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Market-Led Extension

Market-led extension is an approach, via which extension system will reach to the clientele on an end to end basis, starting from package deal of practices for manufacturing to promoting of produce to the consumers' door in order that the farmers can get remunerative expenses for his or her produces. There is shift from production-led extension where focus is only on production of crops to Market led extension in which farmers are sensitized on numerous elements on quality, consumer's preferences, marketplace intelligence, processing, value addition and marketing information in order to assist farming groups to attain remunerative prices. This article shows light on opportunities and challenges in agricultural marketing and role of extension agent in promoting market led extension.

INTRODUCTION

In old age societies, producers and consumers both were the family, close neighbors or relatives who exchanged their product and services, as the time passed, many linkages are added between the producer and consumer like Processor, Manufacturer, wholesaler and Retailer. As the linkage chain between the producer and consumer extended, we can see the blooming of agribusiness. Multinational companies are vertical integration organizations which begin with processing the agriculture products to retailing their products. As the companies start earning good profits they manufacture and produce good quality food products. As the disposable income further increases more innovative and advanced food products according to the needs and expectations of the consumers are made and branding of their products is done. In this process firstly they expect good quality raw materials and next is low cost of inputs and timely supply of goods. In earlier days the inputs, raw materials are taken from the domestic market for processing but now transportation facilities and good communication has made assess to quality inputs from different areas at required cost. Hence the farmers in order to compete with the world market and to fit in to this system they have to modify their methods of producing and further processing. For example, there will be added advantage for those farmers to deliver their produce just in time as this will contribute to the reduction in working capital and storage space for food industries. Also if the farmers are going for

pesticide and herbicide free cultivation then their produce will be of high demand as most of the consumers are turning health conscious. If the farmers are adding value to their crop like secondary processing or post-harvest treatment then there will be edge for their products in selling in factories.

There are many challenges which are faced by the farmers in marketing their produce Marketing system is not in pace with the growing market size, there is no direct interaction between producers and consumers. In agriculture marketing system there is presence of market risk, the prices of the commodity may be high during production but during the marketing of the produce the prices are low. Further if the products are stored assuming their value will be increased due to time utility, the money after selling should compensate the cost of storage or else it will not be profitable. Farmers are unable to grade their produce, grading of the produce according to the standards make it easy for the food industries and consumers, farmers may be selling their good quality produce/inputs at low rates incurring losses. Also standardization of the produce is necessary so that the precise requirements of the buyers like quality / quantity, uniform measurements can be met by the farmers. Agriculture products mostly are not in the form of directing marketing, hence before it reaches to market or industry if they go through processing, post-harvest treatment, it will add value to the products. In the current era of internet there is abundant information about various things but the same is not in case of agriculture, the information present in the internet are inadequate about the current prices, demand, market network, storage and price trends hence it becomes difficult for the farmers to interpret the information and act accordingly. Information Technology should be such that on one click information like how to produce, how much to produce, when to produce, where to sell should be available to the farmers. Market intelligence should be based on sound knowledge, market intelligence helps in reducing the risks in decision making, it will help the farmers produce the products which are suitable for the market, analyze which are appropriate distribution channels, and how can they can promote their products to fetch good prices. For sound data the linkage between the agriculture and line departments should be strengthened. In agriculture production system the main component is acquiring inputs for farm, so farmers need finance to acquire

inputs, but they are not getting timely credit hindering the quality of production. Coming to the public extension system, it is not able to render the services adequately to the farming community, hence the extension agents should be motivated in the field of marketing extension jobs, so that they can guide the farmers in decision making in appropriate way.

The role of extension workers in the light of market led extension are like preparing SWOT analysis for the markets ie. Strengths, weakness, Opportunities and Threats. So that farmers can plan production and marketing. Encouraging and establishing farmer's interest group on commodity basis to build capacity building of farmers so as to manage their farm enterprise. Locally established groups like SHGs, water association, credit groups should be given training and education on importance of self-help. Increasing farmer's communication skills, exchanging views with the middleman and customers so that they can enhance their bargaining power and fetch good prices. Establishing linkage between the farmers and agro processing centres, encouraging farmers to sell their produce in direct markets like Rythubazar, apni mandi, Uzavar santhaigal, so that their won't be any involvement of middlemen. Capacity building of farmer's interest groups in terms of improved production, post-harvest technology, storage and transport marketing. Being aware of the market intelligence and publishing the information in traditional media like television, Radio newspaper. Taking the farmers to study tours and showing them the successful farmer fields with similar socio-economic conditions will motivate the farmers to succeed in their enterprise. With the use of internet, creating a website where information necessary about FIGs, success stories are published will be helpful to farmers.

CONCLUSION

Market led extension is a need of the hour for farmers in order to increase the value of the products and to serve the clientele on end to end basis eliminating middlemen. As the consumers are preferring quality products, according to the needs of the consumers if value addition or post-harvest treatment, grading, standardization is ensured, then farmers can compete with the outside markets. As many challenges are faced by the farmers to produce the farm products and marketing, with the help of the FIGs, FPOs, SHGs and some other locally established groups, with unity

hurdles can be crossed. The role of extension agents in encouraging and motivating farmers and providing them sound information about the market analysis will help the farming community.

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