



Marketing Behaviour of Vegetable Growers in East Sikkim

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ABSTRACT

The diverse agro-ecological situations ranging from sub-tropical in the lower valleys to alpine at very high elevations present an extremely congenial environment for horticulture diversification. The marketing behavior of a farmer is influenced by numerous factors. The study was conducted purposively during 2016-2017 in Gangtok and Pakyong blocks of East district of Sikkim comprising of 10 vegetable growing villages to assess the marketing behaviour of vegetable growers. The data were collected with the help of pre-tested semi-structured interview schedule, prepared on the basis of objectives of investigation and variables personally. The statistical tools of mean and percentage were used for analyzing the data. It was found that about 18 per cent respondents acquired market information from neighbours/ relatives and 43 per cent respondents had medium level of marketing knowledge about vegetables. The lack of proper local market yard facilities was the major problem (95%) while 100 percent respondent suggested the establishment of wholesale market within the state.

Key Words: Growers, Marketing behaviour, Problems, Organic market, Vegetable.

INTRODUCTION

The Sikkim is largely an agrarian state, based on the terraced farming and agriculture is vital to the progress as more than 80 per cent of the population depends on it for their livelihood and contributes around 9.86 per cent to GSDP in 2014-15. Sikkim attained organic certification for 74,313ha of agricultural land and was formally declared as India's first fully organic farming state in the country (Anon, 2016a, 2017c). The state has turned self-sufficient in vegetable production. The policies and programmes on organic farming, in tune with the natural endowment envisage making Sikkim a Model Organic State. The marketing of agricultural produce is a challenge for the state because the organic produce is sold at the regulated market at Siliguri, West Bengal which is not designed to handle organic produce. Therefore, it is necessary to bring reforms in the agri-marketing system in the state both operational and infrastructure support to facilitate and enabling atmosphere for state producers to take benefit of marketing of organic produce (Anon, 2017d). Phukan *et al*

also demonstrated 26 different types of constraints faced by the horticultural growers of East Sikkim for successful adoption of organic farming which resulted non-profitable enterprise.

Sikkim possesses a strong production base but the absence of right market channel for organic produce, absence of value addition by post harvest management and high transport cost has made organic produce to be sold with limited choice of market (Anon, 2017a). Hence, the present study was undertaken keeping in view the importance given to vegetable production and marketing in the area with the objectives to know the source of marketing information, understand the marketing behavior of vegetable growers and ascertain the constraints and suggestions perceived by farmers with respect to marketing.

MATERIALS AND METHODS

The study was carried out during 2016-17 in Gangtok and Pakyong blocks of East district of Sikkim comprising of 10 vegetable growing

villages namely Siyari, Martam, Nandok, Rey Mindu, Timpyem, Amba, Bengthang, Dikling, Namcheybong and East Pandam. The village selection was made through purposive random sampling method. Twelve vegetable growers from each village having preference for vegetable cultivation were selected through purposive random sampling technique to constitute a total sample size of the study comprised of 120. The data were collected by contacting vegetable growers personally with the help of pretested semi-structured interview schedule.

The marketing behaviour dimensions to be studied were inspired by Maratha and Badodiya (2017) and finalized in consultation with the social scientists. The statements used to analyze marketing behaviour of farmers were as follows: when do you sell the produce, which mode is used for transport, reasons for selling at a particular period/ time, whom do you sell the produce, where do you sell the produce, reasons for selling at a particular place and so on. On behalf of the above, statement responses were recorded from the respondents. The information collected was processed and analyzed by using frequency and percentage.

RESULTS AND DISCUSSION

Source of marketing information

Table 1. Source of marketing information.

(n=120).

Sr. No.	Information source	Frequency	Percentage
1.	Neighbours/ relatives	22	18
2.	Progressive farmer	20	16
3.	Input dealers	12	10
4.	News paper	16	13
5.	TV	8	6
6.	Internet	3	2.5
7.	Local market	28	23
8.	Radio	0	0

9.	Marketing agency	9	7
10.	Exporters	2	1

The market information is an important facilitating function in a marketing system which can manage timely delivery of product, reduce marketing costs, increase production and productivity and make the market healthy. Table 1 revealed that most of the farmers acquired market information from local market (23%) followed by neighbours/ relatives progressive farmers (18%) and newspaper (13%). However, farmer also collected market related information from other sources like input dealers (10%), marketing agency (7%) while very few got information from internet (2.5%) as well as exporters (1%).

Marketing behaviour of vegetable growers

It is considered as quality which can be acquired by an individual and the behaviour of the farmers with respect to marketing aspects of vegetables include time of sale, place of sale, marketing channels used and market prices. The data (Table 2) revealed that majority of the vegetable growers (48%) expressed sale of their produce immediately after the harvest for whatever the prices may be, followed by immediately after the harvest if prices are favourable (35%) and if the prices are less than they will be stored one or two months (16%). This finding was in agreement with the findings of Kumar (2015).

The majority of the respondents believe that the transportation system plays a vital role in the marketing of agricultural products. Therefore, distribution of agriculture produce, road transport has vital role because it is the major means of transporting agricultural produce from the farms. In this regard, it was found that 59 per cent of the respondents used regular service vehicle to transport their products to the market whereas 27 and 13 per cent respondents distributed their products through Farmers' Producer Organisation (FPO) vehicle and hired taxi. The majority of the vegetable growers (40%) expressed that high perishability was the

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Table 2. Distribution of respondents according to the marketing behaviour. (n=120)

Sr. No.	Statement	Frequency	Percentage
1	When do you sell the produce		
a	Immediately after the harvest if prices are favourable	42	35
b	Immediately after the harvest whatever the prices may be	58	48
c	If the prices are less than non perishable vegetables will be stored for one or two months	20	16
2	Which mode is used for transport		
a	Hired taxi	16	13
b	Farmers' Producer Organization vehicle	33	27
c	Regular service vehicle	71	59
3	Reasons for selling at a particular period/ time		
a	Highly perishable	48	40
b	Quality was not good	21	17
c	No cold storage facilities available	30	25
d	Financial urgency	13	10
e	Indebtedness to trader	8	6
4	Whom do you sale the produce		
a	Directly to the consumer	40	33
b	To village level middleman	53	44
c	To the wholesaler through commission agents	0	0
d	To the Govt. agencies	17	14
e	To private agencies	10	8
5	Where do you sell the produce		
a	In the village	28	23
b	In the nearby weekly market	44	36
c	In the nearby market	36	30
d	In the distant market	12	10
6	Reasons for selling at a particular place		
a	Market is very near to place	38	31
b	The better transport facilities available for that place	20	16
c	The better market facilities available in that market	11	9
d	The better prices are available in that market	51	42

major reason for selling vegetables at a particular period followed by financial urgency (25%), non-availability of cold storage facilities (17%), quality was not good (10%) and indebtedness to traders (6%), respectively.

Likewise, majority of the farmers (44%) expressed that the produce was sold to village level

middleman and the consumer; and 33 per cent sold their produce to consumer directly. Further, 14 per cent sold to the Govt. agencies followed by private agencies 13.88 percent, respectively. Around 36 per cent sold their produce in nearby weekly market, whereas 30, 23 and 10 per cent of them sold vegetables in the nearby markets, in their own villages and distant markets, respectively. Forty two

Table 3. Problems faced by the vegetable growers during marketing. (n=120)

Sr. No.	Problem Identified	Frequency	Percentage	Rank
1	Lack of proper local market yard facilities	115	95	I
2	Lack of wholesale market	102	85	II
3	Lack of regulated market	98	81	III
4	Low production due to lack of proper marketing facility	85	70	IV
5	Interference of middlemen	82	68	V
6	Delay in cash payment by the middlemen	76	63	VI
7	High transportation costs	70	58	VII
8	Price fixation by middlemen	64	53	VIII
9	Delay in cash payment by the marketing agencies	60	50	IX
10	Lack of storage facilities in growing area	54	45	X
11	Lack of awareness about market news and intelligence creates distress sale	41	34	XI
12	Non availability of information from distributors/retailers/suppliers/input dealers	33	27	XII
13	Cost of cultivation is more than profit	26	21	XIII
14	Frequent price fluctuation	19	15	XIV
15	Lack of information about foreign markets	10	8	XV

per cent of farmers sold their produce at particular markets because of better price and 31 per cent expressed that the markets were very near to them, 16 per cent revealed that it was because of better transport facility, while 9 per cent opined that it was because of better market facility, respectively.

Problems faced by vegetable growers during marketing

The data (Table 3) showed that 95 per cent of the respondents rated first order problem of absence of proper local market yard facilities. Wholesale markets improve efficiency in food distribution by encouraging competition through creation of conditions for transparent price discovery at relatively low costs and by enhancing access to market information for various actors. Therefore, lack of wholesale market was ranked second (85%) because it reduces the efficiency of food distribution. Regulated market is a market which

provides a unique system of marketing where the trade activities takes place under set of rules and regulations, so lack of regulated market became the third important problem for farmers. The result also focused that the fourth, fifth, sixth ranks were assigned to the constraints like low production due to lack of proper marketing facility (70%), interference of middlemen (68%), delayed cash payment by the middleman (63%). It was also found that higher transportation cost was one of the problems faced by the farmers. These results were in line with Kumar (2015). It was observed that, price fixation by middlemen (53%) was one of the important problem which was ranked eighth whereas, the issues like delay in cash payment by the marketing agencies lack of storage facilities in growing area, lack of awareness about market news and intelligence creates distress sale, non-availability of information from distributors/

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Table 4. Suggestions offered by vegetable growers. (N=120)

Sr. No.	Suggestion	Frequency	Percentage	Rank
1	Establishment of new wholesale market in Sikkim.	120	100	I
2	Sale of inorganic agricultural produce in the state from outside should be restricted for certain period to fullfil the local demand.	103	83.3	II
3	Setting up market information systems.	94	78.3	III
4	Proper price discovery mechanism through regulated market system.	88	73.3	IV
5	Marketing should be based on certain values, principles and philosophies.	79	65.8	V
6	Improvement of organic agriculture market glut.	71	59.2	VI
7	Farmers should have adequate and cheap transport facilities which could enable him to take their surplus produce to the market.	63	52.5	VII
8	Policy measures to reduce the middleman intervention in the market.	57	47.5	VIII
9	Initiatives to upgrade the infrastructure of the market.	49	40.8	IX

retailers/suppliers/input dealers, cost of cultivation is more than profit and frequent price fluctuation were ranked as ninth, tenth, eleventh, twelfth thirteenth and fourteenth with 50, 45, 34, 27, 21 and 15 per cent farmers, respectively. The lack of information about foreign markets with 8 per cent was the least important problem.

Suggestions offered by vegetable growers for better marketing of their vegetables

The rank order of market-related suggestive measures as perceived by vegetable growers have been given in table 4. The suggestions *viz.*, establishment of new wholesale market in Sikkim was ranked first (100%) followed by sale of inorganic agricultural produce in the state from outside should be restricted for certain period to fulfil the local demand ranked second (83.3%). Further, 78.3 cent and 73.3 per cent respondents suggested the establishment of market information systems (third rank) and proper price discovery mechanism through regulated market system to streamline and strengthen the agricultural marketing (fourth rank). The marketing should be based on certain values,

principles and philosophies to offer fair prices to the farmers. This was recommended by 65.8 per cent respondents for better vegetable marketing which to be ranked fifth. It was also revealed that 59.2 per cent of the respondents suggested the improvement of organic agriculture market glut can be improved through contract farming and ultimately increase the income of the farmers was ranked sixth. Seventh, eighth and ninth ranked were given to the suggestions like farmers should have adequate and cheap transport facilities which could enable taking their surplus produce to the market, policy measures to reduce the middlemen intervention in the market and initiatives to upgrade the infrastructure of the market.

CONCLUSION

The study revealed that majority (18%) of the respondents acquired market information from neighbours/ relatives and 43 per cent respondents had medium level of marketing knowledge about vegetables. The major constraints expressed by vegetable growers were lack of proper local market yard facilities as the major problem (95%) followed

by lack of wholesale market (85%) and lack of regulated market (81%). Establishment of new wholesale market in Sikkim can improve market information as well as enhance competition leading to improved efficiency in the exchange process. The sale of inorganic agricultural produce in the state from outside should be restricted for certain period to fulfil the local demand which will help the farmers to get actual price of their organic products. As Sikkim organic market is at nascent stage a good market mix and strategy to reach the premium market needs to be developed.

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