



IMPACT OF AGRICULTURE MARKETING ON CONSUMER BEHAVIOUR

Dr. Hanwant Singh Jaitawat*

Associate Professor Department of Agricultural Economics B.B.D Govt. College, Chimanpura, Shahpura, Jaipur, Rajasthan, India.

***Corresponding Author: Dr. Hanwant Singh Jaitawat**

Associate Professor Department of Agricultural Economics B.B.D Govt. College, Chimanpura, Shahpura, Jaipur, Rajasthan, India.

Article Received on 21/10/2017

Article Revised on 11/11/2017

Article Accepted on 01/12/2017

ABSTRACT

Agriculture in India has directly or indirectly continued to be the source of livelihood to majority of the population. Indian agriculture has seen a lot of changes in its structure. India, predominantly an agricultural economy, has healthy signs of transformation in agriculture and allied activities. India has seen agriculture as a precious tool of economic development as other sectors of production depend on it. Efficient backward and forward integration with agriculture has led to globally competitive production system in terms of cost and quality. Cooperatives seem to be well positioned to coordinate product differentiation at the farm level and to integrate forward into value added processing activities.. Indian agriculture can be balanced and made efficient through proper and better management practices. The present study brings out past and present scenario of agricultural marketing prevailing in India, its challenges and future recommendations. Moreover the opportunities provide by agricultural marketing should be tapped effectively by the marketers.

KEYWORDS: Agricultural marketing, marketing cooperatives, contract farming, commercialization, foreign direct investment.

INTRODUCTION

Agricultural marketing can be defined as the commercial functions involved in transferring agricultural products consisting of farm, horticultural and other allied products from producer to consumer. Agricultural marketing includes all activities involved in moving agricultural produce from producer to consumers through time (storage), space (transport), form (processing) and transferring ownership at various levels of marketing channels. Agriculture is the backbone of Indian economy. Out of 320 million workforce, 170 million are employed in agriculture. It not only provides food requirements to such a huge population of India but also earns successful returns.

Post independence saw a major and rapid growth in Indian agriculture at the rate of 2.6% per annum. India ranks the 1st in the world in terms of milk production. India ranks the 2nd in terms of rice, wheat, groundnut and tobacco production and 3rd in coffee production. India also ranks 2nd in the most arable land in the world, but a problem of low productivity, the yield is only 30% for each crop compared to world standards. India has adequate technology, but it is not fully implemented as our producers lack awareness.

Producers expect better returns as they work hard day and night in their fields but doesn't get. Agricultural

marketing should be planned and well prepared. In developing countries like India agricultural markets comprise of poor infrastructure, poor transport and communication, limited rule of law, limited access to finance etc. This result leads to market failure. The emphasis on market failure gave a way to the market orientated liberalization to get "prices and institutes right".

With this, there is emergence of state run marketing boards, producer marketing chains ranging from credit unions through farmer cooperatives to wholesale cooperatives. The producer should have accessed to competitive market prices which can only happen when the state inputs all its efforts in strengthening the competitive marketing system. In the mean time the marketing institutions need to maximize efficiency and transparency in transactions with the producers and also of retail/consumers price accruing to the farmers.

The agricultural transition towards commercialization is natural though some external forces may slow down its pace like agricultural policies frame work, extent of market imperfections, overall standard of living etc. Indian agriculture planners must pay attention towards the demand for agricultural produce by consumers. The agricultural sector should now attempt to achieve greater

market orientation nationally as well as internationally compared to its current focus on production orientation.

CONCLUSION

There is an eminent need for the Agri-marketing initiatives to be large and organized. The present market must cover two aspects of marketing network and actual regulation of the conduct of market. The need to strength the regulated market system arises from changing nature of linkages between agriculture and markets. It has been observed that better and easy market access and efficient information flow can bring much desired market orientation of the production system. Indian agriculture, moving from commoditization to commercialization drives it towards market orientation. India can claim to have largest network of agri-business cooperatives in the world, engaging in performing manufacturing, procurement and marketing of agricultural produce.

These have proven to occupy important place in our economy. The government must examine its policies and regulations with view to strength the marketing network and ensure that prices are being determined on competitive basis and markets are being manipulated. Using modern ICT can bring out better solutions as it can facilitate agricultural marketing functions and processes include buying and selling, payment, grading, standardization, transportation in an efficient manner.

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