

Promoting Organic Agriculture by Marketing and Branding in Sikkim

Amar Shankar¹, Benaka Prasad SB²

¹Food Technology, Faculty of Engineering and Technology, Jain (Deemed-to-be University), Karnataka

²Department of Chemistry, Faculty of Engineering and Technology, Jain (Deemed-to-be University), Karnataka

Email - s.amar@jainuniversity.ac.in

Abstract

The backbone of the entire developing economy is agriculture. Especially in the country like India, this is basically a farming country with a large number of farm workers. In the history of agriculture all the products in India are used to improve productivity, which contributes to soil infertility and leads to a greater number of health problems. In the outcome of the implementation of the green revolution, excessive use of chemical pesticides and fertilizers have increased. All of these problems lead customers to look at organic farms and farmers to organic farming. Present organic farming accounts for 99% of the farming land owned by 66,000 farmers in Sikkim. While Sikkim is setting an example for the other states in the region, the next steps include market ties with domestic and foreign customers, which are a first in the long term sustainability of organic agriculture. This study aims to conduct a market analysis for five specified crops (Ginger, Turmeric, Large Cardamom, Buckwheat and Cymbidium) in order to use the advantages of organic farming to benefit the high-end market and to propose an action plan for connecting producers from the state of Sikkim to consumers in premium market.

Keywords: Agriculture, Development, Organic Farming, Marketing, Sikkim, System.

Introduction

Organic farming is the use of agricultural production systems for the production of crops, livestock and poultry that are subject to green manure, compost, biological pest control and crop rotation. Agricultural organic system encourages resource cycling to protect biodiversity and to promote the balance of ecology. The aims of organic farming are agricultural production of the best possible natural products, such as milk, egg and meat, fiber, grain, plants, flowers, fruits, food. The global market for organic foodstuffs is rising very quickly. Consumers have become more aware and selective about edible items after environmentalists raised concerns about the adverse effects of increased chemical use in farming[1].

As a result of this increased awareness, consumers' tastes and expectations have shifted, resulting in an increase in demand for organic goods both domestically and globally. To meet this demand, farmers have turned to organic farming for price premiums, resulting in about 3.5 million hectares of land under organic farming around the world. Farmers in India have taken the path of organic food production, but India's share of the global organic market is less than 1%. It is noticed in developing countries that organic farming is rapidly growing, with up to 10% to 15% of farms already converted shown in Fig. 1. In India organic farming is less than 2%, as there is less concentration of organic farming in government, agriculture universities and research institutes. A research is carried out to learn about the marketing strategies and challenges faced by organic farmers in the marketing of their produce. Many farmers have recently moved from standard farming to organic farming in the world. They have a lot of marketing issues, such as the highest price, supply chain and many more [2].

In recent years, there has been a significant change in farming and agricultural practices. With the help of learning and practices, it has been established that natural and organic farming methods are more beneficial than the ones which include chemicals or other harmful elements. Natural goods are now widely available in the world. In the organic farming sector, competition is also increasing day by day. Farmers will have to involve with customers from the beginning if they wish to thrive in this business[3].

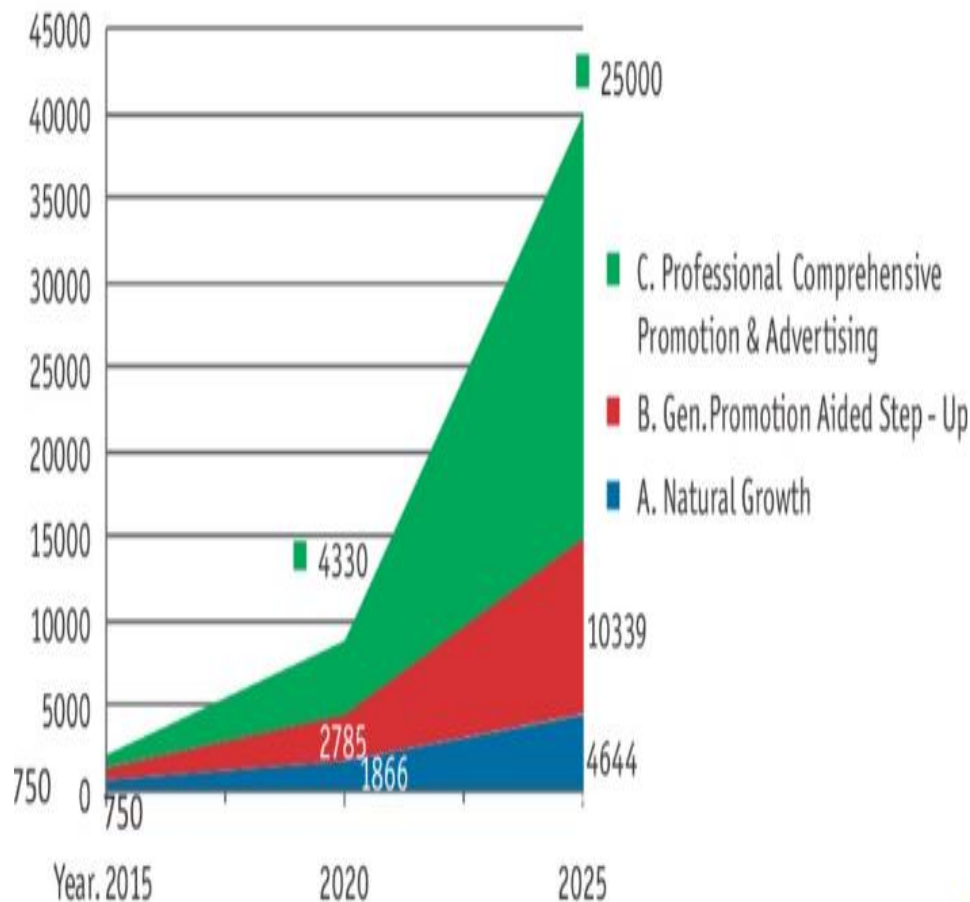


Fig. 1: Illustrates the domestic organic market for India from 2015 to 2025 in Rupees Crore [Indian Organic Sector]

It isn't a simple mission because an organic farm brand, on the road to making it big in the market one will face many challenges. During this time there are so many new companies that are established, out of which one stands out in order to get the public's attention. While, finally, everything depends on their product's quality, it is also very important how they market it. Basically, regardless of how good someone's brand is, they must advertise or promote it successfully in order to attract customer's attention. Nothing would matter if that is not the case. One must successfully market themselves, whether it is with an original organic farm logo, packaging, or advertisement designs. Here are a few suggestions to get there[4].

1.1. Develop a strong presence online:

One will hit a broad customer base online as an organic farm brand. Someone would have an advantage over their rivals if they have a good presence on the internet. They can highlight their brand online and immediately cater to their consumers with enticing imagery, graphic design and simple navigation. Many companies try to get people to purchase their goods from their social media and from their website. Besides the principles and identity of someone's company, strategies they use to communicate with their customer. Find where loyal audience stands and effectively target them through the website and online forums[5].

1.2. Obtain the Aid of an Influencer:

Influencer marketing or promotion will help brands become well-known and noticed once they have developed a strong online presence. Basically, celebrities with a large social media following will promote specific brands

to their followers, resulting in an increase in sales. Someone may not agree with using influencers to promote their company, but it is something they should consider. Find someone who can better embody goods by virtue of their presence and beliefs[6].

1.3. Collaborate with a Grocery Store or a Chain of Grocery Stores:

This can seem to be a large move, but it can be extremely beneficial in promoting organic farm's brand. There could be a few small grocery stores or chains in the area, and convincing one or two of them to stock product which will be beneficial. It will provide the brand a much-needed boost in terms of marketing and brand accessibility. Most people like trying new stuff, which will work to your advantage. It's a big step forward if they can grab the customer's attention with their exclusive logo design or product features. It could lead to positive word-of-mouth in the future, with more people being acquainted with their brand[7].

1.4. Local Restaurant Partner:

Basically, a nearby restaurant will provide and promote someone's organic items. This could encourage people to understand the advantages they can get from this brand. The organization can also establish itself as safe and balanced by encouraging a restaurant. Certain places often pile different shopping items, so brands can consider using this option as well. There is a greater probability that their item or commodity will be noticeable on a restaurant [8].

1.5. Participate in the Culture:

A lot of people get their ingredients and produce from small shops or pop-up stalls at farmers' markets. This is a vital aspect of community interaction that might get you, clients, from their neighborhood or even from further away. It is often preferable for organic farm brands to engage directly with customers and form friendly relationships. Take a moment to ponder this; customers want to be able to trust the products from which they get their ingredients or food. They must ensure that it is made and sourced organically, and that it will not cause any health issues after consumption. Someone from the company will help create a good brand image and inspire people to try out their products by personally communicating with community members. This is why getting an eye-catching and appealing stall at local farmers market or signing up for group activities on a regular basis can be an effective advertising technique. The way brand advertises them as an organic farm brand is critical to their short and long-term market place. If they've had trouble getting people to notice them from the start, their company's future might not be promising. This is a condition they must stay away from at all costs. Make good use of the marketing and promotional strategies outlined here to retain loyal customers who will purchase their goods on a regular basis. Apart from that, think of new ways to keep customers involved.

In January 2016, Sikkim was the country's first state that was declared 100% organic. Organic agriculture has brought about sustainable farming and played a role in adding value to the image and economy of the government. The government has a huge potential for diversified horticultural growth with a focus on growing high-value crops, leading to higher farmers' prices ensuring greater net returns even if production is low. The prerequisites are quality and grades standardization with a view to growing farmers' share in consumer prices, fostering linkages between domestic and international markets. Besides building an infrastructure, an environmentally friendly business climate in the near-production areas needs to be built. The system allows major buyers to access and distribute information, inputs, technological and high-quality support, and address a variety of other needs to develop a network to provide reliable and timely market information[9].

1.6. Marketing of Sikkim's organic product:

Sikkim has a large production base, but the lack of a proper distribution channel for organic goods, the lack of value adjustment through post-harvest management and high costs for transport have made organic produce available for sale with limited market choice. Other factors restricted Sikkim's access to domestic markets, but

producers must be connected to the domestic retail chain and exporters that add products to the world market. The following category should be aimed at the Sikkim organic product market:

- a) Organic premium market (hypermarkets in Tier I cities and supermarkets).
- b) Value-added goods export market.

The first step in this direction must be to channel the flow of goods into the Siliguri market and to capture in the State the value of organic products. This means that Sikkim should be an organic market and not a traditional outlet for organic products. They take 9 step strategies for this (Shown in Fig. 2).



Fig. 2: Illustrates the flowchart of Sikkim's nine-step marketing plan for organic goods. It starts from making regulatory body, ends with international market access.

Aggregation models for the development of fatal terminals in Sikkim must be built using a network of montage points. Government of Sikkim must invest for the handling of organic produce and maintain organic characteristics in specialist market and market infrastructure for each value chain stage. One key recommendation in achieving productivity in the supply chain is the systematic investment strategy, the establishment of institutions for the management and capacity building of supplier and stakeholder in the market driven expansion. The study included a list of markets to be established on the basis of various criteria as assembly points, collection centers and wholesale markets. The study established a business strategy for each

plant defined by adopting the value chain approach and suggestions are made for the intervention needed at various stages of the value chain[10].

The analysis was divided into three different modules. A first module includes the overall strategy and action plan for the national sector. A market situation study has shown that organic spices and horticultural goods are sold on traditional markets in the absence of organized markets and thus result in organically grown crops losing their value. The main suggestion for profitability on the domestic market is a comprehensive investment strategy, the establishment of organic production institutions, and the strengthening of producers and stakeholders' capacity. The second module analyses international markets for WTO and other trade agreements. The foreign market with premium buyers must be entered with a value added selection after achieving efficiencies in the whole supply chain of the products. A Commodity Market Strategy for specified crops is covered in the third module. The commodity plan includes an in-depth consumption status study reflected in the import patterns of Sikkim's 6-digit government product classes. Situational research, supply base, price distribution, return rates, value chain analyses have been carried out in order to draw up an action plan under the Mission on Organic Value Chain Development (MOVCD). The study findings are:

- a) Low productivity, high output cost, lack of infrastructure after harvest, fragmented supply chain, lack of market-led expansion, and weak market access in the Sikkim organic sector is limited.
- b) The quantity available for marketing and quality of the products are limited to organic products in Sikkim. Every farmer's uneconomic quantity increases the cost of market transportation.
- c) The study has found that organic spices and horticulture goods lack coordinated distribution and marketing platforms. The organic harvest is marketed on traditional markets and the value of the organically grown crop is lost. Sikkim's organic product is sold on a controlled western Bengal market that is not intended for organic goods. Organic products are combined with traditional products, leading to higher costs for conventional products.
- d) The low manufacturing base at Sikkim impedes the availability of threshold quantities in the commodity distribution system. The amount and quality of the organic products in Sikkim is limited. The uneconomic amount raises the expense and marketing of transactions.
- e) The organic products have not been labeled and placed as a luxury product. The emphasis must be on aggregating the goods and adding value. Though Sikkim markets raw ginger and turmeric, there is a trend for value added and diversified goods in the international market.
- f) Several business organizations (such as exporters, major manufacturers, dealerships, processors etc.) have concerns about communication and management, efficiency, supply reliability and transaction costs and conflict resolution about the prospect of working with a large number of small farmers.
- g) A complete absence of branding and promotion of its goods is one of the challenges faced by Sikkim State's agro exports. It has been found that although other NE states, including Assam, have submitted several geographic indications, such as Assam Karbi Anglong Ginger, to promote their image in the international market. Sikkim has tremendous potential for development but only one GI for Sikkim Big Cardamom was filed. Sikkim should continue to apply GI to enhance branding.
- h) There is a lack of a marketing governance regulatory structure that hampers market facilitation and growth.

DISCUSSION

Product aggregation models must be established with a network of assembly points in Sikkim which are collection centers. Sikkim's Government must invest in specialist markets and business infrastructure to deal

with organic goods and to preserve the organic attribute of each value chain point. A systemic investment strategy that establishes organizations for the management of organic production and capacity building for manufacturers and business stakeholders in the supply chain is a key recommendation for achieving productivity. The study presented the list of markets that will be built on different parameters as assembly points, collectibles and wholesale markets. A marketing strategy for each established crop is created by taking a value chain approach and suggestions are made for interventions at various stages of the value chain.

1. Marketing strategies for organic products:

The study proposes three foundations of strategic marketing initiatives: (i) Sustainable policies (ii) Trade value added (iii) Marketing linkages promoted.

- a) Since Sikkim Organic is at the emerging stage, a good consumer mix and strategy needs to be created for the premium market. Focused action must be taken systematically on market growth, product development, and product diversification and position strategy. Knowledge need to be learnt from the Green Net and International Federation of Organic Agriculture Movements (IFOAM) marketing campaign, a clear example of the marketing strategy for organic goods.
- b) Domestic insights into the marketing scenario of organic goods indicate that the State must have a strategy for promoting its selected agri-products in order to achieve market access and involvement of small businesses and agro units as part of the global value chain.
- c) Sikkim will need trained personnel to understand marketing needs, develop effective marketing strategies, manage specialized markets and run them. A Center for Excellence is proposed in order for producers and other actors in the value chain to develop and train.

2. Agricultural export strategy:

The study suggests formulation of online web-based export competitive export tools, ways to boost competitiveness not just at national but also international levels, brands for Sikkim agro-products and promotion of geo-indications that promote state exports; and ultimately, forging competitive export strategies to stimulate state export.

3. Organic value chain involvement of producers:

- a) The lack of market access and support structures restrict and is also subject to smallholders' involvement in markets and their potential and readiness to compete in the markets along with business functionality.
- b) The difference between current and ideal cardamom, turmeric and ginger activities needs to be broken down, as seen in the value chain review, by taking action to include a marketing infrastructure. The market extension for farmers needs to be in place in order for small and medium-sized growers to be aware of market demands and requirements, so as to be able to use the correct post-harvest management methods. Your involvement would rely on the realization of remuneration prices. The required machinery will be built and operated on budget in MOVCD.
- c) Small and minor producers can participate in the supply chain by taking correct steps in the implementation of capacity building programme and educating them in the management of their products to ensure that organic products can be sold at a cost-effective price.

4. Institutional and regulatory framework:

- a) Two bodies should have a legislative system regulating, facilitating and promoting organic products. The development, operation and management of markets, developing market structures, providing market information systems and establishing market ties are essential for the Agricultural Marketing Act 2017, and the establishment of State Marketing Committee.

- b) In Uttarakhand Organic Commodity Board lines, an additional body to grow, promote, and sell organic products should be set up. This commodity board should serve as marketing and promotion facilitators build capability, product creation, branding strategies and market access strategies on international markets.
- c) It is advisable to operate in agreement between Marketing Boards and Commodity Boards.
- d) The MOVCD has established a plan of action for investment in marketing infrastructure, training and development.

CONCLUSION

The study provides a detailed market-based approach and strategy for market infrastructure growth, capacity building, and export market identification, development of branding and promotional marketing strategies. In the Central Sector Scheme, "Organic Value Chain Growth for the North Eastern Region," the marketing strategy for organic products of Sikkim should be implemented." The scheme seeks to establish certified organic farming in a value chain mode to connect farmers with customers and to promote the growth of the whole value chain. The Sikkim action plan was drawn up with the emphasis:

- a) In mission mode it is important to create installations for collection, production, marketing and branding.
- b) A strong organic product brand should be established in order to consistently control the production flow and sell the product rather than as a mass manufactured product as a niche.
- c) Operation and management of establishments under public-private partnership control of growers' organizations/enterprises.
- d) Financing under the framework of MOVCD and other central sector schemes for infrastructure to be made available.

The study emphasizes the need to implement state-level reforms in the agro-marketing system which can assist in establishing a condition for public producers to profit from organic products marketing.

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