

Marketing of apple in baramulla district of Jammu and Kashmir

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Abstract

Marketing system is the chain of personal integrated with various functions performed by such intermediaries in order to transfer the produce from the producers to the ultimate consumer. Horticulture development is currently constrained by poor marketing arrangements. Apple marketing in the state is virtually in its entirety is carried out by the private sector comprising of the pre-harvest contractor, forwarding agents, commission agents, wholesalers and retailers. Apple marketing being complex phenomena requires special treatment and utmost care at present in the Jammu and Kashmir. The present marketing structure is such that 87 per cent of marketing activities are solely performed by intermediaries. Marketing costs refer to the charges incurred by participants of marketing process for bringing the produce from producing areas till it reaches the ultimate consumers. It includes the labour costs involving assembling, grading, packing, loading/ unloading, transport, storage, commission charges, market fee etc. The objectives of the study were to estimate the marketing cost of apple and to identify marketing problems of apple growers. The relevant information was gathered through primary data. Garrett Raking Technique was used to identify the problems faced by farmers. The results of the study was found that main cost of apple marketing was loss of apple during the transportation followed by packing cost, commission charges and transport cost. The study also indicates that storage facility is the main problem of apple cultivators in marketing of apple.

Keywords: marketing, marketing cost, problems and garrett raking technique

Introduction

Marketing system is the chain of personal integrated with various functions performed by such intermediaries in order to transfer the produce from the producers to the ultimate consumer. An efficient marketing system is prerequisite for sustaining the growth of horticulture production. Horticulture development is currently constrained by poor marketing arrangements. The gap between prices received by the farmers and those paid by consumers is large, reflecting inefficient marketing arrangements. The economic efficiency of marketing system is generally measured in terms of the price spread of a horticulture commodity. The term "Price-spread" generally refers to the difference between the two prices, i.e. the price paid by the consumer and the price received by the producer. The marketing of apple is a complex phenomenon. The marketing pattern of apple is different from other agricultural commodities. They are first brought to the wholesale markets near the production areas and then supplied from there to the terminal markets. The dispersion process in case of apple is in the opposite direction. The produce is first sent to the terminal market from the producing area and then distributed to the primary and secondary markets. Apple marketing in the state is virtually in its entirety is carried out by the private sector comprising of the pre-harvest contractor, forwarding agents, commission agents, wholesalers and retailers. It is claimed that collusion among middlemen and exploitation of weaker producers is common practice. Apple marketing being complex phenomena requires special treatment and utmost care at present in the Jammu and

Kashmir. Due to the powerful intermediaries in the marketing system, present marketing has an inherent tendency to give more benefits to these intermediaries at the cost of apple growers. The present marketing structure is such that 87 per cent of marketing activities are solely performed by these intermediaries. Marketing costs refer to the charges incurred by participants of marketing process for bringing the produce from producing areas till it reaches the ultimate consumers. It includes the labour costs involving assembling, grading, packing, loading/ unloading, transport, storage, commission charges, market fee etc.

Review of Literature

Chauhan and Mehta P (2000) ^[2] in their study "Post- harvest Losses of Apple in Himachal Pradesh" stated that apple is a perishable commodity in nature. The study revealed that the total post-harvest losses of apple from orchard level were estimated high 23.57 per cent of total production, out of which loss at producer's level was 13.77 per cent and retailer's level, was 9.80 per cent. In monetary terms the loss was estimated per 100 kg of production at Rs.313.46. Bala Brij (2006) ^[1] revealed that 72.5 per cent farmers were used wooden boxes for packing and only 6-7 per cent farmers used cartons. The study also revealed that maximum farmers were sold their product to the private dealers than to HPMC. The channel i.e. producer- commission agent- retailer- consumer was the most preferred channel in the study area. Lack of road and inadequate storage facilities were a big problems identified in the study area. Khair Syad Muhammad *et al.* (2006) ^[3] in their

study “Production Constraints of Apple in Balochistan”. The study was about production constraints/problems. It was observed that the storage of irrigation water was the most serious and common problem and ranked by 1st by apple growers followed by low market price of apple, attack of insects, pest and diseases and much expensive inputs (fertilizers, pesticides, packing materials) and also expensive transport.

Objectives of the study

In view of the literatures reviewers the following objectives are framed.

1. To estimate the marketing cost of apple in Baramulla district.
2. To identify the problems of marketing of apple farmers in Baramulla district.

Methodology

In the present study primary data was used. For the primary

data a multi-stage random sampling technique was used, district in the first stage, block in the second stage, villages in the third stage and farmers in the fourth stage. Baramulla district is chosen for the study due to high concentration of area and production. The district occupies 30 per cent area and 60 per cent production. Four villages were chosen for the study namely Sangrama, Pothkhah, Nowpora and Amargad. 100 samples were taken from these four villages for the study, 25 samples from each village. Garrett Raking Technique was used to make out the problems faced by farmers.

Result and Discussion

Marketing cost of apple

Marketing costs refer to the charges incurred by participants of marketing process for bringing the produce from producing areas till it reaches the ultimate consumers. It includes the labour costs involving assembling, grading, packing, storage, loading/ unloading, transport, commission charges, market fee etc.

Table 1: Marketing Cost of Apple (Per Box)

Particulars	Sangrama	Pothkhah	Nowpora	Amargad	Average
Storage cost	1.62	1.57	0.8961	0.7999	1.21
Packing cost	141.97	131.30	140.80	123.20	134.31
Transportation Cost	3.0	2.72	2.54	2.64	2.72
Commission Charges	9.64	9.25	10.03	8.82	9.43
Loading& unloading charges	1.97	1.85	2.0	1.75	1.79
No of boxes lost during transport	670.80	644	679.60	620	653.6
Market fee	0.50	0.47	0.52	0.44	0.48
Total marketing Cost	166.48	164.92	160.68	135.63	156.93

Source: Field Survey

Table 1 shows that the average marketing cost of apple in four villages were Rs 156.93 (per box). The main cost in apple marketing is loss of apple boxes during transportation with average cost (Rs 653.6) followed by packing cost Rs134.31 which was higher in Sangrama of Rs 141.31, followed by Nowpora Rs 140.8, Pothkhah Rs 131.29 and Amargad Rs

123.20. The average transport cost was Rs 2.72, average commission charges was Rs 9.43 and loading and unloading charges was Rs 1.79. The average cost lost during the transporting was Rs 653.60. The average market fee was Rs 0 .48.

Table 2: Mode of Sale an Apple

Particulars	Sangrama	Pothkhah	Nowpora	Amargad	Total
Pre Harvest Contractors	0 (0) [0]	2 (40) [8]	0 (0) [0]	3 (60) [12]	5 (100) [5]
Whole seller	23 (28.4) [92]	20 (24.7) [80]	19 (23.5) [76]	19 (23.5) [76]	81 (100) [81]
Commission Agents	2 (14.3) [8]	3 (21.4) [12]	6 (42.9) [24]	3 (21.4) [12]	14 (100) [14]
Total	25 (25) [100]	25 (25) [100]	25 (25) [100]	25 (25) [100]	100 (100) [100]

Source: Field Survey

Note: Figures in Parenthesis or row-wise percentage

Figures in square brackets or coloum-wise percentage Table 2 reveals that 81 per cent orchards market through wholesalers (Sopore Mandi). Among the village wise, 28.4 per cent Sangrama, 24.7 per cent Pothkhah and 23.5 per cent

Nowpora and Amargad, 14 per cent through commission agents which was highest 42.9 per cent of Nowpora, 14.3 per cent of Sangrama and 21.4 per cent of Pothkhah and Amargad each and only 5 per cent through pre harvest contractors of

which 60 per cent by Amargad and 40 per cent by Pothkhah and no one from Sangrama and Nowpora.

Problems in marketing of apple ranking analysis

The farmers are facing many problems in marketing of apple. To identify the problem in marketing of apple, it has been decided to use the Garrett’s Ranking Technique. The

identified problems relating to apple marketing are lack of storage facility, absence of grading, under weighment, collusion among traders, problem in transporting and delayed payment. The sample farmers are called to assign the rank to identify the most important problem for the marketing of apple. The sample farmers were request to rank the problems in order of precedence.

Table 3: Problems faced by apple growers in marketing

S. No	Problems	Total Score	No. of Respondents	Average	Rank
1	Lack of Storage facilities	5367	100	53.67	I
2	Absence of grading	5183	100	51.83	II
3	Under weighment	4652	100	46.52	VI
4	Collusion among traders in fixing price	4978	100	49.78	IV
5	Problem in transport	5000	100	50.00	III
6	Delay payments	4802	100	48.02	V

Source: Computed

Table 3 indicates that the insufficient storage facility is the big problem to all respondents with mean score of 53.67, followed by absence of grading with mean score 51.83 which was followed by problem of transporting with mean score of

50.18, collusion among traders in fixing price with mean score of 49.78, delayed payment with mean score of 48.02 and under weighment with mean score of 46.52.

Table 4: Reason for selling of apple immediately

S. No	Problems	Total Score	No. of Respondents	Average	Rank
1	Lack of Storage facilities	5320	100	53.20	I
2	Immediate requirement of cash	4940	100	49.4	III
3	High Storage Cost	5100	100	51.00	II
4	Not profitable to store	4780	100	47.8	V
5	Less production	4860	100	48.6	IV

Source: Computed

Table 4 reveals that lack of storage facility is the first reason for selling commodity immediately after harvest with mean score of 53.2, followed by high storage cost with mean score

of 51, immediate requirement of cash with mean score of 49.4, less production with mean score of 48.6 and not profitable to store with mean score of 47.8.

Table 5: Reason for selling particular agency

S. No	Problems	Total Score	No. of Respondents	Average	Rank
1	Reasonable price	5430	100	54.3	I
2	Prompt payment	5175	100	51.75	III
3	Personal relationship	4655	100	46.55	IV
4	Correct weightment	5410	100	54.1	II
5	Absence of other buyers	4450	100	44.5	V

Source: Computed

Garrett Ranking Technique was also used to identify the reasons for selling a commodity for a particular agency is based on ranking given by 100 respondents. Table 5 indicates that reasonable price was first reason to sell a particular agency with mean score of 54.3 has first rank was given by the respondents. The second rank was given to correct weighment with mean score of 54.1. The third rank was given to prompt payment with mean score of 51.75. The fourth rank was given to personal relation with mean score of 46.55 and the fifth and last rank was given to absence of other buyer’s with mean score of 44.5 according to the priority of the respondents.

Suggestions

On the bases of results from the study following suggestions

can be given for the development of marketing of apple in Jammu and Kashmir:

1. Local mandies need to be established at tehsil level in order to make the direct sale by apple growers with minimum expenditure.
2. The apple growers should establish their own co-operative societies. The main purpose of these societies should be reduced and eliminate the intermediaries and providing all types of facilities like transportation, packing materials like wooden boxes and cartons at the time of the season.
3. A Horticulture Marketing Training Institute should be established for training and education of personal engaged in various activities of marketing viz., packing, grading, standardization etc.

4. Proper cold storage facilities should be provided at the easy reach of growers in order to reduce the carriage costs.

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