Constraints in Banana Marketing and Scope of improvement: A case study for Jalgaon Region

Dr. D S Deshmukha Dr. Prashant P Bornareb, Er. Pankajkumaranawade

aProfessor and Head of Department of Mechanical Engineering, SSBT’s College of Engineering and Technology, Bambhori, Jalgaon, MS
Email: deshmukh.ijssbt@gmail.com

bAssistant Professor, Mechanical Engineering Department
SSBT’s College of Engineering and Technology, Bambhori, Jalgaon, MS
Email: ppbornare79@gmail.com

cAssistant Professor, Department of Business Administration
SSBT’s College of Engineering and Technology, Bambhori, Jalgaon, MS
Email: anawade.pankaj@gmail.com

Abstract:
India owes the credit of being leader in global banana production. Maharshtra state enjoys the status of being the leader in the country for banana production and marketing. In Maharashtra, Jalgaon District is at the top in banana production, marketing research and technology generation. However the other side of the coin is dark. At global scale India has not secured any status in banana trading. Its contribution in international banana export is negligible.

In the era of globalization when India has joined the global economy open-mindedly there is a great necessity to investigate and identify the specific constraints in overall banana marketing. This paper defines the banana marketing network, identifies the role of various agencies involved and addresses their explicit problems. An extensive survey is done to study the problem and based upon the data generated, suggestions and recommendations are given here to improve the banana trade in Jalgaon region.

Key words: Banana, Marketing constraints, marketing strategic planning.

Introduction:
Banana is a fruit with marvelous properties. The banana plant has versatile uses. The plants are used for decorative purposes, preparation of fiber and the leaves for storing and packaging food items. Globally Banana is fourth most important commodity after Rice, Wheat and Corn (Koepple 2008). Bananas have universal appeal as a fresh food while plantains for wholesome food to millions of people in the world in the countries like Puerto Rico and Tanzania (Valsalakumari 2005).

Banana is cultivated in nearly 120 countries in the world. The Global production of Banana is roughly 86 million tones (Ramesh Chand 2006). India ranks 1st in Banana production (UNCTAD). Fig 1 shows the global banana production distribution (UNCTAD):

![Fig 1: Compound growth rate of banana production.](image)

India has remarkably high productivity of banana measured in terms of MT/ha. Particularly in India, State of Maharashtra has the highest productivity. This is shown in fig 2:

![Figure 2: Maps showing banana production in different regions.](image)
In India also the production of banana has steeply increased in the globalization. In India, Maharashtra has shown very good performance in banana production. Fig 3 shows the growth trend of banana in India and in Maharashtra:

The fig 2 shows that the banana production has increased by more than two folds in past decade.

Out of the total area under horticulture in India Banana occupies only 20% of it. India is having more than 4.4 Lakhs ha. Of land under banana cultivation and nearly 103 lakh tones of production available. The National average production is 25.4 tons per ha (www.ikisan.com). Maharashtra State is a leader in the production and marketing of Banana, Onion, Grapes, Pomegranate and Papaya in the country. Maharashtra ranks second in total area under Banana in the country. But Maharashtra is having highest productivity per ha. that is 62 tons per ha (Singh 2007). In Maharashtra Jalgaon District has the maximum area accounting for 71.64% and 61% of production in the state with an estimated turnover of Rs. 150 crores. Jalgaon District has nearly 45000 ha of land under Banana cultivation and approximately 23 lakhs tones of production takes place in the District. Production and most of the quality is sold in the domestic marketing (Agri-Information 2001; Kalamkar 2007).

The term ‘market’ has originated from the Latin word ‘Marcatus’, means a place where buyers and sellers meet together (Sherlekar 2008). Market consists of - unmet demand, products to meet the demand, and means of interaction. The deep impact of IT has radically transformed this definition (Market Wikipedia). Today, market can be more accurately defined as a forum for meeting of buyers and sellers (Philip Kotler 2008) and do interactions/transactions on digital chips! Radical changes have taken place due to the globalization in banana marketing.

Banana marketing a complex chain having several links in it. All the links in the chain are not getting equally benefitted. Particularly the producer (farmer) and retailer both are the underprivileged components of the banana marketing network. The whole world has under gone the impact of globalization in last two decades and food and agricultural sector also had not been impervious of this (Tim Jostting 1997). This has obviously affected banana marketing also. Banana marketing is schematically shown in fig 4.
The various stake holders of banana marketing chain have been interviewed through questionnaires. The information thus collected is analyzed and summary of observations is presented herein.

Results and discussions:

In gist form, banana marketing in Jalgaon region and in the Maharashtra State is synonym of co-operative societies. They have completely dominated the market and have performed much superior also. Societies have emerged as icon of agro-economy as well as politics in Maharashtra. The fig 5 describes growth of banana societies in Maharashtra State:

![Fig 5 Increasing number of members in cooperative societies in Maharashtra.](image)

The present work is based upon response analysis of banana marketing chain stake holders. The response given by various stake holders of banana marketing chain are analyzed. The results are presented with the help of diagrams. In case of multiple option questions, the variation in responses is calculated by standard deviation also. Some important results are highlighted here in:

1. The literacy standard of farmers is appreciably high.
2. Banana farmers belong to middle income group only.
3. The majority of banana farmers are having small fields of size below 20 acres.
4. In last 10 to 20 years of duration more number of farmers is attracted towards banana.
5. Majority of banana farmers are using hybrid species due to better yield are market value.
6. Modern irrigation techniques are preferred by the banana farmers.
7. Banana farmers are associated with the societies and also express satisfaction with their functioning.
8. Banana farmers have preferred societies as their sell outlets.
9. Banana societies are the first preference for taking loan by the farmers.
10. Farmers have expressed their dissatisfaction with the Government initiatives regarding banana farming promotion.
11. Banana by-product making has lot of hidden potential which has not been utilized at the fullest extent yet now.
12. The wine production from banana is emerging up as a new concept.
13. Government has initiated insurance facility for the farmers. Still awareness in this regard is very poor.
14. The by-product producers’ are good in educational awareness.
15. By-product producers prefer to sell their products to the shops. However some have preferred to sell door to door by their salesmen too.
16. Banana by product makers have expressed their concerns with the low profit margin of their products.
17. Banana by product producers have expressed worry due to introduction of fancy products in the market.
18. Banana transporters do not have fixed rates of banana transport. They depend largely on negotiations. This creates a confusion and sometimes lack of confidence in the market.
19. Cooling containers are very much important to prevent perishing of banana. Only 10% of the transporters are using this facility.
20. Government is going ahead for use of carriage trains with cooling containers. This will revolutionalize the banana transport.
21. Airport is soon going to be functional at Jalgaon city. This is also going to radically influence the banana trade.
22. Banana commissioners are integral part of the banana marketing. However they are always suspicious link in the entire chain.
23. Modern trading techniques including IT based trading has minimized the role of commission agents.
24. More number of persons are attracted towards the business of banana retailing in last two decades. This observation has
some link with the globalization process going on.
25. Banana retailers have preferred to purchase banana from societies.
26. Banana stalls have been the most preferred mode of sell from banana retailers.
27. Seasonal nature of banana market has impact on the retailers also. They have to search for alternative employments during off seasons.
28. Consumers have awareness regarding health benefits of banana due to traditional wisdom as well as due to education. However this awareness needs to be enhanced greatly.
29. Consumers prefer to purchase banana from stalls or from door to door sellers. Though malls have also started selling banana, but they have not been much preferred by the consumers.
30. Consumers use a variety of banana by products, but their preference is wafers.
31. Consumers have expressed their preference of banana for partially ripped type due to perishing nature of fruit.
32. Consumers have given preference to the number based selling of banana over the weight based selling.
33. Wine production by banana is a very controversial issue that will affect the banana marketing in radical sense in coming time.

Conclusions:
The present study has revealed that banana marketing is a very important aspect of Indian agro-economics. It is gigantic in magnitude. Yet it has tremendous potential to grow up. India has an ability to emerge as a global banana leader in export. In the marketing chain of the banana also some improvements are required. Based upon the present study, some suggestions are recommended.

A summary of these suggestions and recommendations is as follows.
1. Government must initiate awareness and training programs for the banana farmers and should reach to them through electronic media.
2. Government must take advantage of high literacy rate of farmers.
3. Low cost modern biotechnology must be promoted for banana farmers.
5. There is need to encourage research in banana hybrid species as it is getting more popularity amongst growers as well as consumers too.
6. Societies are playing pivotal role in the banana marketing chain. They must be given statutory protection so that they can better do their jobs.
7. Loan is a very important factor in the banana marketing chain. Government authorities must make necessary arrangements for giving loans and nominal interest for banana farming.
8. Banana farmers barely need a system of insurance for their agriculture.
9. Banana by-product making has scope to emerge as a small scale enterprises in Jalgaon region. Government incentives can promote growth of this sector.
10. Wine production from banana is a very crucial issue. It has pros and cons both. There is a need to carefully watch the impact of this new concept on the established market of banana.
11. The present study has revealed that most of the transporters do not have cooling containers. Banana is highly perishable if not stored in coolers. It is highly recommended to enhance cooling facilities for transportation by roads and even by railways.
12. The road conditions have significant impact on banana damage. When banana is transported from rough roads shocks create damage to the fruit. It is necessary to improve the road conditions for smooth transportation of banana.
13. In the container itself some special arrangement can be made to absorb shocks due to road conditions. This requires research and investigations in this particular direction.
14. The transportation rates are solely based upon mutual negotiations. This is a very poor scenario. There must be well defined rates so that a confidence is developed and there is no scope for cheating.
15. Government must look into for developing cooler based storage facilities in the rural areas. The societies may be given loan and other facilities for creating cooling facilities in their stores.
16. Electricity itself is a major problem in rural areas. When electricity fails for prolonged durations, banana gets perished even in the stores having cooling facilities. Government must have provision to supply electricity separately for such store houses.
17. The role of commission agent cannot be eliminated totally. But it needs to be minimized.
18. IT Technology has penetrated the banana trading also. The societies are supplying
banana to their customers using internet facilities also. Even the payment is being done digitally. This can be used to minimize the role of middleman.

19. Banana retailing is done mostly by small scale stall-keepers or door to door suppliers. These low waged workers play a very important role in the overall economics of the banana marketing. It is recommended that in order to improve their livings, some measures must be taken by the government.

20. The seasonal nature of banana makes the retailers and small stake holders unemployed for certain part of the year. However the hybrid species of banana can be harvested throughout the year. Under such circumstances it is recommended that government must encourage the use of hybrid species so that the “blank period” gets minimized.

21. Considering the high nutritious value and reasonable cost of banana government has launched few schemes to use banana and it’s by products to give nutritious food to school children. It includes supply of banana biscuits and other banana products. Such activities must be encouraged and they must cover a larger section of the society.

22. The minimum support cost of banana must be well published in news papers and must be promulgated via electronic media.

23. Installation of public weighing machine in every village is also an important suggestion for the government authorities.

24. There is a tremendous scope of using organic fertilizers and biotechnological approaches to enhance the quantity and quality of banana production. Farmers need to be made aware of this through extensive awareness programs.

25. Indian railways should consider banana as B grade fruit. It must be transported on priority basis so that the transportation losses are minimized and the profit margin is maintained.

26. Banana Export Facility Centre is presently functioning only at one place that is Sawda in Raver Taluka. It is recommended that such centers must be increased in numbers.

27. There is provision of establishment of Special Commodity Market in the Maharashtra Agriculture Produce Marketing (Development and Regulation) Act, 1963. State Govt. has to establish Special Commodity Markets. Such Special Commodity Market with all infrastructure facilities to handle huge Banana quantum should be established in Jalgaon District.

28. Many farmers toady are using conventional methods of banana ripening. This has the problem of non-uniform ripening. It is recommended that the ripening should be done by advanced techniques so that uniform good quality ripening takes place.

29. Updating of marketing information and intelligent network. Government should evolve a mechanism for rapid dissipation of marketing information using electronic systems. This will make the producers aware of marketing trends and they will be able to get a proper profit of their product.

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