

Adoption of marketing channels for selling and purchasing of bullocks

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ABSTRACT

In the present investigation the data were collected from the markets of Akola, Akot, Chohatta bazaar and Murtizapur Tahsils of the district by personal interview of 25 sellers, 25 purchaser and 25 brokers from each market *i.e.* 100 sellers, 100 purchasers and 100 brokers and by filling the questionnaire. It was observed that in all the selected markets, maximum number of sellers sold their bullocks through brokers (79 per cent). The channel of friends or relatives (4 per cent) was adopted by very less number of sellers. While, few sellers sold their bullocks directly (17per cent) to the farmers. Regarding purchasing , it was observed that, maximum number of buyers (85 per cent) purchased bullocks through brokers, while 4 and 11 per cent of buyers used friend or relative and direct method, respectively for buying the bullocks. It was seen that negotiation of price was the major reason (92.94) of sellers behind need of the brokers. Similarly, searching customers (90.58 per cent) was the another important reason of brokers per cent need. Only 3.52 per cent sellers told that they need brokers for guarantee of payment.

KEY WORDS : Broker, Selling, Purchasing, Negotiation, Agriculture produce market

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INTRODUCTION

The marketing of livestock found a prime importance in rural areas, requires good organized and independent cattle markets. But, in India mostly it is combined with the general agricultural marketing activities. There are large numbers of middlemen functioning in such markets they charge with exorbitant manner which leads to wide spread of price in marketing of cattle. Therefore, proper organization for marketing of livestock and livestock products is of great importance for the successful development of cattle industry, as it provides necessary incentive to the cultivator to adopt better methods of cattle husbandry.

Cattle markets are mostly under the control of Agriculture Produce Market Committee (APMC). But the facilities provided by them are not sufficient, in respect of middlemen control, other facilities like animal shed, water arrangement, fodder availability etc. Hence, the sellers and purchasers have to face too many problems

while marketing of cattle.

In Akola district there are seven Agricultural produce market committees controlling the cattle marketing activities. Out of these, four cattle market were selected for study. As there are several problems about marketing which are to be faced by sellers and purchasers, hence, the study was undertaken to suggest suitable recommendations to improve the situation and to solve the problems they are facing.

The present study was undertaken with the objectives to study the general trade practices, the cost of bullocks, the constraints in marketing of bullocks and the marketing of crossbred bullocks.

MATERIALS AND METHODS

The present investigation, was undertaken by collecting the information from bullock sellers and purchasers in Akola district of Maharashtra state in 2007. Data were collected from Akola, Akot, Chohatta bazaar and Murtizapur tahsils of the district by personal interview of 25 sellers, 25 purchaser and 25 brokers from each market *i.e.* 100 sellers, 100 purchasers and 100 brokers and by filling the questionnaire.

The information was collected by survey method from each market on the market day of four markets in the month of February and March 2007, thrice for each market

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to get the information about sellers and purchasers and to get meaningful result of marketing practices and cost. The information was collected on breed of animal, age of animal, period of survey, price of bullock, method of selling, preparation of animals for marketing, information about seller, purchasers and brokers.

RESULTS AND DISCUSSION

The present status is confined to the marketing of bullocks in Akola district and for the purpose, 25 farmers engaged in selling and purchasing of bullocks in each market were selected.

Adoption of marketing channels:

Channels adopted for sale of bullocks by sellers are given in Table 1. Channels adopted were through broker, relative or friend and direct sale.

It is revealed From Table 1, that in Akola market 72 per cent sellers sold their bullocks through brokers, followed by 8 per cent through friends or relative and 20 per cent through direct method. In Akot cattle market, 80 per cent bullocks were sold through brokers, then 4 per cent through friend or relative and 16 per cent through direct method. In Chohatta bazar cattle market, 80 per cent sellers took help of brokers and 20 per cent sellers sold their bullocks directly. It was observed that none of the bullock was sold through friend or relative. In Murtizapur cattle market, 84 per cent bullocks were sold through broker, while 4 per cent through friend or relative and 12 per cent bullocks were sold directly.

Thus, it can be revealed that in all the selected markets, maximum number of sellers sold their bullocks

through brokers (79 per cent). The channel of friends or relatives (4 per cent) was adopted by very less number of sellers. While, few sellers sold their bullocks directly (17 per cent) to the farmers.

Sharma (1998) observed that majority of bullocks transactions were through local traders and the main marketing channel was producer/ seller - broker- buyer which is supportive to the present results.

The various channels adopted for purchasing of bullocks by purchaser in all the selected markets of Akola district are given in Table 2.

In Akola market 80 per cent of buyers purchased bullocks through brokers, 4 per cent purchased bullocks through friend or relative and 16 per cent purchased bullocks directly. In Akot market, 88 per cent purchaser took help of brokers, while 12 per cent purchaser used direct method of bullock purchasing. None of the purchasers purchased bullocks through friend or relative. In the Chohatta bazar cattle market, broker channel was adopted by 84 per cent buyer, while 8 per cent buyers used friend or relative and direct method for purchase of bullocks. It is observed in the Murtizapur cattle market that, 88 per cent buyers preferred brokers for purchasing bullocks, while 4 per cent chose friend or relative for bullock purchasing. Remaining 8 per cent preferred direct method of bullock purchasing.

It indicated that, in all the selected market of Akola district, maximum number of buyers (85 per cent) purchased bullocks through brokers, while 4 and 11 per cent of buyers used friend or relative and direct method, respectively for buying the bullocks.

Involvement of brokers in market:

The various reasons on the basis of need of brokers

Table 1 : Channels adopted for sale bullocks in selected markets

Sr. No.	Channel	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	Through broker	18 (72.00)	20 (80.00)	20 (80.00)	21 (84.00)	79 (79.00)
2.	Through friends or relatives	2 (8.00)	1 (4.00)	0 (0.00)	1 (4.00)	4 (4.00)
3.	Direct	5 (20.00)	4 (16.00)	5 (20.00)	3 (12.00)	17 (17.00)
	Total	25 (100)	25 (100)	25 (100)	25 (100)	100

(Figures in parentheses indicate percentage)

Table 2 : Channels adopted for purchase of bullocks in selected markets

Sr. No.	Channel	Markets				Total
		Akola	Akot	Chohatta bazar	Murtizapur	
1.	Through broker	20 (80.00)	22 (88.00)	21 (84.00)	22 (88.00)	85 (85.00)
2.	Through friends or relatives	1 (4.00)	0 (0.00)	2 (8.00)	1 (4.00)	4 (4.00)
3.	Direct	4 (16.00)	3 (12.00)	2 (8.00)	2 (8.00)	11 (11.00)
	Total	25 (100)	25 (100)	25 (100)	25 (100)	100

(Figures in parentheses indicate percentage)

Table 3 : Need of brokers according to sellers in selected markets

Sr. No.	Need of broker for seller	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	To search a customer	18 (90.00)	19 (86.36)	20 (95.23)	20 (90.90)	77 (90.58)
2.	To negotiate price	18 (90.00)	21 (95.45)	19 (90.47)	21 (95.45)	79 (92.94)
3.	Guarantee of payment	0 (0.00)	2 (9.09)	1 (4.76)	0 (0.00)	3 (3.52)

(Figures in parentheses indicates percentage)

Table 4 : Need of brokers according to purchasers in selected markets

Sr. No.	Need of broker for purchaser	Markets				Total
		Akola	Akot	Chohatta bazaar	Murtizapur	
1.	To fix price	20 (100.00)	18 (81.81)	20 (95.23)	22 (100.00)	80 (94.16)
2.	Choice of bullock	18 (90.00)	21 (95.45)	20 (95.23)	18 (81.81)	78 (91.76)
3.	Purchasing on credit	2 (10.00)	3 (13.63)	7 (33.33)	6 (27.27)	18 (21.17)
4.	Guarantee of bullock	20 (100.00)	21 (100.00)	21 (100.00)	22 (100.00)	85 (100.00)

were grouped according to sellers in each selected market of Akola district as given in Table 3.

Data of the Table 3 show that in Akola market, 90 per cent sellers needed brokers to search the customers, and negotiating the price. In Akot, 86.36 per cent sellers needed broker to search the customers, 95.45 per cent sellers needed broker to negotiate the price and 9.09 per cent needed for taking guarantee of payment. While, in Chohatta bazar market, 95.23 per cent sellers needed broker to help them to search customer and 90.47 per cent broker was needed to negotiate the price and only 4.76 per cent sellers told that they needed broker to sale their bullocks on credit and brokers were needed for providing guarantee of recovery of payment. In Murtijazapur market, 90.90 per cent sellers needed broker for searching customers and 95.45 per cent sellers thought they need broker for negotiate the prices of bullocks.

From Table 3, it was seen that negotiation of price was the major reason of sellers behind need of broker. Similarly, searching customers (90.58 per cent) was the another important reason of broker's need. Only 3.52 per cent sellers told that they need brokers for guarantee of payment.

The groups were formed on the basis of need of broker for the various reasons according to purchasers in selected markets of Akola district which are given in Table 4.

It is observed from Table 4 that in Akola district, 100 per cent purchasers needed broker to fix the final price guarantee of bullocks, 90 per cent purchasers thought broker to help them in making choice of bullocks and only 10 per cent purchasers needed broker for purchasing bullocks on credit. In Akot cattle market, 81.81 per cent purchasers needed broker for fixing price of bullocks while, 95.45 per cent purchasers thought the broker to help them in choice

of bullock and guarantee of bullock. For purchasing a bullocks on credit only 13.63 per cent purchasers needed a brokers. In Chohatta bazar market 95.23 per cent purchasers thought that brokers were essential in fixing price and for, choice of bullock 100 per cent purchasers needed brokers for guarantee of health of bullocks which was more in this category and 33.33 per cent purchasers wanted help of brokers for purchasing of bullocks on credit, which is also more in number in this need. In Murtizapur market, mainly 100 per cent purchasers wanted a brokers to help in fixing a price of bullocks which is more in number in this category, 81.81 per cent purchasers needed broker for choice of bullock, 27.27 and 100 per cent purchasers took help of brokers for purchasing a bullock on credit and for guarantee of bullock, respectively.

From the above data it is clear that, providing guarantee of bullocks (100 per cent), fixing of price (94.16 per cent) and choice of bullock (91.76 per cent) were the major reasons for which purchasers needed brokers in marketing of bullocks. While very few purchasers thought that the brokers were helpful for them in bullock purchasing on credit (21.27 per cent). Arora and Pandey (1984) found price variation in cattle market of Haryana and Beohar *et al.* (2004) made investigation an problems, prospect and policy reforms of livestock marketing in Madhya Pradesh.

Conclusion:

Role of brokers in selling and purchasing of bollocks is on large scale which is required for negotiation, search of consumer, providing guarantee of bullocks (100 per cent), fixing of price (94.16 per cent) and choice of bullock (91.76 per cent) which were the major reasons for which the brokers needed purchasers in marketing of bullocks.

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