

Original Research Article

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A Market Study of Organic Food and Products Available in Hyderabad City, India

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ABSTRACT

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The present study was conducted in the market of Hyderabad city to know the present condition of organic food market. Data was collected with the help of structured and duly pre tested interview schedule. Data was also collected regarding the price range of 50 products from 5 organic and 5 conventional stores. Result reveals that there were five main outlets online and offline that were majorly selling organic food and products range. The main aim of this study was to explore present market scenario and the major factors responsible for future growth of the organic food products business in the city. Since, there is a tremendous change in the last few years in the awareness of the consumers, this study helps the consumers to know the types of products and also compare the average cost of organic food to the conventionally produced food.

Introduction

Agriculture has been the backbone of our nation. From the time of introduction of green revolution and methods to increase the yield of the crop, farmers in India have been put into a state of mind that the greater fertilizers and pesticides that are used, the greater is the yield where the truth is, the yield cannot be increased by just the addition of the chemicals to the crop but the farming techniques, water supply, weed removal and the quality of the

seed play a major role too. No doubt green revolution has helped to increase the food production and immensely saved lives during the time of food crisis while helping India become self-sufficient in this aspect but the farmers need to be educated about the abuse of the chemicals for food production.

The pesticides, insecticides, fertilizers that the farmers may use in excess in view of higher food production, may get embedded into the cell structure of the food and will not be

washed away. This deposition of chemicals that happens unknowingly will get transferred into the body of the animal/ human consuming it and this repetitive deposition is termed as pesticide residue.

Pesticide residue may induce adverse health effects including cancer, effects on reproduction, immune or nervous systems. Scientific studies of the potential health effects of hazardous chemicals, such as pesticides, allow them to be classified as

- carcinogenic (can cause cancer),
- neurotoxic (can cause damage to the brain), or
- teratogenic (can cause damage to a foetus).

Deshmukh and Babar (2015) revealed that India's total area under organic certification was 4.72 million hectare in 2013-14 and its global rank is 10th. The crop growth rate of cultivation of organic area of India was 11.52% of which wild collection was 12.57% and remaining area was 7.45% during 2005-2013. The co-efficient of variation was approximately 0.5% during same period. Compound growth rate of export quantity of organic products of India was 51.50% and export value was 11.75% during 2002-03 to 2013-14. Among all the States in India, Uttar Pradesh has highest area under organic farming followed by Himachal Pradesh, Madhya Pradesh and Maharashtra in 2011-12. India exports around 135 organic products of which the share of oil crops in total organic export quantity was (26.74%) followed by cotton (24.48%), basmati rice (11.81%) in 2013-14. India is exporting organic products to all the continents of the world of which the largest share goes to EU (44.12%) followed by USA (19.2%).

As per the survey, in Spain consumers are still adjusting with the higher prices of organic food and they are willing to pay similar to the existing prices (Sanjuan *et al.*, 2003).

Organic food consumers give less importance to price as compared to the consumers who never purchase organic food earlier (Williams *et al.*, 2001).

The premium prices for organic food are justified by the food safety, taste and nature conservation. Few of the consumers feel that they have to pay higher price for healthier food and some consumers simply assume that organic food is not affordable (Hamm *et al.*, 2002).

As per the Food and Agriculture Organization (FAO) report, 14000 tonnes of organic food produce is from certified organic farms in India. But there are more organic farm areas than mentioned by FAO. Sometimes Organic food is not recognized though it has been grown in organic farms as farmers have not registered their name nor paid the registration charges for official certification (Shetty *et al.*, 2013).

Organic farming is a production system that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. Organic farming combines tradition, innovation and science to benefit the shared environment and promote equitable relationships and a good quality of life for all involved. In other words, organic agriculture aims to produce healthy and quality foods without using synthetic chemical products. Thus, organic agriculture not only preserves the environment but it also improves public health, bringing significant benefits both to the economy as well as to the social cohesion of rural areas (IFOAM, 2012; de Magistris and Gracia, 2008; Falguera *et al.*, 2012). Non-availability of organic food in the store is one of the most important barriers for consumer's purchasing (Davies *et al.*, 1995).

The consumer attitude is highly unfavourable towards organic food due to availability and price (Silverstone, 1993).

The study shows that still there is the need of more number of certified organic shops in market. The market of organic food is just handful and need to be promoted by the government among farmer (producer) and consumer so that a profitable business can be run successfully (Nayana Sharma and Ritu Singhvi).

Materials and Methods

The study was conducted in Hyderabad, Telangana. During the market survey researcher found that there were five outlets which were exclusively selling majority of organic food and products. They were selected on the basis of popularity and frequency of purchase by the consumers. Some of the outlets have a website that provides home delivery of goods.

The brands that were selected for the market survey of organic products are as follows:

Sahaja Aharam
24 Organic Mantra
Pro nature
Organic tattva and
Terra Greens

The brands that were selected for the market survey of conventionally produced food are as follows:

Ratnadeep
D-Mart
More
Big Basket
Groffers

The researcher herself visited each offline shop selected as a sample for market survey

and collected data with the help of developed interview schedule with the shopkeeper. The collected data was tabulated. The data collected from market survey was coded and decoded to formulate the comprehensive tables. The responses were analysed using frequencies. The tabulated form of the data collected is given in table 1 and 2.

Results and Discussion

Market survey of 50 products from 10 brands, 5 of which were the brands that produced food organically while the other 5 were the brands that produced food by the conventional methods. The market survey was conducted in order to assess the availability of various products among the organic stores and also to compare the availability of products between stores that have food produced organically and the stores that had food produced food by the conventional methods.

The table 1 shows the average price range of the products collected during the market survey: During the market survey, 6 aspects were observed and tabulated in table 2. They can be broadly divided into 2 aspects based on type of products and certification. It was done to obtain a clear idea of the products available at the organic stores.

Under type of products, the stores were observed if they had only organic food products or Organic as well as non organic food products or Organic food products with other organic products like organic clothing and organic beauty products. Under the category of certified products, the stores were observed if they sold Solely certified organic food products or Few organic items with certification and few organic items without organic certification or Organic food products without certification.

Table.1 List of the products consolidated with cost

PRODUCTS	STORES	
	ORGANIC FOOD STORES (price in rupees)	STORES WITH CONVENTIONAL FOOD (price in rupees)
FLOURS & CEREALS (1Kg)		
Wheat Flour	60-75	26-46
White Jowar Flour	75-126	60-80
Yellow Jowar Flour	80	59.5
Rice Flour	75-118	40-60
Ragi Flour	80-120	42-90
Multigrain Flour	135	52-86
Bengal gram Flour	122-230	82-130
Bajra Flour	60-98	42-80
Rice, SonaMasoori (1Kg)	68.8-99	45.5-58
Rice,Brown	76.2-99	45--150
PULSES (1Kg)		
Bengal Gram dal (whole)	115-330	102-180
Bengal Gram dal (split)	148-198	86-140
Toor Dal	107-160	86-109.5
Green Gram dal(whole)	144-198	97-140
Green Gram dal(split)	153-198	102-124
Cow Pea	142-160	64-150
Black Gram Dal (whole)	150-188	80-120
Black Gram Dal (split)	130-210	73-124
Bengal Gram whole (black)	110-144	86-120
Rajma	184	
MILLETS (1Kg)		
Ragi Whole	68-116	45-100
White Jowar	75	45-66
Yellow Jowar	80-84	-
Barnyard Millets/Udalu	145-228	100-120
Korra Whole/Foxtail Millet	118-226	90-120
Kodo Millet Rice/ Arikelu	154-226	108-140
Bajra Whole	60-90	36-55
Sama Whole/Little millets	120-226	108-140
SPICES & CONDIMENTS (50gm)		
Cardamon	164-209	112.5-297.5
Mustard	12.5-30	11-13
Red chillies	15-27.5	12-17
Corriander Powder	15.5-31.5	11.5-26
Chilli Powder	16-27.5	8.4-29

Turmeric Powder	16-22.5	10.5-29
Ajwain(vamu)	27.5-30	17-35
Coriander Seeds	9-45	16.5-29.6
Black Pepper	82-110	37-90
Cumin (zeera)	26-32.5	37-48
Cinnamon	40-85	48-200
Cloves (Lavanga)	140-180	15-19
Salt (1Kg)	19-85	
OILS (1lt)		
Sesame Oil	366-450	316-351
Groundnut Oil	325-354	123-150
Sunflower Oil	294	89-103
Saff flower Oil	580-1450	-
Virgin Coconut Oil (500ml)		400-750
OIL SEEDS (100gm)		
Sesame seeds	16.2-60	27-34
Groundnut	16.6-24	11.1-19
Flax seeds	27.5-50	14-31
Sugar (1Kg)	94-126	35-45.8

Table.2 Type and certified food products sold

Sr. No.	Pro ducts	SAHAJA AHARAM	24 ORGANIC MANTRA	PRO NATURE	ORGANIC TATTVA	TERRA GREENS
A.			Type			
1.	Only organic food products	-	YES	YES	YES	-
2.	Organic as well as non organic food products	-	-	-	-	-
3.	Organic food products with other organic products like organic clothing and organic beauty products	YES	-	-	-	YES
B.			Certified products			
1.	Solely certified organic food products	YES	YES	YES	YES	-
2.	Few organic items with certification and few organic items without organic certification	-	-	-	-	YES
3.	Organic food products without certification	-	-	-	-	-

It was found that 3 out of the 5 survey stores had only organic food products. None of the store had organic as well as non organic food products and 2 out of 5 stores had Organic

food products with other organic products like organic clothing and organic beauty products. Under the category of certified products, it was seen that 4 out of 5 stores had Solely

certified organic food products. 1 out of 5 stores had few organic items with certification and few organic items without organic certification and none of the stores had organic food products without certification.

Market survey revealed that the gap between the price range of conventionally produced food and organic food is very pronounced and could be one of the major reasons why the majority of the population avoids the purchase of organic food and products.

The market survey also revealed that the 5 organic products brands that were selected for the survey, had the necessary certification done and were approved by India organic, USDA organic, Non- EU Agriculture, Control union etc.

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