

# Marketing: The biggest challenge in Indian agriculture

Dangwal et al.



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#### **INTRODUCTION:**

Indian agriculture, which occupies the lion's share of the economy of the nation, has come under numerous threats in the 21st century. Most of these relates to marketing which indeed is the bane of most farmers. This article seeks to identify why agricultural marketing is so complex in India and why it remains difficult to break the barriers.

## SUPPLY CHAIN DISINTEGRATION PROBLEM:

One of the major concerns in Indian agricultural marketing is the country's highly disintegrated supply chain. About 86% of all farmers in India are small and marginal farmers, but even they do not have access to markets [1]. But there's a long chain of middlemen involved including village traders, wholesalers and retailers. Even though this cuts back the profits of the farmers because they are forced to

utilize high intermediaries, it has also resulted in incredible post-harvest losses of around 40% for perishables [2].

## THE LACK OF INFRASTRUCTURE:

In addition, the absence of relevant infrastructure adds to the hurdles of marketing. Storage, cold chains and means of transport are often very poor among other country areas. This lack of infrastructure hinders farmers from adequately storing their produce or moving it to desired markets. Most farmers therefore suffer distress sales where they sell off their produce to prevent rotting [3].

#### **INFORMATION ASYMMETRY:**

There is also an insurmountable problem in terms of lack of market information that is prevailing in the farmers. Most smallholder farmers lack access to the current price of crops, weather conditions, as well as demand patterns. Because of this information asymmetry, they find themselves out-negotiated by the buyers and also find it difficult to make good decisions on the type of crops to grow and when to sell them [4].

### **REGULATORY HURDLES:**

It should be noted in these conclusions that the Agricultural Produce Market Committee Act was created in order to foster the development of farmers but instead has created obstacles towards the efficient marketing of the farm produce. The policy prohibits farmers from directly selling their farm produce to buyers for the purpose of ensuring that they sell such

products to government-operated wholesale markets. Although changes have been made, the uptake is still very unreliable depending on the various regions [5].



#### **LIMITED VALUE ADDITION:**

In any case, the average Indian farmer probably only sells farm produced raw, unprocessed agricultural product, foregoing income from value adding those products to marketing, branding, or processing. This is partly because of poor information, finances and technology. Thereby, the farmers only make a very tiny fraction of the end value of their products [6].

## E-COMMERCE AND DIRECT MARKETING CHALLENGES:

Although e-commerce and direct selling of agricultural produce by farmers to consumers offer possible answers, there are hurdles to their use. As the owners of these technologies, farmers show limited uptake of new marketing tools; moreover, they cite low levels of rural internet connection, and handling of perishables in such e-commerce platforms undermines the adoption of such modern marketing avenues [7].

Solving these marketing problems needs a well-coordinated set of interventions which are as discussed below:

- Empowering farmer producer organizations (FPOs) to increase their leverage and extension services in the marketing chains [8].
- Enhancing rural development resources, with a focus on cold chain facilities and logistics.
- Utilization of Information Communication Technologies (ICTs) to enhance marketing information systems and market agricultural e-commerce applications.
- Enacting and enforcing the agricultural marketing legislation evenly in all the states.
- Adopting and deepening agro processing and farm level value addition through extension services and capital.

## **CONCLUSION:**

In conclusion, although marketing poses the greatest obstacle in Indian agriculture, it also offers substantial prospects for enhancement. By tackling these challenges, India can boost farmer earnings, guarantee food security, and stimulate rural economic development.

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