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Suppliers of Organic Food: Evidence From Sisli And Kartal Ecological Bazaars Of Istanbul

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Abstract
The primary objective of this study was to determine the current state of affairs of organic product suppliers in two 100% ecological bazaars of Istanbul, Turkey. The data were collected by administering a questionnaire to 58 organic product suppliers in 100% ecological bazaars of Sissle and Karta. The results show that the organic farmers have a higher educational level and are younger as compared to the conventional farmers. The primary sources of information about organic farming are other farmers and fellows. Although farmers are satisfied with organic production, it is proposed that more consumers should be aware of the benefits of organic commodities. As local organic bazaars are one of the ways of introducing organic products to consumers, increasing the numbers of such bazaars will contribute both to consumers and producers.

Keywords: organic bazaars, organic farmers, suppliers of organic food, ecological products

1. Introduction

In order to develop a value chain for ecological products and provide healthy food items to all segments of consumers, all stakeholders involved in this process must serve their duties and responsibilities in a proper way. Once a strong value chain is developed for ecological products, every link of the chain will contribute to agricultural subsectors, and consequently to the economy as a whole. All the participants involved in the production, processing, trading, and selling of a specific product are part of a value chain (UNIDO, 2017). As it is as strong as the weakest link, the whole chain becomes ineffective if the weakest link breaks. In order to produce any commodity in the agricultural sector, the first thing that is required is supply inputs. For example, to grow an organic commodity, organic seeds, fertilizers, irrigation, and pest control methods are required. Once supply inputs are provided, the production process takes place in the field or any other environment. Although many products are directly marketed to customers for table consumption, various processing strategies are inevitable in order to increase the farm utility, time utility, place utility, and ownership utility of agricultural products. This process probably adds values to products that are processed and contributes to every stakeholder involved in every stage of the process. In order to reach the end consumers, every commodity needs to be made available so that they can be purchased. The easier the consumers have access to commodities, the more they purchase and consume. Therefore, marketing channels play a very important role in reaching all consumers, especially the hard to reach consumers. These processes also increase the value of the products and contribute to the stakeholders involved in every stage of the process.

The development of organic sector plays an important role in the economic development of countries. For example, the consumer demand in the European countries is not being fulfilled so the major efforts must be put in organizing a transparent international market and developing

marketing strategies for organic products (Michelsen et al., 1999). In order to develop an organic value chain, initially regional organic shops may be effective, but later on, the integration of the mainstream outlets and the involvement of multiple retailers are considered to be more effective marketing strategies for organic products (Padel and Midmore, 2005).

The local organic bazaars, where producers and consumers have one-to-one communication, are one of the ways of providing customers with organic products. These bazaars have many benefits and some of which are as follows (Ekolojikpazar.org, 2017):

A. Consumers receive reliable information, directly or in the shortest way, about the products, not just the products but other related attributes as well.
B. Opens the road for the fair trade.
C. Provides assurance without any documents and certificates.
D. Allows cultural exchange, protects local culture and makes local differences worldwide.
E. Makes it possible for consumers to buy the products according to their regions and religious belief.
F. Protects biodiversity and ensures that local species, varieties, and tastes get an opportunity in the local markets.
G. Adds social, cultural, and ecological values to the commercial values (such as taste and durability) of agricultural products.
H. Disseminates information between producers and consumers.
I. Makes it possible for producers to arrange their production considering the demand of consumers.
J. Makes it possible for consumers to shop by touching, selecting, and even tasting the products.
K. Allows consumers to access the fresh products.
L. Provides opportunities to small producers who are unable to meet the large demand to enter the market.

Sisli and Kartal, 100% ecological public bazaars, are the first two organic bazaars in the European (Sisli) and Asian (Kartal) parts of Istanbul, which started functioning on June 17, 2006, and December 20, 2009, respectively. Their primary objectives were as follows (Ekolojikpazar.org, 2017):

- To enable the ecologically certified products to reach all consumers with different income and educational background by using the shortest and effective approach, under suitable conditions, within a secure system.
- To disseminate ecological product information, consumer education, and demand creation.
- To contribute to public health by offering supervised, reliable, and certified healthy products.
- To promote ecological agriculture, which contributes to the development of the industry by encouraging new producers/investors and provides market support to farmers who convert their production to organic products.
- To develop public markets, which is a part of our cultural, social, and economic exchange model.
- To support the conservation of biodiversity with water and soil quality.
- To promote ecological and sustainable life models and provide prosperity and employment in the rural areas.
- To support small- and medium-sized producers/farmers who cannot provide variety, quality, and continuity, especially for ecological agriculture, and who face difficulties in accessing domestic and export markets.

The primary objective of this study was to determine the current situation and difficulties of organic product suppliers in the organic bazaars in Sisli and Kartal of Istanbul. The specific objectives were to determine the first information sources of organic products, the reasons for preferring organic production, areas under organic production, changes in the trade volume, and economic situation after converting to organic production, awareness regarding governmental subsidies provided for organic farming, the utilization status of governmental subsidies by farmers, whether these subsidies support organic farming, other kinds of additional subsidies that must be offered, whether the farmers are satisfied with the current prices of organic products, types of organic commodities that are being produced, current demand for organic commodities, the reasons for insufficient demand for organic commodities, whether the number of organic bazaars are sufficient, shortcomings of organic bazaars, and perceptions about whether the organic farming can meet the requirements of human being in the future.

2. Materials and Methods

In this study, the primary information is collected by administering a questionnaire to 58 organic product suppliers in Sisli and Kartal that are 100% ecological bazaars of Istanbul. In order to collect additional information, previous studies, reports, and different documents are used. Until May 2016, there were 96 suppliers and all of these participated in this study. However, some of them were not available during the survey and/or refused to participate, and 58 suppliers were contacted and interviewed in this study. The data collecting instrument was prepared by using previous studies in this field. Technically, the process included closed-ended questions and the respondents were asked to select the most appropriate answer. The researchers also noted the additional information and comments provided by the respondents. We used descriptive statistics including frequencies and percentages for data analysis. Each question was structured in such a way that we can achieve each objective of the study. Statistical Package for the Social Sciences (SPSS, Version 20) was used for the data analysis. All questionnaires were completed in May 2015, and it took approximately 15 min to complete one survey.

2.1. Findings

Table 1 presents the points of views of the suppliers on organic farming. It shows that the majority of suppliers (62.1%) who produce organic commodities and supply them in the 100% ecological bazaars are medium-aged (36–45) and high-school-graduated farmers. Previous studies conducted in different provinces of Turkey showed that the average age of the conventional farmers is higher and the education level of the average conventional farmers is lower as compared to that observed in this study (Boz, 2015, 2016; Boz and Ozcatalbas, 2010; Tatlıdil et al., 2009; Boz and Akbay 2005). These analyses verify that the organic farmers are younger and more educated than the conventional farmers.

The primary information source for the majority (62.1%) of these farmers was other farmers. Because other farmers are easily accepted as a traditional source of information (Boz, 2002), these sources are still effective to extend organic farming. The reasons for starting organic production are related to economic considerations such as increasing profit margins and meeting demand of consumers. The majority of the respondents operate in an agricultural land of more than 10 decares. The results show that more than one-fourth of the respondents experienced higher profit, slightly less than one-fourth experienced higher income, slightly more than one-third experienced lower profit, and a small portion experienced no change after converting to organic farming.

Governmental subsidies are considered to be very helpful in extending organic farming. It was observed that respondents, in different rates, were aware of these subsidies and they also availed them to some extent. The low-interest rates on credits were the most preferred subsidy (62.1%) and it was followed by the area-based support (12.1%). One-fourth of the respondents availed no subsidies at all. While 44.9% respondents were demanding energy and seed subsidies, 44% respondents stated that the current subsidies are sufficient to continue organic farming.

It is important for farmers to sell their commodities at reasonable prices with minimal fluctuations in order to continue organic farming and earn a regular income from this sector. However, the majority of the farmers (72.3%) in the local bazaars were not satisfied with the current prices and were expecting higher prices, whereas 13.8% farmers reported no stability in prices. Only 13.8% farmers stated that they were satisfied with prices.

Most of the farmers (67.2%) sell fresh fruits and vegetables, whereas 20.7% farmers sell pulses and 12.1% farmers sell hard-shelled fruits. In general, they are not satisfied with the current demand of the organic commodities because there is a lack of awareness among consumers about the benefits of the organic products. Moreover, the lack of knowledge of consumers about these products is considered to be the reason by half of the respondents for insufficient demand for organic food items. The second and third factors for the low demand for organic products are high prices and unavailability of the food items.

More than half of the respondents (62.1%) believe that there were an adequate number of organic bazaars in Istanbul and 44.8% respondents believe that there were no inadequacies in the current bazaars. The remaining respondents reported disadvantages such as the lack of subsidies for marketing, lack of qualified personnel, lack of control, and lack of interest among the public. Three-fourths of the respondents believe that organic farming can provide enough foodstuff to meet the demand of the consumers.

3. Discussion and Conclusions

The results report that the farmers who decided to produce organic products are considerably more educated and younger individuals. This finding indicates that while promoting organic farming focusing on more educated and younger farmers would produce better results. Farmers form a good communication network among themselves as for the majority of them, the source of information is other farmers and fellows. The farmers who are especially considered to be opinion leaders would help reach other farmers, particularly the hard to reach farmers.

It was observed that most of the respondents started organic production for economic reasons, such as to receive better profit margins or income. Rational individuals use different ways and opportunities to make them better off as they are homo-economic. It is concluded that organic farming seems to be one of the ways and opportunities for the respondents.

In the distribution and adoption of various innovative schemes, governmental subsidies and supports play an important role. Though the majority of the respondents use the low-interest rate subsidy for organic farming, subsidy for energy is considered to be the most desirable support. This finding may provide vital information to governmental authorities in extending and increasing subsidies for organic farming.

It is important to start awareness-raising campaigns in order to expand organic sector and provide organic commodities to more consumers. Farmers believe that the reason for the lack of demand is the lack of knowledge and information of consumers about the benefits of organic products. To overcome this problem, the number

of public organic bazaars should be increased in every neighborhood. Therefore, it is necessary to establish basic infrastructure and facilities and provide round-the-clock organic food items to consumers in order to expand the organic bazaars.

Although there is a general opinion that organic farming reduces the yield and cannot be used by the human beings, the majority of the respondents in the research area reported that organic farming can meet the demand of human nutrition. In summary, the reduction in yield cannot be expected if all requirements of the organic farming are met and all practices are consistently implemented under ecological conditions according to the current farming system.

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Table 1. Suppliers' points of view on organic farming

Variable	N	%
Age of the respondents		
25–35	7	12.1
36–45	36	62.1
46–60	15	25.8
TOTAL	58	100.0
Education level		
Primary school graduated	15	25.8
High school graduated	36	62.1
Holding a college degree	7	12.1
TOTAL	58	100.0
Where did you first hear organic farming?		
Other farmers	36	62.1
Farmers' chamber	7	12.1
Mass media (printed and visual media)	7	12.1
Other sources	8	13.7
TOTAL	58	100.0
What are the reasons of your preference for organic farming?		
Enables higher profit	26	44.8
Demand by consumers	26	44.8
To create healthier society	6	10.4
TOTAL	58	100.0
Size of organic farming land		
10 decares or more	36	62.1
1–9 decares	15	25.8
Smaller than 1 decare	7	12.1
TOTAL	58	100.0
After adopting organic farming what changes occurred in your economic situation?		
Profit margins decreased	20	34.5
Profit margin increased	17	29.3
Total income increased	13	22.4
No significant change	8	13.8
TOTAL	58	100.0
Which subsidies, provided to organic farmers, are you aware of?		
Low-interest rate credits	21	36.2
Area based support	17	29.3
Soil testing support	12	20.7
Support for environmentally friendly agricultural practices.	8	13.8
TOTAL	58	100.0
Which subsidies do you utilize for your organic farming?		
Low-interest credit	36	62.1
Area based support	7	12.1
Use no subsidies	15	25.8
TOTAL	58	100.0

Table 1. Continued from the proceeding page

Variable	n	%
Are the subsidies for organic farming enough?		
Energy and seed subsidies must be given	26	44.9
Presents subsidies are enough	25	43.0
Present subsidies are not enough	7	12.1
TOTAL	58	100.0
Are you satisfied with the prices of organic products you sell?		
No, prices must be higher	42	72.4
Yes I am satisfied with the prices	8	13.8
No stability in prices	8	13.8
TOTAL	58	100.0
What kind of organic commodities do you sell?		
Fresh and processed fruits and vegetables	39	67.2
Pulses	12	20.7
Hard-shelled fruits	7	12.1
TOTAL	58	100.0
How would you evaluate the demand for organic commodities?		
Insufficient demand	23	39.7
Public awareness level of organic products is low	17	29.3
Consumers are unconscious	12	20.7
Consumers have no information about organic products	6	10.3
TOTAL	58	100.0
What do you think about the reasons for insufficient demand?		
Consumers lack knowledge about organic products	29	50.0
High prices	17	29.4
Unavailability of products	8	13.8
Appearance of organic product is less attractive	8	13.8
TOTAL	58	100.0
Are there enough number of organic bazaars in Istanbul?		
Yes	36	62.1
No	22	37.9
TOTAL	58	100.0
What are the main deficiencies of organic bazaars?		
No deficiencies	26	44.8
There must be subsidies for services	8	13.8
Lack of qualified personnel	8	13.8
Lack of control	8	13.8
Lack of interest among public	8	13.8
TOTAL	58	100.0
In your opinion, can organic farming meet the demand of human nutrition?		
Yes	43	74.1
No	15	25.9
TOTAL	58	100.0