

A STUDY ON MARKETING CHANNELS USED BY FARMERS IN TUMKUR DISTRICT - WITH RESPECT TO AGRICULTURAL PRODUCTS

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Abstract: India is an agricultural economy, where 69% of the population is primarily dependent on agriculture as source of income. The current situation in the country is marked by crisis for farmers leading to many suicides across the country. There is a need for a revolution in the field of agriculture to overcome the existing circumstances. Marketing of agricultural products is one of the most important challenges faced by the farmers; in particular the channels chosen for marketing of the agricultural produce play a significant role in the earning profits by the farmers. This study focuses on analyzing the awareness levels of farmers in relation to, Marketing channels at Tumkur district in the state of Karnataka. Tumkur district is chiefly a producer of groundnuts and Ragi, followed by paddy maize and other cereals. Different marketing channels are used to market different agricultural products to achieve maximum worth of the harvest. It is important to know the awareness levels of farmers on all marketing channels available to them. 80 farmers are chosen as respondents across 10 Taluks of Tumkur District, interview schedules were used as a method of data collection. Statistical validation of statements was performed using SPSS software. The study concludes by providing suggestions and recommendations to the farmers in selection of appropriate channels of marketing their produce.

Index Terms: Agricultural Producers, Marketing Channels, Government Regulations, Agricultural Marketing, Harvest

I. INTRODUCTION

Channels of Marketing are courses through which horticultural items move from makers to buyers. The length of the channel shifts from item to ware, contingent upon the amount to be moved, the type of buyer request and level of local specialization underway.

Definition: A showcasing direct might be characterized in various routes as indicated by Moore et al., the chain of mediators through whom the different food grains go from makers to shoppers comprises their promoting channels. Kohls and Uhl have characterized promoting channel as elective courses of item spills out of makers to shoppers. Elements Affecting Length of Marketing Channels Marketing channels for farming items fluctuate from item to item, nation to nation, part to parcel and time to time. For instance, the showcasing channels for organic products are not the same as those for food grains. Packagers assume a vital job in the promoting of natural products. The level of the advancement of a general public or nation decides the last shape in which shoppers request the item. For instance, buyers in created nations request more prepared nourishments in a pressed shape. Wheat must be provided as bread. Most empowers must be cooked and pressed legitimately before they achieve the purchasers. Processors assume an overwhelming job in such social orders. In creating nations like India, However, most food grains are acquired by customers in the crude frame and preparing is done at the purchaser's level. Once more, the parcels starting at little ranches pursue distinctive course or channels from the one beginning in vast homesteads. For instance, little homesteads as a rule pitch there to create town merchants; it might possibly enter the fundamental market. Be that as it may, huge ranches for the most part offer their deliver in the fundamental market, where it goes under the control of wholesalers. The deliver sold quickly after the reap for the most part pursues longer channel than the one sold in later months. With the extension in transportation and correspondence organize changes in the structure of interest and the advancement of business sectors, advertising diverts for homestead items in India have experienced a significant change, both as far as length and quality.

Rural showcasing can be characterized as the business capacities engaged with exchanging rural items comprising of ranch, green and other united items from maker to customer. Farming advertising incorporates all exercises engaged with moving agrarian create from maker to buyers through time (stockpiling), space (transport), frame (preparing) and exchanging possession at different levels of promoting channels.

II. REVIEW OF LITERATURE

Karibasappa .H. G (2015): The objectives of the study were to examine the factors influencing the varietal preference, market preference for varieties and to analyse the impact of government policies in production and marketing of cotton. The study was conducted in Bellary district by collecting primary data from 60 farmers and 30 traders. The data was analysed by using garret's ranking and compound growth rate. The results of the study indicate that farmer preference for a variety is based on high yield, promotional activities and early maturity with a garret's ranking of 58.10, 57.10 and 55.26, respectively. The major constraints faced by cotton growers are non-availability of quality seeds, availability of fertilizers in time, fluctuation in prices and late pay¹

P.S. Dhananjaya and et al (2015): Their results disclosed that, 3 necessary selling channels were known within the study space. The most players in channel-I were producer, village level merchant, wholesaler, retail merchant and client, in channel-II: producer, village level merchant, retailer, client whereas in Channel-III: producer, village level merchant, vendor, consumer. The share of producer within the client rupee was higher (50.90%) in channel-III, as compared to channel-II (46.80%) and channel-I (41.59 %). Farmers most popular the channel-I, as a result of farmers relished (received) the money at once once the sale of the manufacture to village level merchant at the farm level itself. Further, in channel-I, the chance of violent value fluctuation in open market may well be avoided²

Anandu Bhovi (2012): The researcher emphasized on studying the problems associated with marketing process of coconut and coconut related products in Karnataka state. A few districts were randomly chosen for the study and 30 farmers from different villages were taken as respondents. the study concluded that there were two types of marketing channels followed by the coconut producers. Marketing channel I is the direct marketing where there is less scope of increased profits. on the other hand the marketing channel II which is selling to the factories earns more profit but the farmers are not able to fully utilize the opportunities due to lack of awareness and involvement of intermediaries.³

Syed Rizwan Ahmed (2014): The study was undertaken in APMC Bangarpet of Karnataka State to examine production, market arrivals, price behaviour and market linkages with paddy processing units in Bangarpet. The primary data was collected from the 15 rice millers. Secondary data were collected on production of paddy from the KSDA. The information on market arrivals and prices were collected from the APMC. The data were analyzed using different statistical techniques viz., time series analysis like trends, Seasonal indices, Seasonal ARIMA, descriptive statistics and Henry Garret's ranking technique. The study revealed that the production of paddy in Bangarpet taluk has shown the decreasing trend and quantity of market arrivals of paddy in APMC yard has shown increasing trend. The market arrivals are at its highest during the month of December and lowest during October. The price of paddy was the highest during the month of November and the lowest during April. The rice millers are sourcing paddy directly from farmers of major paddy growing belts of Karnataka (93.33%). The rice was sold directly to retailers in Bangarpet town by the rice millers (86.66%).The rice millers in Bangarpet have also sold rice in Bangalore city (80%). It was also noticed that (46.66%) of the rice millers have sold rice in the neighboring towns of Kolar district.⁴

III. STATEMENT OF THE PROBLEM

The number of farmer suicides by farmers is increasing in India due to lack of earning profits and burden of debts. this situation arises due to lack of knowledge, improper infrastructure, lack of transportation facilities and skills. there is need to understand the current awareness levels of farmers and educate them more about available opportunities to sell their produce for best possible prices.

IV. OBJECTIVES

- To know the agricultural marketing system in Tumkur district
- To study the awareness level of farmers in different marketing channels
- To suggest suitable Marketing Channels for marketing of agricultural products in Tumkur.

¹ KARIBASAPPA .H. G. PALB 3135 ,AN ANALYSIS OF MARKETING OF COTTON IN BELLARY DISTRICT Thesis submitted to the University of Agricultural Sciences, Bengaluru in partial fulfillment of the requirement for the award of the degree of Master of Science (Agriculture) In Agricultural Marketing and Co-operation Bengaluru September, 2015

² Naveen, B., Jayaram, M.S., Swamy, P.S. Dhananjaya, Ramesh, G.B. and Raghavendra, D.V. (2015). Marketing channels and price spread of banana in Chikkaballapur district of Karnataka. Internet. Res. J. Agric. Eco.

³ Anandu Bhovi PROBLEMS AND PROSPECTS OF COCONUT MARKETING IN KARNATAKA STATE: AN ECONOMIC ANALYSIS. EPRA International Journal of Economic and Business Review www.eprawisdom.com

⁴ Syed Rizwan Ahmed - A Study On Marketing Of Paddy In Apmc Bangarpet Of Karnataka State Department Of Agricultural Marketing, Co-Operation And Business Management University Of Agricultural Sciences Bengaluru - 560 065

Hypothesis:

- There exists a statistically significant difference in awareness levels of farmers and belonging to various age groups towards marketing channels in Tumkur district (anova)
- There is a significant relationship between type of agricultural product & Marketing Channels (Correlation & Regression)

V. RESEARCH DESIGN

Table : Research Design

Geographical Area	Villages Of Tumkur District
Population	Farmers Of Tumkur District
Research Area	Agricultural Marketing
Sample Size	80 Farmers
Sampling Method	Convenient Sampling
Data Collection	Primary Data Collection: Questionnaire And Interview Schedules
	Secondary Data Collection: Journals, Govt. Websites, Articles And Magazines
Statistical Tools	Pearsons Correlation One Way Anova
Research Type	Survey Based Descriptive Research

Table : Sample Design

Sample design					
Taluks	Sample				
	villages	Marginal	Small	Medium	Large
Tumkur	1	2	2	2	2
Gubbi	1	2	2	2	2
Koratagere	1	2	2	2	2
Kunigal	1	2	2	2	2
Madhugiri	1	2	2	2	2
Pavagada	1	2	2	2	2
Sira	1	2	2	2	2
Tiptur	1	2	2	2	2
Chiknayakanalli	1	2	2	2	2
Turuvekere	1	2	2	2	2
		20	20	20	20
			80		

VI. THEORETICAL BACKGROUND**6.1 Introduction about the Department of Agriculture & Organization Structure:**

The Department of Agriculture is one of the most established offices in the state which began in the year 1913. The primary point of the office is to accomplish maintainable nourishment generation, in this way expanding the financial status of the cultivating network.

The office goes for exchanging the most recent innovation advanced at Agricultural Universities to the cultivating network. Horticulture aide, the fundamental level augmentation laborer in the division is set at Grama Panchayath level to commute home the new innovation to the agriculturists and guarantee the reception to the greatest degree conceivable.

Tumakuru region falls under agribusiness zone 4 (Central dry zone), zone 5(Eastern dry zone) and zone 6 (Southern dry zone). The Zone 4 comprises of 6 taluks in particular Chikkanayakanahali, Tiptur, Koratagere, Sira, Madhugiri and Pavagada. The Zone 5 comprises of Gubbi and Tumakuru taluks and the Zone 6 comprises of Kunigal and Turuvekere taluks. The Annual normal

precipitation of the locale is 593.0 mm. The South west storm begins regularly from first seven day stretch of June and Peak precipitation will happen amid September.

In the region, Kharif is the primary trimming season. Ragi and Groundnut are the real harvests which possess around 70% of the cultivable zone pursued by Paddy, Maize and Red gram. The Total typical Kharif zone under agrarian products is 5.00 lakh hectares. Around 0.15 lakh hectares is secured amid Rabi and 0.30 lakh hectares amid summer season. The generation is well beyond the prerequisites of the locale concerning grains. (3.87 lakh tons) yet Tumakuru falls behind in meeting the prerequisite of heartbeats and oil seeds 0.306 and 1.06 lakh tons individually.

6.2 Organization Structure

Objectives & Vision:

Vision of the department; To increase the production & productivity of the agricultural crops by which the farming community will get the increased income and ensure food security to the population.

The Objectives of the department are:

Transfer of new technology evolved at Agricultural Universities to the farming community, Supply of agricultural inputs, Monitoring the quality of the inputs supplied to farmers, Implementation of programmes of the department.

6.3 Programmes and Schemes Highlights:

State Sector Schemes

Supply of Seeds : (S-02), Plant Protection (state) Isecticide control Laboratory : (S-06), Krishi Melas and Exhibitions : (S-07), Farm Information : (S-07), District Agricultural Training Center: (S-08 & S-09), Special component and Tribal sub-plan : (S-08 & S-09), Compensation for Farmers suicide : (S-11), Krishi Prashasthi scheme : (S-11), Organic Farming : (S-12), Processing of Agricultural produce : (S-13), Farm Mechanization : (S-13) Enrichment of Soil Fertility, Bhoochetana : (S-14), Compensation for snake bite death cases : (S-17), Krishi Bhagya : (S-20), Micro Irrigation : (D-01), Raitha Samparka Kendra : (D-03), District Agricultural Training Centre : (D-03), Farm Mechanization : (D-06), Post Harvest Technology : (D-06), Organic Fertilizers : (D-07), Plant Protection: (D-08), Agricultural Fairs and Exhibition : (D-09)

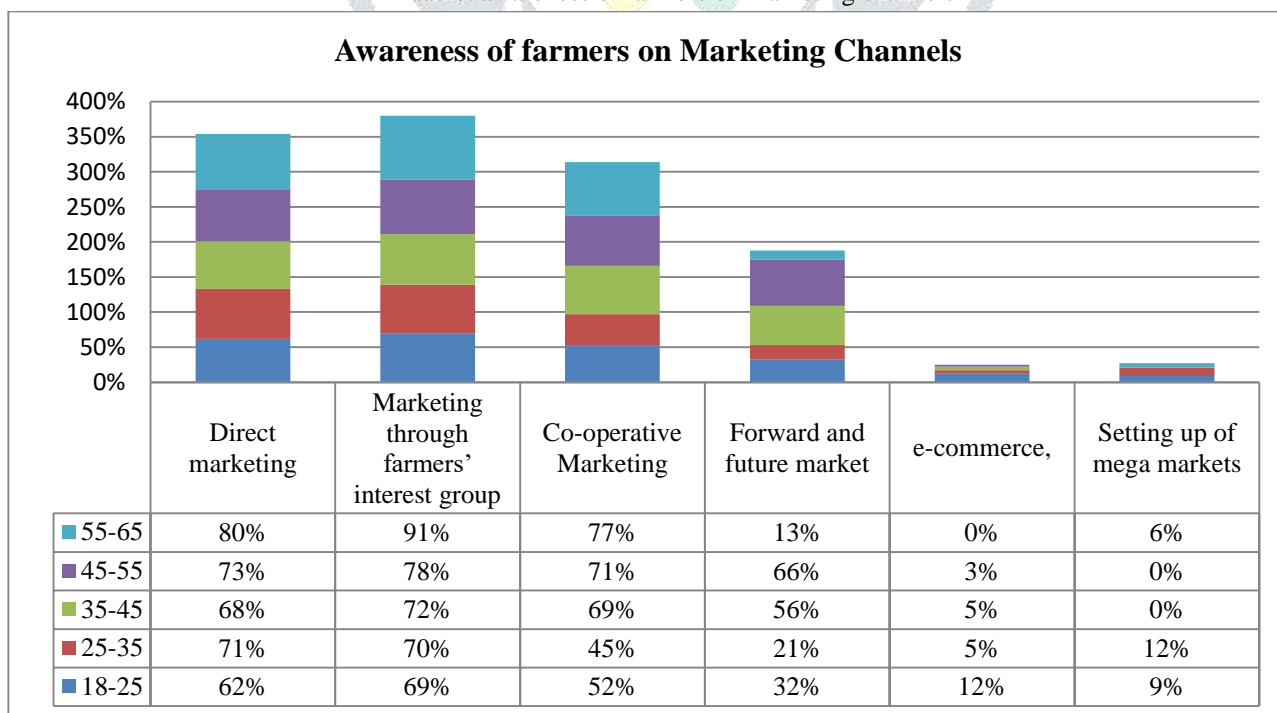
Central Sponsored Schemes

National Mission on oil Seeds & Oil Palm (NMOOP), National Mission on Sustainable Agriculture (NMSA), National Mission On Food Processing (NMFP), Rashtriya Krishi Vikas Yojane (RKVY), Karnataka Seed Mission, Bhoochetana Scheme, National Food Security Mission, ATMA : Agricultural Technology Management Agency "5

VII. OBSERVATIONS AND DISCUSSIONS

7.1 Awareness Level of Farmers in Different Marketing Channels

table: awareness of farmers on marketing channels



⁵ <http://tumkurzillapanchayat.gov.in/agriculture.html>

The above table shows the awareness levels of farmers in relation to marketing channels available in field of agriculture. it is depicted from the above table that irrespective of the age group farmers prefer direct marketing channels for marketing their produce. 91 % of the farmers of the age group 55-65 market their produce jointly to avoid repetitive tasks and increased trust among the group. E- Commerce is an option that is not widely opted by the farmers due to lack of infrastructure and technical knowledge. an average of 75% of the farmers agreed that co-operative marketing is also a good option due to reliance and dependence of farmers on one another.

7.2 Hypothesis testing

There is a significant relationship between type of agricultural product & Marketing Channels (Correlation & Regression)

Every product is marketed through various channels depending on the agro economic profile of the place, the different types of channels used for Cereals and pulses, fruits and vegetables, dairy products identified at Tumkur district are as follows:

Table: channels of Marketing

P-C	Producer to Consumer
P-V-C	Producer to Village head to Consumer
P-W-R-C	Producer to Wholesaler to Retailer to Consumer
P-G-W-C	Producer to Government to wholesaler to Consumer
P-G-W-R-C	Producer to Government to Wholesaler to Retailer to Consumer
P-Co-C	Producer to Co-operatives to Consumers

The correlation analysis shows the relationship between various agricultural products and their marketing channels.

	<i>Groundnuts</i>	<i>Ragi</i>	<i>Maize</i>	<i>Paddy</i>	<i>Other Cereals</i>	<i>Fruits and vegetables</i>	<i>Dairy products</i>
Groundnuts	1						
Ragi	0.971203	1					
Maize	0.639224	0.7413	1				
Paddy	0.908054	0.881905	0.40185	1			
Other Cereals	0.435085	0.596301	0.950654	0.251415	1		
Fruits and vegetables	-0.47407	-0.60977	-0.49563	-0.6611	-0.58753	1	
Dairy products	-0.48087	-0.61252	-0.50935	-0.66408	-0.59595	0.999152	1

Analysis: The highest positive correlation (0.999152) exist between marketing of fruits vegetables and dairy products because both are perishable items, therefore farmers use almost same marketing channels. the above table shows that there exist a strong positive correlation between marketing of Groundnuts and ragi because they constitute to 70% of the agricultural produce in Tumkur District and hence share the same marketing channels. Maize and other cereals (0.950654) also share a strong positive correlation in terms of its marketing channels. there exists a negative correlation between cereals pulses and perishable items like fruits and vegetables.

There exists a statistically significant difference in awareness levels of farmers belonging to various age groups towards marketing channels in Tumkur district (anova)

The farmers were classified in various age groups from 15 years to 65 years with a 10 C.I . the aim of the hypothesis testing is to find whether the age impacts the awareness levels of farmers in terms of marketing channels.

SUMMARY

<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>
15-25	3	10	3.333333	2.333333
25-35	3	20	6.666667	69.333333
35-45	3	20	6.666667	8.333333
45-55	3	25	8.333333	8.333333
55-65	3	5	1.666667	2.333333

ANOVA							
Source of Variation	SS	df	MS	F	P-value	F crit	
Between Groups	90	4	22.5	1.240809	0.354409	3.47805	
Within Groups	181.3333	10	18.13333				
Total	271.3333	14					

The f-ratio value is 1.24081. The p-value is .354409. The result is not significant at $p < .05$.

VIII. SUGGESTIONS

The following are the sure estimates that can be executed to draw out the changes in rural showcasing to guarantee just and reasonable arrangement for cultivating network.

- ✓ Establish physical correspondence.
- ✓ Develop Agricultural foundation.
- ✓ Establishment of Regulated markets.
- ✓ Storage and distribution center offices must be set up to the most remote regions.
- ✓ Education of Agriculture to masses.
- ✓ Information Technology must achieve everywhere throughout the nation.
- ✓ There must be appropriate street network and great every climate street.
- ✓ Enhance control and coordination over the horticultural markets.
- ✓ Extent of money related help to ranchers and agro processing units.
- ✓ Training of new advertising procedures ought to be executed.
- ✓ Enhancement and support for Public-Private collaboration.
- ✓ Standardization of agreement.
- ✓ Enhancement for more agreeable showcasing.

IX. CONCLUSIONS

There is a prominent requirement for the Agri-showcasing activities to be vast and sorted out. The present market must cover two parts of promoting system and genuine direction of the lead of market. The need to quality the directed market framework emerges from changing nature of linkages among horticulture and markets. It has been seen that better and simple market get to and proficient data stream can bring much wanted market introduction of the creation framework. Indian farming, moving from commoditization to commercialization drives it towards market introduction. India can profess to have biggest system of agri-business cooperatives on the planet, taking part in performing assembling, acquirement and advertising of agrarian deliver. These have demonstrated to possess critical place in our economy. The legislature must look at its arrangements and directions with view to quality the advertising system and guarantee that costs are being resolved on aggressive premise and markets are being controlled. Utilizing present day ICT can bring out better arrangements as it can encourage agrarian advertising capacities and procedures incorporate purchasing and offering, installment, reviewing institutionalization, transportation in a proficient way.

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