

Advertising of Agriculture Products in India

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Abstract

Our nation's foundation is its agriculture. Right now, India is the second-largest producer of various fruits and vegetables in the globe. An important resource for accelerating agricultural growth in rural areas is agricultural marketing information. In India, a large portion of the population still makes their living from agriculture, either directly or indirectly. Since other industrial sectors rely on India, the country has long been seen as a valuable tool for economic progress. All of the services and facilities required for efficient marketing in the economy are referred to as marketing infrastructure. This article aims to analyze the current situation of various agricultural marketing infrastructures, their geographical distribution throughout Indian states, and government initiatives aimed at bolstering these infrastructures. The adoption of various infrastructures influences the type of technology that is used, lowers transportation costs, boosts productivity, and improves income distribution by providing small and marginal farmers with more access to markets. Significant investment is required in the agriculture industry to build the fundamental infrastructure required for overall economic growth. The promotion and maintenance of rural and economic development pace is greatly dependent on marketing infrastructures, particularly in emerging nations such as India. We will talk about in this essay. Agriculture product advertising in India.

Keywords: Advertising, Agriculture Products, Fruits, Vegetables. Growth, Seasonality, Product Pricing, Growing Economy, Gross Domestic Product, Marketing Functions, Market Integration, E-Commerce, Farmer

Introduction:

The business activities involved in moving agricultural products, such as farm, horticultural, and other related products, from producer to consumer are known as agricultural marketing. The movement of agricultural products from producers to consumers via time (storage), location (transportation), form (processing), and ownership transfer at different stages of marketing channels is all included in agricultural marketing. The core of the Indian economy is agriculture. 170 million of the 320 million people in the workforce work in agriculture. In addition to meeting the food needs of India's enormous population, it also generates profitable returns. Agriculture in India grew significantly and quickly after independence, at a rate of 2.6% annually. In terms of milk production, India is the world first. India is ranked third in the production of coffee and 2nd in the production of wheat, rice, groundnuts, and tobacco. India has the second-highest arable land area in the world, but productivity is a problem as well; by global standards, crop yields are just 30%. India has sufficient technology, but because our producers are not aware of it, it is not completely utilized. Producers toil day and night in their fields in the hopes of receiving greater profits, but they never do. Marketing for agriculture should be carefully thought out and prepared. [1]

Agricultural markets in developing nations such as India are characterized by inadequate infrastructure, inadequate communication and transportation, a weak rule of law, restricted access to credit, etc.

The foundation of the Indian economy is agriculture, of which 42.6% of the workforce is underage. India is ranked second globally in terms of arable land and first globally in terms of milk output. The purchase and selling of agricultural products is the primary function of agricultural marketing. back in the past. when the community had a mostly self-sufficient economy Agricultural product marketing was easy because the farmer could sell his produce to a customer for cash or in exchange for barter. The technique of placing a farmer and a consumer on the same platform is known as agricultural marketing. This grows to be a significant component of the economy. Agriculture marketing encompasses more than just the sale of finished agricultural products; it also involves providing farmers with inputs. The primary idea of agricultural marketing is the integration of all the organizations, initiatives, and regulations related to farmers' purchases of agricultural inputs and the transportation of



agricultural goods from the farms to the end user. [2]

Characteristics of Agricultural Products and Production:

Due to the unique qualities that distinguish agricultural commodities from manufactured goods, the field of agricultural marketing has been given its own academic designation. The following list contains the unique qualities of agricultural commodities:

1. Product perishability: The majority of agricultural products have a limited shelf life, which can range from a few hours to many months. Fixing a reserve price for farm-grown items is nearly hard for farmers due to their perishable nature.
2. Production seasonality A specific season of the year is when farm products are produced. They are not able to be produced all year long. Pricing seasonality occurs during the year as a result.
3. Product bulk the bulkiness of most agricultural goods makes storage and transportation challenging and costly. This constraint further limits the production site to a location close to the processing or consuming center.
4. Differences in product quality It can be challenging to grade and standardize agricultural products due to the wide range in their quality. With manufactured things, there is no such issue because they can be created in a consistent quality.
5. Small holding size and dispersed output All around the nation, farm products are produced, and the majority of these producers are small businesses. This complicates supply prediction and causes issues with marketing.
6. Product costing Apart from the challenge of estimating the overall supply in small-scale farming, a lone farmer encounters a standard marketing scenario. He has little control over the market supply because his portion of the overall supply is so small. [3]

Recent Trends in Agricultural Marketing:

The agricultural sector has shifted from being deficit-oriented to being surplus-oriented. It's evident that new marketing strategies, including contract farming, are improving farmer profits. Corporate houses such as the Tata, Birla, Mahindra, and others are venturing into and growing the agricultural industry. Commercial banks and regional banks, with more than 68,000 branches, are exceptionally strong at funding agribusiness projects. Increased financial market openness and a decrease in tariff and non-tariff obstacles to cross-border agricultural output flows have been made possible by bilateral, regional, and trade agreements. Opportunities to change India's agro-food markets have been made possible by liberalizations and globalization. Another kind of nationalized transparent electronic spot exchange with its headquarters located in Mumbai was founded in 2005 and is called National Spot Exchange Limited. Agricultural producers, processors, exporters, importers, investors, and other players in commodities can find tailored solutions to a range of issues in this cutting edge marketplace. The e-seva Kendra, run by the Grameen Sanchar Society (GRASSO), offers agri-related services such market access, agricultural product pricing, the availability of cold storage facilities, labor availability, and job opportunities. [4]

Challenges:

- Lack of storage facilities: About 18–24% of the crop is damaged as a result of poor storage facilities, which forces farmers to sell their produce at a cheap price after harvest.
- Distress Sale: Farmers who, under social pressure, are unable to wait for a better price, sell their produce to moneylenders or dealers for a very low price.
- Unfavorable market conditions and procurement centers: Because of cartelization, high transaction costs, and unfair billing practices to large farmers, the state of procurement centers is still unfavorable for marginal farmers. Farmers are forced to sell their produce at a significantly lower price than the market price as a result. The results of the study show that 32% of rice purchases involve middlemen, 29% involve vegetables, and 46% involve fruits.
- A healthy and financially sustainable collective of farmers is lacking in a significant number of areas. This is known as a vibrant farmers association. Farmers were unable to maximize



the potential benefit due to their isolation and homogeneous behavior.

- Lack of Market Intelligence: Farmers accept any manipulative price that a trader or marketer offers them since they are unaware of the dominant price in the large terminal market.
- Lack of Grading and Standardization: Farmers that do not place a high value on grading and standardizing their produce do not get paid a fair price. [5]

Review of Literature:

To meet the objective of the study necessary data on agricultural marketing infrastructures such as agricultural produce markets, sub yards rural periodic markets, storage and warehousing facilities, roads, transport vehicles, grading, communication, and post-harvest technology were collected from the annual report of various ministries & their directorate dealing in the subject i.e. Directorate of Marketing & Inspection, Ministry of Agriculture, GOI, New Delhi, National Horticulture Board, Ministry of Agriculture, GOI, New Delhi, Ministry of Transport, GOI, New Delhi, Directorate of Surface Transport, Department of Telecommunication, Ministry of Communication, Warehousing Corporations working under Ministry of Food & Civil Supply, Report of Expert Committee on Strengthening and Development of Agricultural Marketing etc. The entirety of the data was extracted from the ministries' websites and published reports Singh Sukh Pal (1996). [6]

The agricultural marketing system creates vital connections between the non-farm and farm output sectors in a dynamic and expanding economy (Acharya, 1997c). In addition to carrying out the logistical and enabling tasks involved in moving commodities from producers to consumers, the marketing system also finds pricing at various points in the marketing process and sends signals about prices throughout the marketing chain. The performance of the marketing system, which is reliant on the composition and dynamics of the market, is the primary concern in agricultural marketing. The government has taken a number of actions to alter the composition and operation of agricultural produce markets in response to the ongoing criticism of the marketing system's performance. [7]

Objectives:

- To examine consumer preferences on agriculture products.
- The aim of this study is to know preference and satisfaction level of customers on agricultural products
- To understand the agricultural performance in India.
- To analyze and evaluate the better marketing activities for selling of agricultural products.

Research Methodology:

The secondary data used in this study was gathered from numerous websites and journals. This research paper's primary goal is to examine current agricultural marketing trends in India. Adding to the body of knowledge on agricultural marketing already in existence is the goal of this research work. The study is limited to reviewing already published works. Results will differ and be more effective if primary data is used. Based on secondary data information gathered from a variety of secondary sources, including websites, published yearly reports on agricultural marketing, and numerous published research papers, this article presents its findings.

Result and Discussion:

Changing Perspectives of Agricultural Marketing in India:

The flow of goods from producers to consumers is significantly aided by agricultural marketing. India's food production is rising dramatically. An significant source of raw materials for industry, agriculture accounts for roughly 14% of India's GDP (Gross Domestic Product) and is vital to the country's economic structure.

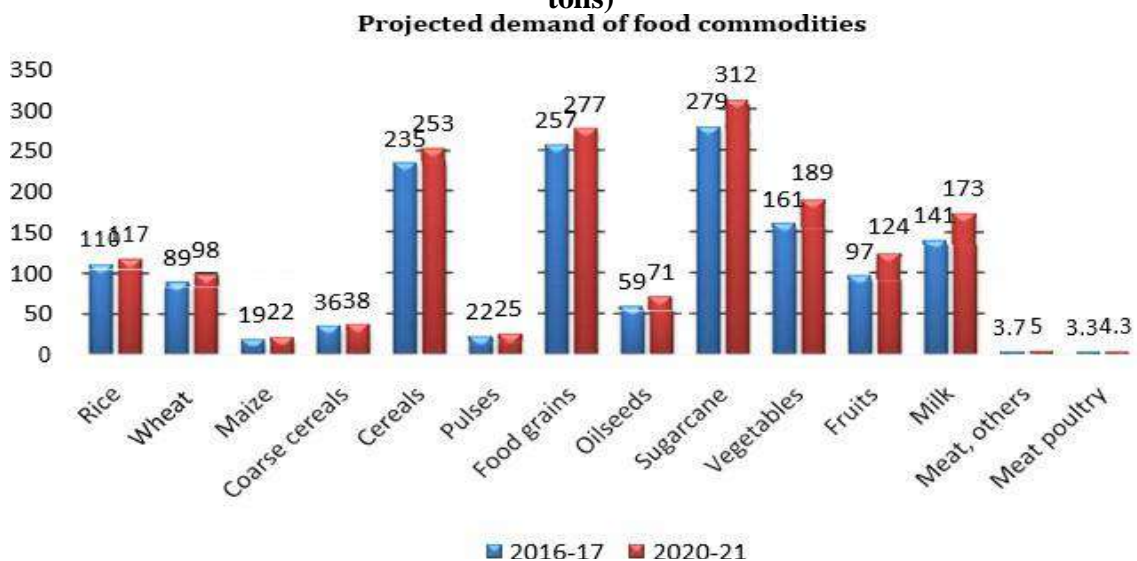
Transporting an agricultural product from the farm to the consumer is known as agricultural marketing. It involves a number of tasks, including distribution, processing, storage, and transportation. 65 percent of the workforce in the nation works there. Primary, secondary, and terminal marketing functions are the three market stages into which agricultural marketing is subdivided. The farmer, or producer, the cultivator, and the merchants are the primary market



participants. [8]

The processing agent is involved in the secondary market function, and the shipping agents involved in the primary and secondary market functions are part of the third terminal market function. The marketing initiatives provide the greatest possible welfare for the consumers. The wants and needs of the customer are met. The field of input marketing is expanding at a rapid pace in agricultural marketing. A vital input for agriculture is seeds, equipment, farm implements, pesticides, insecticides, and fertilizers. Modern agriculture is always looking for new technologies. Consequently, the field of agricultural marketing is expanding, and by guaranteeing farmers receive their agricultural input on time, it aids in raising production. The country is experiencing a rise in food gain and horticultural production. Marketing of produce, particularly perishable products, requires cold storage while transporting the stuff from one location to another. The graph below compares the predicted food commodity demand for the years 2020–21 with the food commodity demand for the years 2016–17. [9]

1 Graph: Projected demand of Food Commodities in India during 2020-21 (in million tons)



Source: Indiastat, <https://www.indiastat.com/table/agriculture-data/2/agricultural-marketing/14278/996183/data.aspx>

Marketing functions

The ownership of the items is transferred from farmers or producers to customers through marketing. The marketing functions listed below are categorized as follows: [10]

(1) Function of transfer of Ownership	(a) Selling
	(b) Buying
	(c) Demand creation and
	(d) Price determination
(2) Function of Physical Movement	(a) Transportation and
	(b) Storage
	(c) Function of changing the form of the product
	(a) Standardization and grading
	(b) Packaging
(3) Facilitating Function	(a) Market financing
	(b) Risk bearing and
	(c) Market information

Reforming Agricultural Market

A stronger relationship with worldwide practices and quality is required to meet the challenges



of a more competitive globalized world, and agricultural market reform is essential to enhancing the sector's contribution to the country's GDP.

APMC Act

The state's Mandi, or agricultural market, is regulated by the Agriculture Produce Market Committee Act. No individual or agency is permitted to carry out wholesaler and marketing activities outside of the designated market area, which is determined by the authorities. The state government in the state constituted this committee board. [11]

Market Integration

To create an electronic farm produce market that is available to the entire nation of India, all of the current APMCs must be integrated. With a single license that is valid for trading throughout the State and a single point levy of tax for the first wholesale purchase from the farmer, E-NAM seeks to accomplish this goal through a comprehensive licensing system for buyers without any requirements of having a physical presence or possession of a shop properties in an APMC.

E-commerce in Agricultural Marketing

E-commerce refers to the exchange of money and the purchase and sale of items over an internet platform. A system that would enable buyers and sellers to broadcast their buying wants and product requirements to one another would be in place thanks to the e-trading system, which enables producers, user organizations, electronic traders, and prevailing traders to be accomplished in offering a product to the market.

With appropriate and improved management techniques, Indian agriculture can be balanced and made more effective. This research highlights the agricultural marketing landscape that exists in India today, along with its obstacles and suggestions for the future. Additionally, marketers should make efficient use of the potential that agriculture marketing presents (Shakeel-Ul-Rehman et al., 2012). [12]

DATA ANALYSIS AND INTERPRETATION

Table-1: All India Estimates of Area of Food Grains

Crops	Ninth Five Year Plan					Tenth Five Year Plan					Eleventh Five Year Plan				
	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Rice	43447	44802	45162	44712	44904	41176	42593	41907	43660	43814	43914	45537	41918	42862	44006
Wheat	26696	27523	27486	25731	26345	25196	26595	26383	26484	27995	28039	27752	28457	29069	29865
Jowar	10801	9794	10251	9856	9795	9300	9331	9092	8667	8473	7764	7531	7787	7382	6245
Bajra	9888	9297	8897	9829	9529	7740	10612	9233	9581	9508	9571	8753	8904	9612	8777
Maize	6321	6204	6422	6611	6582	6635	7343	7430	7588	7894	8117	8174	8262	8553	8782
Ragi	1657	1758	1634	1759	1647	1415	1666	1553	1534	1177	1387	1381	1268	1286	1176
Small Millets	1529	1495	1411	1424	1311	1201	1191	1101	1064	1010	1039	905	831	800	799
Barley	858	793	725	778	660	702	657	617	630	346	603	706	624	705	643
Coarse Cereals	31054	29341	29340	30257	29523	26992	30801	29025	29065	28708	28482	27450	27675	28339	26422
Cereals	101197	101666	101988	100700	100771	93364	99988	97315	99208	100516	100435	100739	98051	100270	100293
Tur (Arhar)	3359	3439	3427	3632	3328	3359	3516	3519	3581	3562	3726	3378	3466	4367	4007
Pulses (other than Tur)	7147	6910	6367	7026	7395	6592	8168	7799	7099	7114	7764	6431	7117	7953	7183
Gram	7563	8469	6146	5185	6416	5906	7048	6715	6926	7494	7544	7893	8169	9186	8299
Pulses (other than Gram)	4802	4683	5176	4505	4870	4639	4727	4731	4785	5022	4600	4393	4531	4897	4973
Pulses	22871	23501	21116	20348	22008	20496	23458	22763	22391	23192	23633	22094	23282	26402	24462
Foodgrains	12068	125167	123104	121048	122780	113860	123447	120078	121600	123708	124068	122834	121334	126671	124755

Sources: Government of India: State of Indian Agriculture 2012-13, Ministry of Agriculture, Department of Agriculture and Co-operation, New Delhi.

Given the enormous demand for RICE in India, the government made the strategic choice to set aside more land for production. The decision's result is more output in terms of quintals as





well as more output units. This clarifies why rice is in higher demand in India. For farmers as well, this is a beneficial step. Farmers can also boost sales, which will allow them to make more money. If farmers are able to establish or learn the strategic steps for selling things in the market, their situation will improve. India needs to create this kind of climate because it is an agriculturally dependent nation. The majority of people rely on the agricultural sector, which explains how the Indian populace makes their living. There are several innovative ways to market products to ultimate consumers, and the retail sector is very heavily involved in this as well, even in India. Growing the sales of the farmers in India also requires the Internet, blogs, communities, and other sources to play a major role. Marketing of agricultural products requires the use of agricultural marketing. This has been a major factor in boosting our economy. [13]

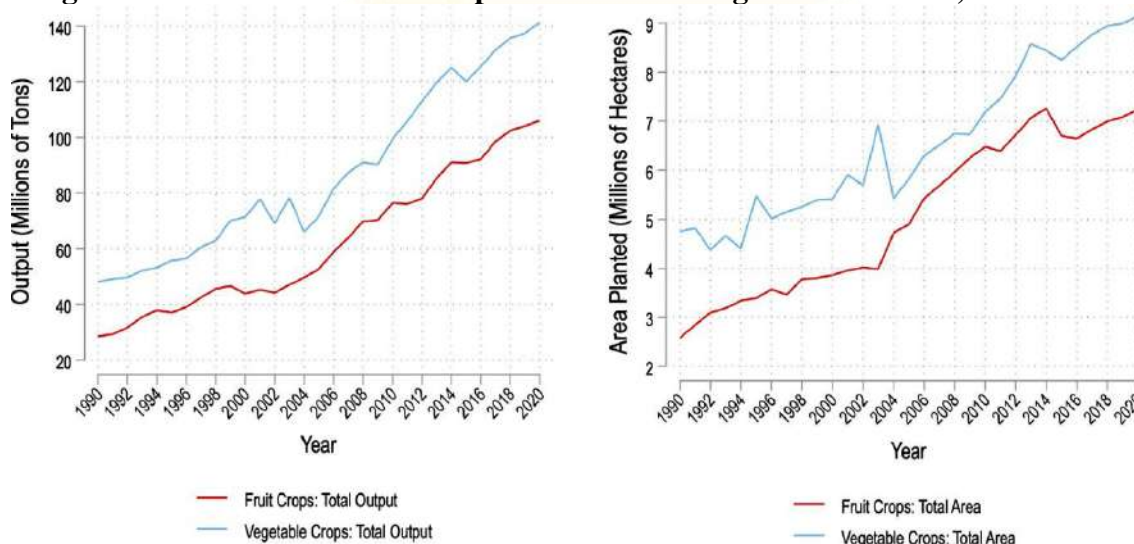
Table-2: All India Estimates of Production of Food Grains [14]

Crops	Ninth Five Year Plan					Tenth Five Year Plan					Eleventh Five Year Plan				
	1997-98	1998-99	1999-2000	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Rice	82544.5	86076.7	89682.9	84976.6	93340.0	71820.2	88526.0	83131.7	91793.4	93355.3	96692.9	99182.5	89092.9	95979.8	105311.0
Wheat	66349.9	71287.5	76368.9	69680.8	72766.3	65760.8	72156.2	68636.9	69354.5	75806.7	78570.2	80679.4	80803.6	86874.0	94882.1
Jowar	7528.1	8415.4	8684.9	7529.4	7556.8	7012.4	6681.3	7244.3	7629.6	7150.8	7925.9	7245.6	6698.2	7003.1	6006.5
Bajra	7644.4	6955.6	5782.2	6759.2	8284.0	4718.9	12109.3	7931.3	7684.0	8423.7	9970.1	8887.1	6506.4	10369.9	10276.0
Maize	10819.2	11147.7	11509.6	12043.2	13160.2	11151.7	14984.3	14172.0	14709.9	15097.0	18955.4	19731.4	16719.5	21725.8	21759.4
Ragi	2086.8	2608.1	2289.5	2731.7	2374.6	1315.7	1965.7	2432.4	2353.6	1443.6	2152.2	2039.9	1888.5	2193.5	1929.2
Small Millets	639.9	670.8	618.2	586.9	576.7	459.3	563.8	477.6	741.6	479.6	550.7	444.8	381.9	442.0	451.5
Barley	1679.4	1537.8	1447.0	1430.6	1424.5	1407.4	1297.6	1207.1	1220.6	1327.9	1196.1	1689.1	1354.7	1662.9	1618.7
Coarse Cereals	24763.4	25053.1	23214.6	24858.7	26712.2	19989.0	32216.8	26362.1	26736.7	25610.0	31894.6	28544.2	23833.3	33081.8	32463.3
Cereals	179292.2	188699.6	196383.2	285738.4	199483.1	163646.4	198284.2	185233.3	195217.2	203084.6	216013.5	219899.8	203445.6	226250.9	242234.4
Tur (Arhar)	1849.5	2707.9	2693.8	2246.3	2259.8	2185.8	2356.4	2346.9	2738.0	2314.1	3075.9	2265.5	2464.6	2861.1	2654.1
Pulses (other than Tur)	24401	2433.2	2122.4	2201.9	2578.4	1965.2	3808.3	2370.4	2126.8	2481.3	3327.3	2420.7	1739.7	4259.0	3403.8
Gram	6132.2	6800.7	5118.1	3855.4	5477.0	4236.8	5717.5	5469.4	5599.9	6333.7	5748.6	7060.2	7475.9	8221.1	7702.3
Pulses (other than Gram)	2549.0	2965.3	3483.8	2771.8	3056.9	2737.2	3023.0	2942.8	2919.7	3068.4	2609.7	2820.0	2981.7	2899.8	3328.8
Pulses	12970.8	14907.1	13418.1	11075.4	13368.1	11125.0	14905.2	13129.5	13384.4	14197.5	14761.5	14566.4	14661.8	18240.9	17089.0
Food grains	192263.0	203606.7	209801.3	196813.8	212851.2	174771.4	213189.4	198362.8	208601.6	217282.1	230775.0	234466.2	218107.4	244491.8	259323.4

Sources: Government of India: State of Indian Agriculture 2012-13, Ministry of Agriculture, Department of Agriculture and Co-operation, New Delhi

Background and legislative environment for agricultural marketing in India: After China, India is the world's second-largest producer of fruits and vegetables, with a growing trend in both output and area used for cultivation (see Fig. 1). The Food and Agriculture Organization (FAO) of the United Nations states that India is the world's top producer of onions, pomegranates, and okra. A significant amount of fruits exported are pomegranates.

Figure 1: Trends in area and output of fruits and vegetables in India, 1990–2020.





Two major laws on agricultural marketing were passed by the Indian government (GoI). First, by lessening reliance on market middlemen, the Agricultural Produce Marketing Act of 1963 helped smallholders. Second, to increase marketing effectiveness and draw in both domestic and international direct investments, the GoI passed a number of domestic market changes in the first ten years of the twenty-first century. The Agriculture Produce Marketing Regulation Act was developed in 2003 with the aim of curbing the oligopsonistic market power of large retailers and narrowing the disparity in prices between farms and retail establishments. [15] The Agricultural Produce Market Committee (APMC) is an expert panel that oversaw the 2003 legislation. As a result, the APMC Act currently governs agricultural markets in every Indian state. Local agricultural markets, or mandis, may be established by state governments under this statute. The APMC mandis are located in distinct sites for each state. A region's mandi count is correlated with the state's overall area. It is mandatory for farmers to sell their produce within their local area. The state government requires licenses for vendors in the mandi. It is not possible for retailers and wholesalers to buy goods straight from farmers. A commission agent acts as a middleman between farmers and traders to oversee the auction procedure used in the mandis to sell farm commodities. [16]

Conclusion:

The primary topics of this essay are marketing strategies for agricultural products and issues that crop producers face while trying to sell them. The soil tiller has to know the market knowledge. What is the best way to create marketing material that will help businesses sell their goods at higher prices? The marketing of agricultural products is essential to the simple delivery of agricultural products to consumers. Its goal is profit-making, just like all marketing initiatives. It facilitates farmers in getting their products to consumers with very little lead time. To prevent small-scale farmers from being cut off from the advantages of agricultural produce, they must be integrated into the market and educated about concepts such as supply and demand, which are fundamental to the economy. In summary When all of the following requirements are met, a good marketing system guarantees the farmer a fair price for his produce.

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