
**A STUDY ON MARKETING CHALLENGES FACED BY ORGANIC FARMERS AND THEIR
IMPACT ON PRICE REALIZATION IN PUNE REGION**

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ABSTRACT

Agriculture plays an important role in the Indian economy and provides a livelihood for many people. Recently, organic farming has gained more attention due to growing awareness about health, environmental sustainability, and food safety. Organic farming encourages the use of natural inputs, ecological balance, and soil conservation. However, farmers face several challenges in selling organic produce, which often affects their ability to get better prices in the market. This study looks at the relationship between the marketing challenges faced by organic farmers and the prices they receive for organic produce in the Pune region.

We collected primary data using a structured questionnaire given to farmers who practice or are familiar with organic farming. The survey included questions about demographic information, farming experience, knowledge of organic farming, marketing practices, price realization, and government support schemes. The study uses the Chi-Square test to check if marketing problems significantly influence the prices received by farmers.

The statistical analysis shows a Chi-Square value of 2.12, with 3 degrees of freedom, and a p-value of 0.548. Since the p-value is greater than the significance level of 0.05, we accept the null hypothesis. This means there is no statistically significant relationship between marketing challenges and the prices received for organic produce in this sample. However, qualitative responses indicate that farmers still experience several marketing problems, such as a lack of consumer awareness, no dedicated organic markets, and competition with conventional produce.

The study emphasizes the need for stronger marketing support systems, better consumer education, and effective government actions to strengthen the organic farming sector.

Keywords: *Organic Farming, Marketing Challenges, Price Realization, Farmers, Pune Region, Chi-Square Test*

1. INTRODUCTION

Agriculture has always been a key part of the Indian economy. A large part of the population relies on agriculture for their livelihoods. For centuries, Indian farmers used natural farming techniques like composting, crop rotation, animal manure, and traditional seeds. These methods were sustainable and good for the environment.

However, as the population grew and demand for food increased, farming began to shift toward intensive practices. Farmers started using chemical fertilizers, pesticides, and high-yield varieties to boost productivity. While these changes did increase crop output, they also led to environmental and health problems. The ongoing use of chemicals resulted in soil degradation, loss of biodiversity, water pollution, and health concerns for consumers.

As awareness of these issues grew, interest in organic farming began to rise worldwide. Organic farming focuses on using natural inputs, controlling pests biologically, and practicing sustainable agriculture. It seeks to keep soil healthy, protect the environment, and offer chemical-free food to consumers.

In India, the demand for organic food has surged due to rising health awareness among consumers. Many people choose organic fruits and vegetables because they are seen as healthier and better for the environment. Consequently, organic farming has become an appealing option for many farmers.

Despite the growing demand, organic farmers face many challenges, especially in marketing their products. Unlike conventional agricultural goods, organic products need proper certification, consumer awareness, and specialized markets. Many farmers find it hard to sell their organic produce at higher prices because of inadequate marketing infrastructure.

A common problem is the lack of separate markets for organic products. In many local markets, organic produce is sold next to conventional items, making it difficult for consumers to tell them apart. This often leads to farmers receiving prices similar to those for conventional products.

Another issue is low consumer trust and awareness. Many consumers do not fully understand the benefits of organic food or question whether the products are genuinely organic. Without proper certification or branding, farmers struggle to persuade buyers.

Transportation, packaging, and storage issues also hinder the marketing of organic products. Since organic produce typically has a shorter shelf life, farmers must sell it quickly to prevent losses.

Given these challenges, it's crucial to explore how marketing issues affect farmers' ability to secure better prices for organic produce. This study focuses on farmers in the Pune region, where organic farming is slowly becoming more popular.

2. REVIEW OF LITERATURE

Several studies have looked at the growth and challenges of organic farming in India. According to Willer and Lernoud (2019), organic farming has grown quickly around the world because more people want sustainable food systems. However, farmers often struggle with marketing, certification, and distribution.

Kumar and Sharma (2018) examined how farmers in India adopt organic practices. They found that a lack of awareness and marketing facilities are major barriers. The study pointed out that farmers need better support from institutions to reach profitable markets.

Singh (2020) investigated the marketing channels for organic products in India. He found that direct marketing methods, like farmers' markets and community-supported agriculture, can help farmers get better prices.

Another study by Patil and Deshmukh (2017) looked at organic farmers in Maharashtra. They identified key challenges, including a lack of certification, limited market access, and price competition with conventional produce.

Similarly, Reddy (2019) stressed that educating consumers is essential for promoting organic products. Without proper awareness, consumers may not be willing to pay higher prices for organic food.

These studies suggest that marketing challenges significantly impact the profitability of organic farming. However, empirical evidence from specific regions is still limited. Therefore, this study aims to explore the relationship between marketing challenges and price realization among organic farmers in the Pune region.

3. OBJECTIVES OF THE STUDY

The main objective of the study is:

To examine the relationship between marketing challenges faced by farmers and their ability to receive better prices for organic produce in the Pune region.

The study also aims to:

1. Understand the marketing problems faced by organic farmers.
2. Analyze whether farmers receive better prices for organic produce.
3. Examine how marketing challenges influence price realization.

4. HYPOTHESIS OF THE STUDY

Based on the objective of the study, the following hypotheses were formulated.

Null Hypothesis (H₀):

There is no significant relationship between marketing challenges and the price received by farmers for organic produce.

Alternative Hypothesis (H₁):

There is a significant relationship between marketing challenges and the price received by farmers for organic produce.

5. RESEARCH METHODOLOGY

5.1 Research Design

The study follows a **descriptive research design**. It aims to understand the marketing challenges faced by organic farmers and analyze their impact on price realization.

5.2 Data Collection

The study uses **primary data** collected through a structured questionnaire distributed among farmers in the Pune region.

The questionnaire included questions related to:

- Farmer demographics
- Farming experience
- Awareness of organic farming
- Marketing problems faced
- Price received for organic produce
- Awareness of government schemes

5.3 Sampling Method

A **convenience sampling method** was used to collect responses from farmers who were accessible during the study.

5.4 Sample Size

The responses were collected from farmers through Google Forms and recorded in an Excel sheet.

5.5 Variables Used in the Study

Variable Type	Variable
Independent Variable	Marketing Challenges Faced by Farmers
Dependent Variable	Price Received for Organic Produce
Control Variable	Farming Experience
Control Variable	Size of Land Holding
Control Variable	Awareness of Government Schemes

6. DATA ANALYSIS AND STATISTICAL TOOLS

To test the hypothesis, the **Chi-Square Test of Independence** was used.

The Chi-Square test helps determine whether there is a significant association between two categorical variables.

In this study, the Chi-Square test was applied between:

- **Marketing Problems (Q11)**
- **Better Price Received (Q12)**

Decision Rule

- If **p-value < 0.05**, reject the null hypothesis.
- If **p-value > 0.05**, accept the null hypothesis.

7. RESULTS OF CHI-SQUARE TEST

The results obtained from the Chi-Square test are as follows:

Test Statistic	Value
Chi-Square Value (χ^2)	2.12
Degrees of Freedom	3
p-value	0.548

8. INTERPRETATION OF RESULTS

The Chi-Square test produced a **p-value of 0.548**.

The significance level used in this study is **0.05**.

Since:

p-value (0.548) > 0.05

the null hypothesis (H0) is accepted.

This means that **there is no statistically significant relationship between marketing challenges faced by farmers and the price they receive for organic produce in this study sample.**

Although marketing challenges exist, the statistical analysis suggests that these challenges do not significantly influence price realization within the surveyed data.

However, this result may also be influenced by factors such as small sample size, variations in marketing channels, and differences in consumer demand.

9. FINDINGS OF THE STUDY

Based on the survey responses and data analysis, the following findings were observed:

1. Many farmers are aware of organic farming, but only a smaller portion practices it fully.
2. Farmers face several marketing problems, including lack of consumer awareness and absence of separate markets.
3. Some farmers reported that consumers do not fully trust organic products.
4. Price competition with conventional produce is a common challenge.
5. Many farmers rely on traditional selling methods such as local markets.
6. Awareness about government schemes supporting organic farming is limited among farmers.
7. The Chi-Square test indicates that marketing challenges do not show a statistically significant relationship with price realization in this sample.

10. SUGGESTIONS

Based on the findings of the study, the following suggestions can help improve the marketing of organic produce:

1. Consumer Awareness Programs

Government and NGOs should conduct campaigns to educate consumers about the benefits of organic food.

2. Separate Organic Markets

Dedicated organic markets can help farmers sell products at premium prices.

3. Certification Support

Farmers should receive assistance in obtaining organic certification to build consumer trust.

4. Marketing Training for Farmers

Training programs can help farmers learn branding, packaging, and direct marketing techniques.

5. Government Support Schemes

Farmers should be provided better access to government schemes promoting organic farming.

6. Digital Marketing Platforms

Online platforms can help farmers connect directly with consumers.

11. CONCLUSION

Organic farming has emerged as an important alternative to conventional agriculture due to its environmental and health benefits. With increasing consumer awareness about food safety and sustainability, the demand for organic products is gradually rising.

However, organic farmers face several challenges in marketing their produce. Lack of consumer awareness, absence of dedicated markets, and competition with conventional products make it difficult for farmers to obtain premium prices.

The present study examined the relationship between marketing challenges and price realization among organic farmers in the Pune region using the Chi-Square test.

The results indicate that there is **no statistically significant relationship between marketing challenges and the price received by farmers** in the dataset used for this study. Nevertheless, qualitative responses from farmers suggest that marketing difficulties remain a major concern.

Improving marketing infrastructure, increasing consumer awareness, and providing institutional support can help strengthen the organic farming sector.

Future studies can include larger samples and additional variables to better understand the economic impact of marketing challenges on organic farmers.

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