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A COMPARATIVE STUDY ON MARKETING PROBLEMS OF CARDAMOM GROWERS WITH SPECIAL REFERENCE TO TAMIL NADU AND KERALA

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Abstract

Agriculture forms the backbone of the Indian economy and despite concentrated industrialization in the last five decades; agriculture occupies a place of period. Being the largest industry in the country, agriculture provides employment to around 65 percent of the total work force in the country. This study is conducted on the marketing problems of cardamom growers in Kerala and Tamil Nadu. It employed both primary and secondary data using various data collection methods. The main objective of this study is, therefore, to assess problems faced by farmers in the marketing of cardamom and finally suggest possible remedial measures to better marketing of cardamom in Kerala and Tamil Nadu. The study concludes that The Government should provide the marketing facilities through the appropriate organizations to increase the rate of exports of cardamom especially for Theni and Idukki district cardamom growers and cultivators in the States of Tamilnadu and Kerala respectively.

Keywords: *Agricultural marketing, Market intelligence, Risk bearing, Standardization.*

Introduction

India is endowed with a rich diversity and excellent collection of spices having original quality. The center of origin of two major spices, viz., Black Pepper and Cardamom are the Western Ghats of India. The country has excellent infrastructure for research and development of spices like Indian Cardamom Research Institute (Spices Board), Indian Institute of Spices Research, Directorate of Arecanut and Spices Development, State Agricultural Universities etc.

Value addition in spice industry is well developed in the country. The organic spices market is also showing desirable annual growth rate. There is an expanding global organic market for it. Alternative systems of medicine are gaining importance in the western world. India has a rich tradition of Ayurveda. Many of the spices are having medicinal properties. They are mainly used in Ayurvedic medicines. Researches efforts are being put into validate the medicinal, therapeutic and nutritional properties of Indian spices in the modern medicine.

History of Cardamom

Cardamom is one of the oldest spices in the world, and the most popular spice in ancient Rome was probably cardamom. By the first century AD, Rome was importing substantial quantity of cardamom from India. India and Arabic writers of very early times knew and noted cardamom. The first written mention is in the famous Ebers papyrus, discovered in Egypt and dating back to 1550BC, which lists about 800 medical drugs and their uses. The Indian writer Susvsta (around the 18th century) mentioned cardamom under the Sanskrit name *Eta*. Cardamom is mentioned in the list of spices liable to duty at Alexandria in 176-180 AD.

Review OF Literature

Kumaresan and Baskara (2011) have made an attempt to study the effect of thrips damage on cardamom price structure. They studied the relationship between damage and the prevailing market price of the cardamom capsules. The study was conducted collecting detailed information on cardamom from the auction centre at Vandannettu, Idukki District, Kerala. The study indicated that the present thrips damage and intensity co-efficient of trips damage and number of capsules/kg directly influenced the price of cardamom in the auction centre in the case of the Alleppy Green Bold (AGB) grade whereas in the case of the Alleppey Green Extra Bold (AGEB) grade the number of capsules/kg alone directly influenced the price structure of the cardamom.

Rajagopal and Padmanabhan (2013) conducted a study on cardamom and cardamom products with the objective of analyzing the problems in cardamom marketing in the absence of scientific and modern cultivation methods. They found India has recorded a decline in the production of cardamom unlike Guatemala and Tanzania where there is an increase of cardamom production in recent times. They found that various uses of cardamom, in particular medical, food, and other uses. Cardamom has excellent food value. It is low in fat and high in protein, iron and vitamins A, B and C with distinctly sweet and moderate pungent aroma. It is widely used as a flavouring agent in food, meat, beverages and liquor. The other uses of cardamom include health care products and beauty aid cosmetics and perfume deodorants. The study also

indicated that the failure of cardamom industries as a whole and that of India, in particular mainly depended upon its food and nonfood industries and the marketing of those diversified products.

Chitra (2014) conducted a study on “Economics of cardamom production with reference to Bodimettu in Them District”, with the objective of studying and understanding the characteristics of sample cardamom planters in Bodimettu and identifying and analyzing cost and return in cardamom cultivation. Based on the findings, the study suggested that there should be integrated pest management in cardamom cultivation. It means small and marginal cardamom planters may adopt integrated pest management to reduce pest related crop loss. The cardamom planters shall share the ideas, experiences among themselves regarding cardamom and they may be instructed to make use of bio-fertilizers instead of chemical fertilizers. The government may provide concessions to the cardamom exporters by means of duty free exports.

Koshy John and Venkatesan, (2015), in their study on “A composite look on cardamom technologies in Idukki District” revealed that Indian Small Cardamom Production has touched the highest production around 12,000 tonnes from 73,000ha in 2002-2003. The contribution from Idukki District was around 8000 tonnes from 32,000ha. The following technologies were observed in Idukki District for small cardamom cultivation: soil and climatic requirements, planting materials shade regulation, planting, and cultural operations methods, weed control, peaking and mulching, trashing, earthing up, soil and water conservation, irrigation management, fertilizer application, time and method of application, general tips on fertilizer application and bee management. The major observation of this study was that there was more application of inputs, particularly chemical inputs beyond the recommended levels.

Peter, Nybe and Sujatha (2016), in their study on “touching an all-time high” found that India is the homeland of many spices, but productivity of many of the spices is low when compared to other competing countries. India has lost its competitiveness for pepper, cardamom, ginger, fennel and fenugreek due to low productivity and high cost of production. India can sustain and recapture the international

market by attaining reduction in unit cost of production by increasing productivity.

Statement of the Problem

India is the major cultivator and exporter of cardamom. It is in the second place at the global level, even though there are a few places of cultivation of cardamom in India. Large cardamom (Big size) is widely cultivated in the state of Sikkim in North India and in South the states of Karnataka, Tamilnadu and Kerala are the major cultivators. However, huge cultivation of cardamom is in Kerala and in the border places of Tamilnadu. Though the cultivation area in India is very less, the quality and standard of the product cultivated is of global standard. This has kept the product to be in demand by global nations as for as marketing is concerned the state of Kerala has plenty of dealers to sell it in the local as it is in the global market.

Cardamom is not a common cultivable product in all localities like Paddy, Chilli, Coconut, Wheat etc., Thus there is a problem to the small cultivator group both in their cultivation and in their marketing and distribution. Hence an attempt is made in this research study to identify the cultivation and distribution problem of cardamom growers in Tamilnadu and Kerala states in order to arrive at meaningful findings that could help in strengthening the cultivation and marketing of cardamom in India.

Objectives of the Study

1. To identify the nature and level of cultivators of cardamom and to study their socio economic conditions, in Kerala and Tamil Nadu
2. To study the problems faced by farmers in the marketing of cardamom in Kerala and Tamil Nadu.
3. To offer suggestions for better marketing of cardamom in Kerala and Tamil Nadu.

Hypotheses

Ho: There is no significant association between the major type of crop cultivation and marketing.

H1: There is a significant association in between the major type of crop cultivation and marketing.

Ho: There is no significant association between the major type of crop cultivation and the monopolistic practices in the international cardamom market.

H1: There is a significant association between the major type of crop cultivation and the monopolistic practices in the international cardamom market.

Ho: There is no significant association between the major type of crop cultivation and the degree of competition in the international market

H1: There is a significant association between the major type of crop cultivation and the degree of competition in the international market.

Ho: There is no significant association between the major type of crop cultivation and the degree of competition among the exporters

H1: There is a significant association between the major type of crop cultivation and the degree of competition among the exporters.

Research Methodology

The research design adopted in this study is descriptive research. The researcher has used both the primary and secondary data. The primary data were collected from the cardamom growers in Kerala and Tamil Nadu using interview schedule method. The collected primary data were used to coined significantly in the questions and drawn the attention of the growers with answers. Secondary data were collected from the spices board, spices research stations at Kerala, Karnataka and Tamilnadu and the related articles and sites. The researcher has taken 10 per cent of the maximum as sample from each state and approached them for the data. These samples have been selected on random basis to have the data. Hence the researcher has adopted the random sampling method. The data were analyzed using Percentage analysis, Chi-square test, Anova – oneway and T-test.

One-Sample Statistics

	N	Mean	S.D	Std. Error
Type of family	150	1.24	.429	.035
Comparison	150	1.4933	.50163	.04096
Marketing	150	1.2267	.42008	.03430
Payment	150	1.4933	.50163	.04096

The above t-test reveals the type of family, comparison, marketing and payment of the cardamom exporters in Kerala. The mean of the variable sample respondents for this particular sample data is 1.24 which is statistically significant different from the test value of 1. Hence, it is to conclude that this

sample has a significantly higher mean of the test than 1. Thus, it is concluded that the sample data tell that the type of family, comparison marketing and payment of the cardamom exports has a significant change.

MAJOR TYPE OF CROP CULTIVATION				
		Payment		Total
	Particulars	Low	High	
Major type of crop cultivation	Cardamom	65	58	123
	Coffee	4	9	13
	Rubber	7	7	14
	Total	76	74	150

Ho: There is no significant association between the major type of crop cultivation and payment

H1: There is a significant association between the major type of crop cultivation and payment.

Findings

- The mean of the variable sample respondents for this particular sample data is 1.4933 and 1.4000 which is statistically significant different from the test value of 1. Hence it is to conclude that this sample has a significantly higher mean on test than 1. Thus, it is concluded that the sample data tell that the cardamom exports payment and comparisons are having a significant change.
- The mean of the variable sample respondents for this particular sample data is 1.51 which is statistically significant different from the test value of 1. Hence it is to be concluded that this sample has a significantly higher mean on the test than 1. Thus, it is concluded that the sample data tell that the cardamom growers have been affected by their type of family.
- The mean of the variable sample respondents for this particular sample data is 1.3533 which is statistically significant different from the test value of 1. Hence, it is to be concluded that this sample has a significantly higher mean on the test than 1. Thus it is concluded that the sample data tell that the cardamom export marketing are having a significant increase over the period.
- The results indicates that there is no statistically significant relationship between the major type of crop cultivation and marketing (Chi-square with one def. of freedom = 4.187, p=0.041)
- The results indicate that there is a statistically significant relationship

between the major type of crop cultivation and payment systems (Chi square with one deg. of freedom – 0.400, p=0.527)

- The results indicate that there is no statistically significant association between the major type of cultivation and the monopolistic practices in the international market (Chi square with two deg. Of freedom – 1.329, p=0.515)
- The results indicate that there is no statistically significant association between the major type of crop cultivation and the degree of competition in the international market (Chi square with two deg. Of freedom =0.905, p=0.636)
- The results indicate that there is no statistically significant association between the major type of crop cultivation and the degree of competition among the exporters (Chi square with two deg. Of freedom – 5.812, p=0.055)
- The null hypothesis is rejected since the significance value is 0.000 in all the cases, which is less than 0.05. Therefore, the age influences and relates to the religion, type of family, major occupation and the annual income. Hence, it is concluded that there is a significant association between the age and the religion, type of family, major occupation and the annual income.
- The null hypothesis is rejected since the significance values are 0.000 in three variables and 0.038 in one variable, which are less than 0.05. Therefore, the age influences and relates to the religion, type of family, major occupation and the annual income. Hence it is concluded that there is a significant association between the age and the religion, type of family, annual income and the major occupation.
- The t-test reveals the type of family, comparison, marketing and payment of the cardamom exporters in Kerala. The mean of the variable sample respondents for this particular sample data is 1.24 which is statistically significant different from the test value of 1. Hence, it is to conclude that this sample has a significantly higher mean of the test than 1. Thus, it is concluded that the sample data tell that the type of family, comparison marketing and payment of the cardamom exports has a significant change.
- The results indicate that there is no statistically significant association between

the major type of crop cultivation and the payment of expenses in the export activities (Chi square with two deg. Of freedom – 2.295, p=0.317)

- The results indicate that there is a statistically significant association between the major type of crop cultivation and the marketing (Chi square with two deg. Of freedom – 0.620, p=0.733).

Suggestions

To ensure remunerative prices for the farmers it is recommended that the respective State Governments should take the initiative to establish adequate number of regulated market close to marketing centers and equip them with sophisticated facility for temporary or permanent storage.

An effective market promotion is a 'sine qua non' for the success of the processed products in the market, many of which may be new to the market. Finance should also be provided for sales promotion. A sound data base should be developed on the various aspects of cultivation and growth of cardamom marketing. The quality of human resource is a vital prerequisite for efficient functioning. Attention has to be given to train the growers and the labourers for management of the cultivation, including farm operators, finance utilization, marketing, expenses control and product marketing development. Concerted effort is required for marketing products in the national international market areas. The market promotion strategy may include organization of fairs and exhibitions, provision of incentives in the form of low rates to processing units for advertising their products of small scale units by large companies.

There is a need for developing a sound strategy for export promotion. Market as well as product specification are essential. Delineation of thrust products and thrust markets would bring about a sharper focus in export activities. In order to prevent distress sale, it is recommended that the co-operative Marketing Societies in the rural regions should have to play a more important role. Such societies should arrange regular procurement of different spices directly from the cultivators at remunerative prices at secondary market level and should have direct access to terminal market. The minimum target of the societies should be to procure 10% to 15% of farm producers. The Co-operative Marketing

Societies thus can stabilize price and thereby ensure competitive price of the produce. Most of the problems associated with marketing of spices produce, e.g. problem of marketing yard, infrastructure, grading, village market linkage, marketing cost and margin etc. may be solved once the spices markets are established there as market development agency. The Price of the cardamom may be determined either based on the cost of cultivation or based on market acceptance. Export Industries must adopt the credit system for the cost and marketing problems to be neglected. It is observed that the proportionate usage of the agents for exporting their product in sole trading and partnership is comparatively less than private limited companies. It could be inferred that the private limited has maximized their sales by using agents. The sales promotion technique adopted by the organizations may be different from one state to another state. The methods adopted must be uniform in all the states.

Conclusion

Considering the vast scope for the development of spices markets and the variety of benefits associated with them the Govt. of India has taken a number of steps. Strong support is needed for the processing industry from the Governments both Central and States in the form of policies suitable for accelerating their growth process. There is a need for integration of cultivation, processing and marketing. The analysis of the data and the information obtained from the Cardamom Growers from both the states, the farmers and the traders resulted significantly. Cardamom growers as well as the traders are in favour of the cardamom export market. The cardamom export market is useful as large to the cardamom cultivators of the Idukki and Theni Districts in both the States. The cardamom export market can give higher contribution towards the national economy. The Government should provide the marketing facilities through the appropriate organizations to increase the rate of exports of cardamom especially for Theni and Idukki district cardamom growers and cultivators in the States of Tamilnadu and Kerala respectively.

Scope of Further Research

- A Study on Cultivation Problems of Cardamom Growers in Tamil Nadu
- A Study on Marketing Problems of Cardamom Growers in Tamil Nadu

- A Study on Cultivation Problems of Cardamom Growers in Kerala
- A Study on Marketing Problems of Cardamom Growers in Kerala
- A Study on Distribution Problems of Cardamom Growers in Kerala

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