

Challenges Faced by Farmers in Direct Marketing of Flowers with Special Reference to Madurai District

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Abstract

Direct marketing is the strategy of one to one relationship of farmers and consumer. Direct marketing is a promotional method that involves presenting information about your company, product, or service to your target customer without the use of an advertising middleman. It is a targeted form of marketing that presents information of potential interest to a consumer that has been determined to be a likely buyer. This paper discusses some basic components and challenges in direct selling of flowers in Madurai district. The analysis of challenges faced by the farmer's direct marketing will be convenient to take measures for the improvement of direct marketing. The study was conducted in Madurai district of Tamil Nadu and the selection was mainly based on the dominance of the Madurai Flower Market is located a slight distance from the center of Madurai in Mattuthavani. This flower market is one of the biggest in Tamil Nadu and transacts as much as 10 tons of flowers each day. A sample of 61 flower marketing and selling person was selected randomly from Madurai Flower Market of the district. This study determines to ascertain the farmer's constrains and analyze the factors which make the direct marketing of flowers more complicated, based on the literature review a number of challenging factors that affect the direct marketing is measured. The study conducted among 61 flower marketers who were involved in direct marketing. The challenging factors were statistically evaluated. The research findings revealed that farmers are lack in cold storage and facing heavy competition in direct selling of flowers.

Keywords: Direct marketing, Farmers and Consumer, Direct selling

Introduction

Flowers have their own importance since ancient times and are being used for decoration, worshipping as well as for satisfying the aesthetic feelings. In recent years the floriculture is emerging as a market demand driver activity throughout the world and considered as a potential money-spinner. The global floriculture trade has been growing continuously at the rate of 10 per cent per annum (Harisha 2017). Out of the many marigolds, tuberose, rose and other unidentifiable flowers, only the sweet scented jasmine permeated the air. Mostly marketing in India has been through various channels like middlemen, traders, retailers and by direct marketing. In the recent marketing trends the interference of giant retailers were highly imply. But the farmers who are the main causes and who undergo various hardships for the cultivation of agricultural produce were not entitled to enjoy the benefits to the fullest. Thus there is no greater improvement in the financial position.

In order to overcome this limitation and to provide greater benefits to the farmer which were previously taken by middlemen, Direct Marketing was implemented. The Direct marketing is a big support of rural economic development. State governments arranged some of the farmers market place that to help the farmers in direct marketing. The Tamilnadu government established the Flower Market, local mandi's, regulated districts markets are some of the farmer's direct market place. Agricultural policy makers have suggested that switching to local distribution channels such as direct marketing outlets may allow producers to achieve higher margins and increase their incomes. Even though direct marketing supports the farmer and provide solution to some extent, there few practical barrier which challenges the farmers to avail expected benefits. Bill Wright (2007) stated that, Farm marketing, while challenging, is an exciting and rewarding business. Changing technology and economic scenarios may give us new tools or new headaches, depending on each situation

As to determine the most profitable earnings using of new strategies is essential. It examines the business structure and help for future simultaneously; farmers should have to aware and trained of various types of direct distribution network. This paper examines a descriptive evidence for the challenges faced by farmers in the direct marketing of flowers.

Review of Literature

Vigneshwara varmudy (2011) studied “untapped potential of brinjal” stated that, poor marketing system, non-availability of disease free and resistant varieties to the farmers, absence of training to the farmers on pre and post harvesting practices, non-availability of cold storage facilities for strong at the production and marketing centers are the major problems faced by the farmers.

Zivenge and Karavina, et.al. (2012) recommended that, farmers should develop effective mechanisms for collaboration and linkages, invest in market intelligence, and create a sea change in thinking and practice, and building trust. This will enable them to enhance their bargaining power on prices H.Adanacioglu and N.Adanacioglu (2016) explained that, Farmers marketing products directly to consumer’s faces many challenges. In a survey conducted with New York direct marketing vegetable farms, respondents were asked the top barriers or problems facing their direct marketing operations. The survey results showed that competition in a saturated market and labor related challenges were the top barriers to success in many direct marketing operators’ minds. Concerns include competition from supermarkets, discount stores, import goods, and other farm markets, and labor related challenges including lack of labor pool and hard-to-find seasonal help, difficulty in finding good labor and keeping qualified labor, and high costs of labor. Other top barriers were location, limited resources (capital, land and products), changing market and consumer demand (one - stop shopping and year-round supply), and regulations and community development pressure.

Tamekia K.Morgan and Dovi Alipoe (2001), stated that, ”the equation reveals that there appears to be no real competition between farmer's markets and grocery stores/supermarkets in filling consumer demand for food, the regression coefficient associated with X3(Number of grocery stores and supermarkets within Dhakshana And Rajandran: A Study on Challenges Faced by the Farmers in Direct Marketing... Indian J.Sci.Res. 14 (1): 91-97, 2017 county boundaries ;) being positive and statistically different from zero;

The results obtained in the study do not corroborate the hypothesis of intense competition between farmer's markets and Middlemen (Agent), Wholesalers. This may be due to the limited types of commodities sold by the PYOs. It should be noted also that in actuality the bulk of the produce consumed in the state is purchased from the Local Mandi and Flower markets. PYOs, farmer's markets and farm stands are patronized by a small percentage of consumers. Furthermore, the economic and demo-graphic forces affecting the mainstream retail flower marketers.

Statement of the Problem

Farmers direct marketing is the real rural marketing. It is also a step towards to enhance the agricultural marketing and economic growth. In India direct marketing practices of farm produce were some types they are farmer’s association markets, government markets, Local markets (Santhai), and Road side markets. This direct marketing strategy gives fair remunerate returns to the farmers compare to other channel of distribution of flowers. But the responsibility, risks were also high in addition. As the agricultural produce was highly perishable in nature, special transportation, special storage facility is essential. Due to poor credit facility of small farmers cannot afford these necessities. Similarly there were more complexities in farmer’s direct marketing of flowers. The farmer, in general, sells his produce at

an unfavorable place and at unfavorable time, and usually gets very unfavorable terms. The main purpose of this research is to identify the challenges faced by the farmers in direct marketing.

Objective of the study

- To study an overview of farmers direct marketing of Flowers
- To analyze the challenges faced by the farmers in direct marketing of Flowers

Area of the study

Madurai is the biggest agriculture production area. It is also called as Jasmine of Tamilnadu. There are many agricultural products produce in this area especially rose, chrysanthemum, marigold, crossandra, nerium and tuberrose etc. This paper covers all the flowers that are sold in Madurai flower market.

Sources of data

The research is a descriptive study based on survey method. Both primary and secondary data have been used in this study.

Data Collection

Primary Data

Primary data have been collected from Flowers marketers in direct marketing in Madurai district with the help of interview schedule. The research variables were measured on the basis of five point scale. Rating from 5 to 1, Strongly Agree (5), Agree (4), Neutral (3), Disagree (2), Strongly Disagree (1).

Secondary Data

Secondary data have been collected from the books, articles from newspaper, journals, published and research reporters, and websites.

Sampling Design & Population

Convenient sampling is adopted for the present study. The researcher selected the 61 respondent of flower marketers who have selling their produce in direct marketing.

Data Analysis and Statistical Techniques

Data analysis

The data analysis has been done using Statistical Package for Social Sciences (SPSS).

Statistical techniques

Descriptive Statistics, Reliability, Correlation, Regression analysis are used through appropriate statistical package

Result and Discussion

Socio-Categorical background of Respondent

Table 1: Socio-Categorical Description of Respondent

Category	Description	Frequency	Percent
Gender	Female	17	27.9
	Male	44	72.1
	Total	61	100
Age	Up to 30 yrs	6	9.8
	31-40	9	14.8
	41-50	29	47.5
	50 Above	17	27.9
	Total	61	100
Education	Only Know to Read &Write	17	27.9

School	22	36.1
UG	12	19.7
PG	5	8.2
Others	5	8.2
Total	61	100

Source: Primary Data

A convenient sample used in data collection from 61 farmers who involved in direct selling. The result shows that 72.1% males and 27.9% females, whose age ranged from: up to 30 years old (9.8%), [31-40] years old (14.8%), [41-50] years old (47.5%) and above 50 years old (27.9%). Regarding educational qualifications, 27.9% of the respondents have only known to read & write, 36.1% have a school education, 19.7% have a UG, 8.2% have PG and 8.2% have other Qualification

Table 2: Respondent Opinion on variables

Variables	Respondent Opinion in %				
	SA	A	NA	DA	SDA
Do you Experience any problem while direct selling	30	25	3	2	1
Lack of market information	23	35	3	0	0
Competition	29	32	0	0	0
Lack of Cold storage	29	30	2	0	0
Lack in Direct marketing techniques	15	27	16	3	0
Price Volatility	13	18	21	9	0

Source: Primary Data

Table 3: Descriptive Analysis

Descriptive Statistics					
Direct Selling	N	Minimum	Minimum	Mean	Std. Deviation
Lack of MarketInformation	61	1	5	4.33	0.851
Competition	61	3	5	4.33	0.569
Lack of Cold Storage	61	4	5	4.48	0.504
Lack in directMarketing techniques	61	3	5	4.44	0.563
Price Volatile	61	2	5	3.89	0.839
Valid N(list wise)	61	2	5	3.56	0.975

Source: Primary Data

Descriptive statistics represents the calculated means and standard deviations for the independent variables Lack of Market Information, Competition, Lack of Cold Storage, Lack in direct Marketing techniques, Price Volatile and dependent variable, the direct selling. The Table 3 reveals that the mean of a direct selling is 4.33 and standard deviation is 0.851, of a Lack of Market Information is 4.33 and standard deviation is 0.569. Mean of Competition, Lack of Cold, Lack in direct marketing techniques, Price volatile are 4.33, 4.48, 4.44, 3.89 and 3.56 respectively. And standard deviation for these independent variables is 0.569, 0.504, 0.563, 0.839 and 0.975 respectively.

Table 4: Reliability of Item – Total Statistics

Item –Total Statistics					
	Scale Mean if Item Deleted	Scale Variance If Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Direct Selling	20.69	10.285	0.772	0.863	0.94
Lack of Market Information	20.69	12.018	0.872	0.772	0.943
Competition	20.54	12.452	0.866	0.941	0.947
Lack of Cold Storage	20.57	11.882	0.923	0.961	0.939
Lack in Direct Marketing techniques	21.13	10.383	0.869	0.815	0.941
Price Volatile	21.46	9.386	0.912	0.872	0.941

Source: Primary Data

Conclusion

This study was conducted to explore the factors that affect the farmer's direct marketing. By using the appropriate statistical package all the independent and dependent variables were positively correlated. The study has observed that the competition and lack of cold storage are the factors that highly affect the farmer's in direct marketing of flowers. The direct sellers have to use some unique strategies for their sales to compete with competition. Segmentation, Positioning and targeting are three stages process which could be useful to sustain and overcome the competition. Due to inefficiency of credit direct seller cannot afford more for storage. So, government should have to help and enhance the farmer for their storage problem by providing godowns with minimum charges. Thus to handle these challenges the farmers needs to adapt every changes, also to consider the day by day behavior of consumer, preference, characteristics, taste, innovative strategies, dynamic process and right mind set is the key for the success.

A proper marketing facility through cooperative network will go a long way in bringing better returns to the jasmine cultivators. There should be a provision for comprehensive, reliable and quick market information system to the jasmine producers. This calls for revitalizing the existing floriculture growers cooperative marketing and processing society for the advantage of jasmine cultivators. Government should develop an appropriate postharvest technology for export of jasmine flowers. A proper marketing facility through cooperative network will go a long way in bringing better returns to the jasmine cultivators. There should be a provision for comprehensive, reliable and quick market information system to the jasmine producers. This calls for revitalizing the existing floriculture growers cooperative marketing and processing society for the advantage of jasmine cultivators. Government should develop an appropriate postharvest technology for export of jasmine flowers. A proper marketing facility through cooperative network will go a long way in bringing better returns to the jasmine cultivators. There should be a provision for comprehensive, reliable and quick market information system to the jasmine producers. This calls for revitalizing the existing floriculture growers cooperative

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