

A STUDY ON ONLINE MARKETING OF AGRICULTURAL PRODUCTS IN SIVAGANGAI DISTRICT

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ABSTRACT

One third population of our country is depended on the agriculture business directly or indirectly and hence it is proven that we are an agriculture country. Having more than 30.02% contribution in GDP, agriculture plays the significant role in Indian economy. In last two decades everything is being converted into digital platforms globally. All industries became the digital and adopted paperless transactions. Following the same way in marketing, organizations started selling their product on e-commerce platforms. Promotion activities have started in social media like e-mail, websites, messages etc. Being understood the convenience, effectiveness and efficiency of digitalization Indian Government also launched "Digital India" scheme under which Government is promoting the use of technology in organizational function. Even though it seems somewhat inconvenient to use these types of technologies in unorganized sectors like agriculture, Government of India has announced in its "Union Budget 2016-2017 central Government stated that, the Unified Agricultural marketing e-platform will be launched for wholesale markets in India and 100% FDI to be allowed through FIPB route in marketing of food Products produced and manufactured in India. Considering these changes are going to affect the marketing and trading of agricultural products tremendously, this study is initiating the discussion regarding the possibilities of the digitalization in agricultural business.

Key words: Online Marketing, Agriculture, Agricultural products, Farmers, Internet and Technology.

INTRODUCTION

Agriculture is the backbone of India. More than 60% of Indian workers are involved in Agriculture. Agriculture refers to the cultivation of land and breeding of animals and plants to provide food, fiber, medicinal plants and other products to sustain and enhance life. Agriculture was the key development in the rise of sedentary human civilization, whereby farming of domesticated species created food surpluses that enabled people to live in cities.

Agricultural products refer to crops, livestock and livestock products including field crops, fruits, vegetables, Horticulture specialties, cattle, sheep, pigs, goats, horses, Donkeys, poultry, fur-bearing animals, milk, Eggs, aquaculture and furs. More than one third of the world's workers are employed in agriculture. After agriculture second only to the service sector but over the past several years the number of agricultural workers in developed countries have decreased significantly.

Online marketing is referred to those strategies and techniques which use online ways to reach target customers. Online Marketing is also known as Internet Marketing, Web Marketing, Digital Marketing, or E- Marketing. Online marketing is the process of marketing a product or service using the internet. Online marketing not only includes marketing on the Internet, but also includes marketing through e-mail and wireless media. Online marketing of agricultural products means marketing of agricultural products through online ways from agricultural producers to any business houses or ultimate consumers.

Agricultural producers are also trying to develop this marketing channel even though there are many barriers of selling agricultural products via the Internet. Farmers may use the Internet to sell agricultural products for consumers and also for organizations. E-marketing is most useful to the farmers

since the benefits are high and electronic systems are ready to serve customers all over the world and open for 24 hours in a day. The cost incurring is also low.

Agriculture is the basement for any country for their continuous development and survival. So, agricultural development is the utmost priority now as role of digital marketing is concerned, it tries to expand the reach of the people associated with agriculture, it helps in promoting right Agri products to its rightful buyers by reaching out to new people across diverse locations.

LITERATURE REVIEW

Retail marketing of agriculture commodities through initiatives made by multinational companies did not attempt to explain how extension services to farmers are linked to information technology (Bihu santosh behera, et al).

License for Electronic Spot Exchange has also been granted to National Spot Exchange Ltd (NSEL), NCDEX Spot Exchange Ltd. (NSPOT) and National Agriculture Produce Marketing Committee of India Ltd. (NAPMC) as spot exchange helps to remove intermediaries (Surarchith, N.K. et al., 2013).

Agricultural marketing functionaries, marketing of agriculture produce, importance of agriculture produce (Ms.K.Kiruthiga, et al., 2015).

Few prominent private sector organizations adopted different models for agricultural Marketing (V.Nagendra, 2015).

Telephone is used as means of communication for marketing of produce in India. Number of mobile enable services is addressing the information needs of the stakeholders to some extent (Singh, U.S., 2013).

Experience and the potential of agribusiness franchising of commodities in India is growing at a rapid extent and the interest among the people for agro start ups is more (Sukhpal Singh, 2014).

The scope of Indian agriculture marketing systems, major private sector initiatives are reviewed (shakeel- rehman, et al., 2012).

STATEMENT OF THE PROBLEM

Agriculture has been a prime source of employment in India since ancient times. Presently it contributes to the 14.2 per cent of India's GDP and provides employment to around 58 per cent of workforce of the country. It is an important sector not only forms the part of economy but also meets the food demand of huge population of the country. While agriculture was at its prime, another prominent sector stepped in this was the internet, since its inception in the country. The Internet and IT industry has become a major driver of Indian economy. Agriculture, though a little late also tried to adopt internet in its functioning, the aim was knowledge sharing between the agriculture research institutes, access to international best practices, information sharing on public domain, online trading and import and export. Though this implementation led to drastic improvements in the way of carrying out certain activities related to agriculture sector, the scope of implementation and adoption of internet in the Indian agriculture is still a very small fraction of its overall potential. This paper makes an effort to survey the adoption of online marketing of agricultural products in Sivagangai district in Tamil Nadu, India.

RESEARCH METHODOLOGY

This research study is divided into two parts, pilot study and main study. Pilot study is based on the exploratory research which was conducted for simple test of questionnaire and for the formulation of hypothesis.

SAMPLE AND DATA COLLECTION

Sample Unit:

Agricultural farmers located in Sivagangai district are considered as prime respondents

Sampling Technique: Convenient sampling

Data Collection Method:

Data was collected by visiting some agricultural farmers nearby Sivagangai district and on telephonic discussions with Agricultural farmers.

Sample Size: 50 farmers

Secondary data Sources:

Various Magazines, Journals, Government circular, Government and private company websites, Books of rural marketing and agricultural marketing were also have been utilized.

DATA ANALYSIS AND INTERPRETATIONS

Demographic profile of respondent was created as follows for the descriptive statistical analysis.

Table No. - 1
DEMOGRAPHIC PROFILE OF THE RESPONDENTS

Factors	Response	Frequency	Per cent	Valid Per cent	Cumulative Per cent
Age	18 -30	6.5	13	13	13
	31-40	12.5	25	25	38
	41-50	25	50	50	88
	15-60	06	12	12	100
	Total	50	100	100	
Gender	Male	42	84	84	84
	Female	08	16	16	100
	Total	50	100	100	
Education	Up to SSLC	15	30	30	30
	HSC	20	40	40	70
	Graduate/Diploma	10	20	20	90
	Postgraduate	5	10	10	100
	Total	50	100	100	
Income	Up to 100000	16	32	32	32
	100001 - 200000	13	26	26	58
	200001 - 300000	11	22	22	80
	300001 – 400000	6	12	12	92
	Above 400000	4	08	08	100
	Total	50	100	100	

Source: Primary date

Out of total 50 respondents 50% are from 31 -40 age group and 12.5% are from 51- 60 age group which shows the dominance of youth in greenhouse agricultural business and as only 12.5% (3) females were found in survey as greenhouse owner shows dominance of males in this field. 45.8% (11) of the respondents are graduates and only 5 of them are in SSC range which enlightens the impact of education on greenhouse business. 50% of the respondents are from Above 500000 income group indicates the importance of the financial capabilities for the greenhouse business.

Table No. 2
ONLINE MARKETING OF VARIOUS TYPES OF AGRICULTURAL PRODUCT

Sl. No.	Agri –product	Frequency	Per cent
1	Fruits	5	10
2	Vegetables	11	22
3	Paddy	20	40
4	Coconut	10	20
5	Chillies	4	8
	Total	50	100

Source: Primary date

It is inferred from the above table that maximum of 40% of the farmers of online sales in paddy, 5% farmers sales in fruits, 22% sales in vegetables, 20% sales in coconut and 8% sales in chillies through online marketing.

LIMITATIONS

The present study is subject to the following limitations.

1. The present study is limited to certain areas of online marketing only.
2. The sample groups have been restricted to Sivagangai district only.
3. The findings of the study may be generalized to Sivagangai district only.
4. The sample size restricted to 50 respondents.
5. The results are location specific and may not be applicable to a different district having different socio-economic condition.

FINDINGS

Out of total 50 respondents 50% are from 31 -40 age group and 12.5% are from 51- 60 age group which shows the dominance of youth in greenhouse agricultural business and as only 12.5% (3) females were found in survey as greenhouse owner shows dominance of males in this field. 45.8% (11) of the respondents are graduates and only 5 of them are in SSC range which enlightens the impact of education on greenhouse business. 50% of the respondents are from Above 500000 income group indicates the importance of the financial capabilities for the greenhouse business.

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CONCLUSION

This study has contributions and managerial implications to the information system knowledge base as well as agricultural sector in India. The rate at which technology innovations like the internet information is adopted by consumers constitutes an important part of the technology change or integration. There are a number of studies on adoption of new technology, but only a handful of studies focus on the agricultural services industry. An understanding of the factors affecting this choice of technology for farming practices is essential both for the creators and producers of such technology. This study suggests that the Technology Acceptance Model, which is the basis of much of the research in Information Technology (IT) diffusion, will be more useful if it is integrated with specific issues like infrastructure, perception and trust on the customer side and more basic elements of the security aspects of technology and service on the side of the information providers in respect of Agriculture sector in India.

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