*Agricultural Marketing and Commercialization Journal*
*6(2), 78-88, 2022, ISSN Print: 2676640X, ISSN online: 2676-7570*

# Exploring the Perspective of the Managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning Organic Products Marketing

***Hassen Noureddine Benfetta[1], Bouayed Sarra[2], A. Zaky [3*]***

*Received: 15 June 2022/ Revised: 02 August 2022/ Accepted: 09 November 2022/ Published: 31 December 2022*


## Abstract

Marketing of these products should be taken into consideration that demands principal decision-making by managers in this process. The objective of the present paper was to explore the perspective of the managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning organic products marketing. It is an applied survey employing a descriptive method. The population included managers in Cairo Municipality Management of Fruit and Vegetable Organization (200 people). Based on Cochran's sample size formula, 125 managers were selected through simple random sampling. Two researcher-made questionnaires were used for data collection. The questionnaire of social interaction and market development of organic products consisted of 12 items and the questionnaire of the effective factors on social interaction and market development of organic products included the sections of economic factors (5 items), educational factors (8 items), policy-making factors (5 items), and sociocultural factors (7 items). The face and content validity of the questionnaires were confirmed based on the experts' opinions. Cronbach's alpha of the research variables was estimated at more than 0.7, indicating the internal consistency of the items and confirmation of reliability. Descriptive statistics such as frequency, percentage, and coefficient of changes through SPSS software were used for data analysis. Finally, the prioritization of the perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization was presented concerning the effective economic factors, educational factors, policy-making factors, and sociocultural factors on social interaction and market development of organic products.

**Keywords**: Agriculture, Cairo Municipality Fruit and Vegetable Markets, Organic products, Marketing, Managers.

## Introduction

Nowadays, the observation of unfavorable impacts of ordinary agriculture in the world has emphasized the urgent need to develop agricultural techniques that are sustainable from an environmental, production, and socioeconomic perspective. Hence, as one of the most important alternative agriculture systems, organic agriculture has been taken into consideration for producing healthy food without chemicals (Palmquist, 1984).

Organic agriculture is a type of agriculture that aims to create integrated, systematic, and humane agricultural production systems that do not conflict with environmental and economic benefits. In this type of agriculture, the degree of confidence in the renewable resources used by the agricultural sector is such that the possibility of producing

[1] Laboratory of Ecology and Management of Natural Ecosystems, Faculty SNV; STU-University of Tlemcen, Algeria
[2] Laboratory of Rheology,Transport et Treatment of Complex Fluids, Department of Hydraulics. USTOMB- Oran
[3] Horticulture Department, Faculty of Agriculture, Zagazig University, Egypt

acceptable quantities of crops and livestock and food needed by humans, as well as conditions such as immunity against pests and diseases are provided for humans and animals. Therefore, the goal of sustainability lies at the heart of the concept of organic agriculture. Organic agriculture refers not only to the type of inputs used but also to the farm as a living organism in which all its constituents, namely soil, minerals, organic matter, microorganisms, pests, plants, animals, and human beings, who interact with each other, are viewed as a single and cohesive unit (Krutilla, 1967).

Most consumers buy organic products because they realize that they are unique (and in many cases superior to them) compared to conventionally produced products. They know that such products have special intrinsic properties (quality and safety) (Ashcroft, 2010).

The framework of factors that influence customer decision to purchase organic food products (Yiridoe et al., 2005) is divided into two categories: A) Product-related factors that are divided into product characteristics and characteristics observed from the consumer. For example, these characteristics are qualitative signs (taste) or means of communication (label, certificate), otherwise, the consumer cannot check the perceptual characteristics and therefore relies on information. Perceptual characteristics of a product are affected by product characteristics and consumer knowledge and awareness of organic products and their values and characteristics. B) Implicit consumer-related factors that, on the one hand, are social and demographic variables and, on the other hand, consumer values and tendencies and their knowledge and awareness that affect each other. Exogenous factors such as market environment, legal or food quality standards, and safety standards influence purchasing decisions. Organic products are purchased because the customer considers them unique compared to regular food. Therefore, the regular food market is very important for the organic sector.

Having accurate and timely information is a necessity for making any kind of decision, especially in the marketing process. All managers and owners of production units need the information to perform their duties such as analysis, marketing, implementation, control, and evaluation. In this regard, Kotler states that marketing means future-making and future-making is the same as information management (Fare et al., 2019).

Lack of information in marketing is one of the problems that most people, especially the developing countries face, and to solve this problem, special units and systems of marketing information are needed; in such a system, items such as equipment and methods of collection, classification analysis, evaluation and timely transfer of correct information to decision-makers are needed and a strong information system balances the information required by managers with other information that can be provided (Aertsens et al., 2011).

According to the above statements, the objective of this paper was to explore the perspective of the managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning organic products marketing.

*Agricultural Marketing and Commercialization Journal*
*6(2), 78-88, 2022, ISSN Print: 2676640X, ISSN online: 2676-7570*

**Research Background**

(Birol et al., 2014) conducted a study titled "Using economic valuation techniques to inform water resource management: A servey and critical appraisal of available techniques and an application". It was indicated that sociocultural factors, situational factors, marketing-related factors and marketing mix, individual psychological factors, and demographic factors are prioritized in terms of the purchase decision making of organic products by consumers.

(Richards, 2005) conducted a study titled "Marketing order suspensions and fresh lemon retail-FOB margin". The research findings indicated that there is a significant relationship between marketing mix, oral communications, satisfaction, consumer attitudes, and purchase intent.

(Borimnejad, 2014) conducted a study titled "The identification of the effective factors on marketing healthy and organic products". It was concluded that it is necessary to create appropriate mechanisms among stakeholders in a country, between importers and exporters, and between countries in a region to improve the flow of information in the market.

(Martin & Tagadish, 2020) conducted a study titled "Agricultural Marketing and Agribusiness Supply Chain Issues in Developing Economies". In this study, it was attempted to explore citrus marketing and determine wholesale and retail margins of the citrus market. Moreover, based on the markup model, it was sought to explore the effective factors on the marketing margin of citrus. Data used in this study were collected using a questionnaire and face-to-face referral and two-stage random cluster sampling in 2008 from 36 gardeners, 15 wholesalers, 12 retailers, and 10 consumers. The results showed that, various marketing operations such as grading, packaging, and transportation are done manually and traditionally. In addition, the net profit of wholesale and retail is much higher than the net profit of the producer. The results of estimating the marketing margin function based on the markup model also showed that the marketing margin is inversely related to marketing costs and directly related to the retail price.

(Krutilla, 1967), conducted a study titled "Conservation reconsidered". They concluded that access to agricultural-environmental information (meaning access to and awareness of new agricultural-environmental information and findings through media such as television, newspapers, the Internet, and publications) and personal-professional (work experience) had a positive and significant effect on experts' knowledge of organic agriculture. Based on the results, the variables of attitude towards health (importance of health in the growth and development of society, relationship between health and nutrition) and attitude towards nutrition through the effect on the general environmental attitude of individuals (wildlife destruction, water pollution, natural disasters due to increased greenhouse gases) increase knowledge about organic agriculture.

(Palmquist, 1984), conducted a study on "Estimating the demand for characteristics of housing". It was concluded that there is a

significant relationship between educational factors (such as holding educational visits for farmers, holding training courses, training specialists and professional consultants, forming a scientific association, holding training courses for experts, planning university courses related to organic agriculture, introducing organic agriculture through the media and publication of required books and articles) and economic factors (such as providing appropriate subsidies for inputs and tools, providing appropriate financial incentives for farmers, providing adequate and accessible credit, providing credit and financial budgets) with the possibility of using organic agriculture. There was not a significant relationship between technical factors, policy-making factors (such as creating special standards for marketing products, passing laws related to the organic farming program, and eliminating subsidies for the preparation of chemical inputs), managerial factors, social factors, and psychological factors with the possibility of developing agriculture promotion.

(MCNamara, 2007) showed that cooperatives could compete with international competitors and succeed by maintaining their basic principles and values through amending some laws, and by forming a multinational economic enterprise and desirable advertising along with profitability.

(Martin & Tagadish, 2020) conducted a study on the issues of agriculture marketing and supply chain of agricultural activities in developing economies, a case study of producing fresh products in Papua New Guinea with the supply chain model; they explored marketing domain and marketing system efficiency. The results confirmed the dynamism of the marketing system that means developing the market of New Guinea in the current conditions. Marketing services have been done by the private sector and market activists are competitively innovating in the development of these services and taking into account the needs of customers. The infrastructure industry limits services and increases related costs. Finally, they concluded that the use of a supply chain framework could create a strong understanding of the efficiency of the agricultural marketing system in developing economies.

(Getnet et al., 2005) indicated that production and wholesale prices in the grain market were interdependent. Therefore, it was concluded that the government's purposeful intervention in the wholesale market would be effective to increase producer revenue and control the market margin.

(Richards, 2005) estimated the marketing management of lemon products in four districts in California and concluded that wage rates, food packaging, market shipping costs, supply and demand elasticities, and some virtual variables are the most important factors influencing marketing.

(Brouwer & Jansen, 2002) conducted a study titled "Dynamic optimization of water flooding with smart wells using optimal control theory. In European Petroleum Conference" which is a combination of a multiphase project. They indicated that retail integration, technological changes in production and marketing, as well as the growing consumer demand for products, have changed the traditional market relations

*Agricultural Marketing and Commercialization Journal*
*6(2), 78-88, 2022, ISSN Print: 2676640X, ISSN online: 2676-7570*

between producers, wholesalers, and retailers, which have dramatically shifted product suppliers from consumers and buyers to performing marketing services and considering incentives according to the amount and volume of purchases.

## Methods and Methodology

It is an applied survey employing a descriptive method. The population included managers in Cairo Municipality Management of Fruit and Vegetable Organization (200 people). To calculate the sample size, 30 questionnaires were distributed in the pretest and the standard deviation of the dependent variable (social interaction and market development of organic products) was calculated S=0.32. 125 people were selected as the sample of the study through simple random sampling and considering the permitted error of d=0.05.

$$n = \frac{N(ts)^2}{Nd^2 + (ts)^2}$$

$$n = \frac{200 \times (1/96)^2 \times (0/32)^2}{[200 \times (0/05)^2] + [(1/96)^2 \times (\cdot/32)^2]} \cong 125$$

Two researcher-made questionnaires were used for data collection. The questionnaire evaluating the opinion of the studied individuals concerning social interaction and market development of organic products included 12 items in the form of a 5-point Likert scale (1=strongly disagree, 2=disagree, 3=no idea, 4=agree, 5=strongly agree) in that points 12-20, 21-30, 31-40, 41-50, and 51-60 were respectively categorized as strongly disagree, disagree, no idea, agree, and strongly agree. The questionnaire of the effective factors on social interaction and market development of organic products included the sections of economic factors (5 items), educational factors (8 items), policy-making factors (5 items), and sociocultural factors (7 items) in the form of 5-point Likert scale (1=very low, 2=low, 3=medium, 4=high, 5=very high). To evaluate the validity of the instruments, the questionnaires were given to the supervisor and advisor professors as well as the experts. After doing the necessary investigation and after collecting their opinions, the researcher did the essential modifications and the validity of the questionnaires was achieved. The Cronbach's alpha for research variables was more than 0.7, indicating the internal consistency of the items and confirmation of reliability. Descriptive statistics such as frequency, percentage, and coefficient of changes through SPSS software were used for data analysis.

## Findings

1. The perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning social interaction and market development of organic products

According to (Table 1), most of the studied individuals (50 percent) agree with the issues stated in the area of social interaction and market development of organic products.

**Table 1.** The perspective of managers concerning social interaction and market development of organic products

| Evaluation continuum | Frequency | Percentage | Valid percentage | Cumulative percentage |
|---|---|---|---|---|
| Strongly disagree (12-20) | 0 | 0 | 0 | 0 |
| Disagree (21-30) | 0 | 0 | 0 | 0 |
| No idea (31-40) | 38 | 30.4 | 34.5 | 34.5 |
| Agree (41-50) | 55 | 44 | 84.5 | 84.5 |
| Strongly agree (51-60) | 17 | 13.6 | 100 | 100 |
| Not answered | 15 | 12 | - | - |
| Total | 125 | 100 | - | - |

2. Prioritization of the perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning social interaction and market development of organic products

According to (Table 2), item prioritization based on the coefficient of changes shows that the most common managers' perspectives concerning social interaction and market development of organic products with the coefficient of changes 0.172, 0.208, and 0.215 respectively included that people prefer to spend more money on organic food because they believe that organic food is more nutritious and healthier than regular foods. To retain customers, customer satisfaction must be fulfilled to a great extent, and trying to retain customers is economically viable.

**Table 2.** Prioritization of the perspective of managers concerning social interaction and market development of organic products

| Priority | Items | Mean | SD | Coefficient of changes |
|---|---|---|---|---|
| 1 | People prefer to spend more money on organic food because they believe that organic food is more nutritious and healthier than regular foods. | 4.00 | 0.69 | 0.172 |
| 2 | To retain customers, customer satisfaction must be fulfilled to a great extent. | 3.70 | 0.77 | 0.208 |
| 3 | Trying to retain customers is economically viable. | 3.53 | 0.76 | 0.215 |
| 4 | Organic agriculture produces better quality products with better tastes. | 3.86 | 0.92 | 0.238 |
| 5 | Improving the efficiency and effectiveness of the sales force is effective in developing interactive marketing. | 3.77 | 0.91 | 0.241 |
| 6 | Organic agriculture is more in line with the laws of nature and the environment. | 3.20 | 0.89 | 0.278 |
| 7 | The starting point for marketing is customers and their needs. | 3.21 | 0.90 | 0.280 |
| 8 | Communication is essential for interactive marketing. | 3.12 | 0.92 | 0.294 |
| 9 | Mutual trust is a key factor in sustainable communication. | 3.01 | 0.91 | 0.302 |
| 10 | The organization should obtain its information through the face-to-face relationships that salespeople have with customers. | 2.35 | 0.75 | 0.319 |
| 11 | Promises must be kept to maintain relationships. | 2.28 | 0.76 | 0.333 |
| 12 | There is dependency and commitment in relationships. | 2.20 | 0.78 | 0.354 |

*Agricultural Marketing and Commercialization Journal*
*6(2), 78-88, 2022, ISSN Print: 2676640X, ISSN online: 2676-7570*

3. Prioritization of the perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning the effective economic factors on social interaction and market development of organic products

According to (Table 3), item prioritization based on the coefficient of changes shows that the most common managers' perspectives concerning the effective economic factors on social interaction and market development of organic products with the coefficient of changes 0.163, 0.202, and 0.204 respectively included the existence of government economic policies in the area of agriculture to support sellers, providing appropriate financial incentives for managers to sell organic products and increased profitability when selling organic products.

**Table 3.** The prioritization of the perspective of managers concerning the effective economic factors on social interaction and market development of organic products

| Priority | Items | Mean | SD | Coefficient of changes |
|---|---|---|---|---|
| 1 | The existence of government economic policies in the area of agriculture to support sellers (granting subsidies, loans, etc.) | 4.21 | 0.69 | 0.163 |
| 2 | Providing appropriate financial incentives for managers to sell organic products | 4.30 | 0.87 | 0.202 |
| 3 | Increased profitability when selling organic products | 4.44 | 0.91 | 0.204 |
| 4 | Agricultural products insurance fund | 3.91 | 0.82 | 0.209 |
| 5 | Cost-effectiveness of organic products | 3.32 | 0.84 | 0.253 |

4. Prioritization of the perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning the effective educational factors on social interaction and market development of organic products

According to (Table 4), item prioritization based on the coefficient of changes shows that the most common managers' perspectives concerning the effective educational factors on social interaction and market development of organic products with the coefficient of changes 0.153, 0.174, and 0.189 respectively included holding educational-promotional workshops in the area of using organic products, publishing and distributing simple publications to inform people about organic products and the existence of educational CDs in the area of organic agriculture.

**Table 4.** The prioritization of the perspective of managers concerning the effective educational factors on social interaction and market development of organic products

| Priority | Items | Mean | SD | Coefficient of changes |
|---|---|---|---|---|
| 1 | Holding educational-promotional workshops in the area of using organic products | 4.44 | 0.68 | 0.153 |
| 2 | Publishing and distributing simple publications to inform people about organic products | 4.18 | 0.73 | 0.174 |
| 3 | The existence of educational CDs in the area of organic agriculture | 4.16 | 0.79 | 0.189 |
| 4 | Holding training courses on the use of organic products for experts and managers | 3.52 | 0.74 | 0.210 |
| 5 | Providing the necessary knowledge for experts and managers in FVO regarding the benefits of using organic products | 3.95 | 0.92 | 0.232 |
| 6 | Visiting successful projects in the area of organic products | 3.15 | 0.76 | 0.241 |
| 7 | Presence of experts in the supply point of organic products to guide people in the benefits of these products | 3.44 | 0.91 | 0.264 |
| 8 | Awareness of the benefits of organic products | 2.91 | 0.93 | 0.319 |

5. Prioritization of the perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning the effective policy-making factors on social interaction and market development of organic products

According to (Table 5), item prioritization based on the coefficient of changes shows that the most common managers' perspectives concerning the effective policy-making factors on social interaction and market development of organic products with the coefficient of changes 0.179, 0.209, and 0.209 respectively included gradual elimination of unnecessary subsidies for chemical inputs, providing opportunities for cooperation with related organizations in the implementation of organic products and the adoption of laws and regulations to improve the marketing of organic products.

*Agricultural Marketing and Commercialization Journal*
*6(2), 78-88, 2022, ISSN Print: 2676640X, ISSN online: 2676-7570*

**Table 5.** The prioritization of the perspective of managers concerning the effective policy-making factors on social interaction and market development of organic products

| Priority | Items | Mean | SD | Coefficient of changes |
|---|---|---|---|---|
| 1 | Gradual elimination of unnecessary subsidies for chemical inputs | 4.40 | 0.79 | 0.179 |
| 2 | Providing opportunities for cooperation with related organizations in the implementation of organic products | 3.96 | 0.83 | 0.209 |
| 3 | The adoption of laws and regulations to improve the marketing of organic products | 3.92 | 0.82 | 0.209 |
| 4 | Planning at all levels (national, local and regional) for the use of organic products | 3.72 | 0.91 | 0.244 |
| 5 | Adoption of laws and regulations to protect the consumption of organic products | 3.21 | 1.02 | 0.317 |

6. Prioritization of the perspective of managers in Cairo Municipality Management of Fruit and Vegetable Organization concerning the effective sociocultural factors on social interaction and market development of organic products

According to (Table 6), item prioritization based on the coefficient of changes shows that the most common managers' perspectives concerning the effective sociocultural factors on social interaction and market development of organic products with the coefficient of changes 0.155, 0.173, and 0.195 respectively included private sector participation in introducing and distributing organic products among fruit and vegetable markets, informing about the importance of consuming organic products in food health and the existence of appropriate advertisements in the use of organic products.

**Table 6.** The prioritization of the perspective of managers concerning the effective sociocultural factors on social interaction and market development of organic products

| **Priority** | **Items** | **Mean** | **SD** | **Coefficient of changes** |
|---|---|---|---|---|
| 1 | Private sector participation in introducing and distributing organic products among fruit and vegetable markets | 4.06 | 0.63 | 0.155 |
| 2 | Informing about the importance of consuming organic products | 4.03 | 0.70 | 0.173 |
| 3 | The existence of appropriate advertisements in the use of organic | 3.83 | 0.75 | 0.195 |
| 4 | Participation of farmers in activities related to the production of organic products on farms | 3.88 | 0.76 | 0.195 |
| 5 | Creating the right culture in the use of organic products among people | 3.94 | 0.91 | 0.230 |
| 6 | Motivation to use organic products | 3.40 | 0.81 | 0.238 |
| 7 | Positive attitudes and beliefs towards organic products | 3.54 | 1.09 | 0.307 |

## Discussion

The research findings indicated that most of the studied individuals agree with the issues stated in the area of social interaction and market development of organic products. Item prioritization based on the coefficient of changes indicated that the most common managers' perspectives concerning social interaction and market development of organic products included that people prefer to spend more money on organic food because they believe that organic food is more nutritious and healthier than regular foods. To retain customers, customer satisfaction must be fulfilled to a great extent, and trying to retain customers is economically viable.

Item prioritization based on the coefficient of changes indicated that the most common managers' perspectives concerning the effective economic factors on social interaction and market development of organic products included the existence of government economic policies in the area of agriculture to support sellers, providing appropriate financial incentives for managers to sell organic products and increased profitability when selling organic products.

Item prioritization based on the coefficient of changes indicated that the most common managers' perspectives concerning the effective educational factors on social interaction and market development of organic products included holding educational-promotional workshops in the area of using organic products, publishing and distributing simple publications to inform people about organic products and the existence of educational CDs in the area of organic agriculture.

## Conclusion

Item prioritization based on the coefficient of changes indicated that the most common managers' perspectives concerning the effective policy-making factors on social interaction and market development of organic products included gradual elimination of unnecessary subsidies for chemical inputs, providing opportunities for cooperation with related organizations in the implementation of organic products and the adoption of laws and regulations to improve the marketing of organic products. Item prioritization based on the coefficient of changes indicated that the most common managers' perspectives concerning the effective sociocultural factors on social interaction and market development of organic products included private sector participation in introducing and distributing organic products among fruit and vegetable markets, informing about the importance of consuming organic products in food health and the existence of appropriate advertisements in the use of organic products.

## References


- Palmquist RB. (1984), Estimating the demand for characteristics of housing. Review Economic Statistics, 66(3): 394-404.
- Krutilla JV. (1967), Conservation reconsidered. American Economic Review, 57(3): 777–86.
- Ashcroft L. (2010), Marketing strategies for visibility. Journal of librarianship and information science, 42 (2): 89-96.

_ Yiridoe EK. & Bonthi-Ankomah S. & Martin RC. (2005), Comparison of consumer perception and preferences towards organic versus conventionally produced foods: A review ans update of the literature. Renewable Agriculture and Food Systems, 20(1): 193-205.

_ Fare R. & Grosskopf S. & Norris M. & Zhang Z. (2019), Productivity Growth, Technical Progress, and Efficiency Change in Industrialized Countries. American Economic Review, 84(1): 66-83.

_ Aertsens J. & Huylenbroeck G. & Verbeke W. (2011), Organic food as an emerging market: personal determinants of consumption, supply governance and retail strategies, PhD dissertation, Ghent University. Faculty of Bioscience Engineering, 16(2): 15-23.

_ Birol E. & Karousakis K. & Koundouri P. (2006), Using economic valuation techniques to inform water resource management: A servey and critical appraisal of available techniques and an application. Science of the Total Environment, 36(5):105-122.

_ Richards JT. (2005), Marketing order suspensions and fresh lemon retail-FOB margin, Journal of Agricultural and Applied Economics, 16(5): 236-77.

_ Borimnejad A. (2014), the identification of the effective factors on marketing healthy and organic products. Agricultural Economics, 8(2): 217-232.

_ Martin A. & Tagadish A. (2020). Agricultural Marketing and Agribusiness Supply Chain Issues in Developing Economies. The Case of Fresh Produce in Papua New Guinea, 13(4): 1-22.

_ MCNamara J. (2007), Cooperative Potential in the Global Arena: Progress Based on Principles. Union Cab of Madison Cooperative, Inc and MMCCU, SMU, Halifax, 22-38.

_ Getnet K. & Verbek W. & Viaene J. (2005), Modeling spatial price transmission in the grain markets of Ethiopia with an application of ARDL approach to white teff. Journal of Agricultural Economics, 33(1): 491-502.

_ Brouwer DR. & Jansen J. (2002), Dynamic optimization of water flooding with smart wells using optimal control theory. In European Petroleum Conference. Society of Petroleum Engineers, 8(7): 24-35.