Organic Vegetables

Hitesh Patel of Ahmedabad is a management graduate from one of the premier B-School in India. He always wanted to be an entrepreneur. He had always dreamt of having his own business rather than taking orders from his senior in the job.

To pursue his dreams, he has started the business of organic vegetables for Indian markets, with a vision to become a global player once the business is well set in India. Hitesh has done the required research on organic farming and organic food. He has identified that tremendous potential exists in organic food segment in India as his research revealed that organic vegetable market in India is in nascent stage. Due to high potential identified in this segment, he decided to venture into the business of organic vegetable farming and selling through its own outlets and through intermediaries.

Organic vegetables are known to be the best source of nutrients and vitamins without any contamination as no pesticides are used in organic farming. However, the biggest challenge for Hitesh was to raise funds for his business idea. Still he managed to start the organic farming no small scale with the money he had. His first lot of organic vegetables produced was purchased by some of the restaurants in Ahmedabad. Hitesh insisted the restaurant owners to take the feedback from their consumers about if they noticed the change in the taste of food served? Based on the positive feedback received from the customers, restaurant owners started giving repeat orders to Hitesh for organic vegetables on regular basis. The quantity ordered also goes on increasing on daily basis.

Hitesh started capitalizing this opportunity and expanded his customer base by convincing the big hotels, restaurants and corporate houses (those having canteen supplying full meals to their employees) to purchase the organic vegetables from his organization. But, it was not easy for Hitesh to make his business flourish as other players were also available in the market selling organic vegetables. At the same time, consumers were not aware about the organic vegetables and its benefits. Hitesh is aiming high to develop his business due to tremendous potential he has identified in this segment.

Questions:

- 1. Critically evaluate the business opportunity provided in the case-let in terms of pros and cons of the organic vegetable business.
- **2.** Explain what Hitesh should do to increase the awareness of the organic vegetables amongst the consumers.
- **3.** Suggest the strategies that can be employed to increase the sales of organic vegetables.

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