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A STUDY ON MARKETING STRATEGY IN VARAM ORGANIC FOOD PRODUCTS AT ERODE

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Abstract—*India is the second most populous country in the world, and a sizable portion of its people depend heavily on agricultural pursuits. There is a growing trend for organic products today. In India, organic agriculture is not are placement idea. These days, we all lead busy lives. There has been a tendency to wards conventional food items that are easily accessible in super markets, such as, fruits, dairy products, meat products, and so on, due to the scarcity of our time and changes in lifestyle, tastes, and preferences in dietary habits. Conventional meat and dairy products are those that come from animals that were developed with the use of antibiotics and growth hormones. Traditional vegetables and fruits are those that are cultivated by the application of fertilizers and pesticides. Initially, people did not consider the safety, quality, and effects that conventional or inorganic food products can have on their health. With a sample size of 120 respondents familiar with organic products, the current study's primary focus is how consumers perceive organic products. Descriptive statistics were used to analysis the data that were collected. If people consumed organic products in the same amounts as conventionally grown products already consumed, organic products would undoubtedly result in higher levels of public health.*

INTRODUCTION

In developing countries organic farming is still diminutive; the traditional repetition of organic farming by the indigenous farmers is an advantage that would help India to become a global market lead in this sector. Possible emerged export market for organic product. India has the possible to emerge as a major exporter of organic produce. Organic food is the product of a farming system which avoids the use of man-made fertilizers, artificial chemicals, pesticides; growth regulators and livestock feed additives.

Food consumption patterns are rapidly changing due to environmental issues, concerns about the nutritional value of food, and health issues (Tsakiridou et al., 2006). Traditionally, many farmers were unaware of modern and scientific food production techniques. Thus, they did not use synthetic fertilizers, pesticides, or other crop-preserving chemicals in food production. They used to grow pesticide-free food for self-consumption only. Bolstered by Industrialization and improvements in agricultural chemicals, the farmers shifted to such forms of food production.

STATEMENT OF THE PROBLEM

Marketing strategies element that produces revenue, the other produces costs. It is also one of the most flexible elements. It can be changed quickly, unlike product features and channel commitment. At the same, price competition is one of the most critical problems facing companies yet many companies and organization do not handle pricing well common mistakes usually made during pricing are; pricing is too cost oriented, price in the company is not revised often enough to capitalize on market changes; the company sets its price independent of other marketing mix rather than as an intrinsic element of market-positioning strategy.

OBJECTIVES OF THE STUDY

- To study the marketing strategy in the organization
- To analyse the factors that influencing the effectiveness of marketing techniques.
- To study and analyse the distributors perception regarding the promotional and distributional strategies of Varam Organic Food Products at Erode
- To examine a framework for effective goal-oriented pricing
- To find out the major aspects and factors influencing the marketing decision

SCOPE OF THE STUDY

- Prevention of Competition and the necessary to analyse the factors that influenced its effectiveness of marketing techniques
- Increased Profits, before determining the price of the product, targets of pricing should be clearly stated.
- To provide the overview of the steps involved in effective price decision.
- To identify alternatives most appropriate for the pricing environment.
- To implement the selected strategies price structure and price levels have to be determined.

LIMITATIONS OF THE STUDY

- This study strictly examined the effect of marketing strategies on the performance of organic food industry in erode.
- A company may set a product price based on the cost plus formula and then be surprised when it finds that competitors are charging substantially different prices
- Imperfect Competition is one of the main limitations of price system.
- Public goods are goods which cannot be bought and sold in markets.
- Externalities also one of the main limitations of price system.

RESEARCH METHODOLOGY

RESEARCH DESIGN

To make the research systemized the researcher has to adopted certain method. The method adopted by the researcher for completing the project is called research methodology. Research is a process in which the researcher wishes to find out the end result for a given problem and thus the solution helps in future course action. The research has been defined as "A careful investigation or enquire especially through search for new facts in any branch of knowledge". To give more additional to the old research new ones are conducted.

POPULATION

The aggregate elementary units in the survey are referred to as the population. Here it covers the survey on recruiting advertisement.

SAMPLING TECHNIQUES

A disproportionate stratified random sampling technique has been used in sampling.

SAMPLING SIZE

A sample size is guaranteed to its temperament of information assortment. Information assortment depends on the essential information is 150 respondents are taken as the example for this investigation.

SOURCES OF DATA COLLECION:

Primary data

Primary data was collected through face to face interviews while filling up questionnaires (150 respondents).

Secondary data

Relevant information was gathered from magazines, newspapers and project reports that formed the secondary data.

TOOLS USED FOR DATA COLLECTION

- Simple percentage Analysis
- Chi-square analysis
- Correlation
- ANOVA

DATA ANALYSIS AND INTERPRETATION

CHI-SQUARE ANALYSIS

NULL HYPOTHESIS

H_O: There is no significance between the Monthly income and Process for selling our services or products.

ALTERNATIVE HYPOTHESIS

H_1: There is significance between the Monthly income and Process for selling our services or products.

Monthly income * Process for selling our services or products Crosstabulation					
Count		Process for selling our services or products			Total
		Direct personal sale	Direct online sale	Indirect through channels	
Monthly income	Below Rs.10,000	40	0	0	40
	Rs. 10,001 – Rs. 20,000	9	43	0	52
	Rs. 20,001 – Rs. 30,000	0	24	20	44
	Above Rs. 30,000	0	0	14	14
Total		49	67	34	150

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.880E2[a]	6	.000
Likelihood Ratio	210.022	6	.000
Linear-by-Linear Association	114.183	1	.000
N of Valid Cases	150		
a. 2 cells (16.7%) have expected count less than 5. The minimum expected count is 3.17.			

RESULT: Hence null hypothesis in accepted so there in no significant Monthly income and Process for selling our services or products

CORRELATION

The table shows that the relationship between occupational status and Influenced its effectiveness of marketing techniques.

Correlations			
		Occupational status	Influenced its effectiveness of marketing techniques
Occupational status	Pearson Correlation	1	.876**
	Sig. (2-tailed)		.000
	N	150	150
Influenced its effectiveness of marketing techniques	Pearson Correlation	.876**	1
	Sig. (2-tailed)	.000	
	N	150	150
**. Correlation is significant at the 0.01 level (2-tailed).			

NONPARAMETRIC CORRELATIONS

Correlations				
			Occupational status	Influenced its effectiveness of marketing techniques
Kendall's tau_b	Occupational status	Correlation Coefficient	1.000	.831**
		Sig. (2-tailed)	.	.000
		N	150	150
	Influenced its effectiveness of marketing techniques	Correlation Coefficient	.831**	1.000
		Sig. (2-tailed)	.000	.
		N	150	150
Spearman's rho	Occupational status	Correlation Coefficient	1.000	.880**
		Sig. (2-tailed)	.	.000
		N	150	150
	Influenced its effectiveness of marketing techniques	Correlation Coefficient	.880**	1.000
		Sig. (2-tailed)	.000	.
		N	150	150
**. Correlation is significant at the 0.01 level (2-tailed).				

RESULT: This is a positive correlation. There are relationships between occupational status and Influenced its effectiveness of marketing techniques.

ANOVA

NULL HYPOTHESIS

Ho: There is no significant relationship between education qualification and Satisfied with the pricing of the products in this category**.**

ALTERNATIVE HYPOTHESIS

H_1: There is a significant relationship between education qualification and Satisfied with the pricing of the products in this category.

Descriptives										
Educational qualification		N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum	Between-Component Variance
						Lower Bound	Upper Bound			
Highly satisfied		36	1.06	.232	.039	.98	1.13	1	2	
Satisfied		68	2.00	.000	.000	2.00	2.00	2	2	
Neutral		26	3.00	.000	.000	3.00	3.00	3	3	
Dissatisfied		14	3.43	.514	.137	3.13	3.73	3	4	
Highly dissatisfied		6	4.00	.000	.000	4.00	4.00	4	4	
Total		150	2.16	.868	.071	2.02	2.30	1	4	
Model	Fixed Effects			.191	.016	2.13	2.19			
	Random Effects				.557	.61	3.71			1.021

Test of Homogeneity of Variances			
Educational Qualification			
Levene Statistic	df1	df2	Sig.
69.627	4	145	.000

ANOVA							
Educational qualification			Sum of Squares	df	Mean Square	F	Sig.
Between Groups	(Combined)		106.843	4	26.711	728.363	.000
	Linear Term	Unweighted	61.980	1	61.980	1.690E3	.000
		Weighted	103.835	1	103.835	2.831E3	.000
		Deviation	3.008	3	1.003	27.339	.000
Within Groups			5.317	145	.037		
Total			112.160	149			

HOMOGENEOUS

Educational Qualification							
	Satisfied with the pricing of the products in this category	N	Subset for alpha = 0.05				
			1	2	3	4	5
Student-Newman- Keuls[a]	Highly satisfied	36	1.06				
	Satisfied	68		2.00			
	Neutral	26			3.00		
	Dissatisfied	14				3.43	
	Highly dissatisfied	6					4.00
	Sig.		1.000	1.000	1.000	1.000	1.000
Tukey B[a]	Highly satisfied	36	1.06				
	Satisfied	68		2.00			
	Neutral	26			3.00		
	Dissatisfied	14				3.43	
	Highly dissatisfied	6					4.00
Means for groups in homogeneous subsets are displayed.							

a. Uses Harmonic Mean Sample Size = 15.672

RESULT: From the above analysis, we find that calculated value of the F-value is a positive value, so H1 accept. Since the P value less than < 0.05 regarding there is a significant relationship between Satisfied with the pricing of the products in this category. The results are **significant** at 4 % level.

FINDINGS

- Majority 80.0% of the respondents are Male
- Mostly 40.0% of the respondents are in the age group of 31-40 years.
- Mostly 37.3% of the respondent‟s educational qualification is Graduate.
- Mostly 48.7% of the respondents are doing Professional.
- Mostly 34.7% of the respondents are getting Rs.10,001- Rs.20,000.

- Majority 59.3% of the respondents are married.
- Mostly 40.7% of the respondents are preferring Important about price in decision process.
- Mostly 38.7% of the respondents are belong to Agree that manages loyalty and profitability.
- Mostly 36.7 % of the respondents are suggesting the Technological Factors.
- Mostly 32.7% of the respondents are using cost-plus pricing structure.
- Mostly 44.7% of the respondents are selling through direct online sale.
- Mostly 45.3% of the respondents feels pricing of the product is satisfied.
- Mostly 40.7% of the respondents have competitive advantage in the marketing strategy.
- Mostly 36.0% of the respondents are suggesting brand image about brand equity.
- Mostly 38.7% of the respondents are utilizing importance about Innovation Product development capability.
- Mostly 30.0% of the respondents are feels feasters about variety products.
- Mostly 36.0% of the respondents are said sub attributes with respect to Location.
- Mostly 33.3% of the respondents prefer Customer involvement.
- Mostly 33.3% of the respondents have made Product type convenience.
- Mostly 43.3% of the respondents are belong to satisfied about Safety element of during the conditions.
- Majority 59.3% of the respondents said satisfied about Distribution strategy of customer satisfaction.
- Mostly 40.0% of the respondents are highly satisfied to improve their business using Commission.
- Majority 50.7% of the respondents are suggesting satisfied about Customer value-based strategy.
- Mostly 28.0% of the respondents are said challenges adopted by Price Positioning & Strategy and Market Launch Pricing about policy.

SUGGESTIONS

- It should adapt more diverse pricing strategies such as discounts and allowances pricing and premium pricing instead of concentrating on just a few marketing strategies based on costs. A more diverse pricing strategy will help them cope with unexpected changes from the marketing environment for example changes in government policies or changes in prices of competitor‟s products.
- From the study it is apparent that manufacturers of organic products experience a big challenge in form of tax payments to the government. It is recommended that the firms should join an association from where they can negotiate for reasonable taxes from the tax authorities.
- Pricing is a critical element in every marketing plan because it is directly connected to a company's revenue and profit goals. To effectively design and manage pricing strategies, a marketing department is essential. From the study, it has been established that some of the firms do not have a marketing department. It is therefore recommended that such firms should establish marketing departments to achieve effectiveness in pricing. A marketing department will help such firms make better choices in regard to the choice of strategies.

CONCLUSION

The pricing strategies adopted by manufacturers of organic products to u very large extent include „ensure that policy blends well with product value, ensure that the price of the product is in line with the market price and sell on credit to promote sales”. It can be concluded that manufacturers of organic products price products according to product value as well as according to the prevailing market price in order to remain competitive. They also sell on credit in order to promote sales and maintain customers.

The pricing strategies adopted by organic products sector to a large extent include attach importance to the distinctiveness of the company brand in its pricing and add a percentage mark-up on price in order to remain profitable". In conclusion it can be argued that most automobile sector practice mark-up pricing in order to remain profitable as well as recover costs. Most manufacturers of also consider brand distinctiveness in their pricing strategies.

The study also revealed some challenges experienced by organic sector in their pricing strategies. The biggest challenge faced being still competition and high costs than anticipated due to effects of inflation and high costs of production and marketing. Stiff competition also remains a big challenge as most of the firms produce homogeneous products which are hard to differentiate except through branding.

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