The Comparison on Cost, Benefit and Business Model Between Organic and Chemical Agricultural Vegetable Farming System

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ABSTRACT

This research is intended to compare and demonstrate the difference between the cost and benefit of organic farming and chemistry. Compare differences in the quality of yields and minerals in the soil both before and after cultivation and modeling of agribusiness. Using Business Model Canvas for the decision of agricultural entrepreneurs who want to modify the farming process. The research found that in the experiment comparing between the costs of Organic farming and Chemical farming to produce three types of vegetables that are cucumber ,red oak salad and radish, with the total cost of growing vegetables in Organic farming, higher than the total cost of growing vegetables in Chemical farming. There is a greater frequency of fertilizing and injecting Organic matter than chemical farming. The net profit from the sale of vegetables in the Organic agricultural sector is higher than the net profit from the sale of vegetables in the Chemical agricultural sector, as the production price of Organic agricultural sector is higher than the production price of Chemical agricultural sector because the production process of organic farming has a higher production process and requires higher production attention to produce quality, and another factor is that Organic vegetables have a higher production cost than vegetables from chemical farming, resulting in less volume of organic production in the market than vegetables from Chemical agricultural sector. Consumers are demanding more healthy Organic vegetables. As a result, the price of vegetables that produced by Organic agricultural sector is higher than the price of vegetables that produced by Chemical agricultural sector, and the Return on Investment in Organic vegetables is higher than the vegetables that produced by Chemical agricultural .The Return on Investment in production of Organic farming is 61.48% and The Return on Investment in production of Chemical farming is 33.87%. It is therefore possible to conclude that growing vegetables in Organic way is safe for vegetable farmers who do not have to be exposed to any harmful Chemicals, as well as the resulting produce that is safe from residues, allowing consumers to be safe from toxin residues and receive good quality vegetables.

Type of Paper: Empirical/Experimental

Keywords: Agricultural; Organics; Cost; Business Model; Comparison.