

## A STUDY ON THE FACTORS FOR IMPROVEMENT IN MARKETING OF AGRO BASED PUBLIC SECTOR UNDERTAKINGS IN KERALA

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### ABSTRACT

*Agriculture and Industries are vital components of the growth route due to their joint affiliation. The term agro-industries signify diverse meaning to different writers, institutions, and agencies. In truth, this perception is masked in indistinctness. There is no agreement as to which industries can be grouped under this category. According to the United Nations Industrial Development Organisation (UNIDO), the term agro-sector connotes those industries, which utilize raw materials from agriculture as main material from that manufactured goods are produced on the commercial scale. The term also applies to those industries, which are causative for the growth of agriculture including agriculture produce. Thus, agro-based industries can be roughly distinct as those industries that are reliant upon agriculture for their raw material and other basic inputs. Strengthening of agriculture is grave for facing the challenges of rural paucity, food diffidence, redundancy, and sustainability of natural resources. In this circumstance, well-organized marketing, and rural credit systems suppose added significance. The marketing system is significant for transferring the goods from producers to consumers, and to fix the prices at different stages. The issues and concerns in marketing, chiefly to the performance (competence) of the marketing system, rely on the structure and conduct of the market, especially by the Agro Based Public Sector Undertakings in Kerala.*

**KEYWORDS:** *Sustainability, Public Sector, Marketing, Natural Resource, Economic Development, Agri-Business and Agro Processing*

### INTRODUCTION

Strengthening of agriculture is grave for facing the challenges of rural paucity, food diffidence, redundancy, and sustainability of natural resources. In this circumstance, well-organized marketing and rural credit systems suppose added significance. The marketing system is significant for transferring the goods from producers to consumers, and to fix the prices at different stages. The issues and concerns in marketing, chiefly to the performance (competence) of the marketing system, rely on the structure and conduct of the market, especially by the Agro Based Public Sector Undertakings in Kerala. Without an efficient marketing system of Agro Based Public Sector Undertakings in Kerala, it is not possible to optimize the use of the resource, output management, increase in farm incomes, widening of markets, the growth of agro-based sector, addition to national income through value addition, and employment creation. Without an efficient marketing system of the Agro Based Public Sector Undertakings in Kerala, it is not possible to optimize the use of resource, output management, increase in farm incomes, widening of markets, growth of agro-based sector, addition to

national income through value addition, and employment creation. The study highlights the views of the experts in the field of marketing under Kerala State Horticultural Product Development Corporation (KSHPDC), The Kerala Agro Industries Corporation Ltd (KAIC), Meat products of India Limited (MPI) and The Kerala State Cashew Development Corporation LTD (KSCDC), who are in the capacity of top level, middle level and lower level cadre. It is hoped that the results of the study are helpful to policymakers to formulate strategies which can be employed in the Agricultural Sector.

### **NEED AND SIGNIFICANCE OF THE STUDY**

There are numerous confronts involved in the marketing of agricultural produce of Agro Based Public Sector Undertakings. There is restricted access to the market information. Also, it is seen that the literacy level among the farmers is squat and there are numerous channels of distribution that eats away the pockets of farmers, which indirectly affects the Agro Based Public Sector Undertakings. The government's funding to Agro Based Public Sector Undertakings is still at the nascent stage and most of the Agro Based Public Sector Undertakings still running short of inadequate working capital. There are several loopholes in the present administration of marketing practices of Agro Based Public Sector Undertakings and there is no controlled and synchronized marketing system for the agricultural produce. The Agro Based Public Sector Undertakings have to face so many destitutions and have to conquer a number of obstacles in the marketing. The globalization has fetched radical transforms in Kerala across all sectors and it is more so on agriculture, especially Agro Based Public Sector Undertakings and had made an unfathomable blow on agricultural marketing which has brought numerous confronts and intimidations like indecision, confusion, competitiveness, apart from compelling them to adapt to changes arising out of technologies. If it is the dark cloud, there is silver lining like having brilliant export prospects for our agricultural products to the outside world Thus, it is vital to explore the upshot of the marketing of agricultural produce in the overall improvement of the Agro Based Public Sector Undertakings in Kerala. Unless the marketing of agricultural production takes place in an effective manner, Agro Based Public Sector Undertakings in Kerala cannot accomplish opulence in its genuine nous. This can only be achieved through the improvement of Agro Based Public Sector Undertakings in Kerala.

### **OBJECTIVES OF THE STUDY**

To appraise the factors responsible for the improvement in the marketing of agro-based public sector undertakings in Kerala

### **HYPOTHESIS**

There is no significant difference among the various factors responsible for the improvement in the marketing of agro-based public sector undertakings in Kerala.

### **METHODOLOGY**

The purpose of the present examination is to investigate the marketing insinuations of the agro-based public sector undertakings in Kerala. The present study is an attempt to identify whether the present marketing practices have actually percolated to the agro-based public sector undertakings in Kerala. As such, the present study has been designed as a descriptive study and Normative Survey method will be adopted as the appropriate means for gathering the data essential for the study. For achieving the above objectives and hypotheses the subsequent methodology was whispered for doing the

current study. The study is methodical in nature based on the survey method. Both primary and secondary data has been used for the present study.

The respondents were categorized into fourgroup. They are from Kerala State Horticultural Product Development Corporation (KSHPDC), The Kerala Agro Industries Corporation Ltd (KAIC), Meat products of India Limited (MPI) and The Kerala State Cashew Development Corporation LTD (KSCDC), who are in the capacity of the top level, middle level and lower level cadre. Also, the sample of respondents includes 15 Top levels, 130 Middle level, and 55 Lower level employees. Thus the total sample size consists of 200, out of which equal division is assigned for four Agro-based public sector undertakings in Kerala.

## RESULTS AND DISCUSSIONS

Customer tastes are continuously varying. Therefore, companies must persistently maintain with the types of products and services customers yearn for. There are numerous motives for an unvarying want for transformation in marketing. It is virtually unworkable for companies to stay self-satisfied with their marketing and advertising. A foremost explanation is that a challenger may instigate a marketing tactic that confronts a small company's position in the marketplace. Some of the transformations are executed as a result of fruitless strategies. Other modifications may be as an effect of reprehensively recognizing a target audience, which is the group of people who are most likely to use a product. External forces may also prompt the necessity for avary in marketing strategies. Thus in the present analysis, an attempt has been done to examine the identified factors useful for the improvement of marketing. Discriminant analysis was done to examine the exact factors responsible for the improvement in marketing. Hence one objective was formulated along with a hypothesis.

**Table 1: Factors for Improvement in Marketing -- Tests of Equality of Group Means**

Factors	Mean	Std. Deviation	Mean		Std. Deviation
	Administrative Level		Management Level		
Price reduction	3.343	1.1406	3.569		1.0187
Discount sales	3.529	1.0317	3.677		1.0941
High quality	3.586	1.0834	3.6		1.0969
Better service	3.643	1.1425	3.377		1.1016
Convenient location	3.429	1.1108	3.538		1.0794
Options for choice	3.757	1.1476	3.454		1.1005
Variety of service	3.4	1.1216	3.485		1.08
Customer friendly approach	3.786	1.048	3.577		1.0701
Courtesy	3.657	1.1781	3.454		1.0719
Availability of products	3.8	1.0848	3.669		1.137
Better ambience	3.314	1.1234	3.546		1.1487
Accuracy in measurement	3.4	1.055	3.631		1.0353
Better packing and packaging	3.514	1.2364	3.531		1.108
Farm fresh products	3.557	1.1246	3.608		1.1713
Factors	Wilks' Lambda	F	df1	df2	Sig.
Price reduction	0.99	2.064	1	198	0.152
Discount sales	0.996	0.87	1	198	0.352
High quality	1	0.008	1	198	0.93
Better service	0.987	2.584	1	198	0.11
Convenient location	0.998	0.462	1	198	0.497
Options for choice	0.983	3.354	1	198	0.069

Factors	Wilks' Lambda		F	df1	df2
Variety of service	0.999	0.272	1	198	0.603
Customer friendly approach	0.991	1.757	1	198	0.187
Courtesy	0.992	1.526	1	198	0.218
Availability of products	0.997	0.621	1	198	0.432
Better ambience	0.991	1.882	1	198	0.172
Accuracy in measurement	0.989	2.231	1	198	0.137
Better packing and packaging	1	0.009	1	198	0.923
Farm fresh products	1	0.087	1	198	0.768

Tests of equality of group means were performed to examine the factors responsible for the improvement in the marketing of agro-based public sector undertakings in Kerala. Accordingly, the score assigned to the factor Price reduction got a mean score of  $3.343 \pm 1.14$  and  $3.569 \pm 1.01$ , assigned by administrative staff and management staff respectively, which is statistically not significant. Similarly, the mean score for the factor Discount sales got a mean score of  $3.529 \pm 1.03$  and  $3.377 \pm 1.09$ , assigned by administrative staff and management staff respectively, which is statistically not significant. High quality, Better service, Convenient location and Options for choice got the mean score of  $3.586 \pm 1.08$  and  $3.60 \pm 1.09$ ,  $3.643 \pm 1.14$  and  $3.377 \pm 1.10$ ,  $3.429 \pm 1.11$  and  $3.538 \pm 1.07$  and  $3.757 \pm 1.14$  and  $3.454 \pm 1.10$  respectively, which are statistically not significant.. Variety of service, Customer friendly approach, Courtesy, Availability of products, Better ambience, Accuracy in measurement and Better packing and packaging got mean score of  $3.40 \pm 1.12$  and  $3.485 \pm 1.08$ ,  $3.786 \pm 1.04$  and  $3.577 \pm 1.07$ ,  $3.657 \pm 1.17$  and  $3.454 \pm 1.07$ ,  $3.80 \pm 1.08$  and  $3.669 \pm 1.13$ ,  $3.314 \pm 1.12$  and  $3.546 \pm 1.14$ ,  $3.40 \pm 1.05$  and  $3.631 \pm 1.03$  and  $3.514 \pm 1.23$  and  $3.531 \pm 1.10$  respectively, which are statistically not significant.

**Table 2: Factors for Improvement in Marketing – Eigen Values**

Function	Eigen value	% of Variance	Cumulative %	Canonical Correlation
1	.105 <sup>a</sup>	100.0	100.0	.308

Source:-Primary data

Canonical Correlation value is 0.308, shows there low positive correlation among the factors considered for the present study.

**Table 3: Factors for Improvement in Marketing -- Standardized Canonical Discriminant Function Coefficients**

Factors	Coefficient Value		Factors	Coefficient Value	
	Administrative Level			Management Level	
		Rank			Rank
High quality	0.033	7	Price reduction	-0.353	3
Better service	0.47	2	Discount sales	-0.075	7
Options for choice	0.472	1	Convenient location	-0.222	4
Customer friendly approach	0.323	3	Variety of service	-0.091	6
Courtesy	0.271	4	Better ambience	-0.453	1
Availability of products	0.238	5	Accuracy in measurement	-0.402	2
Farm fresh products	0.066	6	Better packing and packaging	-0.093	5

Source:-Primary data

From the above table, it is clear that the administrative level staff of agro-based public sector undertakings in Kerala has awarded Options for choice (0.472) as the highest preference level for improvement in marketing. Similarly, the subsequent ranks are for Better service (0.47), Customer friendly approach (0.323), Courtesy(0.271) and Availability of

products (0.238) respectively. Likewise, the management level staff of agro-based public sector undertakings in Kerala has awarded Better ambience (0.453) as the highest preference level for improvement in marketing. Similarly, the subsequent ranks are for Accuracy in measurement (0.402), Price reduction (0.353), Convenient location (0.222) and Better packing and packaging (0.093) respectively. Thus there are significant differences in the Factors for improvement in marketing between administrative staff and management level staff. Hence null hypothesis is rejected. The factors responsible for the improvement in the marketing of agro-based public sector undertakings in Kerala were assessed. It found that the effect of the factors namely Better service, Options for choice, Customer friendly approach, High-quality Courtesy, Availability of products and Farm fresh products are found moderate. But the effect of the factors namely Price reduction, Discount sales, Convenient location, Variety of service, Better ambience, Accuracy in measurement, and Better packing and packaging is low.

## CONCLUSIONS

The Agro Based Public Sector Undertakings have to face so many destitutions and to conquer a number of obstacles in the marketing. The globalization has fetched radical transforms in Kerala across all sectors and it is more so on agriculture, especially Agro Based Public Sector Undertakings and had made an unfathomable blow on agricultural marketing which has brought numerous confronts and intimidations like indecision, confusion, competitiveness, apart from compelling them to adapt to changes arising out of technologies. The public sector undertakings in Kerala must hold change if they have to endure and find a place for themselves in the domestic, national and international aggressive market. Significant changes require to be worked out not only in the approach of the employees but also in the outlook of the companies which are betrothed in the mission of agro-based public sector undertakings in Kerala. Thus, it is vital to explore the upshot of the marketing of agricultural produce in the overall improvement of the Agro-Based Public Sector in Kerala.

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