

Supermarket supply chains in Horticulture in India: The novel marketing models, effects and policies

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The super market revolution has been underway in developing countries. Market research says that larger the numbers of economic agents involved in marketing and lesser their incomes' share in consumer price'. The prospective solution to this problem may be consolidation of supply chain. However, one of the possible solutions emphasized by market research is linking supermarket and farmers. The main motive of this paper is to explore the ways or super markets models that will integrate the small and marginal farmers with supply chain system in India. Information on marketing models and marketing institutions which deal fruits and vegetables in the country were analyzed. The features and effects of different super markets operating for marketing of fruits and vegetables were studied. The fruits and vegetable commodities reach the final consumer through various channels. Among all the channels the direct market models are the best because the producer share in consumer rupee is 100 per cent and will eliminate middlemen completely. India opened up post - 1990, a number of new liberalized public markets operating direct marketing model with forward linkages for fruits and vegetables. The economic reforms also lead to the emergence a number of new private retail markets for fruits and vegetable with direct marketing models with backward linkages. The results reveal that private super markets will save farmers from transport, marketing cost and other charges and complete eliminate middlemen. Farmers who supply to private super markets have many advantages it includes technical guidance, market information on prices, perfect weights and spot payments etc. The opportunities include development of high value commodities market supply chain. The farmers are suggested for effective and efficient marketing of fruits and vegetables, the super markets have to purchase entire quantity brought by the farmer irrespective of grading, Export linkage is suggested, Government has to regulate prices, Government has to open and operate retail outlets, Government should assess the production and consumption level and announce the MSP accordingly. Even the farmers of the most of the states are adopting traditional marketing channels. The study suggests that modern direct marketing models to adopt. Therefore, there is an immediate need to replicate such models in a much larger scale to cover not only the cities but also the interior villages in the country. The study advocates that it is necessary to amend outdated laws restricting the establishment of markets to allow cooperatives and private entrepreneurs to set up modern supermarkets, both public and private retail markets.

Biography

M. B. Dastagiri (PhD, IARI, 1992.) is working as Senior Scientist at NCAP, India in the theme areas of Markets and Trade and Institutional Change. Previously, Dr. M. B. Dastagiri worked as Assistant Professor (Agricultural Economics) at UAS, Dharwad. He has conducted pioneering empirical studies and has published research papers in reputed journals of India and abroad. One of Dr. M. B. Dastagiri's papers, namely, "World Food Production Research, 1998" published under the distinguished scientist's column in the international journal, Outlook on Agriculture, United Kingdom. He has been awarded national and international awards.

M. B. Dastagiri has well acquainted recent advances in agricultural science in general and agricultural economics in particular. He is original thinker and good researcher in agricultural economics. M. B. Dastagiri had been awarded ICAR junior and senior fellowships for M.Sc (Ag) and Ph.D. studies. Dr. M. B. Dastagiri has published policy paper (1), working paper (1), and research articles (20) in the journals of international and national repute. Dr. M. B. Dastagiri's current research interests include WTO Agreements and Trade liberalization, IPRs, Global markets, Agricultural trade policies, Marketing efficiency of horticultural commodities markets, Super markets, Demand & Supply projections, and Subsidies and Investments in livestock sector.

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