Marketing Behaviour of Coffee Growers in Kodagu District of Karnataka

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ABSTRACT

Coffee in India is largely grown in the southern part of the country. Cultivation combined with the external reliance for markets have posed risks to coffee cultivators at different levels. In this context, the paper analyses the marketing behaviour of coffee growers in the Kodagu district of Karnataka. From the study it is observed that majority of the respondent coffee growers had medium level of marketing behaviour. Majority respondents used local traders as source for collecting market information, large majority used self- intuition as source for decision making, majority respondents used local traders for selling their coffee produce and considerable per cent of respondents used to document their market experiences but only few were preparing new action plan. So coffee board can act in grass root level for providing market information and also it can conduct market research for effective marketing, as growers don't fetch right price there is essentiality for starting up of cooperatives in marketing of coffee and there is need to enhance the involvement of extension personnel's for solving the problem of marketing. Therefore, to avoid marketing exploitation arising due to lack of cooperatives is matters of concern and call for urgent policy interventions, which if properly addressed might help in fetching right price for the produce of the coffee growers.

Keywords: Coffee growers, marketing behaviour, planning, decision making/action plan, implementation of action plan and review component

INTRODUCTION

Indian coffee is known for the world's best shade-grown 'mild' coffees. India with its great potential has 4.05 per cent share of total world coffee production, in that Karnataka contributes to about 70 per cent. Prior to liberalization, coffee was the only commodity to be marketed through a statutory organization i.e. the Coffee Board. After liberalization in 1992-93, there was an end of monopoly behavior of the Coffee Board in supply of coffee. Growers became the sole masters of their produce. They were given opportunity to register themselves as exporters and supply the coffee to the world market.

An efficient marketing system is essential for developing and maximizing returns from coffee production. Efficient marketing is desirable but today due to powerful intermediaries in the marketing system; present marketing has an inherent tendency to give more benefits to these

intermediaries at the cost of coffee growers. Therefore, under the present circumstances, there is need for development of efficient marketing system along with efficient production management in the whole range of different marketing activities.

Objective

The present study was planned and conducted; to analyze the marketing behaviour of coffee growers in Kodagu district of Karnataka, India.

METHODOLOGY

The present study was undertaken in famous coffee cultivation belt of Kodagu district of Karnataka, situated between 12.33° North latitude and 75.80° East longitudes. The study was conducted in all three talukas of the district namely Madikeri, Somvarpet and Virajpet. From each taluka two villages were selected. Accordingly, 120 respondents coffee growers were selected from

these six villages. Then the marketing behaviour of these selected respondents was measured with the help of scale developed by Nirban (2004). The data was collected and analyzed with the help of well-structured interview schedule by personal interview with the coffee growers and suitable statistical tools.

RESULTS AND DISCUSSION

Marketing behaviour is the mental activities like information seeking, gaining knowledge about the market situation, making decisions about the crops to be grown, management of resources, crop production technology to be used, selection of market for sale of produce, as well as, cleaning,

grading, storing, processing, packing, transportation, weighing of produce, selling and reviewing the after sale situation, performed by the grower (Chengappa, 2017). This study was aimed with understanding the marketing behaviour of the coffee growers from Kodagu district of Karnataka.

Here, the overall marketing behaviour of coffee grower is identified from the combination of four components namely, planning component, decision making/ action plan component, implementation of action plan component and review component. On the basis of total score obtained by the coffee growers, they were classified into three categories as shown in Table 1.

Table 1
Distribution of respondents according to their marketing behaviour

| Sl. No. | Marketing Behaviour Category (Score) | Frequency (n=120) | Percentage |
|---------|--------------------------------------|-------------------|------------|
| 1 | Low (Up to 51) | 25 | 20.83 |
| 2 | Medium (52 to 78) | 74 | 61.67 |
| 3 | High (79 and above) | 21 | 17.50 |
| | Total | 120 | 100.00 |

It is evident from Table 1 that three-fifth (61.67 %) of respondents had medium marketing behaviour followed by, 20.83 per cent of them had low marketing behaviour and 17.50 per cent of them had high marketing behaviour. The findings are similar with the findings of Devika *et al.* (2012) but are in somewhat contradictory with findings of Alamin (2016).

The results obtained from the study

regarding the different four components of marketing behaviour of coffee grower are presented under the following heads and Tables 2 to 5 as below,

I. Planning component

The planning component of marketing behaviour has been presented in Table 2. The planning behaviour of coffee growers regarding the different parameters is given in this component.

Table 2
Planning component of coffee growers

| Sl. | Marketing activities | Respondents (n=120) | | | | | | |
|-----|------------------------------------------------------------------------------------------|---------------------|-------|-----------|-------|-------|-------|--|
| No. | | Always | | Sometimes | | Ne | ver | |
| | | Freq. | % | Freq. | % | Freq. | % | |
| 1 | Study available resources and facilities in the area before cultivation of coffee plants | 61 | 50.83 | 55 | 45.83 | 4 | 3.33 | |
| 2 | Understand consumer needs before cultivation of coffee plants | 28 | 23.33 | 56 | 46.66 | 36 | 30.00 | |
| 3 | Understand distribution system of coffee produce | 36 | 30.00 | 57 | 47.50 | 27 | 22.50 | |

| 4 | Collect information about institutions engaged in marketing of coffee produce | 70 | 58.33 | 31 | 25.83 | 19 | 15.83 |
|----|---------------------------------------------------------------------------------|----|-------|----|-------|----|-------|
| 5 | Decide the marketing channel that will give maximum profit | 61 | 50.83 | 48 | 40.00 | 11 | 9.16 |
| 6 | Select institution/ person giving maximum profit through sale of coffee produce | 90 | 75.00 | 26 | 21.66 | 4 | 3.33 |
| 7 | Collect required information about markets eg. Demand, quality, rates etc. | 60 | 50.00 | 39 | 32.50 | 21 | 17.50 |
| 8 | Use various sources for collecting market information | | | | | | |
| a) | Newspaper | 43 | 35.83 | 60 | 50.00 | 17 | 14.66 |
| b) | Radio | 22 | 18.33 | 17 | 14.16 | 81 | 67.50 |
| c) | Television | 57 | 47.50 | 20 | 16.66 | 43 | 35.83 |
| d) | Farmers in village | 32 | 26.66 | 63 | 52.50 | 25 | 20.83 |
| e) | Internet | 30 | 25.00 | 31 | 25.83 | 59 | 49.16 |
| f) | Local traders | 79 | 65.83 | 22 | 18.33 | 19 | 15.83 |

It was observed from Table 2 that majority of the growers 'always' selected the institution/person giving maximum profit for sale of coffee produce (75.00%), 65.83 per cent 'always' used local traders as source of collecting market information, 58.33 per cent 'always' used to collect information about institutions engaged in marketing of coffee produce, 50.83 per cent 'always' studied available resources and facilities in the area before cultivation

of coffee and also decided the marketing channel that will give maximum profit. The findings are in line with the findings of Deepak (2006), Madhu (2014), Patil *et al.* (2015) and Patil *et al.* (2017).

Decision making/action plan component:

The decision making component of marketing behaviour has been presented in Table 3. The decision behaviour of coffee growers regarding the different parameters is given in this component.

Table 3

Decision making/ action plan component of coffee growers

| Sl. | Marketing activities | Respondents (n=120) | | | | | | | | |
|-----|-----------------------------------------|---------------------|-------|-------|-------|-------|-------|--|--|--|
| No. | | Always | | Some | times | Never | | | | |
| | | Freq. | % | Freq. | % | Freq. | % | | | |
| 1 | Issues decided after planning | | | | | | | | | |
| a) | Coffee variety to be taken | 73 | 60.83 | 30 | 25.00 | 17 | 14.66 | | | |
| b) | Management of markets | 32 | 26.66 | 39 | 32.50 | 49 | 40.83 | | | |
| c) | Area allocation under coffee | 48 | 40.00 | 66 | 55.00 | 6 | 5.00 | | | |
| d) | Cultivation technology to be followed | 45 | 37.50 | 35 | 29.16 | 40 | 33.33 | | | |
| e) | Sources and methods of procuring inputs | 59 | 49.16 | 41 | 34.16 | 20 | 6.66 | | | |
| f) | Capital management | 45 | 37.50 | 40 | 33.33 | 35 | 29.16 | | | |
| 2 | Sources consulted while taking decision | | | | | | | | | |
| a) | Progressive farmers | 62 | 51.66 | 33 | 27.50 | 25 | 20.83 | | | |
| b) | Self-intuition | 94 | 78.33 | 20 | 16.66 | 6 | 5.00 | | | |
| c) | Successful marketers | 27 | 22.50 | 42 | 35.00 | 51 | 42.50 | | | |
| d) | Family members | 11 | 9.16 | 39 | 32.50 | 70 | 58.33 | | | |
| e) | Extension personnel | 4 | 3.33 | 57 | 47.50 | 59 | 49.16 | | | |
| f) | Coffee board personnel's | 72 | 60.00 | 37 | 30.83 | 11 | 9.16 | | | |

It was revealed from Table 3 that majority of growers 'always' used self-intuition for decision making (78.33%), 60.83 per cent 'always' decided the coffee variety to be taken, 55.00 per cent 'sometimes' decided area allocation under coffee and 60.00 per cent 'always' consulted coffee board personnel for decision making. The findings are in line with the findings of Madhu (2014) and Patil *et al.* (2016).

Implementation of action plan component

The implementation of action plan component of marketing behaviour has been presented in Table 4. The implementation behaviour of coffee growers regarding the different parameters is given in this component.

Table 4
Implementation of action plan component of coffee growers

| Sl. Marketing activities Respondents | | | | | | | ts (n=120) | | | |
|--------------------------------------|-------------------------------------------|-------|--------|-----------|-------|-------|------------|--|--|--|
| No. | Č | Alv | ways | Sometimes | | | ever | | | |
| | | Freq. | % | Freq. | % | Freq. | % | | | |
| 1 | Steps in implementing action plan | | | | | | | | | |
| a) | Cultivate the coffee varieties as decided | 78 | 65.00 | 33 | 7.50 | 9 | 7.50 | | | |
| b) | Seek advice of extension personnel for | 33 | 27.50 | 43 | 35.83 | 44 | 36.66 | | | |
| | solving field problems | | | | | | | | | |
| c) | Follow the marketing system as decided | 37 | 30.83 | 64 | 53.33 | 19 | 15.83 | | | |
| 2 | Marketing activities performed | | | | | | | | | |
| 2.1 | Type of market used for selling coffee | | | | | | | | | |
| | produce | | | | | | | | | |
| a) | Local traders | 76 | 63.33 | 44 | 36.66 | 0 | 0 | | | |
| b) | Curing works/wholesalers | 33 | 27.50 | 20 | 16.66 | 67 | 5.83 | | | |
| c) | Distant market | 0 | 0 | 0 | 0 | 120 | 100.00 | | | |
| 2.2 | Place of market | | | | | | | | | |
| a) | Within village | 68 | 56.66 | 50 | 41.66 | 2 | 1.66 | | | |
| b) | Within taluka | 51 | 42.50 | 32 | 26.66 | 37 | 30.83 | | | |
| c) | Within district | 11 | 9.16 | 5 | 4.16 | 104 | 86.66 | | | |
| 2.3 | Clean all the produce | 120 | 100.00 | 0 | 0 | 0 | 0 | | | |
| 2.4 | Grading of coffee produce | 0 | 0 | 0 | 0 | 120 | 100.00 | | | |
| 2.5 | Place of storage | | | | | | | | | |
| a) | Own godown | 117 | 97.50 | 3 | 2.50 | 0 | 0 | | | |
| b) | Local traders | 0 | 0 | 40 | 33.33 | 80 | 66.66 | | | |
| 2.6 | Sale of coffee after processing | | | | | | | | | |
| a) | Pulping | 25 | 20.83 | 7 | 5.83 | 88 | 73.33 | | | |
| b) | Cherry coffee | 91 | 75.83 | 22 | 18.33 | 7 | 5.83 | | | |
| 2.7 | Mode of transportation | | | | | | | | | |
| 2.7.1 | Transportation of produce to market by | | | | | | | | | |
| a) | Lorry | 116 | 96.66 | 3 | 2.50 | 1 | 0.83 | | | |
| b) | Tractor | 2 | 1.66 | 0 | 0 | 118 | 98.33 | | | |
| c) | Jeep | 3 | 2.50 | 32 | 26.66 | 85 | 70.83 | | | |
| 2.7.2 | Reasons for selecting particular mode | | | | | | | | | |
| a) | Available at door step | 95 | 79.16 | 24 | 20.00 | 1 | 0.83 | | | |
| b) | Less cost | 29 | 24.16 | 62 | 51.66 | 29 | 24.16 | | | |
| c) | It is easy to load and unload | 102 | 85.00 | 9 | 7.50 | 9 | 7.50 | | | |
| d) | No other mode | 31 | 25.83 | 42 | 35.00 | 47 | 39.16 | | | |
| 2.8 | Time of sale of produce | | | | | | | | | |
| a) | When prices are high | 106 | 88.33 | 11 | 9.16 | 3 | 2.50 | | | |
| b) | When in need of money | 77 | 64.16 | 32 | 26.66 | 11 | 9.16 | | | |

| c) | After considerable period of storage | 25 | 20.83 | 32 | 26.66 | 63 | 52.50 |
|------|--------------------------------------------|-----|--------|----|-------|-----|--------|
| d) | Immediately after storage | 15 | 12.50 | 61 | 50.83 | 44 | 36.66 |
| 2.9 | Weighing the coffee produce at the time of | 120 | 100.00 | 0 | 0 | 0 | 0 |
| | sale | | | | | | |
| 2.10 | Agency for the sale of produce | | | | | | |
| a) | Self | 90 | 75.00 | 29 | 24.16 | 1 | 0.83 |
| b) | Through cooperatives | 0 | 0 | 0 | 0 | 120 | 100.00 |
| c) | Through commission agent | 37 | 30.83 | 28 | 23.33 | 55 | 45.83 |

Table 4 depicts that, cent per cent of the growers 'always' used to clean the produce and also weigh the produce before sale, 97.50 per cent 'always' had their own place of storage, 96.66 per cent 'always' used lorry as the medium of transport, 88.33 per cent 'always' sold their produce when the prices are high, 75.83 per cent opined 'always' for cherry coffee as method of processing, 56.66 per cent 'always' sold their produce within village only. The

findings are similar with the findings of Mehetre and Patil (2003) but in contradictory to Sridevi and Sekar (2014)

Review component of coffee growers

The review component of marketing behaviour has been presented in Table 5. The review behaviour of coffee growers regarding the different parameters is given in this component.

Table 5
Review component of coffee growers

| Sl. No. | Marketing activities | Respondents (N=120) | | | | | | | |
|---------|--------------------------------------|---------------------|--------------------|-------|-----------|-------|-------|--|--|
| | - | Alv | Always Sometimes N | | Sometimes | | ver | | |
| | | Freq. | % | Freq. | % | Freq. | % | | |
| 1 | Documentation of market experiences | 66 | 55.00 | 28 | 23.33 | 26 | 21.66 | | |
| 2 | Analysis of changed market situation | 51 | 42.50 | 29 | 24.16 | 40 | 33.33 | | |
| 3 | Preparation of new action plan | 23 | 19.16 | 34 | 28.33 | 63 | 52.50 | | |

From Table 5 it was revealed that, majority of coffee growers 'always' documented the market experiences (55.00%), 42.50 per cent 'always' analyzed the changes in market situation and 52.50 per cent 'never' used to prepare any new action plan.

CONCLUSION

From the study it is concluded that majority of the respondent coffee growers were belonged to medium level of marketing behaviour. The marketing behaviour that was analyzed is classified into four different components namely, planning, decision making/ action plan, implementation of action plan and review component. It was found in planning component of marketing behaviour that majority respondents used local traders as source for collecting market information. Also, in decision making/ action plan of marketing behaviour component it was evident that large majority used self- intuition as source for decision making. From

implementation component of marketing behaviour, it is concluded that majority respondents used local traders for selling their coffee produce because of which growers don't fetch right price for their produce hence there is essentiality for starting up of cooperatives in marketing of coffee. Also, from review component of marketing behaviour it was inferred that considerable per cent of respondents used to document their market experiences but only few were preparing new action plan. Therefore, State Government with coffee board should take necessary steps in grass root level for providing market information and also it can conduct market research for effective marketing of coffee. In addition, there is need to enhance the involvement of extension personnel's for solving the problem of preparing new action plans for marketing of produce.

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