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CONSUMERS' PERCEPTION OF ORGANIC FARM PRODUCTS AND ADDRESSING THEIR MISCONCEPTIONS

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ABSTRACT:

Organic farm products are perceived differently by different stakeholder categories. The perceptions may range from the simplistic to the complex. However, neither extreme is right and the answer, as usual, lies between the two. The products fit a niche in the market, nothing more, nothing less. However, it is a promising industry from the perspective of domestic trade and international trade. India boasts of the largest number of organic farmers in the world and the business the farmers clock, nationally and internationally, is nowhere consistent with their numbers. Obviously, something is missing somewhere, and the regulatory ecosystem is one of the most vital missing links. On January 1, 2019 the government took the first significant step in this direction by mandating certain labelling requirements. However, the enforcement of the mandate by the regulator is yet to be achieved fully. The researcher concluded upon interaction with organic farmers and experts in the field of organic farming that India's organic standards verification focused on the processes and inputs used and not on the end product, thereby missing the wood for the trees. The major malpractice of mixing organic farm products with traditional products continued to this day. The government focused on the core issues in the organic food space and not on peripheral issues. Once the appropriate remedial actions were taken, the country could rest assured that the market for organic farm products would stabilise and take off sooner rather than later.



KEYWORDS: complex; labelling; niche; perception; perspective; simplistic; stakeholders.

1. THEORETICAL BACKGROUND OF THE PROBLEM:

India is a player to reckon with, in the organic farming space. It boasts of 160 million plus hectares of cultivable land, four times as large as China's. India's arable land accounts for 54 percent of its land mass while for China, the corresponding

percentage is a mere 13 percent! The World of Organic Agriculture Report 2018 acknowledges that India boasts of the largest number of organic producers in the world! These credentials notwithstanding, the question is whether organic farming is getting its due in the country. Going by the reality obtaining on the ground, it is not! Nor has the organic farming space has been exploited at all

although the backdrop suggests that it offers great potential.

2. STATEMENT OF THE PROBLEM:

Until the labelling requirements in respect of organic farm products came into force on Jan 1, 2019 many undesirable and unhealthy practices characterised the organic farm products space. Various stakeholder categories

were to blame for the plight. With the labelling requirements coming into force, some semblance of order is noticeable in the organic foods market. It is time therefore to ensure that the consumer community perceives organic farm products properly and dispassionately. It is time too that the regulatory measures are revamped to ensure that consumer confidence in organic farm products is restored.

3. REVIEW OF LITERATURE:

On 1 January 2019, India joined a group of fifty-odd countries that mandate consumer-friendly labelling for organic products (Neetu, 2019). The question is whether it will work in the market and if not, why not. Henceforth, none will be able to manufacture, pack, sell, market or otherwise distribute or import any organic food unless they label the package with complete and accurate information. The information should cover the organic status of the product. Additionally, it should carry a government quality assurance mark and the new *Jaivik Bharat* logo, which distinguishes organic products from non-organic products.

Indian agriculture has been characterised by a total absence of the kind of syncretic policy that should have obtained between the Centre and States on the interlinked issues of agriculture, water, commerce and finance (Indira, 2018). Agriculture represents the problematic nucleus of the macroeconomic knot which ties us up. It cried out for attention even before the pressing necessity of having to cope with a 10-day farmers' agitation starting June 1, 2018. Agriculture and taxation of agriculture are on the state list of the Constitution. Strictly speaking, there should never have been a Union Ministry of Agriculture at the Centre. After the shocking neglect of agriculture engendered by the Nehruvian focus on big industry (which the states too mimicked), the country hit the wall of food grain insufficiency in the 1960s. It was the Centre's trespassing on agricultural territory that solved the cereal sufficiency problem. Curiously the problem itself largely resulted from priorities defined by the Central government or *cereal anxiety*, so to speak. It led the Centre to offer minimum support prices (MSPs) for major cereals. It distorted cropping patterns which eventually led to "cereal-ization" of agriculture, so to speak!

Zero-budget natural farming is better known by its acronym ZBNF. It is viewed as "zero budget" because the cost incurred in raising the main crop is recovered through the income that farmers generate from intercropping (Sayantan, Home: livemint.com, 2018). About three years ago, Pawan Kumar, working as an IT professional at Hyderabad, decided to quit his job and return to his village to become a farmer. His father, a small farmer in West Godavari district, tried to discourage him but Kumar who had read about "natural farming" would not listen. The father was initially reluctant to let him farm even an acre, but later agreed to expose all five acres to natural farming. Kumar is among the 163,034 farmers in Andhra Pradesh practising ZBNF. In ZBNF, chemical fertilizers and pesticides make way for locally available cow-dung and cow urine, jaggery and pulse flour. These are used to make a fermented culture that stimulates microbial activity in the soil, promoting plant growth and protecting crops against pest attacks. Mulching, or covering the top soil with crop residues to raise water retention and supply the soil with essential nutrients; and intercropping, say coconut farms with cocoa or banana plantations with yams and pulses are also integral to ZBNF. The method was pioneered by Subhash Palekar, an agriculturalist from Maharashtra and a Padma Shri awardee too. On 2 June, the Andhra Pradesh government launched an ambitious scale-up of the ZBNF programme to take it to six million farmers by 2024. The programme will be promoted by a specialized wing of the government called *Rythu Swadhikara Samstha*. An interesting innovation here is that the agency has recruited over 100 natural farming fellows or agriculture graduates who are paid INR 30,000 a month to demonstrate the benefits of ZBNF. They take up farming in rented plots and stay in villages to answer farmers' queries.

4. RESEARCH GAP:

The reviewed research pieces are instructive and educative. In particular, the piece on ZBNF should be taken seriously by our farming community and by the government. Another researcher has lucidly explained how misplaced priorities in the agriculture space has cost the country dear. The

resultant “cereal-ization” proved counterproductive to all stakeholders. The labelling requirements being enforced by the government should bring in the desired results, hopefully. However, the learned researchers have not highlighted the differences underlying consumer perception of organic farming. Nor has the reviewed literature explained how regulatory measures can be optimised to ensure that consumers repose full confidence in organic farm products. It is this gap the present study seeks to investigate.

5. SCOPE OF THE STUDY:

The study confines itself to the major stake-holders, namely, organic farmers and experts based out of Bangalore, Karnataka.

6. OBJECTIVES OF THE STUDY:

The objectives of the study are to:

1. Ascertain the consumers' perspective of organic farm products
2. Identify the regulatory measures needed to inspire consumer confidence in organic farm products

7. HYPOTHESIS PROPOSED TO BE TESTED:

The study proposes to test the following hypothesis:

“India's organic standards verification has not focused on the processes and inputs to the exclusion of the end product”

8. RESEARCH DESIGN:

The study is descriptive in nature and uses the 'fact-finding' survey method. Interview schedules specially designed for the purpose were administered to the respondents for collection of primary data. Being a structured / directive interview, the interview was conducted with a detailed standardised schedule. The primary data collected from the 50 organic farmers is analysed.

9. CONSUMERS' PERSPECTIVE OF ORGANIC FARM PRODUCTS:

Farm products are being popularised in the country for a variety of reasons but perceived differently by different stakeholders. Hence the researcher sought to ascertain the consumers' perspective of organic farm products. Their replies to the query appear in the following Table.

Table-1: Consumers' perspective of organic farm products:

Consumer's perspective	Number of respondents
It is the buzz phrase among the relatively affluent consumers	44
Consuming organic farm products is deemed to be the in thing	43
A section of consumers believes that organic farm products will help in weight reduction	41
It is easy to game the system and sell anything and everything as organic	39
Organic farm products fit a niche in the market, nothing more, nothing less	37

It is the buzz phrase among the relatively affluent consumers, according to 44 respondents. Consuming organic farm products is deemed to be the in thing over 43 respondents. A section of consumers believes that organic farm products will help in weight reduction, according to 41 respondents. It is easy to game the system and sell anything and everything as organic, point out 39

respondents. Organic farm products fit a niche in the market, nothing more, nothing less, allege 37 respondents .

9.1.Regulatory measures needed to inspire consumer confidence in organic farm products:

Although on 1 January 2019, the government mandated clear and legible consumer-friendly labelling for organic farm products, it is felt that it should be supplemented by regulatory measures to inspire consumer confidence in organic farm products. Hence the researcher sought to know the regulatory measures needed to inspire consumer confidence in organic farm products. Their replies to the query appear in the following Table.

Table-2: Regulatory measures needed to inspire consumer confidence in organic farm products:

Regulatory measures	Number of respondents
India’s organic standards verification has focused on the processes and inputs used and not on the end product	46
Government should prevail on the consumers to buy only certified organic foods	45
Government should focus on the core issues in the organic food space and not on peripheral issues	44
The major malpractice of mixing organic farm products with traditional products should be rooted out	43

India’s organic standards verification has focused on the processes and inputs used and not on the end product, aver 46 respondents . Government should prevail on the consumers to buy only certified organic foods, aver 45 respondents. Government should focus on the core issues in the organic food space and not on peripheral issues, state 44 respondents. The major malpractice of mixing organic farm products with traditional products should be rooted out, believe 43 respondents.

9.2. Consumers’ perspective of organic farm products:

Farm products are being popularised in the country for a variety of reasons but perceived differently by different stakeholders. Hence the researcher sought to ascertain the consumers’ perspective of organic farm products. Their replies to the query appear in the following Table.

Table-3: Consumers’ perspective of organic farm products:

Consumer’s perspective	Number of respondents
Since Indian consumers are price-conscious, it will carry snob value	46
Consuming organic farm products is deemed to be the in thing	45
It is easy to game the system and sell anything and everything as organic	43
It is the buzz phrase among the relatively affluent consumers	42
A section of consumers believes that organic farm products will help in weight reduction	42
They fetch a remunerative price for the grower	42
They are deemed safe and healthy	41
Organic farm products fit a niche in the market, nothing more, nothing less	40

Since Indian consumers are price-conscious, it will carry snob value , assert 46 respondents. Consuming organic farm products is deemed to be the in thing aver 45 respondents. It is easy to game the system and sell anything and everything as organic, point out 43 respondents. It is the buzz phrase among the relatively affluent consumers, according to 42 respondents. A section of consumers believes that organic farm products will help in weight reduction, according to 42 respondents. They fetch a

remunerative price for the grower, cite 42 respondents. They are deemed safe and healthy, maintain 41 respondents. Organic farm products fit a niche in the market, nothing more, nothing less, allege 40 respondents.

9.3. Regulatory measures needed to inspire consumer confidence in organic farm products:

Although on 1 January 2019, the government mandated clear and legible consumer-friendly labelling for organic farm products, it is felt that it should be supplemented by regulatory measures to inspire consumer confidence in organic farm products. Hence the researcher sought to know the regulatory measures needed to inspire consumer confidence in organic farm products. Their replies to the query appear in the following Table.

Table-4: Regulatory measures needed to inspire consumer confidence in organic farm products:

Regulatory measures	Number of respondents
India's organic standards verification has focused on the processes and inputs used and not on the end product	47
The major malpractice of mixing organic farm products with traditional products should be rooted out	47
To ensure highest standards of quality, the industry would require an extensive testing regime requiring considerable investment upfront and the government should finance the requirement	47
Government should focus on the core issues in the organic food space and not on peripheral issues	46
Government should prevail on the consumers to buy only certified organic foods	44

India's organic standards verification has focused on the processes and inputs used and not on the end product, aver 47 respondents. The major malpractice of mixing organic farm products with traditional products should be rooted out, believe 47 respondents. To ensure highest standards of quality, the industry would require an extensive testing regime requiring considerable investment upfront and the government should finance the requirement, assert 47 respondents. Government should focus on the core issues in the organic food space and not on peripheral issues, argue 46 respondents. Government should prevail on the consumers to buy only certified organic foods, aver 44 respondents.

10. SUMMARY OF FINDINGS:

In the following paragraphs, a summarised version of the findings arrived at, by analysing the primary data furnished by respondents, is furnished:

10.1. Organic farmer respondents:

1. It is the buzz phrase among the relatively affluent consumers, according to 44 respondents. Consuming organic farm products is deemed to be the in thing aver 43 respondents. A section of consumers believes that organic farm products will help in weight reduction, according to 41 respondents. It is easy to game the system and sell anything and everything as organic, point out 39 respondents. Organic farm products fit a niche in the market, nothing more, nothing less, allege 37 respondents.
2. India's organic standards verification has focused on the processes and inputs used and not on the end product, aver 46 respondents. Government should prevail on the consumers to buy only certified organic foods, aver 45 respondents. Government should focus on the core issues in the organic food space and not on peripheral issues, state 44 respondents. The major malpractice of

mixing organic farm products with traditional products should be rooted out, believe 43 respondents.

10.2. Expert respondents:

3. Since Indian consumers are price-conscious, it will carry snob value, assert 46 respondents. Consuming organic farm products is deemed to be the in thing aver 45 respondents. It is easy to game the system and sell anything and everything as organic, point out 43 respondents. It is the buzz phrase among the relatively affluent consumers, according to 42 respondents. A section of consumers believes that organic farm products will help in weight reduction, according to 42 respondents. They fetch a remunerative price for the grower, cite 42 respondents. They are deemed safe and healthy, maintain 41 respondents. Organic farm products fit a niche in the market, nothing more, nothing less, allege 40 respondents.
4. India's organic standards verification has focused on the processes and inputs used and not on the end product, aver 47 respondents . The major malpractice of mixing organic farm products with traditional products should be rooted out, believe 47 respondents. To ensure highest standards of quality, the industry would require an extensive testing regime warranting considerable investment upfront and the government should finance the requirement, assert 47 respondents. Government should focus on the core issues in the organic food space and not on peripheral issues, argue 46 respondents. Government should prevail on the consumers to buy only certified organic foods, aver 44 respondents.

11. CONCLUSIONS:

Conclusions are inferences / generalisations drawn from the findings and relate to hypotheses. They are answers to the research questions or the statements of acceptance or rejection of hypotheses. As explained already, this study proposes to test the following hypothesis:

“India's organic standards verification has focused on the processes and inputs used and not on the end product”

Hence H_0 and H_1 are as follows:

H_0 : “India's organic standards verification has not focused on the processes and inputs to the exclusion of the end product”

H_1 : “India's organic standards verification has focused on the processes and inputs to the exclusion of the end product”.

On the basis of the primary data collected from the respondents, vide Tables: 2 and 4, a chi-square test was applied to ascertain the association, if any, between the three variables. The following Table reveals the computation made using MS-Excel.

	Category	Observed Values		
		Yes	No	Total
	Organic farmers	46	4	50
	Experts	47	3	50
	Total	93	7	100
	Category	Yes	No	Total
	Organic farmers	46.5	3.5	50
	Experts	46.5	3.5	50
	Total	93	7	100
		Yes	No	
2	o-e	-0.5000	0.5000	
		0.5000	-0.5000	
	(o-e)^2	0.2500	0.2500	

		0.2500	0.2500	
	$((o-e)^2)/e$	0.0054	0.0714	
		0.0054	0.0714	
	CV	0.0108	0.1429	0.1536
	TV			3.8415
	p			0.9972

The calculated value of χ^2 is 0.1536, less than the table value of 3.8415 for an alpha of 0.05 at one degree of freedom. Hence the null hypothesis is not rejected, and the research hypothesis is rejected. $p=0.9972$ is the inverse of the one-tailed probability of the chi-squared distribution.

12. RECOMMENDATIONS:

The following are the researcher's recommendations:

1. It is clear from the views expressed by the two categories of respondents that the consumer perception of organic farm products is rather flawed. It is the duty of the government and other stakeholders to correct the flawed perception. Now that the consumer-friendly labelling for organic farm products has been made mandatory from Jan 1, 2019 it should not be difficult for the governments, Central and State to clarify things. A simple and consumer-friendly awareness campaign should be launched by the said governments, so the consumers regard the organic farm products with the seriousness they deserve.
2. Vested interests will not find it easy to game the system and market conventional farm products as organic farm products. However, this is subject to the seriousness and commitment with which the labelling requirements are enforced.
3. It is true that India's attempts to ensure that only genuine organic farm products hit the market have succeeded only in letter and not in spirit. This is because the verification metrics applied for the purpose have focused on the processes and inputs that have gone into the manufacture of the organic food product in question, to the exclusion of the organic origin / content of the final product itself. As a result, one finds that organic farm products often do not turn out to be exactly organic farm products at all! Only the processes and the inputs that have gone into making the so-called organic farm products qualify as organic. This anomaly is the last thing the country's organic food industry, which is eyeing the international market ambitiously, can afford! It is for the government and its regulating agencies to act in the matter promptly and effectively.
4. The government should focus on the core issues in the organic food space instead of focusing on peripheral issues, as it does now. For example, traces of pesticide may latch on to genuine organic produce raised by an organic farmer from the adjoining conventional and inorganic farm because the farmer concerned may have sprayed chemical pesticides on the crops at his farm. Similarly, the groundwater may be contaminated or water run-off from a nearby field may bring residues into an organic farmer's field, thereby affecting the quality of the organic produce.

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