Marketing Problems Faced By Mulberry Growers:
A Study In Erode District Of Tamil Nadu

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INTRODUCTION

More than 70 % of the Indian population lives in the rural segment and depends on agriculture and its allied sectors for their livelihood- either directly or indirectly. The effect of green revolution in India has resulted in India becoming self-sufficient in food production. Present stress is to encourage the industry- mainly agro-based; which can fetch more and more foreign exchange to improve the balance of payment scenario of India. The change in the agricultural scene, viz., the scarcity of water and consequent difficulty in cultivating water intensive crops like paddy and sugarcane, have led to marginalization of farm lands and subsequent decline in income from agricultural operations. Consequent to these changes, the social, economic and occupational scenes in the rural areas are changing from bad to worse. These circumstances become essential to explore viable alternatives for generating additional employment and supplementing the scanty income of the farm families. Sericulture is one among the several options that can be considered for rendering economic support to such facilities.

Sericulture in India is an age-old practice and it has the unique distinction of producing all the four commercially known varieties of silk viz., Mulberry, Tasar, Eri and Muga. India is the second largest producer of silk next to China accounting for more than 15% of the global raw silk production. The total annual production of raw silk is around 18 thousand metric tones of which mulberry raw silk output per annum aggregate to 16525 metric tones. Sericulture is practiced mainly in the state of Karnataka (47%), Andhra Pradesh (32.88%), West Bengal (34.40%), Tamil Nadu (6.69%) and Jammu & Kashmir (0.61%).

Sericulture is a labour intensive industry. It provides direct or indirect employment to about 6 million people in India. Sericulture requires low investment and offers high profit. It also provides regular income to farmers throughout the year unlike other agricultural crops. Sericulture plays a vital role in the flow of income from urban rich sections of the society to the rural poor, as demand of silk is largely from the higher income group. Export of silk goods has earned foreign exchange to the tune of Rs. 228.91 million US$ in the year 2006-07. Keeping in view the increasing demand for silk goods in the international market, India has a vast potential to expand sericulture.

The demand for silk of late has grown phenomenally both in the domestic and international market. With increasing demand for Indian silk in international market, the sericulture sector has now emerged as a major foreign exchange earner. During the year 2004-05, the country's silk export earnings touched Rs. 2879.56 crore and in 2005-06, it was Rs. 3194.20 crore. The attractive employment potential, income generation, poverty alleviation features and export potential of this agro-based industry has attracted increased attention and financial support by the World Bank.

The success of sericulture industry relies on a proper and highly efficient marketing which assures good prices to the farmers. Efficient marketing helps in arresting wide fluctuations in cocoon prices due to (i) variations in cocoon quality; (ii) absence of quality control; and (iii) intervention of middle men and (iv) poor marketing facilities. An efficient market cover entrusts a sense of security among the rearers who have no hesitation in accepting sericulture as one of their main occupations. The marketing system of the country differs from state to state. While marketing in Karnataka is regulated and organized outright, it is bargaining in West Bengal. In contrast to this, the marketing system in Tamil Nadu is operated by the price fixed by the state government. Under such conditions, the prices paid to the cocoons continue to hover around within a narrow range despite the award of prices to different grades of cocoon through bidding in an open auction.

OBJECTIVES OF THE STUDY

1. To examine the marketing problems faced by mulberry growers.
2. To analyse the opinion of the farmers about Mulberry Cultivation.

METHODOLOGY

In Tamil Nadu, sericulture is being practiced in 29 districts. Of them, Erode district is in the third place. Hence, this

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district was purposively selected. In this district, mulberry crops are being grown in 2085.45 hectares by 1986 farmers (Source: Commissioner of Sericulture, Salem). Of them, 75 farmers were selected by using stratified random sampling and required data were collected from them. Finally, it is found that information provided by 58 farmers is fit for analysis purpose. Hence, 58 sample respondents are sample unit of this study.

TOOLS USED

This study used the following methods of analysis so as to present the facts in a cogent manner to draw meanigful inferences such as Garrett's ranking method, Likert scale method and chi-square analysis.

MARKETING SYSTEM OF MULBERRY CROPS

The final objective of every commercial activity is to ensure adequate market for its products and services. An efficient marketing system ensures growth of a particular industry by providing better marketing services and prices for the goods it deals with. The purpose of any economic activity is to increase the returns and to maximize the profits. Marketing of cocoons is an important feature in sericulture. Marketing aspects are as important as production aspects. Apart from harvesting a good cocoon crop, the post harvest operations like sorting, grading, storage, transportation and reaching it to right market determine the success of sericulture as an enterprise.

The prices of cocoons vary from season to season depending on the yarn market. Cocoon price is determined by the yarn price which itself is conditioned but there is vertical linkages in the price structure which gets too complicated by the monopoly trade system in cocoon and silk yarn. This invariably results in a scene of insecurity among the primary producers of the isolated villages. The implication is that the market structure adversely influences the activities of the primary sericulturists. To safeguard the interest of sericulturists and to regulate the production and cocoons price mechanism, the sericulture department of Tamil Nadu state has established a silk seed production unit for supplying chawkie silk worms to the rearers and number of seasonal cocoon sale markets at the chawkie rearing centre/ division.

Earlier, cocoons were sold by auction method. But lately, this practice was dispended with because traders who were few in number formed cartels and it was noticed that this system did not function well in favour of sericulturists. Now, the reeling cocoons are brought by producers themselves packed in gunny bags or tied in doubled bed sheets to the government cocoon markets from the nearby areas. Immediately after the arrival of cocoons, lot numbers are issued centre wise and village wise by the respective marketing committees. The price offered to the rearer depends on the quality of cocoons. The quality of the cocoons is judged based on their winding quality, evenness, cleanliness, neatness, tenacity and cohesion. Sale at the entire centre is performed through sericulture department as one of the market intermediary.

The respective lot is placed before the purchase committee comprising of members of department of sericulture industry and traders. The cocoons are weighed in the presence of the producer. The records of cocoon sale are maintained by the department of sericulture, a copy of which is supplied to the buyer. The cocoon rearers receive payments on the same day. Weighing balance facility is being provided by the department of sericulture. Important aspect of this kind of marketing system is that the department of sericulture did not charge any commission from the rearers and /or traders while performing facilitative functions.

After weighing, the cocoons are packed in gunny bags with carrying capacity of about 75-90 kg. Stitching is done by the traders themselves. The packed cocoons are locally transported to an assembly place from the sale markets. The cocoons purchased by the traders of Salem (Tamil Nadu) and Coimbatore are further processed at their level on contiguous multi-end basin system. Silk yarns prepared are sold to the weavers of Karnataka, Andhra Pradesh, Tamil Nadu, and West Bengal. Right market should be chosen so that the cocoons fetch higher price. Distance, reach and conveyance are the other important factors to decide the market.

MARKETING PROBLEMS OF MULBERRY GROWERS

The prosperity of sericulture depends largely on the marketing of cocoons. Without an assured marketing facility nearer to the villages, it is difficult for the farmers to take up sericulture. At present, the sericulturists in the area under study are facing many problems in marketing their produce [cocoon]. For convenience, the marketing problems are discussed under the following heads:

I. Price fluctuations

The well-being of farmers depends on the market price they get on their produce. But most of them are deprived of their due share of price paid by the consumer, because of the prevalence of the long chain of intermediaries. There are wide fluctuations in the prices of reeling cocoons. The instability in the price of cocoons is mainly due to absence of standardization and quality control and poor marketing facilities. The sericulturists are forced to sell their produce at the prevailing price, as the moth emerges after piercing the pit of the cocoon on the ninth or tenth

day of the cocoon formation; rendering the cocoon useless for reeling. Therefore, sericulturists are forced to sell their produce within that time irrespective of remunerative price; the wide fluctuations in the price of cocoons is a serious set-back in the marketing system of cocoons.

II. Low price
The price of cocoons will be determined in bidding (open auction). Even the farmer is not aware of what price his produce could secure. The price secured in the bidding of one market may not be same with the price of other markets.

III. Long distance to market
Farmers concentrate more on production than on marketing, because they have to work every day in the field. They have no time to go to the market or to engage themselves in marketing activities. If the markets are nearer to the village, then they may find it very easy to market their produce in the market. On the other hand, if the market is located far away from the village, it would be very difficult on the part of the farmers to market their produce. Further, for the entire state of Tamil Nadu, there are only 20 Government cocoon markets which are far away from the villages.

IV. Transport problem
A dependable transport is an important pre-requisite for the successful operation of the marketing system. Transport facilitates the movement of goods from places where they are less useful to places where they are much in demand. Adequate and efficient transportation is imperative for the sericulture industry. The existing road facilities in the area under study are very poor. The sericulture growers are experiencing a great difficulty in marketing their cocoons, as there are no adequate transport facilities in the rural areas. There are no departmental vehicles to extend transport facilities to the sericulturists.

V. Storage arrangement
The proper storage facilities are one of the essential features of efficient marketing system. The life of cocoons is very short and they should be stored very carefully. Proper storage of cocoons under hygienic condition would secure the rearer a more remunerative price. Temperature quality affects the quantity of cocoons; hence cold storages facilities are required. The existing cocoon markets in the districts are not in a position to provide adequate storage facilities to the sericulturists.

VI. Marketing Information
Market information may be defined as facts and their interpretation is likely to help producers, traders and consumers in marketing decisions. The sericulture industry in the districts lacks the facility of good marketing information system. The Government cocoon markets do not take any initiation in collecting marketing information and supplying the same to the rural area. Upto date information regarding price, demand, supply, etc., about cocoons is not available to the farmers. Hence, the sericulturists are not in a position to sell their produce at remunerative prices.

VII. Risk Bearing
The risk bearing function is the accepting of the possibility of loss in the marketing of a product. Risk of quality deterioration is very important in the case of sericulture produce as it is of perishable nature. Most of the growers are not prepared to bear the risk, arising out of change in the market price, deterioration in cocoons and loss by damage. Risk taking is one of the crucial factors in marketing cocoons. In the case of mulberry, huge amounts should be spent towards capital equipment. If the crops fail, the rearer has to bear heavy loss. Special arrangements should be made for carrying silkworm eggs and chawkie worms to the rearing houses.

VIII. Absence of proper market
The marketing infrastructure in the district is absolutely inadequate to meet the marketing requirements of the sericulturists. The domination of local rearers in the markets has become a severe problem to the rearers. Absence of proper marketing facilities constitutes the prime obstacle for the rapid development of sericulture in the district. In the absence of marketing, the growers have to take their produce to the far off Karnataka markets.

IX. Middlemen
In this product also, major problem of marketing goes to middlemen.

X. Finance
The normal sericulturist is either a small farmer or marginal farmer of limited financial means. The capital requirements per acre under sericulture are definitely more than other food and commercial crops. Because of the non-availability of sufficient finances to meet the marketing and operational expenses, the sericulture growers in the districts have been forced to fall prey into hands of unscrupulous village money lenders.

GARETT'S RANKING TECHNIQUES

To rank the marketing problems faced by mulberry growers, Garrett's Ranking Techniques was used. The order of merit assigned by the respondents was converted into ranks by using the formula:

$$\text{Percent position} = \frac{100 \, [\, R_{ij} - 0.5\,]}{N_j}$$

Where, R_{ij} = rank given for i_{th} factor by j_{th} individuals. N_j = Number of factors ranked by j_{th} individuals. By referring to table given by Garett, the percent positions estimated were converted into scores. Then for each factor, the scores of various respondents were added and the mean was calculated. The mean values were arranged in descending order. The variable with the highest mean score was considered to be the most important one.

After elaborate discussion with the farmers, ten problems were identified to be of major concern in Erode district viz., (1) Price fluctuation (2) Low Price (3) Long Distance to Market (4) Transport Problem (5) Storage Arrangement (6) Marketing Information (7) Risk Bearing (8) Absence of proper market (9) Middlemen and (10) Finance.

Ranking analysis regarding marketing problem is being shown in Table 1.

Table.1 : Marketing Problems of Mulberry Growers

S.No	Problems	Total score	Mean Score	Rank
1	Price fluctuations	3538	61	II
2	Low Price	3354	57.83	III
3	Long Distance to Market	3592	61.93	I
4	Transport Problem	3351	57.78	IV
5	Storage Arrangement	2948	50.83	V
6	Marketing Information	2669	46.02	VIII
7	Risk Bearing	2823	48.67	VI
8	Absence of proper market	2541	43.81	IX
9	Middlemen	2818	48.59	VII
10	Finance	1947	33.57	X

Source: primary data.

Table 1 indicates that the long distance to the market is ranked as the first major obstacle and it is an important problem considered by the mulberry growers. The problem is reported as the major determinant attribute, which has a mean score of 61.93. Next, second rank with the score value of 61 was given to the problem of price fluctuations. Third rank with the score value of 57.83 was given to low price. The transport problem, storage arrangement, information of market, risk bearing, absence of proper market, middlemen, finance, were allotted fourth, fifth, eight, sixth, ninth, seventh and tenth ranks with having the score value of 57.78, 50.83, 46.02, 48.67, 43.81, 48.59 and 33.57 respectively.

MEASURING THE OPINION LEVEL OF THE FARMERS REGARDING MULBERRY CULTIVATION

In the present study, opinion level of the farmers regarding mulberry cultivation has been analyzed by giving 10 statements like environment problems, Mulberry disease, Health situation of farm family, Changes in the rearer preferences for cocoon, Cocoon yield variability, Ability to pay back loans, Mulberry varieties, Silent heat, Unavailability of credit and Lack of extension support. On the basis of responses of the respondents, Table 2 is prepared.

Table 2 : Distribution of sample respondents according to their opinion level

Opinion	No. of respondents	Percentage
Favorable	9	15.52
No idea	16	27.59
Unfavorable	33	56.90
Total	58	100

The Table 2 reveals that a large percentage (57%) of sample respondents is having unfavorable opinion about mulberry cultivation.

ASSOCIATION BETWEEN SOCIO - ECONOMIC CHARACTERISTICS OF FARMERS AND THEIR OPINION ABOUT MULBERRY CULTIVATION

The chi-square analysis that was carried out with respect to the relation of farmers' characteristics with the opinion about cocoon market. Farmers' characteristics such as age, education, size of the family, land holding, expenditure, income.

To examine the association between socio-economic characteristics and opinion level, the following hypothesis has been framed on the basis of knowledge gained during pilot study and the review of the various relevant studies, the present study aims to test the following hypothesis:

Ho: There is no significant association between socio-economic characteristics of the

Sample respondents (age, education, size of the family, land holding, expenditure, income) and opinion about mulberry cultivation.

Table 3 : ASSOCIATION BETWEEN SOCIO - ECONOMIC CHARACTERISTICS OF FARMERS AND THEIR OPINION ABOUT MULBERRY CULTIVATION

Character	Degree of freedom	Calculated value	Table value	Significant / Insignificant
Age	4	2.079	9.46	S
Education	4	2.436	9.46	S
Size of the family	4	10.823	9.46	NS
Land holding	4	3.46	9.46	S
Expenditure	4	0.679	9.46	S
Income	4	2.108	9.46	S

Source: Primary Data.

It is inferred from Table 3 that association between opinion of the farmers' characteristics like age, education, land holding, expenditure and income have been statistically proved as significantly whereas the factor size of the family has been proved as insignificant.

SUGGESTIONS

On the basis of findings of the present study, the following suggestions are provided.

❖ In the present study, in ranking analysis it is found that the long distance to the market has been ranked as first by the sample respondents. Hence, it is suggested that adequate measures should be taken by the Government to establish markets in the vicinity of the growers.

❖ In the present study, it is found that only 15.52% of the respondents are having opinion about mulberry crop. Hence, it is suggested that suitable measures should be taken by Government and Central Silk Board to create a favorable opinion about sericulture cultivation.

CONCLUSION

Mulberry crops provide more revenue to the mulberry growers and correspondingly to the Government by way of foreign exchange. On the basis of the findings, various suggestions have been offered. It is believed that if these suggestions are seriously considered by the Government, it would result in the welfare of mulberry crop growers.

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range of attraction styles provide a potential stimulus for future tourist attraction research. In particular, a possible research agenda for tourist attraction studies can be defined. Such an agenda could carefully consider how customers react to these trends of marketing management. Such studies could be conducted within any one country or provide cross-national data on how customers see such matters as pricing, pressure and capacity management, shopping specialization, visual records and supplementary activities, Further, many of the trends identified could also be the target for specific studies using attraction owners and managers as the respondents. In particular, questions of the changing partnership and ownership control of tourist attractions and the strategic issues in market niche orientation and resource protection could be the focus of major research studies.

In this context, the three conceptual models identified in the introductory section of this article- marketing research, interpretation evaluation and studies in business strategy, could be of benefit to tourist attraction operators and audiences as well as a growth area for tourism scholars.

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