

THE ROLE OF RURAL MARKETING INTELLIGENCE IN THE DEVELOPMENT OF AGRO PRODUCTS IN SOUTHERN TAMILNADU

AN EMPIRICAL APPROACH

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ABSTRACT

This study aims at understanding the rural marketers' need of information and intelligence in terms of rural products development so that a system can be framed with the view to understand the market fluctuations in terms of price and demand of the products. The rural marketers can develop their own intelligence system in all the aspects. This study can be achieved with the marketing intelligence. A market is a group of buyers and sellers interested in negotiating the terms of purchase/ and sale of goods and services. The descriptive research design is adopted in this study. As the study is about rural market in Thoothukudi District, Non probability sampling technique, under which quota sampling is adopted for this study. Three quotas namely small farmers, medium farmers, large farmers have been framed in this study. ANOVA is used for analysis so that the data can be interpreted to understand the difference between the small, Medium and large rural marketers and impact of marketing intelligence on rural marketing. This study has been carried out with the motive of bringing out the most significant intelligence about the market in rural places of south Tamilnadu.

Keyword: - Rural Marketing, Marketing intelligence, Agro products, Tirunelveli

1. INTRODUCTION

A market is a group of buyers and sellers interested in negotiating the terms of purchase/ and sale of goods and services. A market consists of the forces of supply (seller) and demand (buyer) facilitating an exchange process between sellers and buyers. The American marketing association defines a market as the aggregate demand of the potential buyer for a product serve. D. Kolter defines a market as an area for potential exchanges.

The word 'market' is derived from a Latin word 'Markets' which means a place of trade, wares traffic. In olden days, buying and selling was done by coming together in periodical fairs, huts held at specific places and on particular dates. The intending sellers took their commodities there and buyers used to buy them according to their needs. In those days 'barter system' was common and there by most of the buying and selling was done through barter system. People having surplus goods used to exchange with the goods they needed. The invention of money as a means of exchange revolutionized the market-system and gave birth to present marketing.

Marketing is done formally or informally and wherever people and organizations engage in a vast number of activities that could be called marketing. Good marketing has become an increasingly vital ingredient for business success and marketing profoundly affects our day to day lives and it is embedded in everything we do from the clothes we wear, to the web sites we click on to the ads we see

2.STATEMENT OF PROBLEM

The major motto of marketing is to get better price for cultivators and better benefit to consumers Increase in the price will be profitable for the cultivators and the provision of the right type of good at right price will be beneficial

for the consumers. But the farmers are facing the problem of middleman. There are many problem in agro Marketing. To solve the problem of marketing, there is an inevitable need for agro products which can be better streamlined with the better marketing intelligence system. This can be achieved only by understanding the farmers point and their stand in obtaining rural marketing intelligence. This study focuses on the rural marketers' marketing intelligence on par with the development of rural marketing strategies.

3. OBJECTIVES

- To study about the problems faced by the farmers and the intermediaries.
- To compare small, Medium and Large farmers of Rural marketing cultivation in southern districts of Tamilnadu.

4. HYPOTHESIS

- There is no significant difference between the opinion of market intermediaries and the variables involved in choosing marketing channel.
- There is no significant difference between the opinion of market intermediaries and the marketing problems of rural marketing.

5. REVIEW OF LITERATURE

BinapaniDeka; PankajDeka; RupamBorgohain(2014) have stated that, the production of rural marketing in India is about 27.01 million tons from an area of 0.765 million ha. It provides delicious foods and good quality textile fibre. In most cases, after harvest of the fruits in rural marketing plantations, the stems are wasted and billion tons of stems and leaves are thrown away annually. Such waste provides obtainable sources of fibres, which leads to the reduction of other natural and synthetic fibres' production that requires extra energy, fertilizer and chemical. Considering the pollution aspect of synthetic fibre, there is a need to search for nonconventional renewable resource for textile to give an effective solution. Rural marketing fibres are good absorbent, highly breathable, quickly dry with high tensile strength, biodegradable and have no negative effect on environment. Utilization of rural marketing fibre as cottage industry may be explored for income generation by rural women. Trainings were conducted for extraction of rural marketing fibre and preparation of decorative items. Significant difference was found between pre and post-test which was carried out among 25 rural women of Romai area of Dibrugarh District. The ultimate goal of this endeavour was to upgrade the knowledge content about extraction of rural marketing fibre, create awareness and full utilization of rural marketing plants. GauravDatt&AshwaniMahajan (2014) stated that Marketing of his produce is the most important activity of a farmer. The National Agricultural Co-operative Marketing Federation of India Ltd. (NAFED), the National Co-operative Development Corporation (NCDC) were given importance. Reforms in agricultural marketing with reference to model APMC Act was also added.

SudipKundu, AshutoshKar(2013) in their study say that the organised trade in its innovative 'avatar' began its growth story in the country only subsequent to the liberalisation of the economic policies. The agri-food retailing accounts for 18% of the organised retail today and is likely to have a lower share of 12% by 2020 (NABARD, 2011). Blocked by its major structural issues like inefficient distribution system and unscientific sourcing, there is a need to study the physical distribution model with the objectives of assessing its existing status as well the problems and prospects of the industry. The government has accorded it a soaring priority, with numeral fiscal reliefs, incentives and minimising pre/post harvest waste. Developing a revised model based on its core growth strategy of backward integration and progressing towards building an entire value chain starting from the farmers to the end consumers is the major focus area of the paper.

Ramchandra, Kumar Vinod(2013), has made an attempt on economics of papaya production in Kaushambi district of Uttar Pradesh, India; they found that the cultivation of papaya (variety *Pusa Delicious*) comparatively more profitable than the wheat, paddy, pulses and coarse grains. It requires less care and practices than the other field crops. It is also highlighted that Papaya is the most profitable fruits crops for the Kaushambi district of Uttar Pradesh, India and referred for the year -2011-12.

Katrin Zander (2013) in their study showed that collective marketing is a proven strategy to improve market access for small-scale producers and reduce poverty through increased income. In this study, four groups of smallholders in Honduras and Nicaragua were studied to explore whether indicators of social capital can be used to predict success in setting up collective marketing. A baseline assessment of the groups' social capital endowments during the pre-marketing phase is compared with their marketing success after two years. Results show that the

groups' different initial levels of social capital were not directly linked with market success. All groups built up relevant social capital during the establishment phase with external support, although some members left the groups.

M. Chandrasekaran(2012) showed that, India is the largest producer of rural marketing in the world, accounting for 20.08% of the world production (15.9 million tons). Rural marketing farming has become an important source of income for millions of rural families and provides employment for more than a million. The present study was undertaken to understand the value chain of rural marketing sector in western Tamil Nadu. Cost, returns, post-harvest losses, price spread and marketing efficiency indices were worked out and discussed for different varieties of rural marketing — Nendran, Poovan, Kathali and Robusta. The total cost of cultivation per hectare for these varieties ranged between 86,624.62 and 113,596.18. The net income realized ranged between 74,975.38 and 101,016.70 per hectare. The marketing efficiency for Nendran (2.4) was higher in Channel 1, and for the other varieties, the efficiency was higher in Channel 2 — Poovan (1.89), Kathali (1.97) and Robusta (2.77). Thus, the analysis implied the following: to prevent the post-harvest loss there is need for training in post-harvest handling of fruit bunches; to improve the marketing efficiency, the growers should sell their produce directly to the wholesaler or tie up with the processor or retailer wherever feasible; and farmers must have the latest market knowledge, for taking better sales decision.

6. RESEARCH METHODOLOGY

Research is directed towards the solution of a problem. It may attempt to answer a question to determine the relation between two or more variables. Research is based upon observable experience or empirical evidence. Research demands accurate observation and description. Research enquires expertise. The descriptive research design is adopted in this study. As the study is about rural market in Thoothukudi District, Non probability sampling technique, under which quota sampling is adopted for this study. Three quotas namely small farmers, medium farmers, large farmers have been framed in this study.

ANOVA is used for analysis so that the data can be interpreted to understand the difference between the small, Medium and large rural marketers and impact of marketing intelligence on rural marketing.

7. FINDINGS AND DISCUSSIONS

Table 7.1: Marketing intelligence used by the intermediaries in Rural Marketing

Sl.No	Variables	Mean Score				Total	F-statistic
		Village Trader	Commission agent	Wholesaler	Retailer (30)		
		(30)	(30)	(30)			
1	Inadequate market centres	4.2333	4.2333	4.7	3.9667	4.24551	3.181*
2	Competitions	2.9333	3.4	3.35	3.3	3.23642	1.123 ^{NS}
3	Tedious marketing procedure	4.3333	4.2333	4.4	4.5333	4.3727	0.86 ^{NS}
4	Marketing costs	3.6	3.7	3.4	3.4	3.5364	0.60 ^{NS}
5	toll gate charges	4	4	3.6	3.7	3.8182	1.426 ^{NS}
6	Inadequate cold storage facilities	3.6	4.3667	3.4	3.7667	3.8182	5.369**
7	Perishability	4.3667	4.2333	4.25	4.0333	4.2182	0.877 ^{NS}
8	rejection rate	4.1333	3.5667	3.4	3.8667	3.7727	3.972*
9	Weight loss	3.6	4.3667	3.4	3.7667	3.8182	5.146**

10	Inadequate transport facilities	3.3	3.2667	3.2	3.5333	3.3364	0.615 ^{NS}
11	cost transit insurance	3.6667	4.3333	3.4	3.8	3.8364	5.043 ^{**}
12	Slackness of demand	3.6	4.3667	3.4	3.9	3.8545	5.173 ^{**}
13	Inadequate export facilities	4.9667	4.7333	4.65	4.7667	9.7909	3.04 [*]
14	Lot of export restrictions	4.7333	4.333	4.35	4.5667	4.5091	2.656 [*]
15	Too many government regulations	4.4333	4.13333	4.25	4.3333	4.2909	1.297 ^{NS}
16	Unreasonable customs duty and formalities	3.6	4.3667	3.4	3.4667	3.7364	6.468 ^{**}
17	Price fluctuations	4.5	4.1667	4.45	4.2333	4.3273	1.274 ^{NS}
18	Lack of information about market available	4	3.8667	3.5	3.7667	3.8091	1.363 ^{NS}
19	Late payment	3.6	4.3667	3.4	3.7667	3.8182	5.488 ^{**}
20	Inadequate finance	4.1333	3.8333	4.2	3.8000	3.9729	1.667 ^{NS}

Significant at one per cent level ,*Significant at five per cent level , NS Non Significant

Table no – 1 clearly specifies that in the case of intermediaries the major marketing problems for commission agents are price fluctuation, perishability, Tedious marketing procedure which accounts for the mean score 4.1667, 4.2333, 4.2333 respectively for wholesaler 4.4500, 4.2500, 4.4000 for Retailer 4.2333, 4.0333, 4.5333 and for Village trader 4.5000, 4.3667, 4.3333 respectively. Regarding the perception on the marketing problem for rural marketing for intermediaries the significant difference between four levels of intermediaries have been noticed in the variables like perception on inadequate market centre, high rejection rate, inadequate export facilities, lots of export restriction. Since their respective *F*-statistics are significant at five percent level.

Regarding the perception on the marketing problems, the significant difference between four levels of intermediaries have been noticed in the perception on inadequate cold storage, weight loss, high cost transit insurance, slackness of demand, unreasonable customs duty and formalities and late payment. Since their respective *F*-statistics are significant at one per cent level.

8. CONCLUSION

Most of the farmers are small farmers and they are illiterate and are indebt. The problem of rural indebtedness has been aggravated by the forces of malpractices adopted by devil minded money lenders and deep rooted social evils. The government must determine to control the money lending activities of money lenders and provide loan facilities through various institutional credit agencies. Money or credit is the lubricant that facilitates the marketing machine.

For various goods there are regulated markets as well as cooperative markets but for rural marketing there is no such market. So there is an urgent and immediate need for regulated market and cooperative market to increase the income of the farmers and avoid intermediaries. Tiller of the soil must get more benefit and not the intermediaries. Administration of prices at different levels of marketing guarantees minimum support prices to producers who provide commodities at fair prices to consumers. Marketing infrastructure facilities such as storage and warehousing, transportation and communication facilities, grading and standardization for quality control should be extended to rural marketing also. Apart from this information technology in agricultural marketing should also be developed in such a way that it would enable the farmers to decide when to sell and where to sell their produce and earn more profit.

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BIOGRAPHIES

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