RESEARCH PAPER

Retailing of vegetables in peri-urban market in Tamil Nadu

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ABSTRACT

Vegetable production in urban area and marketing could bring significant gain to farmers. However, when there are more intermediaries between the farmers and consumers the marketing efficiency is low. Since, the distance between peri-urban and urban markets is relatively less than long distance market. Framers can directly sell their products to the consumers through the institutional facilities. In Coimbatore district farmer's shandys facilitate direct sales for farmers to consumers. Periyanaickenpalayam block vegetables growers' society procures vegetables from the farmers and sells them directly to the consumers and other institution markets. A study was undertaken to study the factors influencing farmers' preferences for selling vegetables to society. Farmers got better price when produce was sold through the society the sales through the society is gaining momentum with the Compound Growth Rate (CGR) of 12 per cent. Strengthening the infrastructure facilities in terms of cleaning and grading, centres and modern retail outlets will further increase the performance of the society and provide improved gains to farmers and consumers.

KEY WORDS : Retailing, Peri-urban, Vegetable,

India is the second largest producer of vegetables in the world next to China. It occupies second largest position in the production of brinjal, cabbage, cauliflower and onion and third position in tomato and potato in the world. In India the per capita availability of vegetables has increased from 279 g per day in 2005 to 318 g per day in 2010. (GOI Report, 2011). In India, Tamil Nadu has the 5th place of total vegetables production. The producer share of consumer rupee is low in vegetables the study area. Any reduction in this producer-consumer price gap will ultimately benefit the growers as well as consumers and give boost to further production. In the light of these facts, the present study was attempted for accomplishing the following specific objectives i) to study the reasons for selling vegetables to the particular agency and ii) to study the factors influencing farmers' Preferences for selling vegetables to society.

METHODOLOGY

Periyanaickenpalayam block of Coimbatore district was purposively selected because it occupied significant position in area and production. From the selected block 60 farmers were randomly selected for the study. From the 60 sample farmers, 30 were members of the Periyanaickenpalayam Vegetables Growers Marketing Society. Others are non-members. The study was based on primary data collected from the farmers comprised of member and non-member farmers of the society in the year 2012-13. Factor analysis was employed to

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understand the important variables that influenced the preferences of selling vegetables to the society by the farmers.

ANALYSIS AND DISCUSSION

Among the sample farmers, 51 to 60 age group farmers were accounted for the major proportion (42%). 31.67 per cent of them were having the secondary level education followed by primary education (22%). Majority of the sample farmers (46.67%) has the experience of 21-30 years in vegetables cultivation.

Distribution of sample farmers selling vegetables through different marketing institutions :

The sample farmers selling their produce through different agencies is presented in the Table 1. It could be observed that 36.67 per cent of the farmers selling their vegetables to both society and other markets like wholesale market, Commission agents, Uzhavar Sandhai and weekly Shandi, etc., Only 13.33 per cent of the farmers has selling their vegetables to society alone. Among the sample farmers 12 (20%) of them selling vegetables through the wholesale market. 8.33 per cent

of the farmers has selling their products through Uzhavar Sandhai. From the data we can observed that 50 per cent (30 sample farmers) of the sample farmers selling their vegetables through the society.

Reasons for selling vegetables to the particular agency :

Majority (50%) of the farmers selling their vegetables to the society. Reasons for selling vegetables to the society are furnished in the Table 2. Reasonable price was the primary reason for deciding to which agency the producer has sold followed by distance from the farm to the market has takes places to selling vegetables to market. Easy transport, immediate payment, absence of commission charge, correct weighment and easy accessibility were the other reasons in their order of reasons to preferring society to selling vegetables.

Factors influencing farmers' preferences for selling vegetables to society :

Factor analysis was applied to identify those factors that were preferred as most important in selling of

Table 1 : Distribution of sample farmers selling vegetables through different agencies		
Market	No. of farmers	Per cent
Society alone	8	13.33
Both society and other market	22	36.67
Wholesale market	12	20.00
Commission agent	10	16.67
Uzhavar Sandhai	5	8.33
Weekly Shandi	2	3.33
Local traders	1	1.67
Total	60	100.00

(Source: Primary survey)

Table 2 : Reason for selling vegetables to the society by the sample farmers			
Particulars	Total score	Mean score	Rank
Reasonable price	2248	74.93	I
Nearer to farm	1941	64.70	II
Easy transport	1807	60.23	III
Immediate payment	1515	50.50	IV
No commission	1288	42.93	V
Trustable	1216	40.53	VI
Correct weighment	1139	37.97	VII
Easy access	917	30.57	VIII

(Source: Primary survey)

vegetables to society by the farmers. The preferences of farmers were captured based on their response to various attributes considered for the study. Altogether 10 attributes were considered to study the farmers' preferences of society.

Factors influencing farmers' preferences for selling vegetables to society :

The farmers' perceptions pertaining to the society were gathered on 10 attributes. Altogether 10 attributes were considered to study the farmers' perception about society dealing with vegetables. These attributes that were perceived by the respondents' were quantified in a 5 point Likert's scale continuum, namely strongly disagree, disagree, neutral, agree and strongly agree (from 1 for strongly disagree to 5 for strongly agree).

The data were analyzed using SPSS 16.0 package for factor analysis. Varimax rotation was applied for the 10 variables. The factor loadings of the 10 variables were then observed and were grouped in to 3 factors. From the Table 6, it could be inferred that in the first iteration a total of 3 components were extracted with total variance explained being 62.81 per cent. 3 components with Eigen value more than 1 were selected. The individual per cent of variance for the 3 factors were 28.78, 22.05 and 11.99, respectively (Table 3). Then these factors were ranked and presented in Table 4.

Using principal component analysis, three factors

Table 3 : Factor analysis: Eigen values and per cent of variance						
Component	Initial eigen values			Extraction sums of squared loadings		
	Total	% of variance	Cumulative %	Total	% of variance	Cumulative %
1	2.878	28.782	28.782	2.878	28.782	28.782
2	2.205	22.048	50.830	2.205	22.048	50.830
3	1.199	11.989	62.819	1.199	11.989	62.819
4	.975	9.748	72.567			
5	.814	8.139	80.706			
6	.661	6.615	87.321			
7	.510	5.097	92.418			
8	.336	3.361	95.779			
9	.243	2.433	98.211			
10	.179	1.789	100.000			

Extraction method: Principal component analysis

Table 4 : Results of rotated component matrix[a]			
Rotated component matrix[a]			
Variables	Component		
	Factor 1	Factor 2	Factor 3
1	0.069	-0.517	-0.212
2	0.029	0.085	0.785
3	-0.006	0.825	-0.272
4	0.743	0.054	-0.235
5	0.195	0.671	0.236
6	-0.898	-0.045	-0.025
7	0.062	0.583	0.381
8	-0.072	0.192	0.764
9	0.848	-0.159	-0.017
10	0.786	0.281	0.258
Eigen value	2.878	2.205	1.199
% of variance	28.782	22.048	11.989
Cumulative %	28.782	50.83	62.819

Extraction method: Principal component analysis   Rotation method: Varimax with kaiser normalization   a. Rotation converged in 5 iterations

were extracted. Factor 1 showed high loading on variables such as 'Immediate cash payment (0.898), 'Quick service' (0.848), 'Relationship building with farmers (0.786)' and 'Product cleanliness' (0.743). The four variables covered in factor 1 are termed as 'Relationship building and quality'. Factor 2 had two variables. They were 'Reasonable price' (0.825) and 'store opens convenient timings' (0.671) and the factor was termed as "Price and timing factors". Factor 3 showed high loading on 'Less transportation cost' (0.785) and 'trustworthy organization' (0.764) has been called as "Loyalty and proximity".

Naming of factors and ranking of variables :

The perception of farmers' about the society image dimensions revealed 10 significant attributes and these were ranked. The ranks of the attributes are presented in the Table 5. The three factors perceived by the consumers were convenient, service of the society and relationship maintenance in that order.

Suggestions to improve the society :

From the member farmers of the society, the suggestions has collected and ranked to improve the marketing of the society. The sample farmers has encountered that the infrastructure facility should be

improved. Next to infrastructure, the society has increase the procurement of the vegetables followed by storage facility, public visible store location and facility for electronic weighment has ranked as III, IV and V.

Conclusion :

From the factor analysis the top three ranked variables for selecting society for selling vegetables by the sample farmers were immediate cash payment, quick service and relationship building with farmers. The factors are relationship building and quality, price and timing factors, loyalty and proximity.

In term of society the improvement of infrastructure and arrangements of cold storage facility has increase the procurement of the vegetables from the farmers. The modernize public visible store can be increase the sales pattern of the society.

Policy implications to the society :

In order to ensure continuous supply of fresh vegetables to the burgeoning urban markets, it is absolutely necessary to create forward linkages from rural to urban areas. This will also ensure assured income to farmers in the rural areas adjoining the cities. Clusters of farmers will be formed to supply their produce to a society run by the farmers at the district level. Private

Table 5 : Naming of factors and ranking of variables			
Variables	Factors		
	Relationship building and quality	Price and timing factors	Loyalty and proximity
Immediate cash payment	0.898	X	X
Quick service	0.848	X	X
Relationship building with farmers	0.786	X	X
Product cleanliness	0.743	X	X
Reasonable price	X	0.825	X
Store opens convenient timings	X	0.671	X
Less transportation cost	X	X	0.785
Trustworthy organization	X	X	0.764

Table 6: Suggestions to improve the society			
Particulars	Total score	Mean Score	Rank
Improve infrastructure	1900	63.33	I
Procurement of large quantity	1722	57.40	II
Cold storage facility	1594	53.13	III
Public visible store location	1246	41.53	IV
facility of electronic weighment	1042	34.73	V

(Source: Primary survey)

entrepreneurs will be engaged to collect, sort, grade and pack the produce at their location and supply the same to retail outlets in the city. This scheme will be implemented as a Public Private Partnership. Cultivation of vegetables, formation of farmer clusters, formation of farmers society, collection centers, reefer vans, retail outlets, mobile stores are the components under this sub-scheme.

REFERENCES

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