



e-ISSN:2582-7219



INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH IN SCIENCE, ENGINEERING AND TECHNOLOGY

Volume 7, Issue 5, May 2024



INTERNATIONAL
STANDARD
SERIAL
NUMBER
INDIA

Impact Factor: 7.521



6381 907 438



6381 907 438



ijmrset@gmail.com



www.ijmrset.com



Market potential of the Organic Food in Maharashtra region (Vidarbha)

Shubham Kishor Gade, Dr. Satya Mohan Mishra

MBA Student, Department of Business Administration and Research, Shri Sant Gajanan Maharaj College of Engineering, Shegaon, India

Assistant Professor, Department of Business Administration and Research, Shri Sant Gajanan Maharaj College of Engineering, Shegaon, India

ABSTRACT: The Indian food product production and consumption is a very vast and diversified, changing consumption differing from region to region. We are trying to extract some qualitative data from this research. The new age of the internet is also affecting the buying behavior of the consumers. It will be showing real world scenario. The consumer preference towards the organic food products. For the data collection a google form were floated through 117 Indian consumers in the region of Maharashtra. The increasing health concerns among the consumers would be the main motive to switch towards the organic food products. This research also helps to identify the main reason for the slow growth among consumer. The data analysis reveals a strong positive sentiment towards organic food products, with a majority of respondents believing in their health benefits and quality. However, affordability remains a concern. Dissatisfaction with conventional food is evident, particularly regarding taste and lack of local sourcing. Addressing affordability and promoting local sourcing are key to meeting consumer demands and maintaining competitiveness in the market.

I. INTRODUCTION

We all consume food products, but have we truly considered their production methods and their impact on our health? The COVID-19 pandemic has prompted people to become more mindful of the food they consume. They are actively seeking out healthier and safer options to boost their immunity and prevent diseases. Conventional food items are often produced using large quantities of chemical pesticides and fertilizers, which may contain carcinogens and heavy metals. This heightened awareness of conventional food products is a recent development. Consumers now inquire whether their food is produced organically or conventionally. Additionally, genetically modified organisms (GMOs) are subject to scrutiny as well.

What is organic food?

Organic food, fresh or processed food produced by organic farming methods. Organic food is grown without the use of synthetic chemicals, such as human-made pesticides and fertilizers, and does not contain genetically modified organisms (GMOs). Organic foods include fresh produce, meats, and dairy products as well as processed foods such as crackers, drinks, and frozen meals. The market for organic food has grown significantly since the late 20th century, becoming a multibillion-dollar industry with distinct production, processing, distribution, and retail systems. (*Organic Food | Definition, Policies, & Impacts | Britannica*, n.d.)

Indian food market

The organic food market in India is majorly driven by the higher uptake of organic food among the masses, especially in the urban regions. This can be attributed to the growing consciousness regarding the health hazards associated with chemical pesticides and fertilizers. The demand for organic food in India is also being catalyzed by the strong support of the government by the implementation of various government schemes, subsidies and incentives supporting farmers who are adopting organic farming practices. Moreover, increasing investments by Indian corporate firms in agrotech, agribusinesses and organic farming resulting in the entry of several players in the market is also fueling the market. Some of the other factors contributing to the market include rapid urbanization, growing usage of bio-based fertilizers, the emerging trend of farm mechanization, inflating disposable income levels, rising popularity of natural and clean label foods, and extensive research and development (R&D) activities. (*India Organic Food Market Size, Share, Growth 2024-2032*, n.d.). A majority of previous studies were carried out in developed countries where knowledge and awareness of food are high. The consumer awareness and preferences for organic food products in the developing



world is mostly unknown. Therefore, there is an urgent need to investigate the demand status of organic food particularly in developing countries like India. The investigation of consumers' attitude and behaviours towards organic food products may help both consumers of organic interest and marketers to drive growth in the organic food market (Singh & Verma, 2017). India's organic food market has witnessed exponential growth after the pandemic. According to the 2022 survey conducted in 187 countries practising organic agriculture by the international resource data from the Research Institute of Organic Agriculture (FiBL) and International Federation of Organic Agriculture Movements (IFOAM), organic food in India is cultivated in 2.6 Mn hectares, fifth largest in the world. The report further revealed that the share of land used for organic farming in total agriculture land is 1.5%, and in the last ten years, India increased its organic agriculture land under cultivation by 145.1%. The Economic Survey 2022-2023 mentions that India has 4.43 Mn organic farmers, the highest in the world. (*Exploring the Potential of India's Organic Food Market*, n.d.). After the emergence of the Fast delivery platforms in tier 1 cities, there is a trend to serve fresh food to the consumers, this is also a reason for the emergence of the organic food in the market.

COVID-19 Impact:

The COVID-19 pandemic outbreak resulted in unprecedented challenges in the industry due to the imposing of nationwide lockdown in India. This caused several challenges to the organic food supply chain, including logistical issues, depleted stocks and manpower shortages. These factors negatively impacted farmers' livelihoods due to the reduced demand for organic products as a result of the lockdowns and travel restrictions. Furthermore, the lockdowns also affected the export of organic food, causing a decline in the overall market. Despite these challenges, there has been a noticeable increase in consumer awareness regarding the health benefits of organic and sustainable foods, which has driven the demand for organic products during and after the pandemic, with an enhanced focus on immunity boosters and the correlation between nutrition and health. Additionally, the government's subsidies to the agricultural sector present a significant opportunity for the Indian domestic and export market, resulting in a significant boost in the demand and increased sales across organic food companies. (*India Organic Food Market Size, Share, Growth 2024-2032*, n.d.)

Attitude towards the organic food

In previous researches there can be seen that, the overall awareness on organic food products among the public is increasing and their attitude towards purchase intention is positive (Bilal Basha et al., 2015). The study showed that women and younger consumers showed a positive attitude towards organic food and perceived consumption of organic food to be a healthier food option. They were keen on getting product information and compared labels while selecting nutritious food. Women perceived consumption of organic food to be a healthier option. Consumers preferred food that tasted good, and were ready to pay a higher price for such food (Table 12). Most of the consumers in the middle-income group showed a positive attitude towards organic food (Paluri et al., 2014).

In recent years due to the above given reasons like increase in the health concerns of the consumers, and the increase in availability of the organic products. The consumptions are seen a growth overall. But in this research, we will try to see the waters if it is possible for the new marketers to make use of this growth and make profit from that. As a business perspective the conclusion will be describing the viability of this organic food products, not fully but it will be helpful to identify the ground reality of the organic food products.

II. LITERATURE REVIEW

product quality

The previous finding about product quality is that, nowadays consumer behavior is changing towards purchase of many environmental-friendly and organic products, due to awareness of environmental degradation and the related issues (Bilal Basha et al., 2015b). The quality of a product denotes its value in relation to its cost. Typically, consumers who prefer organic products are less sensitive to price and prioritize quality over affordability.

Health concern

Considering consumers' concerns about health safety and environmental concerns, it is required to develop an appropriate strategy. The strategy should focus on specific consumer segments, increasing consumers' awareness and knowledge of organic food products by maintaining customer satisfaction and delight (Singh & Verma, 2017).

Consumer behaviour

Nowadays our life time is gradually reduced by the occupation of non-organic food products. If it is playing its role in the future the natural calamities will make a lot of consequence in the world. Hence this is the right time to select "green marketing" globally. It will come with a drastic change in the world of business if all nations will make strict rules



because green marketing is very essential to save the world from the pollution. Green marketing is a tool for protecting the environment for future generation. It is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be succeeding in the market. Hence the marketers and government should take the necessary steps to protect our people as well as our environments for our future endeavor(Usharani & Gopinath, 2020)

III. OBJECTIVES

1. Identify Market Potential: Assess the existing market potential for organic food products.
2. Understand Consumer Perspectives: Explore consumer attitudes towards organic food products and reasons for purchasing.
3. Challenges Faced by Consumers: identifying the challenges that were faced by the consumers in day to day life concerning the food they consume.

By addressing these objectives, we aim to gain insights into the market dynamics and consumer behavior surrounding organic food products. This understanding will inform strategies for enhancing market penetration and meeting consumer needs in the organic food sector.

IV. RESEARCH METHODOLOGY

Data sources and measurements scale

Empirical data was collected using a structured questionnaire. The questionnaire employed a 5-point scale for responses and also captured socio-demographic profiles, including gender, of the respondents. To ensure accessibility and ease of comprehension, the questionnaire was formulated in simple, layman language. This approach aimed to facilitate clarity and ease of completion for the participants filling out the provided form. The questionnaire comprised five straightforward questions designed for evaluation (refer to Annexure).

Data collection:

Data collection was conducted through online questionnaires distributed via Google Forms links. The respondents comprised individuals from the upper-middle class Indian demographic, primarily from the Vidarbha region of Maharashtra. The Google Form links were sent to their contact numbers, requesting their participation in the survey. Out of the approximately 245 individuals contacted, a total of 117 responses were collected, resulting in a response rate of approximately 46.5%.

Participants profiles

The participant demographic skewed predominantly male, with 87 out of 117 participants being males (typically married), accounting for approximately 74.35% of the sample. Conversely, females constituted a smaller portion, totaling around 30 individuals, or 25.64% of the sample. This gender disparity may introduce an imbalance in data collection and results. However, it's noteworthy that in the Vidarbha region, food product purchasing is predominantly driven by males. Thus, while this gender distribution might affect the study's representation, it aligns closely with real-world dynamics in the region.

Table 1: describing the representation of demographic skewed

variable	share	TOTAL (%)
Gender		
Male	87	75%
Female	30	25%
Location		
Rural	40	34.19%
Urban	77	65.81%



Data analysis and interpretation:

Table 2. Question around the health concerns.

The question asked around organic products will improve the health	Percentage
Strongly disagree	2.5%
Disagree	5.98%
Neutral	14.52%
Agree	35.89%
Strongly Agree	41.02%

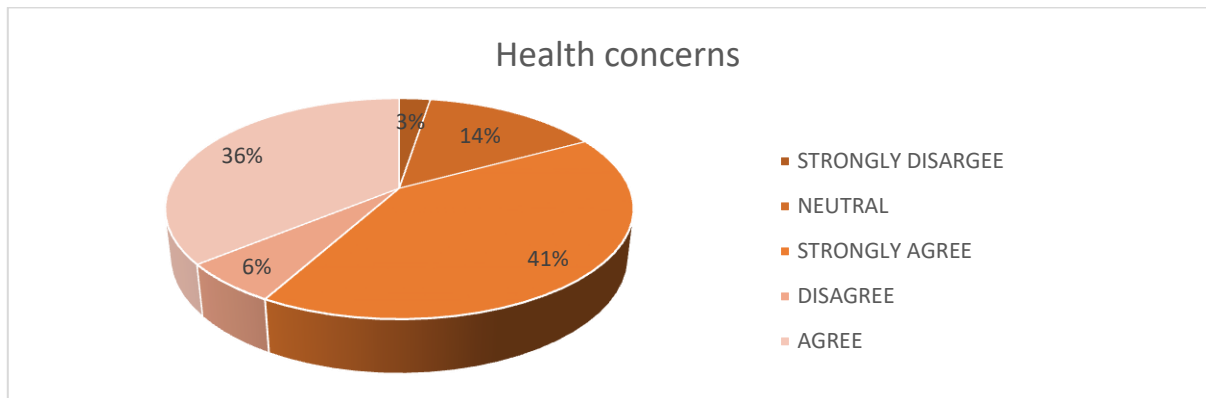


Figure 1 representation of respondents around the health concerns.

The results reveal that a significant majority, approximately 41% of the respondents, strongly agree that consuming organic food products contributes to improving their health. This indicates a prevailing positive sentiment towards organic food products among the surveyed population.

Table 3. data around the willingness of the consumers.

Willingness of family members to consume organic foods.	
Yes	82.90%
No	17.09%

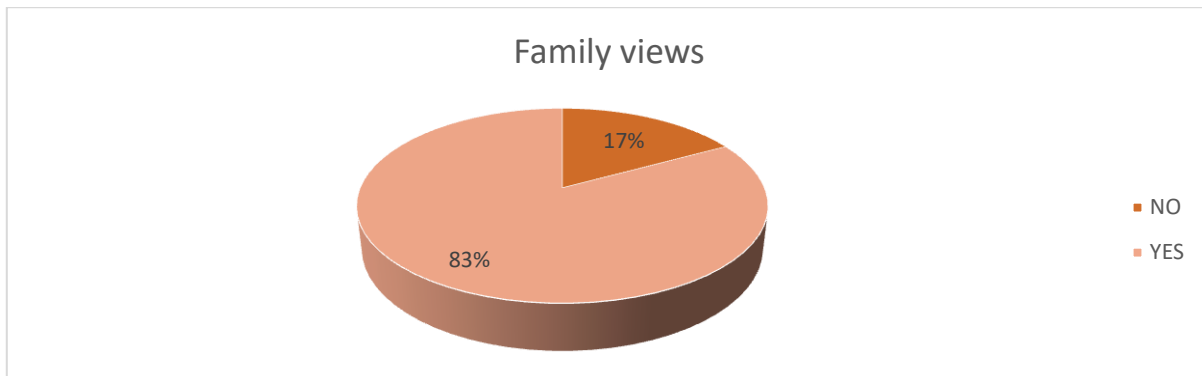


Figure 2 data representation

The above results indicate that 83% of the population's families are willing to purchase organic food products. This suggests a greater willingness among consumers to consume organic products compared to the respondents surveyed. Such findings are indicative of a positive trend towards organic products within the consumer market.

Table 4

Awareness of health benefits of organic food products on scale of 1 to 5

1	8.54%
2	6.83%
3	27.35%
4	35.89%
5	21.36%

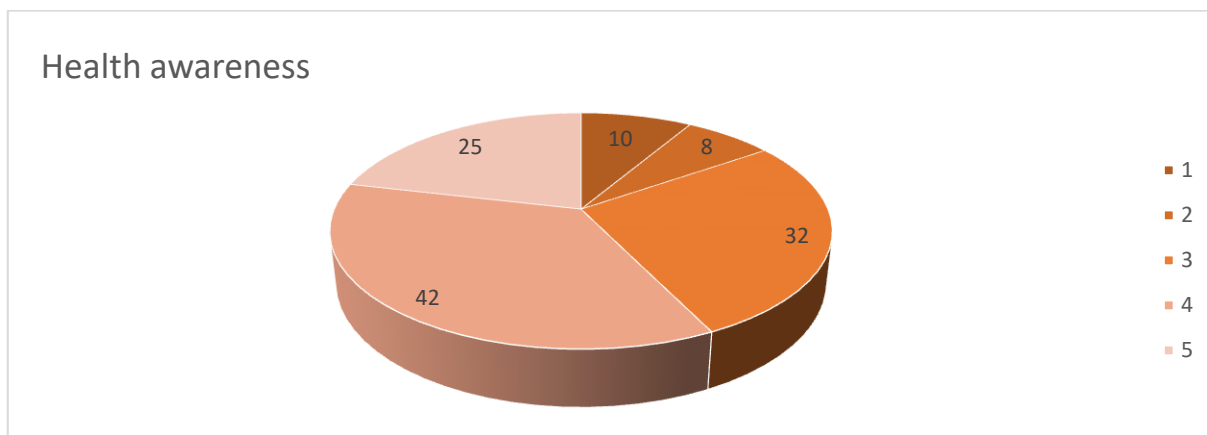


Figure 3 data representation of the health awareness.

The scale of 1-5, as reflected in the results above, clearly indicates that the population is notably more aware of the health benefits associated with organic food products. With a mean of approximately 3.54 and a mode of 4, it is evident that the population is well-informed and leans towards acknowledging these benefits.



Table 5. respondents of the perspective of the respondents around the quality of the food products

Perspective towards organic products are higher quality than regular conventional food products.

Strongly disagree	0.85%
Disagree	5.12
Neutral	21.36%
Agree	46.15%
Strongly agree	26.49%

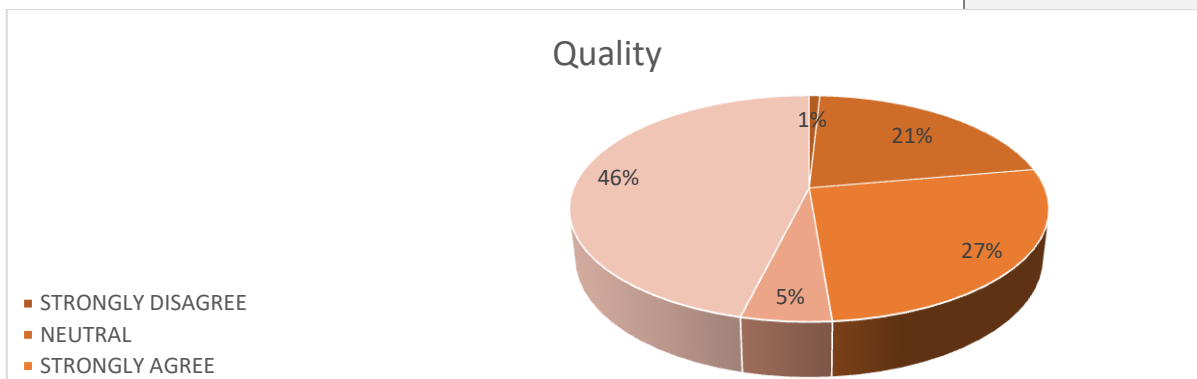


Figure 4 data representation of conventional food products

Upon analyzing the data, it is apparent that respondents' perspectives lean positively towards organic food products, with a mean score of 3.92. Furthermore, the mode of the data is 4, suggesting a predominant view that the quality of organic food surpasses that of conventional food products.

Table 6. willingness of the respondents to pay more money for the organic products

Willingness to pay more for the organic products.	Percentage
Positive	33.33%
negative	66.66%

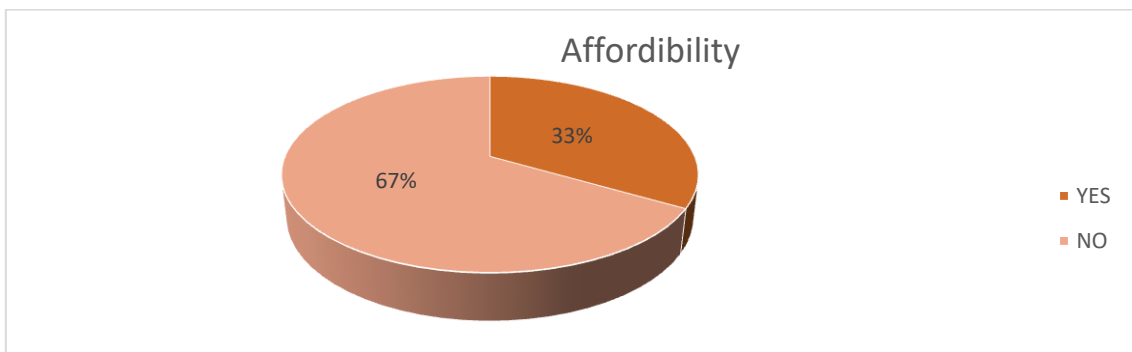


Figure 5. data representation of the affordability concerns of the respondents



In this scenario, it is evident that respondents are unwilling to pay extra for organic products compared to their conventional counterparts. This indicates that customers desire organic products at prices comparable to regular conventional food items. Achieving such pricing levels will pose significant challenges for producers.

Table 7. responses of current opinion about the food that they are consuming right now.er

Current opinion about the food that they are consuming right not?	
Food tastes are less natural than before	42.73%
They don't get locally produced food	32.47%
The foods products are not fresh	16.23%
Other than that,	8.54%

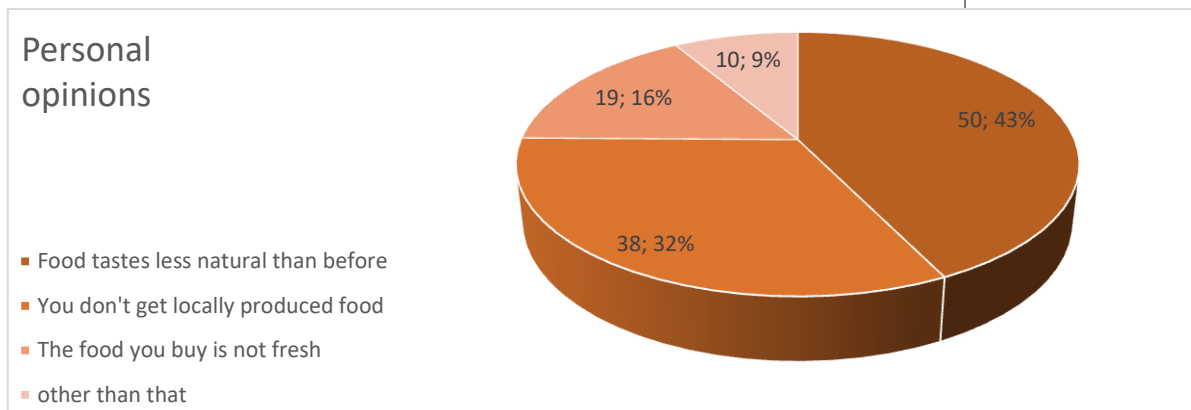


Figure 6. Data representation of current opinions of them.

From the results, we observe two major concerns regarding the current food products consumers purchase from the market:

1. Lack of locally produced food.
2. Decreased taste quality compared to previous experiences.

This indicates that foods produced in large quantities are diminishing in both nutritional value and flavor, leading to consumer dissatisfaction.

V. RESULT AND CONCLUSION

The analysis of the data highlights a prevailing positive sentiment towards organic food products among respondents. A significant majority, approximately 41%, strongly agree that consuming organic food contributes to improving health. Moreover, 83% of families are willing to purchase organic products, showcasing a clear inclination towards organic consumption. Awareness of the health benefits associated with organic food is notably high, with a mean awareness score of 3.54 and a mode of 4 on a scale of 1-5. Respondents overwhelmingly perceive organic products as of higher quality compared to conventional food items, with a mean score of 3.92 and a mode of 4. However, affordability remains a challenge, as respondents are hesitant to pay extra for organic products.

In contrast, dissatisfaction with conventional food products is evident among consumers. The majority express concerns about the lack of locally produced food and perceive a decline in taste quality compared to previous experiences. These findings suggest that consumers are increasingly aware of and seeking alternatives to mass-produced conventional food items, such as locally sourced or organic products.



The implications of these findings underscore the clear demand for organic food products driven by perceived health benefits and quality. However, affordability remains a significant barrier to widespread adoption. To address this, producers and retailers should focus on pricing strategies to make organic products more accessible to consumers. Additionally, there is an opportunity to capitalize on the dissatisfaction with conventional food by offering locally sourced alternatives that prioritize freshness and taste.

In light of these implications, recommendations include conducting further research to understand factors influencing consumers' willingness to pay for organic products, developing targeted marketing strategies to educate consumers about organic benefits while addressing affordability concerns, and investing in partnerships with local producers to expand the availability of locally sourced food options. Continuous monitoring of consumer preferences and market trends is also crucial to adapting offerings and maintaining competitiveness in the organic food market.

REFERENCES

1. Bilal Basha, M., Mason, C., Farid Shamsudin, M., Iqbal Hussain, H., & Abdelnabi Salem, M. (2015a). Consumers Attitude Towards Organic Food. *Procedia Economics and Finance*, 31, 444–452. [https://doi.org/10.1016/S2212-5671\(15\)01219-8](https://doi.org/10.1016/S2212-5671(15)01219-8)
2. Bilal Basha, M., Mason, C., Farid Shamsudin, M., Iqbal Hussain, H., & Abdelnabi Salem, M. (2015b). Consumers Attitude Towards Organic Food. *Procedia Economics and Finance*, 31, 444–452. [https://doi.org/10.1016/S2212-5671\(15\)01219-8](https://doi.org/10.1016/S2212-5671(15)01219-8)
3. Exploring the Potential of India’s Organic Food Market. (n.d.). Retrieved April 23, 2024, from <https://www.investindia.gov.in/team-india-blogs/exploring-potential-indias-organic-food-market>
4. India Organic Food Market Size, Share, Growth 2024-2032. (n.d.). Retrieved April 23, 2024, from <https://www.imarcgroup.com/indian-organic-food-market>
5. Organic food | Definition, Policies, & Impacts | Britannica. (n.d.). Retrieved April 23, 2024, from <https://www.britannica.com/topic/organic-food>
6. Paluri, R., Mehra, S., & Ratna, P. A. (2014). Attitude and behaviour of consumers towards organic food: An exploratory study in India. *Article in International Journal of Business Excellence*, 7(6), 677–699. <https://doi.org/10.1504/IJBEX.2014.065503>
7. Singh, A., & Verma, P. (2017). Factors influencing Indian consumers’ actual buying behaviour towards organic food products. <https://doi.org/10.1016/j.jclepro.2017.08.106>
8. Usharani, M., & Gopinath, R. (2020). A Study on Consumer Behaviour on Green Marketing with Reference to Organic Food Products in Tiruchirappalli District. *International Journal of Advanced Research in Engineering and Technology (IJARET)*, 11(9), 1235–1244. <https://doi.org/10.34218/IJARET.11.9.2020.122>

APPENDIX

Table.	Constructs/variables and measuring statement including in the questionnaire	
Variables	Items	Scale
Health concerns	For me organic food products will improve the health.	1-strongly agree, 5-strongly disagree
Family	My family are willing to consume organic food products.	YES or NO
Health awareness	I am aware of the health benefits of the organic products.	1-worst, 5-best
Quality	I think that organic food products are higher quality than regular conventional food products.	1-strongly Agree, 5-strongly disagree



Affordability	I am willing to pay more for the organic food products.	YES or NO
Opinion	My current opinion about the food that I buy from the market.	<ol style="list-style-type: none">1. Food taste less natural than before.2. We don't get locally produced food.3. The food you buy is not fresh.4. Other than that.



INTERNATIONAL
STANDARD
SERIAL
NUMBER
INDIA



INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH IN SCIENCE, ENGINEERING AND TECHNOLOGY

| Mobile No: +91-6381907438 | Whatsapp: +91-6381907438 | ijmrset@gmail.com |

www.ijmrset.com