



A STUDY ON DIRECT AGRICULTURE MARKET (UZHAVAR SANDHAI) IN COIMBATORE DISTRICT

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Abstract

Direct marketing by farmers is being encouraged as an innovative channel. Uzhavar Sandhai, the farmers' market was a communal initiative started by the government of Tamil Nadu in the year 1999. The main aim of Uzhavar Sandhai is to help farmers to bring and sell their produce directly to consumers bypassing middlemen and commission agents. The farmers do not yield the benefit as the marketing system for fruits and vegetables is mostly in the hands of middlemen. Middlemen exist at various levels between the farmer and the consumer and exploit through malpractices in weighing, handling and payments. The main objective of the study is to about the factors influencing the farmers' market their produce in Uzhavar Sandhai in Coimbatore district.

Key Words: Farmers Market, Direct Agricultural Marketing, Uzhavar Sandhai, Direct Marketing.

Introduction

Direct marketing is an innovative concept, perhaps the only channel suitable for both the consumers and cultivators. Direct marketing of agricultural produce facilitates to eliminate middle men and commission agents who charge high commission fees from the agriculturists/ farmers coming to the markets for selling their produce and artificially inflate the retail prices. It helps the agriculturist /farmers directly sell their produce to consumers at affordable price. Direct marketing ensures higher financial returns for farmers as well as increased consumer satisfaction. Most of the states in Indian have adopted the concept of direct agricultural marketing.

Uzhavar Sandhai (Farmers' Direct Market) was introduced with an intension to eliminate the middlemen and providing necessary facilities for the farmers to sell their produce directly to the consumers at reasonable rates fixed every day. It benefits both the farmers and the consumers. Regulated market yards for agricultural produce (fruits and vegetables) are functioning only at a few centers. The marketing system for fruits and vegetables is now mostly in the hands of middlemen. Middlemen exist at different levels of the market between the farmers and the consumers. They exploit major portion of income through malpractices in weighing, handling and payments. Agricultural production is scattered and there is no proper pricing policy all so small farmers are unable to effectively bargain for better price in the wholesale market. Inefficiencies in the wholesale markets result in a long chain of intermediaries, multiple handling, and increase the gap between the producer and consumer prices. Large number of small retailers, each handling small quantities, create high overheads leading to high margin on produces.

Uzhavar Santhai (Farmers' Markets) in Tamil Nadu

Uzhavar Sandhai is one of the most successful models of direct agricultural marketing. The idea of setting up marketplaces which directly link producers and consumers and exclude traders and middlemen in Tamil Nadu is called as 'Uzhavar Santhai' (Farmers' Direct Markets), started during the year 1999. The major objectives of Uzhavar Sandhai in Tamil Nadu are:

- To facilitate direct contact between the farmers and Consumers.
- To supply fresh vegetables and fruits at reasonable price daily without any interference of middlemen.
- To provide correct measurement to the consumers.
- To give full satisfaction to the farmers and Consumers.
- To aim for providing higher price than that of wholesale price to the farmers for their vegetables and fruits.
- To provide the fresh fruits and vegetables at the lesser price than that of retail price to consumers.

Review of Literature

Ajay Verma (2002) in his paper discussed the importance of market, marketing, and export performance of vegetables in the world market. He concluded that Indian vegetables have more export potential than other crops. In 2000-01 the country exported other fresh vegetables to the tune of Rs.190.84 crores over Rs.144.14 crores in the preceding year; representing a growth of 32.89 percent.

Mohan (2004) suggested that the changed scenario, strong and viable agriculture financial institutions are needed to cater to the requirements of finance for building the necessary institutional and marketing infrastructure.

Agwu (2008) Recommended that extension should be more inclusive in documentation and transfer of innovations, Expand technology transfer mandate, Facilitate farmer innovations and build capability to analyze the same for social and economic development. The administrator and planners should adapt flexible management style that could encourage private sector interaction with the public sector; Backed up with institutional guidelines for the linkage interactions. Several other factors such as micro economics, Social institutional mechanism for flow of information, Relevant actors and dynamics of knowledge economy must be consider as important in determining the better outcome of processes.

Halder and pati (2011) suggested farmers that they should be their own setters rather than price followers. There is also an immediate need to integrate the production, Marketing and processing processes of the produce to get maximum benefits from fruits and vegetables cultivation.

S.Saravanan (2013) enquired into the production and marketing constraints of farmers in Coimbatore district of Tamil Nadu. The time has come that the agriculture produce in exchanged for mercy. Agricultural marketing is a new and evolving concept.

Jyothi K C (2014) brilliantly represent about the efficient agricultural marketing and sustainable development more efficient agricultural marketing generates economy wide gains in output and wages, raises agricultural producer prices, reduces consumer food price, and increases private consumption, particularly by low-income households.

N. Chandru, P. Jayasubramanian (2015) conducted a study to analyze the gap between the expected performance and actual performance of the Farmer's in uzahavar sandhai. The main objective of the study is to analyze the customer opinion on the working of the farmer market (uzhavar sandhai). The result divulges majority of the respondents are satisfied with the farmers behaviour while buying at uzahavar sandi, first rank is given to factors required for the purchasing vegetables in uzahavar sandhai.

Statement of the Problem

The direct marketing of agricultural produce was conducted under the control of state government in the name of Uzhavar Sandhai. It is a well organized direct marketing platform for formers and consumers. Even though farmers of Uzhavar Sandhai were faces several problems while marketing their products, which need urgent attention. One of the most important problems is lack of infrastructural facilities, storage facility, transportation facility, insufficient parking area and unhygienic conditions around the Uzhavar Sandhai. Cold storage facility is important infrastructure for unsold agricultural products like flowers, fruits and vegetables to keep afresh but several Uzhavar Sandhai were running without it. Based on the above discussion the researcher has raised the following research question;

What are the factors influencing the farmers to sell their produce in Uzhavar Sandhai?

Study objectives

- To study the socio economic status of the farmers
- To study the factors influencing the farmers to sell their produce in Uzhavar Sandhai.

Sampling plan and tool

The study is based on primary data. The researcher collected required data from the respondents who marketing their produce in Uzhavar sandhai. For the collection of primary data, 100 respondents were selected through convenient sampling method. The data were collected by using well structured questionnaire. To analyze the socio economic factors simple percentage method adopted, factor analysis is used to find the most influencing factor.

Scope of the study

This study is undertaken to analyze the factors influencing the farmers to market their produce in Uzhavar sandhai. In short, the study covers only socio economic status, most preferred online shopping website and factors satisfying consumer.

Study Limitations

The study is confined to following limitations.

1. It is also assumed that the respondents are true and honest in expressing their views.
2. The study is applicable only to Uzhavar Sandhai's (Farmers' Market) in Coimbatore District and not to any other similar areas.
3. For want of time, only 100 respondents were contacted.

Analysis and Interpretation

Table 1: General profile of the Respondents

1.Gender	Frequency	Percentage
Male	23	23.0
Female	77	77.0
Total	100	100.0
2.Age	Frequency	Percentage
21-35	8	8.0
36-50	30	30.0
Above 50	62	62.0
Total	100	100
5. Educational qualification	Frequency	Percentage
No formal education	23	23.0
Up to high school	51	51.0
Diploma education	16	16.0
Total	100	100.0
6. Monthly income	Frequency	Percentage
Below 5000	7	7.0
5001-7500	29	29.0
7501-10000	53	53.0
Above 10000	11	11.0
Total	100	100.0

Source: Primary data

The gender distribution of the respondents was, with 23% male respondents and 77% female respondents. The major age group of the farmers was above 50 years 62%, followed by 36 to 50 years 30%, 8% of the respondents were between the age group of 21-35 years. In terms of education qualification, almost 51% of the farmers had high school education, 23% of the farmers falling under the category of having no formal education and remaining 16% of the farmers had diploma level of education. With regard to monthly household income of farmers, the major group of farmers had monthly household income of Rs 7501-10000 53%, followed by Rs 5001- Rs 7500 29%, 11% of the respondents monthly household income was above Rs 10000 and 7% of the respondents earning were less than Rs 5000 per month.

Factor Analysis

Factor analysis is a set of techniques which by analyzing correlations between variables reduce their numbers into fewer factors which explain much of the original data, more economically. Even though a subjective interpretation can result from a factor analysis output, the procedure often provides an insight into relevant psychographic variables, and result in economic use of data collection efforts. The subjective element of factor analysis is reduced by splitting the sample randomly into two and extracting factors separately from both parts. If similar factor result, the analysis is assumed as reliable or stable.

Table 2 : KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.714
Bartlett's Test of Sphericity	Approx. Chi-Square	773.238
	df	91
	Sig.	.000

In order to determine the factors influencing, Factor Analysis on 16 items was performed (Table - 2). Principal Component Analysis with a Varimax Rotation and Eigen value equal to or more than 1 (Kinnear and Taylor, 1987) were used for the present study. In order to get clear factorial design, 1 item with factor loadings of less than 0.50 were dropped and loadings equal to or above 0.50 were retained. The dropped question was: Canteen facility. Hence, the factor analysis on the 14 influencing items showed 3 factors with 15 variables and explained 65.07% Variance. In line with the objectives, the present study seeks to find out the factor influencing farmers in the selection of Uzhavar Sandhai to sell their produce. The suitability of factor analysis was validated with the help of Kaiser-Meyer-Olkin measure of sampling adequacy was 0.714, above the recommended value of .6, and Bartlett's test of sphericity was significant (χ^2 - 773.238, $p < 0.000$).

Table 3: Rotated Component Matrix

	Component		
	1	2	3
Price fixing	.881		
Allotment of shops	.807		
Weighment scale	.777		
Administration	.755		
Working hours	.748		
Quality fixing	.618		
Security arrangement		.842	
Transport facility		.778	
Convenience in marketing		.695	
Agricultural advice		.682	
Allotment of shops		.576	
Parking facility			.724
Water facility			.716
Storage facilities			.684
Toilet facility			.514
Eigen values	4.850	2.663	1.599
Percentage of total variance	34.641	19.018	11.419
Cumulative percentage of variance	34.641	53.659	65.078

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

The above table shows the first rotated factor F1, explaining 34.64 % of total variance, reveals strong associations between Price fixing, Allotment of shops, Weighment scale, Administration, Working hours, Quality fixing having loadings of 0.881, 0.807, 0.777, 0.755, 0.748, 0.618 respectively on factor 1. This suggests that factor 1 is a combination of these variables. Therefore this factor can be interpreted as “Administrative Facilities”. Now for factor 2 we see Security arrangement, Transport facility, Convenience in marketing, Agricultural advice, Allotment of shops have a high loading 0.812, 0.778, 0.822, 0.695, 0.682, 0.576 respectively. These variables can be clubbed into a single factor called “Marketing Facilities” factor. As for factor 3 it is evident that Parking facility, Water facility, Storage facilities, Toilet facility have the highest loading of 0.724, 0.716, 0.684 0.514 and this factor can be terminated as “Infrastructure Facilities”.

Conclusion and Suggestions

The concept of Uzhavar Sandhai’s a unique fair farmers’ market mode which is capable of providing answers to several challenges put forth by the globalization of agriculture. The result of the study has tried to model the factors necessary to determine the perceptions of the farmers. The factors determinates really verified the perception a farmers, towards these markets. The study is imperative as it reveals the potential to contribute to the enhancing performance of these markets in future and brings awareness to both the farmers as well as consumers in making these markets more efficient and economical. Moreover the study reveals that majority of the respondents have a positive perception towards these markets and these markets are really proving to be proficient and reasonable. Organized innovations and institutional structures do not come that easily within the circle of poor and small and marginal farmers without support from government bodies. Such thought processes may not cross farmers’ minds as they are for the most part engaged in thinking about their future prospects and family problems created by low income levels and the lack of market for their produce. Thus, if they are given the required simple training in marketing techniques, they can decide what to cultivate, at what time to sell, at what price and to whom.

Scope For The Future Research

As the present study is confined to factors influencing farmers to market their produce in Uzhavar Sandhai at Coimbatore district, only the views of the farmers are given importance in the study. A study of the similar nature of study can be extended by covering consumers in the sample and by using the same methodology adopted in the present study.



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