



PROBLEMS IN THE MARKETING OF AGRICULTURAL GOODS

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Abstract:

Agriculture plays a pivotal role in the economic development of a nation. Agriculture is fundamentally different from industry. The marketing of farm products is a complex process. Agricultural marketing involves many activities and processes through which the nutriment and raw material move from the farm to the final consumers. The marketing system should be so designed as to give proper reward to the efforts of the agriculturist. But unfortunately, in India, the middlemen enjoy the benefits at the cost of disability, illiteracy of the poor Indian farmers. This paper focuses to know the problems faced by the farmers in the marketing of agriculture goods and to offer valid suggestions to overcome the problems faced by the Indian farmers at the time of marketing their produced goods.

Key Words: Agriculture Marketing, Farmers, Problems Of Farmers, Middlemen & Farm Products

1. Introduction:

Agriculture plays a pivotal role in the economic development of a nation. Agriculture is the backbone of an agriculture country, like India. India's prosperity depends upon the agricultural development. Agriculture is basically different from industry. The marketing of farm products is a complex process. In our country the farmers produced various and varied types of agricultural commodities. Agriculture is the largest and the most important sector of the Indian economy. The agricultural sector in India is the largest sector in the country's economy. Agriculture sector contributes nearly 18.5% to India's Gross Domestic Product, and it contributes nearly 13% of the country's total export.

2. Agriculture Marketing:

Agricultural marketing involves many activities and processes through which the nutriment and raw material move from the agriculture land to the final consumers. Agriculturist supplies goods for consumption and for exports and manufacturing sectors. The marketing system should be so designed as to give proper reward to the efforts of the agriculturist. But unfortunately, in our country, the middlemen enjoy the benefits at the cost of disability, illiteracy of the poor Indian agriculturists. A little part of the price paid by buyers reaches the farmers while the big part is engulfed by the middlemen. Farmers are suffering mainly in securing reasonable price for their produce.

3. Problems in the Marketing of Agricultural Goods:

There are lots of problems in the marketing of agricultural goods. They are:

3.1 Lack of Finance:

To finance seasonal requirements more finance is necessary in a particular period. Financial need also varies from year to year depending upon the quantity of production. Most of the financial needs of the farmers in India are met by moneylenders. An agriculturist in India born in debt lives in debt and finally dies in debt.

3.2 Large Number of Middlemen:

Concentration process is very important for agricultural goods. A long channel of distribution is needed and hence there are large numbers of middlemen. The long chain of middlemen takes a large amount of the agriculturist's share from the consumers' rupee. The middlemen sell the agricultural goods to the consumers at a higher price and give lower returns to the agriculturist.

3.3 Transportation and Storage Facilities:

There is high demand for transportation and storage facilities in the harvest seasons, in order to protect the produce from deterioration in quality. Production of agro products is seasonal. The consumption is regular and the demand is regular throughout the year. So special transportation and storage facilities have to be provided.

3.4 Grading and Standardization:

Grading and standardization is important for agricultural products. But it is not easy to grade and standardize the products, as there are many agricultural goods and one produce has many qualities.

3.5 Branding:

Agricultural products do not create demand. Advertising is not possible due to the limited resources of agriculturists. As there are many qualities branding is also not an easy job.

3.6 Price Fluctuation:

There is price fluctuation in agricultural products due to the imbalance in supply and demand.

3.7 Lack of Market Information:

In India most of the farmers are illiterate and ignorant of the accurate prices ruling in the markets. They depend upon inaccurate information. They depend on hearsay reports of village merchants who never reveal correct price.

4. Suggestions:

Our country is an agricultural country. It is very important to remove the problems in the marketing of agricultural goods. In order to remove the problems the following suggestions are offered:

- ❖ To reach the consumers directly to market the products produced by the farmers at a competitive price, the farmers should start a super market in urban centre with the support of other farmers.
- ❖ For proper marketing of agricultural goods adequate and appropriate transport facilities are necessary. They government must take proper steps to improve the transport facility to the farmers for marketing their products.
- ❖ The government should take necessary steps to increase storage and warehousing facilities to remove the defects in agricultural marketing.
- ❖ Farmers Association should take necessary steps for fixation of standards and grades of commodities.
- ❖ Holding of auction sales by Agricultural departments to ensure increased price to the cultivators.
- ❖ The farmers should form an association themselves with the support of government and NGOs to get fair information about the market situation.

5. Conclusion:

In this paper it is concluded that if the government and farmers work together the problems of marketing agriculture products can be solved. The Central and State government should frame policies to protect the welfare of the farmers, because farmers are the backbone of Indian economy. The government should provide special

incentives and motivation to the farmers to incorporate an agriculture based production and marketing companies in their location.

6. References:

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