

An Overview of Marketing of Agricultural in India

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Abstract

Marketing is the set of institutions, activity and process for communicating, creating, exchanging and delivering, offerings that values for clients customers, , society and partners, at great and Agriculture Marketing is a marketing that allows small agriculture to enter in the market. The majority of India's population still live in rural area, with agriculture and related practices serving as the primary source of income. Despite the government's efforts, there is still a disparity between a farmer's investment and the return on that investment. This paper gives all details about marketing of agricultural produce like definition of marketing), 4 (Ps) of marketing, subsystem of marketing system(product, price, place, promotion), subsystem of marketing system (production, distribution, consumption and regulatory).This paper gives also details about agricultural marketing in india, advantages of good government policy system and agricultural marketing instruments in agricultural marketing. Agriculture consulting is an online or offline service that allows new entrants to enter the market. A farmer's teacher instructs a group of farmers on a particular subject. Pest management is a service in agriculture in developing countries such as the United States and Australia.

Keywords: Agriculture, Farmers, Marketing, Product, Produce.

Introduction

Marketing is the set of institutions, activity and process for communicating, creating, exchanging and delivering, offerings that values for clients customers, , society and partners, at great and Agriculture Marketing is a marketing that allows small agriculture to enter in the market[1]. Agriculture Marketing is a web-based or in-person service that allows small businesses to enter the market[2]. As shown in Figure 1 closely 60 year ago, E J. McCarthy develop the for Ps(Product, Price, Place, Promotion) of market as way to describes different area of business that effective market strategy is involve with[3].

1. Products:

A product is a material or intangible good that fulfills a consumer need or wish. Knowing just what the commodity is and what makes it unique is key before you can effectively market it, whether you sell wood products or custom pallets and have luxury accommodation. They do market analysis to decide who the target customer is and whether the commodity is in demand. They will figure out the right media platforms for reaching out to the target market, as well as suggestions for how to change the product to help meet the demands of the target market.

2.Prices:

Marketer must connects the price to product's perceived and actual demand, as well as competitor pricing ,seasonal discounts and production costs . In certain situations, company executive may raise the price to make the product appear to be a luxury good. Through analyzing the current demand to decide how much a buyer is likely to spend, a marketing team will assist you in determining the right pricing points for the goods.

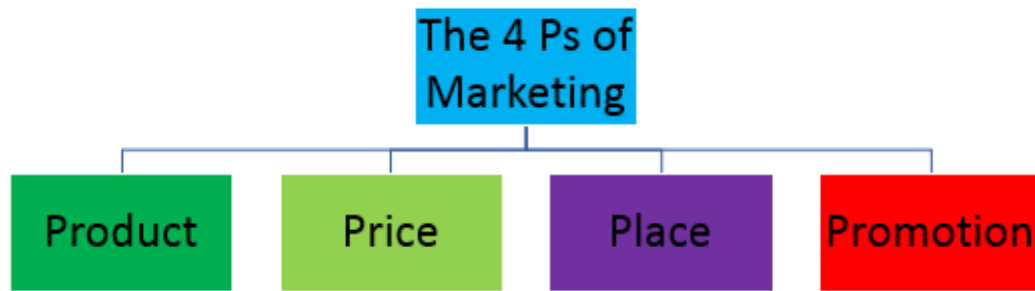


Figure 1: Four Ps of Market as Way for Describe Different Area of Business.

3.Places:

When a company considers location alternatives, it is seeking to decide where it will deliver a product and how to get it to customer. The biggest goal of markets leaders is to get their products in front of the consumers who are most willing to buy them. Marketing consultants will help you find the best place to sell your stuff. If you are marketing to millennials, for example, online shopping's would be key to your clientele. If the target demographic is older or overseas, the marketing departments will also assist you in determining the right location to sell to them..

4.Promotion:

Public relation, advertising, and sales strategy are also example of advertisement. Product promotion's goal is to demonstrate to consumers that they need product as well as why they pay certain prices for this. This is the most important campaign target that peoples think about as they think of marketing agency or organization. The marketing team is in charge of sales promotions, publicity, and public relations (PR) efforts aimed at increasing interests in the product.

Bad marketing infrastructure and poor linkages in the marketing networks are thought to be causing fluctuating and high commodity price, with just small portion of consumers rupee reaching farmers. There is also a lot of waste, product loss, and a lot of imbalance between demand and supply in terms of room and time. Agricultural commerce is a critical component of economic growth. Many multinational corporations have recently begun retail agricultural marketing in India.

Farmers' use the advanced technologies and increased inputs raises the price of both inputs and output. Consumers often want products to be available at a fair price. Successful marketing campaigns may play a critical role in achieving the above contradictory goal. The proper implementation of efficient agricultural marketing techniques will not only minimize distribution prices, but will also help different classes of people such as producers, merchants, consumers, scientists, sociologists, and administrators.

The wheels that propel economic activity are marketing infrastructure and policies. Business infrastructure and planning are crucial not just for the success of marketing functions but also for the growth of market size. Infrastructure facilities result in lower marketing costs, which is critical for rising farmer profits and lowering consumption costs. Sound business infrastructure and policies promote production activity, generate revenue, and have a favorable impact on income distribution.

In all conditions for commercialization, improved agricultural marketing technology is a key driving factor. Infrastructure plays a significant part in the advantages of commercialization and specialization, and both have a push-pull relationship. Agriculture marketing is a strategy for ensuring and remunerating marketing options, as well as assisting in the provision of a fair price for farm products by supplying consumer knowledge Creation, delivery, demand, and regulatory systems are the four major subsystems of agricultural and food marketing systems as shown in Figure 2.



Figure 2: Subsystem of Marketing System is divided into Four Parts which are Production, Distribution, Consumption and Regulatory.

Agricultural marketing's refers to the resources that go into getting a crop from farm to customer. These facilities include preparing, arranging, directing, and treating agricultural products in such manner that growers, customers, and intermediaries are satisfied. Planning productions, harvesting and growing, grading, loading and shipping, transport, transportation, agro and food manufacturing, consumer knowledge, delivery, advertisement, and selling are only a few of the intertwined operations involved. The concept effectively encompasses entire spectrum of agricultural product supply chains activities, whether performed by ad hoc sales or a more integrated chain, like one involving farming[4]. Agricultural marketing's encompasses all operations relating to procurement, , grading, collection, storage, agro-processing and food, distribution, funding, and sale of agricultural inputs and outputs. In fact, marketing covers all facets of agribusiness, but it lacks agriculture as a central activity. Agricultural marketing mechanisms are also linked to agricultural area economic development and maintaining nutritious and sustainable food for customers, all of which are directly linked to the country's food security[5].

AGRICULTURAL MARKETING IN INDIA

India is agricultural region, with one third of the populations relying upon it indirectly or directly. Since dawn of time, agriculture has become the backbone of the Indian economy. Agriculture contribute over quarter of national gross domestic products (GDP) in India. With food being humanity's most important requirement, agricultural development has gained a lot of attention. As a result, proper food processing and delivery has recently becomes high priorities global concern.

Agricultural market is mostly concerned with purchase as well as sale of the agricultural goods. Agricultural goods were easier to sell in the past, because the villages economy was less or more self-reliant, so farmer sold his produces to the customer for cash or barter. Before reaching the customer, agricultural marketing must go through a sequence of transactions or transfers from one individual to another.

Assembling, planning for consumption, and delivery are the three advertisement roles used in this. Any agricultural product's sale is determined by a number of factors, including the product's demand at the moment, storage availability, and so on. The goods can be sold immediately on the market or temporarily processed locally. Furthermore, it may be sold as-is from the field, or it may be washed, graded, as well as handled by the village farmer or merchant. Production is achieved for a variety of reasons, including market demand and product quality preservation.

The aim of the distribution systems is for balance demand with supply by wholesaling and retails in a variety of market, such as main, secondary, and terminal markets. Farmers in India sell the majority of their agricultural products in private area to moneylender (for whom farmer can owe money) or village trader. Items can be bought in a number of forms. It might be sold at weekly rural markets in farmer's village/in a nearby village, for example. If none of this option is available, produce can be sell at impromptu market in nearby area or village in the mandi.

Agricultural marketing is handled by many central government bodies in India, includes Commission of Agricultural Cost and Price, Foods Corporations of India, Cotton Corporations of India's , Jute Corporation of India, and others. Rubber, tea, chocolate, cigarettes, herbs, and vegetables all have their own campaign organizations. More forty primary crops are needed to be grade for voluntarily and export grade for internal use under Agricultural Produces (Marketing and Grading) Acts of 1937. While state governments regulates commodity markets, directorate of inspection and marketing provides marketing and inspections service as well as financials assistance for help set commodity gradings center in specific market.

Since have a long experience of farm productions, distribution, as well as related business operations, now the time for brainstorm and comes up with innovative value added service concepts. This value-added offerings would bring a new layer to the current agricultural engine. The next logical move will be food manufacturing, which could not only be another source of income but also create more full-time jobs for our youth. With the changing agricultural landscape and global competitiveness, it's more important than ever to maximize the use of existing capital. A survey of 500 regulated markets was conducted by Ministry of Agriculture's Directorates of Inspection and Marketing in 1970-71 and 1971-72, with the aim of evaluating adequacy as well as productivity of current regulate markets, identifying the disadvantages, shortcomings, and recommending steps to improve them.

One of the most significant flaws has been the industry committees' insufficient financial support. During the fourth programmed, the ministry of agriculture devised a central sector scheme to include a grant of 20% of the cost of business growth, up to a limit of Rs. 2 lakhs. The commercial banks would be responsible for the balance. Another significant advancement in the area of regulated markets is International Developments Agency (IDA) keen involvement in developments of regulate business networks. Another actions taken to strengthen governance of Small Farmer Agri business Consortiums (SFAC) is appointment of banker as chief executives, as well as the provision of required additional funding to SFA[6].

BENIFITS OF VIRTUOUS AGRICULTURAL MARKETING SYSTEMS

A virtuous marketing system helps in followings ways:

- They enables producers for receive a fair price for their products.
- Demand and supply are balanced by marketing programs. The bridges, in form of agrilogistics, serves for accomplish that goal.
- India agriculture shifting from deficit to surplus situation. Agrilogistics technology has improved as well, allowing farm produces to link with demands from farther out.
- Alert and dynamic marketing's mechanism will adapt to meet the needs of India's agricultural transition. This can also open up new business prospects. As a desirable result, markets should be opened up to foster innovation and long-term development.

- Marketing encourages companies to engage in the modern supplies chain technologies and technology and information systems in order to maximize or improve the value of their products.
- The storage feature gives the goods more time value by making them available when it is needed.
- An effective agricultural marketing's scheme optimizes resource use and yield control. By reducing losses caused by inadequate manufacturing, storage, and transportation, an effective marketing system will also help to improve the marketable surplus. A well-designed marketing strategy will easily disperse the available supply of modern inputs, enabling the agricultural sector to expand at a faster pace.
- By reduce number of middle men or limiting commission on and malpractices and marketing services they use in the marketing's of farms goods, effective marketing scheme guarantee higher rate of income for farmers. A productive system ensures farmers get better price for their farm product and allows them for spend their surplus in moderns inputs to improve production and productivity. This result in improvement in farmers' sold surplus and profits. There is no reason for a manufacturer to produce more if he does not have a readily available retail outlet where's he sell surplus produces. As a result, having sufficient incentives for improved output is critical, and this can only be accomplished by streamlining marketing's mechanism.
- By converting the raw material into a finished form, the process feature add form utilities to component. Commodity becomes more useful as a result of this transition than it's in manner in which it is generated by the farmer. Oilseeds, example processed into oils, cotton into cloth, wheat into flour sugarcane into sugar, and breads by processing. Refined versions are valuable than raw materials themselves.

GOVERNMENT POLICY INSTRUMENTS IN AGRICULTURAL MARKETING

India's key policy priorities remained focused on achieving food self-reliance, ensuring remunerative prices for producers, and retaining stable market prices. India continues to rely on the following policy instruments to achieve these objectives, as seen in Figure 3:

1. Regulation of Markets:

This is major policy made by government of India Farms produce must be sell only controlled market by licensed intermediaries, according to Agricultural Produces Market Committees (APMC) Act. The Essentials Commodities Acts (ECA) requires federal as well as state governments to enforce storage and movement limits on commodities that are considered essential by the government.

2. Input Subsidies:

Agricultural inputs incentives were large part of rural economies' growth policies from the 1960-1980s. Theoretical argument to agricultural subsidy is that they improve agricultural production by making smallholder farmer more interested in engaging in emerging technology. Concerns over food shortages necessitated the procurement of fertilizer, electricity, diesel, and irrigation subsidies. Policy initiatives were prompted by intensive planting and increased demand.

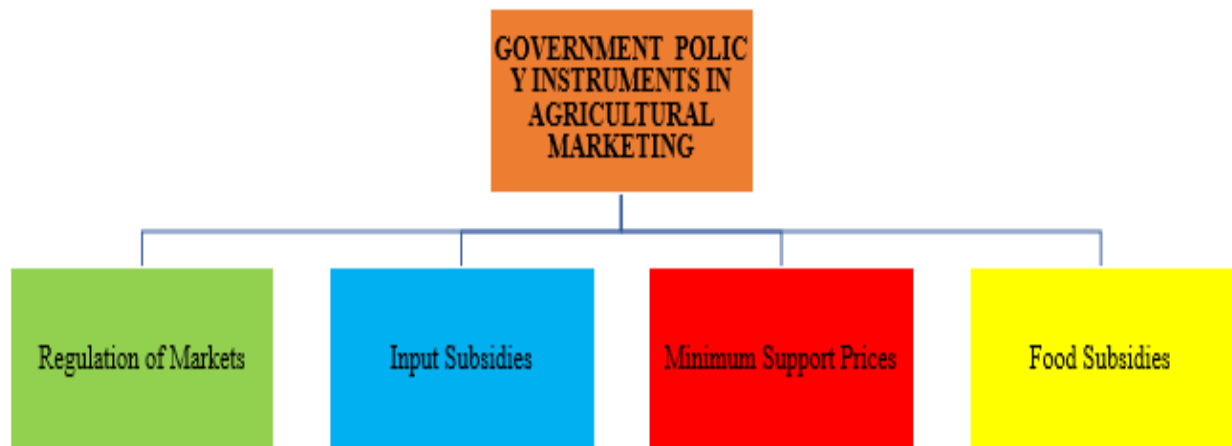


Figure 3: Government Policies Instrument in Agricultural Market are Regulations of markets, Input subsidy, Least support prices and Food subsidy.

3. Minimum Support Prices:

This is also major policy made by government of India. The Governments of India (GoI) helps farmers by announce minimum price for curtain's crops that are essential to the country's agriculture. The MSP is focused on the Commissions to Agricultural Cost and Price (CACP) guidelines, which are based upon cost of productions and different considerations. Such related programs, like Price Stabilization Schemes and the Market Interventions Scheme, also serve as least support mechanisms to producers.

4. Food Subsidy::

Government has used a variety of strategies to keep farms prices and wages higher than they would have been if the economy had not intervened. Tariffs or import levies, import caps, export discounts, cash payments to producers, and output limits have also been used. The National Food Security Act of 2013 was introduced in India for protect as well as ensure low income consumers have access for nutritious food. As a result, Mandis or APMCs have become the primary outlet to farmer to sells there produce. Aside from that, there are a few alternative marketing channels that farmers may use to sell their products.

LITERATURE REVIEW

There are many researcher who studies and analyzed about Marketing of Agricultural Produce. Some of researcher and their studies are given below: Dr. S. Jerome studies rural growth is one of the most significant factors in the development of any county with a rural population of more than half of the population. India is an agricultural region, with agriculture employing roughly 69 percent of the population directly or indirectly. Despite being the most critical market, it is plagued with numerous issues. They aren't up to speed with the new developments. In order to improve farmers' livelihoods and, eventually, rural growth, it is necessary to understand the value of proper agriculture produce marketing and how better marketing affects farmers' livelihoods. The study's sample size has been set at 100 santhai farmers who are involved in the ponmalai santhai trading process. For this analysis, the convenience sampling technique was used. It is also proposed that food traders, including small wholesalers, dealers, and hawkers, need training/orientation/sensitization on new packaging, sorting, quality maintenance, regulatory structure, and related facets of marketing[7].

Dr.Vikram Sandhu studies Agriculture is India's main source of income. The majority of India population still live in rural area, with agriculture as well as related practices serving as the primary source of income. Despite the government's efforts, there is still a disparity between a farmer's investment and the return on that investment. As a result, the aim of this analysis is to investigate the impact of various factors on farmers' attitudes toward agricultural produce marketing. A comfort sampling methodology was used to gather data from 505 respondents. The factors were investigated using exploratory factors analysis as well as confirmatory factors analysis. According to regression analysis, four dimensions, namely lack of infrastructure, expense,

transportation, and unfair practices, have a positive effect on farmers' attitudes toward agricultural marketing produce[8].

B. Wade Brorsen et.al studies Extension market economist was polled to see whether use current research findings as well as whether researches on topic relevant to extension market economics is being done. In certain cases, extension marketing economists' views vary from recent research findings. The topic of papers discussed at annual NCR 134 Conferences on Apply Market Risk Management, Forecasting, and Commodity Price Analysis, in 1994S97 are well matched by extension economists. Although applicable analysis is being undertaken, many extension economists are searching for marketing techniques that minimize risk while still increasing sales. However, those techniques have not been developed as result of studies.[9].

South Africa, like many other nations, has traditionally followed a strongly interventionist approach in agricultural pricing and marketing, but recently begun process of atleast partial liberalizations, according to Alex Duncan. The intent, essence, and effect of marketing reform in Sub Saharan Africa as well as elsewhere are examined in this paper. It concludes that the reform's outcomes have been mostly optimistic, though adoption has more complicated and time consuming than expect, in part due to interest group politic and in parts due to the reform's inherent difficulty. The paper focuses on a few topics that are particularly relevant for South Africa ongoing poltical and economic change[10]...

This paper gives all details about marketing of agricultural produce like definition of marketing), 4 (Ps) of marketing, subsystem of marketing system(product, price, place, promotion), subsystem of marketing system (production, distribution, consumption and regulatory). This paper gives also details about agricultural marketing in India, advantages of good government policy or agricultural marketing system and instrument in agricultural market

DISCUSSION

There are various researcher who studies and analyzed about the marketing of agricultural produce but they did not explain on few topics like definitions of marketing, agricultural marketing in India, advantages of good agricultural marketing system etc. This paper gives all details about marketing of agricultural produce like marketing in agriculture (marketing is activity, sets of institutions, as well as processes for create, exchanging offerings delivering, and communicating which have values for society partners clients,, and customers at large), 4 (Ps) of market, subsystem of marketing system(product, price, place, promotion), subsystem of marketing system (production, distribution, consumption and regulatory). .This paper gives also details about agricultural marketing in India, advantages of good government policy or agricultural marketing system and instrument in agricultural market .

CONCLUSION

This paper gives all details about marketing of agricultural produce like definition of marketing, 4 (Ps) of marketing, subsystem of marketing system(product, price, place, promotion), subsystem of marketing system (production, distribution, consumption and regulatory).This paper gives also details about agricultural marketing in India, advantages of good government policy or agricultural marketing system and instrument in agricultural market. Both commodity and input marketing must be included in the scope of agricultural marketing. Agriculture consulting is an offline or online services that allows new competitors to enter the market. Farmer's teacher instructs a groups of farmers on a particular subject. Pest management is a service in agriculture in developed countries such as the United States and Australia.

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