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## SALES PREFERMENT OF ORGANIC PRODUCTS – STUDY WITH SPECIAL REFERENCE TO CHENNAI

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### ABSTRACT

*Organic agricultural production and trade have become an important sector in India, as well as in many other developing countries, and are increasingly regarded as an effective approach to achieving sustainable development. Organic food is produced through natural farming methods that avoid the use of synthetic fertilizers, pesticides, and other artificial chemicals. These agricultural practices contribute to the production of clean, nutritious, and healthy food, thereby providing potential benefits to human health. Organic produce is cultivated with minimal exposure to harmful chemicals and contaminants. Unlike conventional farming, which often relies on synthetic fertilizers, organic agriculture primarily uses natural and organic fertilizers such as compost, manure, and other biological inputs to maintain soil fertility and support sustainable crop production. In this study the researcher attempts that the sales preferment of Organic products in Chennai city only selected 150 samples from the study area for this study.*

**KEYWORDS:** Sales Promotion, Preferment, Agricultures, Organic Products

### INTRODUCTION

While organic food remains a niche concept in India. Various companies have dug deep into the history of Ayurveda as customer preferences shift from traditional products to safer goods and organic. They also innovated and manufactured 100 percentage natural goods such as food and drinks, cosmetics and personal care goods. This pattern is only reasonable to investors. The Indian government managed to encourage farmers to take organic farming and consumers to choose more organic food with its on-going and rigorous preferment. Various financial assistance arrangements are one of the few novel advertising strategies the State uses for farmers who want to adopt organic farming.

The term organic refers to the cultivation and processing of agricultural products. In the United States, organic farming must be accomplished through the use of industrial pesticides, bioengineered organisms, though laws are country by region.

The marketing of purchases is part of the advertising process. Sales preferment involves acts to support and organizes personal sales and advertising, in order to encourage consumers to purchase a product. Method of sales preferment includes shows, shows, exhibitions and other non-recurring sales efforts to stimulate potential customers to buy spots. Indirect and non-personal advertising strategies are used for sales. In consumer products preferments, product advertising practices are more common than for

manufactured goods. Displays, packaging and ads are appealing to customers. Devices that encourage purchases often provide consumers with information.

### STATEMENT OF PROBLEM

India is the land of Agriculture from the day of its establishment. Agriculture in India had contributed a proportionate amount to countries GDP as similar as Industrialisation. It is also a great land for Airuvadha and essential herbs. A sizable amount of its exports are organic products and natural herbs. Hence our relation with organic products are form ancient India's. The philanthropical view of westernisation eradicated the usage of organic products in our country. The roots of globalisation and urbanisation changed our consumption pattern over these periods of time. Though urbanisation and global connectivity enhancing our stranded of living above the greater highs, but also it brought us into uncountable health illness. Due to changing consumption pattern we are encountered with new and deadly health issues and find it difficult for preventive measures in short spans. A section of common masses try to rescue them from such organised consumption and push them to organic or eco-friendly consumption.

1. What are the kinds of sales preferment used for organic products?
2. How sales preferment does eminently contribute in preferment of organic products?

### OBJECTIVES OF THE STUDY

- ❖ To identify various channels of sales preferments of organic products.
- ❖ To examine kinds of sales preferments prevailing organic product market.
- ❖ To determine contribution of sales promotion in enhancing market for organic products.

### SAMPLING DESIGN

The researcher has using convenient sampling technique for this study. The researcher has to select the sample from Chennai city for 150 respondents for this study. The interviewer collects the data from the interview schedule and gathered relevant information from the book's journals, websites. The researcher using the statistical tools like Chi-square test, tables, diagrams and also analyse the data from the SPSS package.

### LIMITATION OF THE STUDY

1. Personal characteristic differs from one geographical area to other hence the results could not be generalised to other states of the country.
2. The constrain of limited time period and resources is a big limitation for the study.
3. The targeting sales promotion is only viewed through consumers of organic products hence other consumers are not considered for the study.

### REVIEW OF LITERATURE

**Ellen J. Van Loo *et al.* (2013)** have emphases on organic yogurt and investigate consumer awareness and knowledge of the new EU logo. Consumers evaluate organic yogurt as superior compared with conventional yogurt on healthiness, environmental friendliness, quality, and safety. Higher frequent buyers of organic yogurt have a stronger belief that organic yogurt is superior. The willingness-to-pay for organic yogurt ranged from a premium of 15% for non-buyers to 40% for habitual buyers, indicating the market potential for this product. A positive association between knowledge, attitudes, and the frequency of purchasing and consuming organic yogurt has been identified. Consumer consciousness of the EU organic logo remains rather low, which suggests a need for more effective information campaigns and marketing actions.

**Mitchell C. Olsen, Rebecca J. Slotegraaf and Sandeep R. Chandukala (2014)** have investigating the brand-level implications of introduction of green new products that changes attitude toward the brand. The examined the relationship which have been extracted from social identity and framing theories to investigate drivers of green new product introductions as well as the moderating effects of message framing, source credibility, and

product type. It has been identified that green new product introductions can indeed improve brand attitude and that both the brand and category's positioning influence the introduction of green new products. Quantity of green messages, the product type, and their source credibility influence the extent to which green new products change brand attitude have also determined.

**Justin Paul, Ashwin Modi and Jayesh Patel (2016)** have been focused on validating (Theory of Planned Behaviour) TPB and its extended form (mediating role of TPB variables), as well as the Theory of Reasoned Action (TRA), to predict Indian consumers' green product purchase intention. 521 consumers were taken as input and relationships was established through validating confirmatory factor analysis and SEM. It was identified that extended TPB has higher predictability than TPB and TRA in green marketing settings. Consumer attitude and perceived behavioral control significantly predicts purchase intention whereas subjective norm does not. It was also observed that TPB mediates the relationship between environmental concern and green products purchase intention.

**Aindrila B and Mousumi Roy (2015)** have investigated the relationship between environmental concerns and consumer choice behaviour in purchasing green products. the influence of consumption values on sustainable consumer behaviour across consumer segments with preferential green choice approach difference has been examined. It was identified that price sensitivity is high regardless of consumer choice preference. Social value parameter being the dominant factor influences sustainable consumption behaviour adoption among the green preferential cluster. Consumption values differ significantly across consumers exhibiting different preference for products with and without green credentials, being higher for those with green purchase or consumption experience or notion.

**Jose, H., Kuriakose, V. and Koshy, M.P. (2020)** have recognised the awareness of reaches of traditional foods motivates a consumer to purchase organic food items, and the likelihood of growing faith and price considered as contextual influences. An study has been carried out of the effects of faith and perceived price on the relationship between the consumer's uncertainty and the decision to purchase organic food. The moderating effect of confidence and the perceived price was established in reinforcing the direct relationship between fear and intent. Moreover, married women with children have demonstrated a stronger interest in the procurement of organic products. Consumers are afraid for traditional food products and have indicated a poor desire to purchase organic food products when their trust in a third party is poor.

**Dangi, N. and Narula, S.A. (2020)** In an developing economy such as India, the theoretical importance to the organic food market shared economics has been studied. Organic markets have improved organic product supply, cut their registration and running costs in addition to the management of customer demand by share of expertise, knowledge and spaces. Subjective control on social networking and offline engagement eliminates asymmetry in information at zero marginal expense. By taking under-use assets to build value and investment, organic food producers / retailers will achieve a strategic edge as well as addressing the market and supply restrictions.

**Table 1**  
**Place of Purchasing Organic Products**

| Profile                     | Group          | Frequency | Percentage |
|-----------------------------|----------------|-----------|------------|
| Place of Purchasing Organic | Organic Store  | 60        | 39.8       |
|                             | Shopping Malls | 14        | 9.6        |

| Products | Department Store | 69  | 45.9  |
|----------|------------------|-----|-------|
|          | Special Store    | 7   | 4.6   |
| Total    |                  | 150 | 100.0 |

The above table reveals that the place of purchasing of organic product by organic product consumers, substantial 45.9% of the organic product consumers are purchasing organic products from departmental stores followed by 39.8% of the organic product consumers are purchasing organic product in organic stores, 9.6% of the consumers are purchasing organic product from shopping malls and rest 4.6% of the consumers are purchasing organic products from special stores.

**Table 2**  
**Reason for using of Organic Product at Home**

| Profile                                     | Group                | Frequency | Percentage |
|---------------------------------------------|----------------------|-----------|------------|
| Reason for using of Organic Product at Home | Health Consciousness | 137       | 91.3       |
|                                             | Doctor advice        | 10        | 6.5        |
|                                             | For flavour          | 3         | 2.2        |
| Total                                       |                      | 540       | 100.0      |

Source: Primary data

The above table clearly exhibits that the reason of using organic product at home, 91.3% of greater numbers of organic product consumers are purchasing organic goods for health consciousness (137) followed by 6.5% of the consumers are using organic products on doctors' advice (10) and rest 2.2% of the consumers are using organic product due to attached good flavours (3).

#### **DOMINANT DIMENSION OF FEATURES OF ENVIRONMENTALLY FRIENDLY PRODUCTS (FEFP) VARIABLES**

Factor analysis has been used for the outlining the dominant factors responsible for **Features of Environmentally Friendly Products (FEFP) variables**. It is measured as a valued technique in determining the underling dominant functional relationship among FEFP variables and a reliable data reduction technique. Factor analysis has been used to reduce large number of variables into latent dominant factors. 10 FEFP variables applied for factor analysis and considerate the latent dominant dimensions. The Principal Component Analysis and Rotation Method of varimax with Kaiser Normalisation has been used as an extraction method for extracting the dominant latent factors and the results are shown in table 4.1.1 to

**Table 3**  
**Descriptive Statistics of FEFP variables**

| S.No | Features of Environmentally Friendly Products (FEFP) variables | Mean | Std. Deviation |
|------|----------------------------------------------------------------|------|----------------|
| 1    | Bio-degradable                                                 | 2.88 | 1.382          |
| 2    | Low emission of toxic gas                                      | 2.85 | 1.476          |
| 3    | Energy efficiency                                              | 2.72 | 1.548          |
| 4    | Reusable                                                       | 2.64 | 1.449          |
| 5    | Durability                                                     | 2.67 | 1.362          |
| 6    | Safe and Healthily                                             | 2.79 | 1.311          |

|    |                              |      |       |
|----|------------------------------|------|-------|
| 7  | Renewable in nature          | 2.66 | 1.442 |
| 8  | Locally Produced             | 2.60 | 1.216 |
| 9  | Not tested on animals        | 2.59 | 1.236 |
| 10 | Promoting ecological balance | 2.59 | 1.218 |

The above table divulges mean and standard deviation values of FEFP variables. There is robustness in mean value as standard deviation values are under the mean values. Among the 10 FEFP variables, the mean value shows the relative importance of FEFP variables. “Bio-degradable” is the most important Features of Environmentally Friendly Products variables.

**Table 4**  
**Communalities and MSA of FEFP variables**

| S.No | Features of Environmentally Friendly Products (FEFP) variables | Communalities | MSA   |
|------|----------------------------------------------------------------|---------------|-------|
| 1    | Bio-degradable                                                 | 0.861         | 0.771 |
| 2    | Low emission of toxic gas                                      | 0.851         | 0.784 |
| 3    | Energy efficiency                                              | 0.825         | 0.865 |
| 4    | Reusable                                                       | 0.774         | 0.866 |
| 5    | Durability                                                     | 0.726         | 0.830 |
| 6    | Safe and healthily                                             | 0.706         | 0.894 |
| 7    | Renewable in nature                                            | 0.783         | 0.918 |
| 8    | Locally Produced                                               | 0.785         | 0.935 |
| 9    | Not tested on animals                                          | 0.798         | 0.818 |
| 10   | Promoting ecological balance                                   | 0.529         | 0.770 |

From the above table shows that FEFP variables show a good MSA and Communalities values. The MSA value ranging from 0.770 to 0.935 and Communalities ranging from 0.529 to 0.861, hence factor analysis can be applied to those 10 FEFP variables.

**Table 5**  
**KMO and Bartlett's Test for FEFP variables**

|                                                         |                           |          |
|---------------------------------------------------------|---------------------------|----------|
| <b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b> |                           | 0.849    |
| <b>Bartlett's Test of Sphericity</b>                    | <b>Approx. Chi-Square</b> | 5521.431 |
|                                                         | <b>df</b>                 | 45       |
|                                                         | <b>P value</b>            | 0.000    |

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is used to determine the sampling adequacy for running the factor analysis. It ranges between 0 to 1 shows sampling adequacy for FEFP variables. The value nearer to 1 is finest fit for factorisation and the value of 0.6 is the proposed the least value for applying factorisation. The Bartlett's Test of Sphericity is the assessment for testing the null hypothesis that is used to determine the correlation among the variables. The KMO is equal to 0.849 which shows that the sample is very suitable and factor analysis can be used to 10 FEFP variables.

The assessed of Chi-square is 5521.431 with 45 degrees of freedom, which is significant at the 0.001 level of significance. The KMO statistic of 0.849 is also above the threshold limit (greater than 0.50). Hence Factor analysis has been useful to determine dominant factor out of 10 FEFP variables.

The 10 variables relating to Features of Environmentally Friendly Products have been extracted into two dominant factors; these factors together explain 76.364% of variance in those 10 FEFP variables. The 2 independent dominant factors are namely F1 and F2 has been recognized. These factors were described with new labels such as Cruelty-free and Withstanding Factor (CWF) and Decomposition and Environment Sustainability Factor (DESF) which has shown in the below tables.

**Table 6**  
**Factor loading of Cruelty-free and Withstanding Factor (CWF)**

| S.No | CWF variables                | Factor loading | Eigen value | Variance Explained |
|------|------------------------------|----------------|-------------|--------------------|
| 1    | Not tested on animals        | 0.887          | 4.565       | 45.652%            |
| 2    | Nearby Produced              | 0.873          |             |                    |
| 3    | Sturdiness                   | 0.776          |             |                    |
| 4    | Safe and Healthily           | 0.760          |             |                    |
| 5    | Renewable in nature          | 0.689          |             |                    |
| 6    | Promoting ecological balance | 0.678          |             |                    |
| 7.   | Energy efficiency            | 0.665          |             |                    |

The above table clearly indulged that that variable such as Not tested on animals, Locally Produced, Durability, Safe and Healthily, Renewable in nature, Promoting ecological balance and Energy efficiency are the variables with positive loading on Factor 1 and in order of their relative correlation and place it has been considered as “Cruelty-free and Withstanding Factor (CWF)”. The Eigen value for CWF factor is 4.565 and percentage of variance explained is 45.652%. It would be identified that Cruelty-free and Withstanding Factor ranked as the foremost important aspect in EFEP. Among the seven CWF variables “Not tested on animals” is the most dominant one with highest factor loading in CWF.

**Table 7**  
**Factor loading of Decomposition and Environment Sustainability Factor (DESF)**

| S.No | DESF variables            | Factor loading | Eigen value | Variance Explained |
|------|---------------------------|----------------|-------------|--------------------|
| 1    | Bio-degradable            | 0.912          | 3.071       | 30.713%            |
| 2    | Low emission of toxic gas | 0.898          |             |                    |
| 3    | Reusable                  | 0.624          |             |                    |

The above table clearly shows that variable such as Bio-degradable followed by Low emission of toxic gas and Reusable are the variables with positive loading on Factor 2 and in order of their relative correlation and place it has been considered as “Decomposition and Environment Sustainability Factor (DESF)”. The Eigen value for DESF factor is 3.071 and percentage of variance explained is 30.713%. It would be identified that Decomposition and Environment Sustainability Factor ranked as the second most important aspect in EFEP. Among the three DESF variables “Bio-degradable” is the most dominant one with highest factor loading in DESF.

**FINDINGS AND RECOMMENDATIONS**

- ❖ Sizable 56.5% of organic consumers are below 25 years followed by 43.5% of the organic consumers are between 25 to 45 years. Hence sizable numbers of organic product consumers are young in young age group.
- ❖ Majority 52% of organic consumers are male followed by 48% of the consumers are female. Hence sizable numbers of the consumers are male who are using organic product.
- ❖ Highest 43.7% of the organic product consumers are post graduates followed by 33.5% of the organic consumers are under graduates, 20.9% of the organic product consumers are with professional qualification, 1.3% of the consumers has school education and rest 0.6% of the organic product consumers are with non-formal education.
- ❖ Highest 68% of the consumers are living in urban area followed by 18% of the organic product consumers are living in Rural area and rest 14.1% of the organic product consumers are living in semi-urban area.
- ❖ Substantial 45.9% of the organic product consumers are purchasing organic products from departmental stores followed by 39.8% of the organic product consumers are purchasing organic product in organic stores, 9.6% of the consumers are purchasing organic product from shopping malls and rest 4.6% of the consumers are purchasing organic products from special stores.
- ❖ Outmost 63.9% of the consumers purchase food product from organic stores followed by 20.4% of the consumers is purchasing vegetables as organic good and 12.8% of the consumers are purchasing fruits as organic product and rest 3% of the consumers purchasing other type of organic goods as organic products.
- ❖ 13 variables relating to Sales Promotion Information Channels have been extracted into three dominant factors, these factors together explain 69.715% of variance in those 13 SPIC variables. The 3 independent dominant factors are namely F1, F2 and F3 has been identified. These factors were described with new names such as Tangible Promotion Channel Factor (TPCF), Virtual Promotional Channel Factor (VPCF) and Mass Promotion Factor (MPF).
- ❖ Variable such as Word of mouth, T.V Advertisement and Commercials, Wall paintings, Recommendations, Social media and Family Members are the variables with positive loading on Factor 1 and in order of their relative correlation and position it has been labelled as “Tangible Promotion Channel Factor (TPCF)”. The Eigen value for TPCF factor is 3.350 and percentage of variance explained is 25.770%.
- ❖ Variable such as Shopping Websites, Channel of Information, Online product reviews and Company Campaign are the variables with positive loading on Factor 2 and in order of their relative correlation and position it has been labelled as “Virtual Promotional Channel Factor (VPCF)”. The Eigen value for VPCF factor is 3.127 and percentage of variance explained is 24.052%.
- ❖ No significance of difference among Area of Residence groups in FDOF, CVAF, POF and SPK has been identified. Consumers in each Area of Residence group show identical perception on financial discount and offers on sales promotion of organic products. Consumers in each Area of Residence groups reveal identical exception on customer value addition on sales promotion of organic products. Consumers in respective Area of Residence groups reveal identical exception paperless offers on sales promotion of organic product. Organic product consumers in each Area of Residence group show equal exception of various sales promotions.

## RECOMMENDATIONS

- ❖ Consumers should understand the benefits of organic products in view of health, environment protection and balancing biodiversity.
- ❖ Usage of Digital Literacy and E-commerce platform could bring up substantial changes in marketing of organic products at both domestic level and international level .
- ❖ Supportive schemes need to be implemented at earliest in promoting organic products and organic farming.
- ❖ Certification bodies need to establish in order to govern proper standards of organic products production and supply in both domestic market as well as international market.

## CONCLUSION

In return for purchases, consumer promotional incentives give added value. The theory is that during the advertising time consumers can buy more, which raises gross turnover. Based on the number of sales and related expenses, businesses determine the effectiveness of a marketing. You monitor the revenue rise against a baseline and measure the added revenue in relation to the profit if the promotional campaign had not been carried out. By conducting consumer surveys, they validate additional brand recognition or improved brand profile. A good promotion of revenue in the long run would lead to increased sales.

To conclude, Healthy food is the best choice for consumption, because it is environmentally sustainable and new and full of nutrients. Environmentally sustainable agriculture is safe for both plants, livestock and the environment. The health benefits of eating organic foods are numerous, which is why they become more popular day after day. Those products should be preferred that are full of good nutrients. Since they not only minimise air, water and soil emissions, they also help to save water, avoid soil-erosion and reduce energy consumption, organic food is a very healthy alternative for human health. We are. We are. Note that the package must have a registered organic food sticker when buying organic food.

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