as domestic markets. Most of the small-scale farmers majorly sell their products in the informal markets; therefore, the government initiatives can provide support to the small-scale farmers through better market opportunities, better information and awareness, technical innovations and investments in infrastructural facilities such as improved roads connectivity.

Marketing channel for organic products play a major role in receiving a good price of the products on which the profit of the farm depends. The high cost of certification and lack of market facilities for organic crops have been major challenges for the farmers, especially small-scale farmers. Therefore, these issues require immediate steps and efforts from the government agencies and other stakeholders so that it can attract large number of farmers to go towards the organic farming. Bhattarai, Lyne, and Martin (2013) proposed an effective certification scheme that encourages more investment in organic farming, especially on-farm technologies. Furthermore, Charyulu and Biswas (2010) has already recommended the need for decrease in certification cost and focus more on investment in the research and development of organic farming for motivating more farmers to pursue the natural and organic way of farming. Apart from this, One the major issues of warehousing and storage facilities is a real concern in the vital marketing function, as its store the produce until its distribution and increases waiting period of the farmers that enables them to sell their produce as per the best market price. High prices of the organic products are often understood as an obstacle for people to purchase of organic food and products.

4. METHODOLOGY: SAMPLING DESIGN AND DATA COLLECTION

For fulfilling the research objectives, researcher used mixed methods that is qualitative as well as quantitative, as it is becoming emerging methodology across several disciplines, especially in applied social research. The mixed-method

process is a process of collecting, analyzing, and “mixing” or integrating both quantitative and qualitative data within a single study for the purpose of gaining a better understanding of the research problem.

The focused group technique has been used with thematic analysis to collect and analyze the qualitative data also for finding the marketing challenges among the conventional and organic farmers in various districts in Haryana. To understand the unexplored issues, the qualitative data collection through focus group discussions was taken into consideration. Researcher also focused on group discussions which include group conversations and interviews between researcher and people. Hence, a series of focus group discussions were organized and conducted with the help of an open-ended questionnaire that highlighted the marketing challenges.

5. DISCUSSION

Organic production has been considered as sustainable food practice (IFOAM, 2005). The exploration of marketing challenges for farmers at the production level will reduce the gap between the marketing and consumption of such organic products. The aim of this study is to understand the different marketing challenges of organic and conventional farmers in Haryana as well as India. The major six marketing challenges which are affecting the two types of farmers has been associated to the issues of lacking warehousing facilities, inadequate demands of consumer related to crops, lack of knowledge about the price premium, transportation cost, variation in the price of the crops and products, and lastly, insufficient support from the government at policy level. Thus, the issues discussed in this study are not only related to profit making; rather, they objectify to provide evidence-based as well as sustainable based practice for the results of minimizing the marketing issues for the farmers in emerging economies like India which will, in turn, facilitate the production of sustainable food for long-term sustainable consumption.

Based on the analysis of the data, results obtained indicated that the high price for transportation, price variability, and lack of government support, certification cost and process are found to be major problems for organic farmers. The lack of knowledge about price information and improper demand for crops are the least affected problems. Hence, they need help at the point of purchase. Demand for organic food is emerging these days; as such, we can say, possibility is that organic farm producers may not be experiencing the problem of less demand for their crops and products.

Further, due to less production of organic crops, organic food and products are enjoying premium pricing. The price variation and inadequate government support has been the major marketing challenges for conventional farmers who want to switch over to organic farming. They expect support in form of subsidies and adequate infrastructure from government which are not available as India is still growing and the organic farmers which consist of a small number compared to the conventional farmers in India; hence, it can be expected that there would be differences in the marketing challenges faced by both groups of farmers.

6. CONCLUSION

There are many studies published regarding the understanding of organic farming and marketing concerns in the 21st century. One of these studies, Nature Plants, “Organic Agriculture in the 21st Century,” has been one of the first studies which compare the organic and conventional agriculture practice across the four major metrics of sustainability that are to be productive, economically profitable, environment friendly, and socially beneficial. The study came to the conclusion that organic farming is far more sustainable practice than conventional farming, as it is also good for our environment, produce better yields, decrease the soil erosion, and provides us more healthy and nutritious food as it is less contaminated with harmful chemicals and pesticides. Further, as per the study in Haryana, organic farming is a voluntary choice based practice among farmers and not enforced. Hence, we can say, organic farming can be considered as a part of the voluntary sector in Haryana. But as a healthy planet is concerned, there is a big vision and larger goals behind organic farming which are sustainable and responsible consumption along with environment friendly practices. The understanding of the marketing challenges associated with organic farming and its products can be beneficial, as it will reduce the gap between production, marketing, and consumption. The present study has mentioned different marketing challenges at different levels and their impact on farmers, and the findings obtained will provide an understanding for the policymakers for better planning and strategies to formulate policies that can minimize these marketing challenges for farmers.

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CONFLICT OF INTEREST

The authors declare no conflict of interest between them.

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