



Demand for Organic food Products in the urban areas of the Batticaloa District, Sri Lanka

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Abstract

This paper presents the general trends of demand of organic food products in Batticaloa district, Sri Lanka. Nowadays the demand and production for organic food products are increased rapidly. Further, the organic production is an environmental friendly farming system that aims at high-quality products and the farming practices that do not harm the environment or human. Therefore, a well designed questionnaire was developed to collect the data regarding the consumer awareness over the organic food products, marketing and demand in addition to the particular's personal information. Primary data were collected from the public of the Batticaloa District by means of a questionnaire survey among randomly selected 150 households during the period of February to April, 2015. And also, this study was aimed to obtain an outline of the marketing of organic food product and its industries with the concern of demand, production and marketing of organic foods in Batticaloa District, Sri Lanka. Results revealed that the higher numbers of the respondents (70%) are interested to consume organic food produces and 48.2% of them believe that the market supply with the various products from organic agriculture is really at low level. Around, 44.7% of them realize that the supply is not satisfactory, while at the same time, only 7% believe that the assortment is on a satisfactory level. Major issues faced by the organic industry located in Batticaloa District were discussed. Further, the areas of organic farming, marketing problems and price dtermination were recognized for further and future studies for the enhancement of fulfilling consumers' demand and to eliminate the situation which highly influence on consumers' perception. And also, the current study discusses the opportunities for further development of the organic food production and marketing in Batticaloa District, Sri Lanka.

Keywords: Organic food, nutritional quality, sustainable agriculture.

Introduction

Nowadays patterns, food consumption are rapidly changing towards the organic foods due to the environmental issues, 'private' attributes of goods such as nutritive value of food, health issues and taste¹. In addition to that, increasing food safety concerns appears to play a vital role resulting with the threat of foods which was highly available in markets and consumed with much more scaring during the period of 1990s². On the other hand, the consumption of organic food produce is relatively linked with the price determined by the sellers due to its higher demands in its nature. And also, the price is varied according to the consumers' preference and satisfaction while comparing with the conventional foods which is remarkably higher than the actual price in all part of the production sites of organic food. Organic produce are expensive among both organic and non-organic produce consumers, but only non-buyers opinion is as too expensive³. Hence, the price is the primary fact and factor expressed by the most consumers on buying minimal quantity of organic food products and adopted more on conventional foods.

Organic produces are produced with the support of adopted environmentally joined techniques, by the means of considering both final produce as well as the production methods⁴ which is friendly to the environment and ensured the harmless impact to the human. With those aspects, the quality of the organic products are greater related to the conventionally produced products, since it has been evidenced that organic products help prevent several health hazards. This is the reason for the tremendous increase of demand of organic products globally, as well as in Sri Lanka⁵. Moreover, it is vital to promote the marketing of organic produce as well as to establish a reliable nature among the population by the means of ensuring the quality of those products. In these circumstances, current study was conducted to understand and layout the expectations of the consumers on the organic products and the attributes of organic markets in Batticaloa District.

Methodology

This research was continued with the primary data collection from the public, who dwell in the urban areas of the Batticaloa District by means of a questionnaire survey among randomly selected 150 households during the period of February to April,

2015. Questionnaire, itself included the information on consumer awareness over the organic food products, consumers' willingness to pay for organic vegetables, consumption of conventional and organic produce, eco-friendly awareness, observation of selling sites and markets and household information. In addition, questions were formulated to receive the right feedback from the respondents and the ideas regarding the marketing of the organic product in urbanized sites of Batticaloa District. Interviews was carried out for 30 minutes at the place where the respondents currently dwells for long and the priority was given to answer the question until the respondent feel free and relax. Finally, the raw data was gathered and spreaded in a Microsoft Excel spreadsheet and fed to the SPSS software to find the frequencies and trend, for further analysis.

Results and Discussion

The table 1 shows that the majority of the respondents were men (51%) in gender basis as well as around 49% of the women contributed in this survey, with much responsibility. Among those participants, 74 per cent of the respondents got married and 29.4 per cent and 12.9 percent fall under the educational category of degree level and primary education level, respectively. Around, 67 per cent of the respondents were fixed with the government services in the Batticaloa District, Sri Lanka. Further, the average per cent of 36.5 of families had four members per household and 80 per cent of the contributors had an income level just above Rs. 20,000.

Awareness on organic products: Results of the study indicated that around 85 per cent of the participants were familiar with the term Organic food. However, it clearly depicted that the respondents had the lack of knowledge related to indentifying their daily meal whether their meals comes under the category of organic food or not. Nearly 29.4 percent of the respondents are having better knowledge on the existence of food produced in the system of organic agriculture and 55.3 percent says they somewhat know about the existence of organic produce while 15.3 percent did not have awareness on organic products.

Quality concerns of organic products: The most of the respondents had positive attitudes towards their organic food pattern. Over 70 per cent of the respondents had the tendency to consume organic products, and were willing to pay little more to buy the organic food than non-organic food. Approximately, 5 percent of the consumers state that the organic food consumption is the means of protecting the nature as well the health of the human. Health concerns (75 percent) and natural origin of the food (19 percent) is strong motives for consumers buy organic products.

Figure 2 shows that the people prefer and focus more on organic produce by the means of their health promotion with the concern of promoting their long lives in a healthy way while comparing with the inorganic food produces. Further, about 74-

92 percent of the respondents remarks that the organic foods to be with the full of healthier quality since they are free from pesticides (91.8 percent), artificial flavors and additives (74.1 percent) and free from genetic modification (89.4 percent). As far as the characteristic like external appearance of the organic product was concerned a lot by the consumers and about 52.9 percent of the buyers were not strongly agreed with the favor of the organic food. Therefore, the external appearance is the one quality aspect denoted by the consumers in this present study in Batticaloa District, Sri Lanka.

Table-1
Sample description of the study

Variables		Percentage
Age	21-30	28.2
	31-40	24.7
	41-50	27.1
	51 and above	20
Gender	Female respondent	49.4
	Male respondent	50.6
Employment	Employed	67.1
	Self employed	12.9
	House wife	5.9
	Retired	14.1
Income source	Vegetable farming	3.5
	Livestock farming	2.4
	Govt. job	61.2
	Business	16.5
	Labour	10.6
	Integrated farming other	4.7
House hold income(Rs)	Less than 5000	5.9
	5001 – 10000	0
	10001 – 20000	14.1
	Over 20000	80
Education	Primary	12.9
	Secondary	32.9
	Pre university/	20
	Diploma	4.7
	Vocational/ Technical	29.4
Family size	2	4.7
	3	27.1
	4	36.5
	5	22.4
	6	4.7
	7	4.7
Marital status	Married	74.1
	Unmarried	25.9

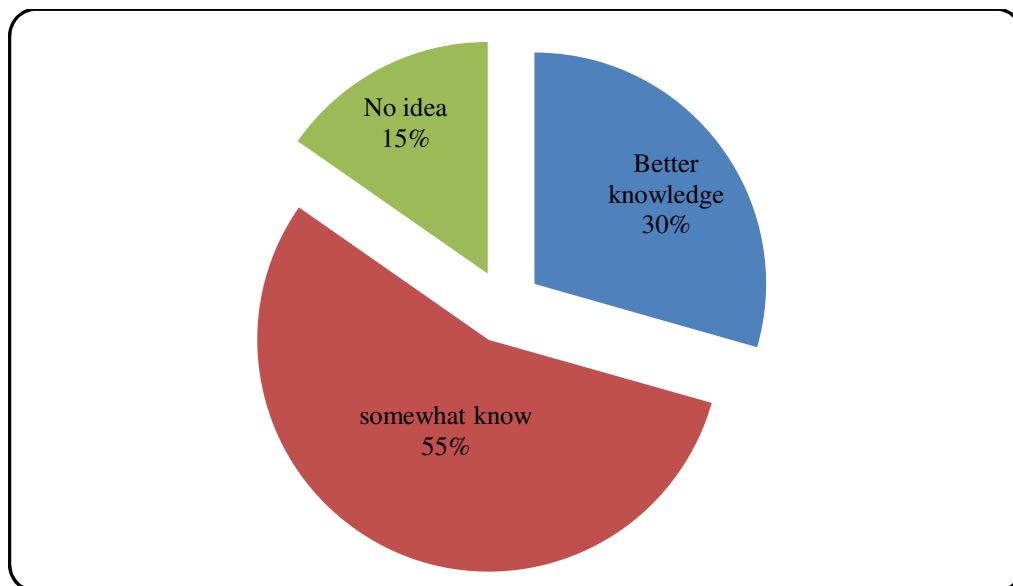


Figure-1
 Knowledge/awareness on the existing organic products

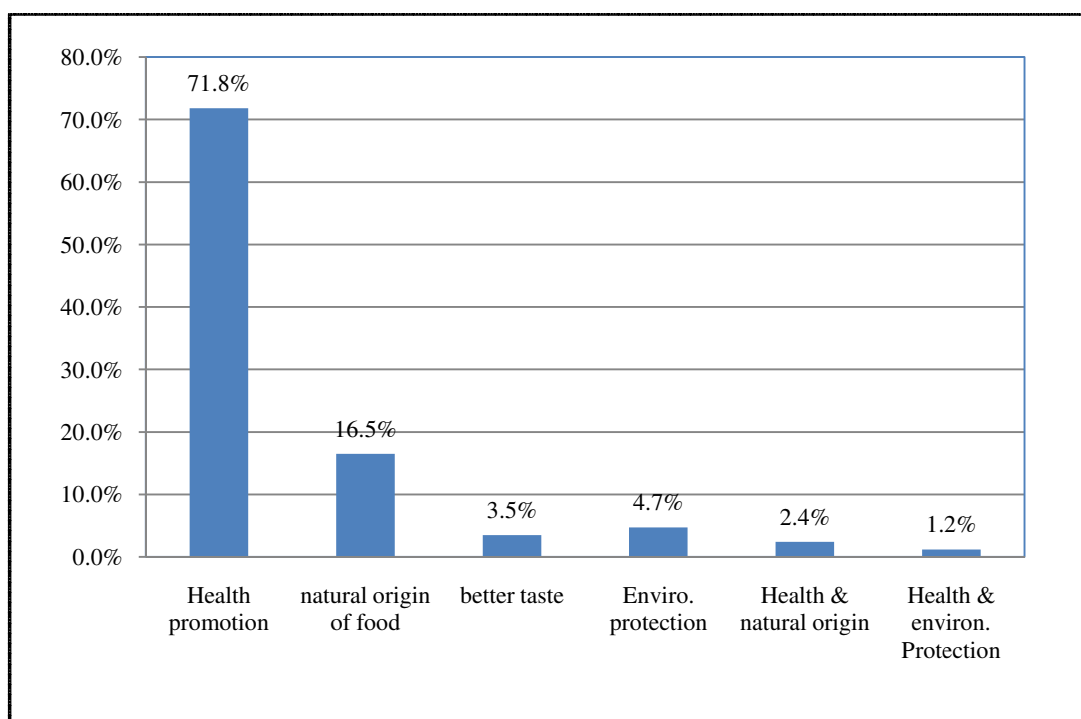


Figure-2
 Reason for buying organic products

Availability and marketing of organic products: The associated issue related with the availability of the organic product seems to be in an abundant concern since the most of consumers did not fulfill with the quantity of organic goods available in the local market (69.4 percent). Further, respondents (93 percent) pointed that the market supply of organic product compare with various other products were not in a satisfactory level. This indicates the need for expansion of

products from organic agriculture and food industry assortment, continuous and stable supply, and adequate marketing. Home gardens or farms (37.6 percent) are the core channel of supplying the organic food products in Batticaloa District. In addition, vegetables and fruits were sold openly at the farm gate and in local markets with the value of 25.9 percent and 23.5 percent, respectively.

Influencing factors on consumers' willingness towards purchasing organic products: Consumers' willingness can be determined by several aspects in the market level as well as in the preference level. The cause for the lack of consuming of the organic food in Batticaloa District seems to be their poor and insufficient supply in the market (50.6 percent) followed by higher price (49 percent) and lack of information to consumers about the availability of organic product and the places of marketing (18.8%). About 48.2 percent of the consumers tended to pay higher price for organic products because they felt the

benefit outweigh the cost of the organic products whereas. Further, 51.8 percent of the respondents were not willing to spend more money to buy organic food. And also, some of the consumers (8.2 percent) stated that they did not hope the product as unpolluted because there is no mechanism to distinguish the organic products from inorganic products. This means there is no certified goods with right labels and with the trust full evidence. Organic products brought to market places are sometime disallowed by buyers due to their deprived outside appeal in the marketing.

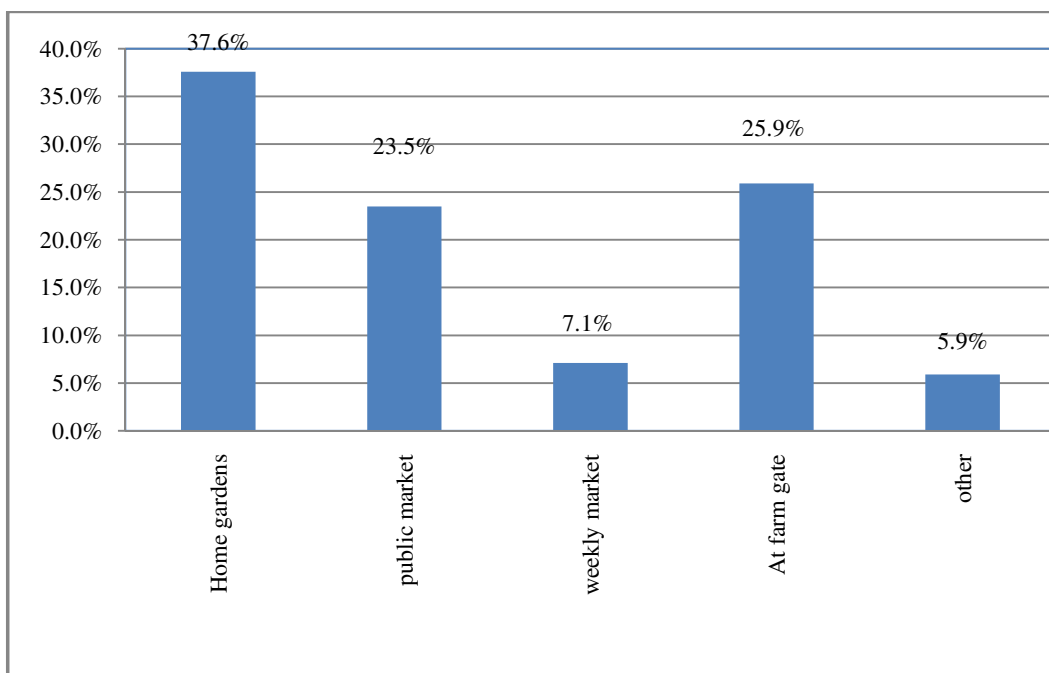


Figure-3
 Where do you purchase organic food?

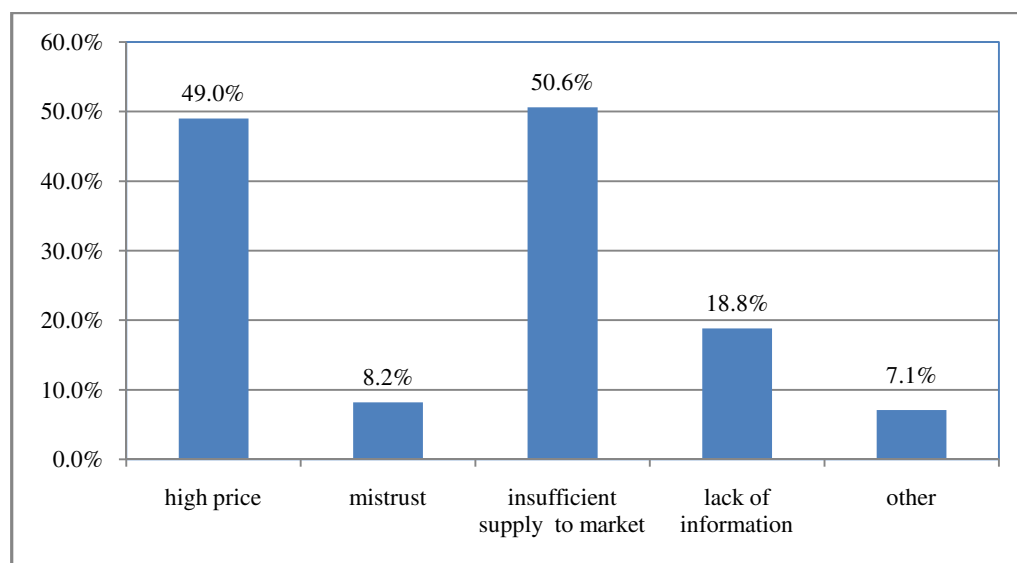


Figure-4
 Reason for not consuming organic products

Consumer’s reluctance to spend time and effort (58.8 percent) for sourcing the organic food is also another factor for the poor consumption of organic products in these urban areas. People pointed out that they concern more on the environment pollution and harm being done to animal and plant life (87 percent) is the drivers of changing their trend from inorganic to organic foods with much demand.

Demand for different organic products: There is an indication of the demand for different organic product categories (Figure 5)

Further, the respondents preferred to have variety of organic fruits and vegetables and revealed that they expect fresh and processed organic vegetables (45.9 percent) and organic fruits (31.7 percent) during their buying. Among those, a significant number of respondents expected to have organic animal products like meat, milk and dairy products (20 percent). Although, a few number of respondents expected to have organic cereals (1.2 percent) for the meal pattern and variety of meal preparation in their routine life. Therefore, organic product sellers are expected to supply those products to the regular consumers by fulfilling their expectations through such introduction of organic vegetables and fruits in their markets and selling sites.

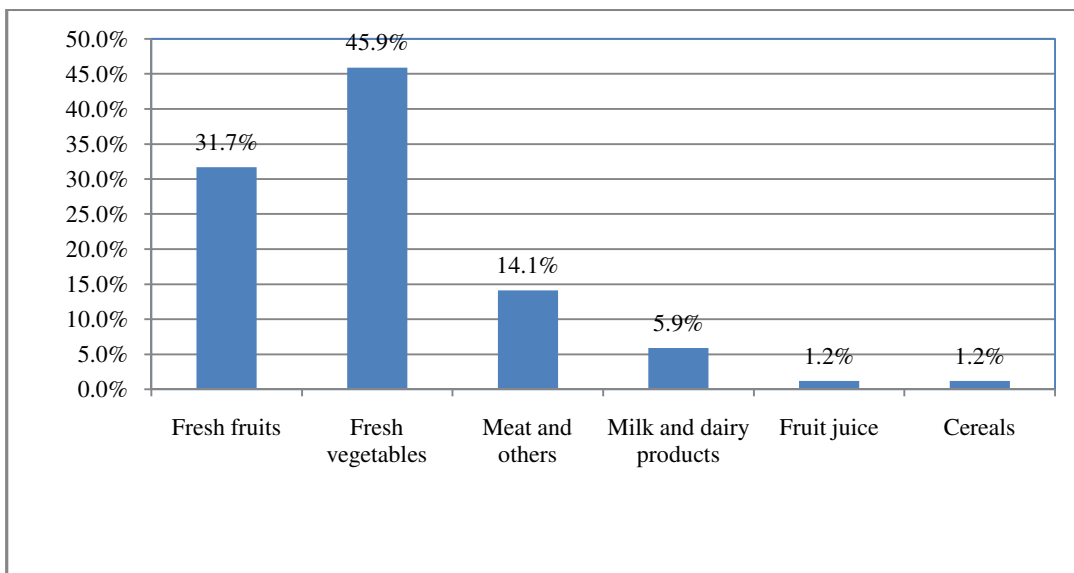


Figure-5
 Demand for organic agro-food products

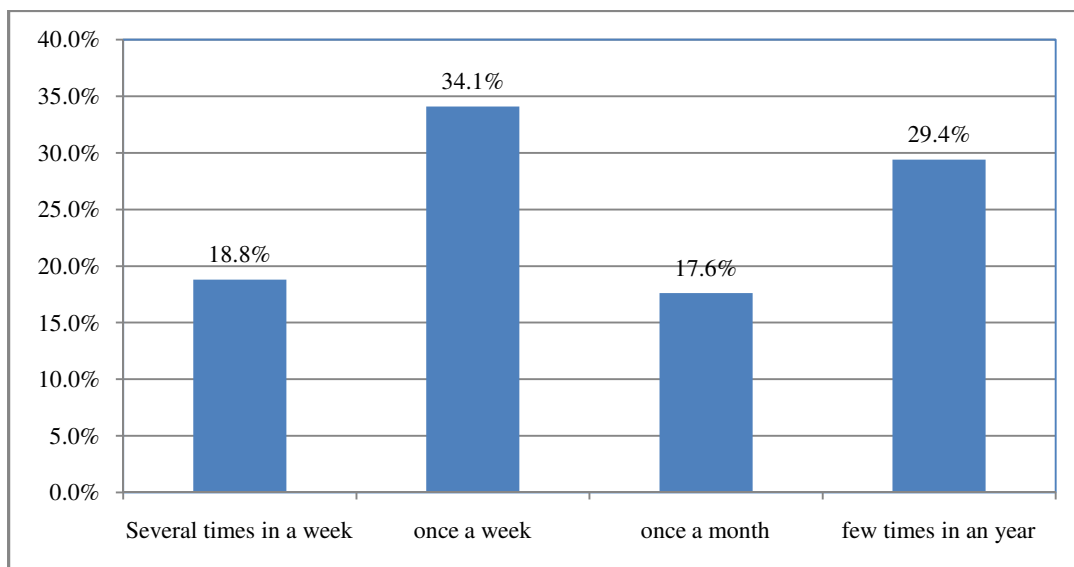


Figure-6
 How often purchase organic products

Study further revealed that, twenty percent of respondents (20 %) do not purchase organic food, 33 percent of respondents spend between Rs 50 and Rs 100 and about 45 percent people indicated that they spend more than Rs 100 per week. Moreover, about 34.1 percent of them buy an organic produce at least once in a week.

Importance for certification and organic labeling: More than half of the respondents (58.8 percent), preferred to purchase the certified and branded organic products from the markets. At the same time, consumers faced difficulties to recognize the organic products and they had to depend only on the physical appearance with the help of their narrow knowledge over the organic food. For that, there is a need to buildup the trust on organic food with the suggestion of labeling in future. Meanwhile it is difficult for consumers to check the truthfulness of organic products which is necessary to build up a control system with clearly defined rules for production methods and labelling of certified products⁶. According to that, outcomes showed that the understandable and unmistakable labelling is an essential condition for purchasing organic food products among the population.

Conclusion

Present study showed the majority of the consumers were willing to purchase organic food in the Batticaloa District. However, insufficient supply on the market, lack of information reach to the consumers regarding the availability and market place, mistrust of the product and high price compare with other conventional foods are the major factors affecting the buying behavior of the people. Consumers mainly purchase fresh organic vegetables and fruits followed by meat and milk products where the organic product consumption is strongly motivated by health consciousness. And also, to have the marketing strategy towards the consumers' attraction on organic food produce, media, exhibitions and forums should be arranged

for the promotion of the confident and impression on consumers' present and future attitudes towards consumption. Awareness of the organic labeling should be filed and which can create a chance for consumer to pay a more for organic products. As the result, buying behavior of the organic product can be stimulated among the population via such kind of steps over the promotion of cultivation and selling with the consumers' attributes in Batticaloa District, Sri Lanka.

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