

# A Study Of Agricultural Marketing

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*Abstract: Agricultural marketing plays a pivotal role in ensuring that agricultural produce reaches the end consumers in an efficient, equitable, and profitable manner. It encompasses all the activities involved in the movement of agricultural products from farms to markets, including harvesting, grading, storage, transportation, processing, packaging, and selling. In the modern era, agricultural marketing has evolved significantly with the integration of technology, institutional support, and policy reforms. This transformation has empowered farmers by providing better price discovery mechanisms, reducing post-harvest losses, and facilitating access to wider markets through digital platforms and cooperatives. However, challenges such as lack of infrastructure, price volatility, and middlemen exploitation persist. This paper explores the importance, challenges, and emerging trends in agricultural marketing, emphasizing the need for inclusive and sustainable marketing strategies to strengthen the agricultural economy and enhance farmers' income.*

*Keywords: Agriculture, Marketing, Farm produce, Farmer's cooperatives, products.*

## I. INTRODUCTION

Mankind is considered the superior to the living things in the world. Civilization transformed that into producer of food and other basic requirements from the nomadic behavior in which hunting and snatching were the way of life. Land cultivation and food production marked the beginning of civilization particularly in the riparian lands. Mother Nature has to offer Her blessings to satisfy the food needs of all living creatures. Land cultivation, otherwise known as farming is influenced by the behavior of natural events like rainfall, drought, flood, storm and so on and so forth. Food production has its limitations and so all food cannot be produced in all places. In other words, food production is restricted to specific locations where the soil, weather and moisture favor that activity. Nevertheless, food produced has to be consumed worldwide by the human beings, animals, birds and others in need. A group of people specializing in food production and identified as farmers shoulder the noble responsibility of feeding the entire world. Hence there is no need to emphasize that food produced at specific places has to be distributed to

other places of consumption. It is in this juncture; marketing plays its vital role. Marketing is as critical to better performance in agriculture as farming itself. Therefore, market reform and marketing system improvement ought to be an integral part of policy and strategy for agricultural development.

## II. MEANING

Agricultural marketing covers the services involved in moving an agricultural product from the farm to the consumer. These services involve the planning, organizing, directing and handling of agricultural produce in such a way as to satisfy farmers, intermediaries and consumers. Numerous interconnected activities are involved in doing this, such as planning production, growing and harvesting, grading, packing and packaging, transport, storage, ago- and food processing, provision of market information, distribution, advertising and sale. Effectively, the term encompasses the entire range of supply chain operations for agricultural

products, whether conducted through ad hoc sales or through a more integrated chain, such as one involving contract farming.

### III. DEFINITION

Agricultural marketing is “the performance of all business activities involved in the flow of goods and services from the points of initial agriculture production until they are in the hands of the ultimate consumers”.

- Richard Kohls

It is the involvement of three important functions, namely (a) assembling, (b) preparation for consumption & (c) distribution.

- Indian Council of Agriculture Research

### IV. TYPES OF AGRICULTURAL MARKETING



#### TRADITIONAL MARKETING

✓ This refers to the age-old system of selling agricultural produce in local markets of mandis.

#### MODERN MARKETING

✓ This refers to the use of more advanced marketing methods and technologies, such as e-commerce platforms, supermarkets, and contract farming.

#### DIRECT MARKETING

✓ It can provide farmers with higher prices and a more direct connection to their customers.

#### CONTRACT FARMER

✓ In this model, farmers enter into contracts with agribusiness companies to grow specific crops or livestock.

### VALUE CHAIN MARKET

It involves creating a value chain that links all the different actors involved in the production, processing and marketing of agriculture products.

### V. SCOPE OF AGRICULTURAL MARKETING

*Expansion of value Business ethics chains:* The development of efficient value chains linking producers, processors, and markets can create new income opportunities for farmers and other stakeholders in the agriculture sector. This requires investments in infrastructure, technology, and training, as well as effective partnerships between different actors in the value chain.

*Adoption of modern marketing methods:* The use of modern marketing methods such as e-commerce platforms, supermarkets, and contract farming can help to improve market access and price realization for farmers. These methods can also promote the adoption of modern farming practices and increase the efficiency and competitiveness of the agriculture sector.

*Promotion of direct marketing:* Direct marketing channels such as farmers' markets and community-supported agriculture (CSA) can provide farmers with higher prices and a more direct connection to their customers. These channels can also promote transparency and accountability in the agriculture sector, as consumers can trace the origin and quality of the products they purchase.

*Development of rural markets:* Rural markets are an important source of demand for agricultural products in India, and their development can help to create new market opportunities for farmers. This requires investments in market infrastructure, transportation, and information systems that can improve the efficiency and competitiveness of rural markets.

*Promotion of Business ethics Business ethics export-oriented agriculture:* India has the potential to become a major exporter of agricultural products, particularly in areas such as horticulture, floriculture, and spices. The development of export-oriented agriculture requires investments in quality control, logistics, and marketing, as well as effective partnerships between producers, exporters, and government agencies.

*Use of technology:* The use of technology such as mobile applications, precision agriculture, and blockchain can improve the efficiency and transparency of agriculture marketing in India. These technologies can help to reduce information asymmetry, increase traceability, and promote fair trade practices in the agriculture sector.

### VI. IMPORTANCE OF AGRICULTURE MARKETING

Agriculture marketing plays a vital role in ensuring that agricultural products reach the right markets at the right time, and at a fair price that benefits both the producer and the consumer.

It helps to create a link between producers and consumers, ensuring that demand for products is met with a sufficient supply of high-quality agricultural produce.

Effective agriculture marketing can help farmers to achieve better price realization for their products, which in turn can improve their income and livelihoods.

It can also promote the adoption of modern farming practices, as farmers are incentivized to invest in better technologies and inputs that can increase the quality and quantity of their produce.

Agriculture marketing is crucial for ensuring food security and sustainability, as it helps to prevent food wastage and ensures that food is distributed to areas where it is most needed.

By improving the competitiveness of the agriculture sector, effective agriculture marketing can also help to drive economic growth and development in rural areas.

It can promote the development of value chains, which can create additional income opportunities for farmers and other stakeholders in the agriculture sector.

Finally, effective agriculture marketing can help to reduce the information asymmetry between producers and consumers, promoting transparency and accountability in the sector.

## VII. PROBLEMS OF AGRICULTURAL MARKETING

*Lack of infrastructure:* The inadequate storage, transportation, and processing infrastructure in the agriculture sector are one of the biggest challenges facing agriculture marketing in India. Poor roads, limited cold storage facilities, and inadequate market infrastructure lead to high transportation costs, post-harvest losses, and low-price realization for farmers.

*Information asymmetry:* There is often a lack of information and transparency in agriculture marketing in India, which creates a power imbalance between farmers and buyers.

*Fragmented market structure:* The agriculture market in India is highly fragmented, with a large number of small farmers producing a variety of crops.

*Lack of price discovery mechanisms:* The absence of efficient price discovery mechanisms, such as commodity exchanges or electronic trading platforms, makes it difficult for farmers to get fair prices for their produce.

*Weak regulatory framework:* The absence of effective regulations and enforcement mechanisms in the agriculture marketing sector leads to the exploitation of farmers by middlemen, who often use unfair practices such as under-weighing, mislabeling, and delaying payments.

*Limited market access:* Small farmers in remote and rural areas often lack access to markets or are dependent on local traders who offer low prices. This limits their ability to reach wider markets and realize better prices for their produce.

*Lack of marketing skills:* Many farmers lack marketing skills and knowledge of market trends and consumer preferences, which makes it difficult for them to market their products effectively.

*Climate variability:* Climate variability and the increasing frequency of extreme weather events can disrupt agriculture production and marketing, leading to losses for farmers.

## VII. CHALLENGES OF AGRICULTURAL MARKETING

- ✓ A lack of marketing skills and resources
- ✓ High levels of competition
- ✓ Making the move to selling online
- ✓ Logistical issues of getting products to customers

## VIII. RECENT DEVELOPMENTS

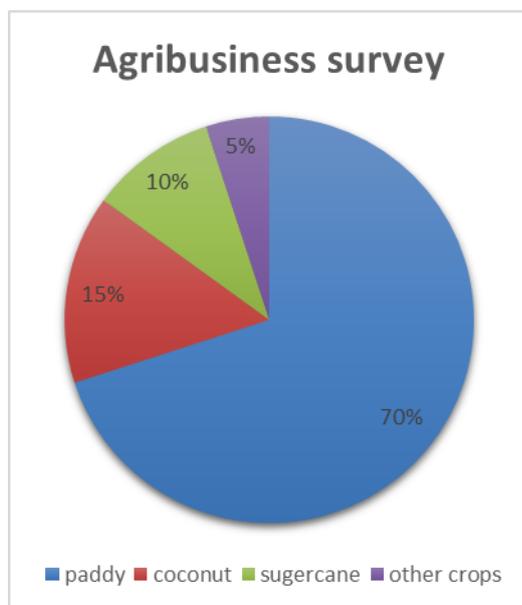
New Business ethics marketing linkages between agribusiness, large retailers and farmers are gradually being developed, e.g. through contract forming, group marketing and other forms of collective actions. Donors and NGOs are paying increasing attention to ways of promoting direct linkages between farmers and buyers within a value chain context. More attention is now being paid to the development of regional markets (e.g. East Africa) and to structured trading systems that should facilitate such developments. The growth of supermarkets, particularly in Latin America and East and South East Asia, is having a significant impact on marketing channels for horticultural, dairy and livestock products. Nevertheless, "spot" markets will continue to be important for many years, necessitating attention to infrastructure improvement such as for retail and wholesale markets.

## IX. AGRICULTURAL MARKET INFRASTRUCTURE

Efficient marketing infrastructure such as wholesale, retail and assembly markets and storage facilities is essential for cost-effective marketing, to minimize post-harvest losses and to reduce health risks. Markets play an important role in rural development, income generation, food security, and developing rural-market linkages. Experience shows that planners need to be aware of how to design markets that meet a community's social and economic needs and how to choose a suitable site for a new market. In many cases sites are chosen that are inappropriate and result in under-use or even no use of the infrastructure constructed. It is also not sufficient just to build a market: attention needs to be paid to how that market will be managed, operated and maintained.



EXAMPLE



## X. CONCLUSION

Agricultural marketing plays a vital role in connecting farmers to consumers, ensuring fair prices, and improving the overall efficiency of the agricultural sector. Effective agricultural marketing strategies can help farmers increase their income, reduce post-harvest losses, and improve their livelihoods.

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