CHAPTER-I
INTRODUCTION

1.1 General Introduction

Marketing process is originated from the exchange of commodities and the creation of market exchange system. The market is a geographical space where commodities are kept for selling. The term ‘Market’ is a Latin word “Marcatus” meaning to trade. Hoddar (1965) has described market centres as an authorized public gathering of buyers and sellers for purchasing commodities and meeting at approved place at regular interval where selling and purchasing of commodities are performed by both of local and outside commodities. Marketing is concerned with demand identification for goods and services and arrangement for supplying goods through an efficient distribution network (Dixit, 1984). Marketing is essentially a function of management for buying and selling. Marketing is a geographical phenomenon exchanging goods and services took place. Moreover market centres performs exchanging of goods and services and ideas and information too. These centres are the places of social contacts. The different groups of society gather and make contact among themselves at market places. These market centres provide knowledge for surrounding villages and act as nodes in the settlement system.

The market is a place of exchange and process functions. Such process could be called as marketing. The main function of market is to provide better prices for goods and services to be exchanged. Marketing includes all activities involved in flow of goods and services from production to consumption. Yeung (1974) has experienced that marketing is a common activity for everyday which involves the exchange of goods and services from producers to consumers. Market centres are the integral part of geo-economical and cultural landscape of the region having fixed location where exchange of commodities takes place. It is an authorized public gathering of buyers and sellers at the determined hours. A specific typology of market places can be evolved based on the physico-socio-economic and administrative factors prevailing in region. The market can be categorized on the basis of time duration. If the marketing function is observed on all the days of a week it is known as regular or daily market and if it is observed once a week is named as weekly market. Weekly market centres are the farmers first contact points with the marketing channel and provide
opportunities for selling and purchasing of commodities besides social contact. The spatial temporal, institutional and behavioural characteristics have made market systems to which termed as internal marketing system (Mint, 1959). Thus, markets are the centres of economic, social, political, religious and cultural activities for rural folk.

Weekly markets are basically place of exchange of goods and services to the residents of a given geographical area at a fixed interval of time. Weekly market are locally called as, ‘Bazar’. Weekly markets are the centres of economic activities. Weekly markets are held periodically on some specific day or days of the week or month at some fixed sites and provide goods and services to the rural settlements. Markets provide primarily a base for collection and subsequent distribution of various agricultural products in surrounding region. The weekly registration therefore, weekly, weekly markets are not only the indicator of regional economic development but also roots of the overall development of region. Thus weekly market centres play important role in accelerating rural development particularly economic and social life of people.

1.2 Importance of Weekly Markets

Weekly markets are the immediate available contact place of rural settlements and specialized in retail transactions of all commodities. The weekly markets give opportunities to increase social contacts and become a focal point for economic and political activities for human being. Market place is a location for collection and distribution of goods. In this regards Prof. Hugar (1984) has rightly described that markets have fixed location and arrangement of time to exchange commodities. The market place is the main focal point for commercial activities. In brief, market may be defined as a place where buyers and sellers gather for marketing at regular intervals or daily. The weekly markets act to dispose daily needs of human being and have the basic building blocks of more complex hierarchy of central places and capable of spatio-economic structure (Shrivastava, 1987). Weekly markets in rural area play a magnificent role for rural development. The constant flow of demand may create market place for agricultural products. The cash exchanges accelerate through the network of weekly markets. Weekly markets are directly contributing the growth of trade and development of agrobased services. Market is a place gathering to buyers and sellers at regular interval. Weekly markets at present are specialized for certain commodities Market places always attract people from surrounding area such as
workship or administrative offices from surrounding area for marketing. According to Christaller, “Central place is not a city or a town but is a place offering variety of services. Market centres are fixed both in time and space” Wanmali (1981) thought that even weekly markets could be considered as a central places as they are fixed in space and unfixed in time. The marketing activity plays important role for the development of settlement by providing extra employment and infrastructural development.

1.3 Growth of Market in India

The growth of marketing system in India can be divided into ancient, medieval, British and modern periods. Ancient period was known for exchanging goods by certain coins and was varied from place to place. The exchange of commodities in Vedic period which was based on the principle of barter. Cow was regarded as a unit of value in this period. The great importance is attached to another unit is called ‘Nishka’. Nishka means originally a gold ornament of shape of necklace. The Vaisya class was engaged in trade and commerce during this coin age. Even then most of trade was managed by exchanging currency coins. Penini mentions the coins like pana, karshopana, pada and vaha. And weights like adhaka, achita, patra, drona and prashta. At the time of beginning of Christianera, the market place was called upana and was known as apanika. The popular system of exchange was barter and this was called nimana.

During the early medieval period (1290 to 1320 A.D.), Alauddin Khiliji has appointed certain members for market control. This control was exercised by the ‘Shaha’. During this period nature of India’s trade both inland and foreign was controlled like ancient period. The growth of market towns (Mandies) including port, town was a improve feature of market. Another major feature of market in this period was rapidly development periodic markets in rural areas. During the Mughal period nature of India’s trade both internal and external was same. After discovering the sea route by Portugaese to India via Cape of Good Hope and landed to Vasco da Gama at Calicut in 1498 trade started with Europe.

The rural trade institution in the form of ‘Mela’ (Fair) and ‘hat’ (weekly market) was major characteristic of this period. The British period of Indian history may be considered as a period of economic development in agriculture, industry, transportation and marketing too. During this period several commissions were instituted to study the agricultural marketing product. Cotton and grain crops were
examined in 1897 for marketing purpose. This act control of marketing and finally commission provided act highlighting the aspect, (a) All markets which existed on the data of the enforcement of low come under its hold. (b) The resident could set up additional market or bazar for selling of agricultural product. (c) The commission was to appoint of five members to look either look after market affairs. (d) Market functionaries were required to take out licenses after the market affairs. (e) Trade allowances on usage were abolished. In fact, British Government has given new direction to the Indian market exchange system not only in the field of agricultural marketing but also other types of products which has later on developed systematically in our country.

After Independence of India, there has been a rapid transformation of economic conditions and the need for the establishment of regulated markets was felt due to prevailing system. This is more true in case of market centres in urban area. Thus, the Indian market exchange system was then percolated into rural area on periodic market or weekly market and played indispensable role in India.

1.4 Review of Literature

The study of marketing geography was started in India after 1960 and very few studied are carried out on morphology of markets, sellers and buyers behaviour. V. K. Shrivastava, H. M. Saxena and R. S. Dixit have shown keen interest in marketing geography. Dr. R. S. Dixit is the pioneer in marketing geography in India. A very few researchers have made study either in the form of monograms, projects and Ph. D. work. In 1959 Rao, R. has submitted his dissertation to Allahabad University on “Regulated Markets in India with special reference to Andhra Pradesh”. Later on, Saxena, H. M., has studied the correlation of transport and market centres of Hadaoti plateau. Stine (1962) and Hodder (1965) have analyzed the origin and growth of periodic market centres and he has given a good account of change in traditional markets to modern markets.

In 1975, Sami has carried out research on “Functional Spatial Analysis of Market of Patna”; in Patna University. In 1979, Dr. R. S. Dixit, has submitted his Ph. D. dissertation to Allahabad University on “Market centres and their spatial Development in Umland of Kanpur”. The proximity in space implies separation in time has examined by R. H. T. Smith (1971), Wood (1978), Bromley (1976), Hay (1969), Gana (1976), Ishihara (1978), Thorpe (1978), Filani (1976) etc. have discussed trader and consumer behaviour. Among Indian geographers V. K.
Shrivastava, R. S. Dixit, B. G. Tamaskar, H. M. Saxena, S. Wanmali, D. C. Jayashankar, S. M. Singh, S. I. Hugar have notable work in marketing geography. Indian geographers have carried out micro-level studies on the periodicity rural and urban markets. B. G. Tamaskar (1977) has analyzed the periodic marketing system of medieval period and geographical perspectives of some periodic market systems in Maharashtra State. H. M. Saxena (1979) has highlighted the general morphological features of market towns in India. V. K. Shrivastava and H. O. Shrivastava (1979) have identified the distributional pattern of market centres in Soryupar plain, Uttar Pradesh. V. K. Shrivastava (1983) has studied the evolution and spatio-temporal assessment of 22 market places lying around Gorakhpur and has analyzed the morphology of five markets in term of numbers and types of shops, their lay-out and character and service components. K. M. Kulkarni (1980) has studied the spatial pattern of shops in Nashik city and changing functional characters from religion to commerce. R. M. Mathur (1982) has analyzed the consumer’s behavior in markets of Jaipur city.

K. R. Shrivastava and V. K. Shrivastava (1984) have identified the process of market distribution and studied geographical personality in Terai region of India. R. S. Dixit (1984) has indepthly evaluated market centres of Kanpur and has correlated market distribution with population. A. P. Kumbhar and P. W. Deshmukh (1984) have identified markets in Sangli District, Maharashtra and have studied their functions, periodicity and relation to producing areas. M. Singh (1984) has studied the rural market and marketing functions of lower Ganga-Ghagra Daob wherein transport control the typed of market centres. D. A. Gedam (1984) has identified the hierarchy and transport system of periodic market centres in Wardha valley in Maharashtra State.

After 1979 literature on marketing geography study have found in the form of books written by Sami, A. (1980), Ramchandra, H. (1982), Saxena, H. M. (1984), Shrivastava, V. K. (1987) and Dixit, R. S. (1988). A few studies in marketing have carried out by Nagpur University and Pune University as a part of research for M. Phil. and Ph. D. degree. Dr. Gedam, D. A. has submitted his Ph. D. thesis on “The marketing system and network in Wardha Valley”, to Nagpur University where he made systematic attempt to study of morphology as well as characteristics of buyers and sellers. Patil, B. J. (1983), Jagdale, S. D. (1990), Chaudhari, R. H. (1993) and have studied aspects of market characteristics, behaviour of sellers and buyers. A. A.
Mulimani (2002) has studied spatial analysis of traditional and non-traditional market centres for Raichur district. Smt. V. B. Saviramath (2007) has attempted to make study on traditional and non-traditional markets in Bellary district in Karnataka. S. B. Sugandhi (2009) has make study on market systems in Belgaum district.

1.5 Choice of Region

The study area has attracted by researcher due to its typical physical nature. The choice of region and topic under investigation is influenced by many considerations. Firstly, no one has studied this region on the marketing aspect. Secondly, entire study region is flat surface and nature, function and characteristics of weekly market centres have profoundly influence in this region and thirdly study region has still dominating trade of rural nature. Finally, researcher belongs to study region and is familiar with study region.

1.6 Study Region

Daund taluka lies in Pune district consisting 102 villages and one urban centre. Geographically, this region extents from 18° 18' to 18° 40' north latitudes and 74° 6' to 74° 50' east longitudes (Fig.-1.1). The region is drained by river Bhima on both north and east parts in study region. Purandhar taluka is in southwest, Indapur taluka in southern and on Haveli taluka belongs to west part of Daund taluka. The area of study region is 1288.04 square kilometres. According to 2011 Census (provisional) population of region is 382535 persons (198269 male) and (184266 female). And the density of population is 297 persons per square kilometre. The river Bhima and its tributary, namely, Mula-Mutha are dominating in study region.

The study region experiences semi-arid climate. May is the hottest month and temperature gradually reduces in December and January. The highest mean temperature is observed in May (30.6° centigrades) and lowest in January (20.4° centigrades). The slope of region is towards north and northeast. The region falls under scarcity zone receiving rainfall between 500 mm. and 750 mm. Monsoon generally commences in June occurring highest rainfall in July (133.29 mm) and lowest in December (0.85 mm average annual). There are three soil types, namely, coarse shallow, medium black and deep black soils occupying 60 percent, 25 percent and 15 percent area respectively. The coarse shallow soil is confined to south and central parts, medium black soil lying in north and black soil in low lying area of Bhima and Mula-Mutha rivers. The soil fertility supports for growing sugarcane, groundnut, jowar, bajara and onion. The region has less 0.91 percent deciduous trees and is found scatterly distributed. The irrigated land is 74463 hectares accounting 58.05 percent. National highway, state highway, major district road, other district road and village road and railway are major routes of transport in study region. Daund is a headquarter of this taluka.
1.7 Objective

The present study has undertaken with on objective to examine the market centres of Daund taluka in Pune district. The sub-objective for this study can be putfourth as bellow:

a) Identifying the morphology and arrangement of stalls in market centres of Daund taluka.

b) Examining the origin, characteristics and behaviour of buyers in market centres in study region.

c) Assessing the origin, characteristics and behaviour of sellers and to identify the process.

d) Assessing the role of weekly market centres for rural development in study region and identify problems of market centres. and,

e) To presents suggestions and finding of study region.

1.8 Database and Methodology

This research work is based on both primary and secondary sources of data. The primary data have collected from fieldwork in 2012. This data have behaviors of pertaining to sellers and buyers were gathered from nine market centres, namely, Patas, Kedgaon, Ravangaon, Rahu, Warwand, Kurkumbh, Yewat, Khadki and Daund by administrating questionnaire. The questions were on location, duration, economic functions, sex, education, transport, etc. Out of existing number of shops and peoples, 10 percent sellers and buyers have been selected for this study for each market centre. The secondary data have obtained from District Census Handbook, Pune district (1991, 2001 and 2011 (Provisional)), Pune District Gazetteer and Socio-economic Abstract, Pune District (1991 to 2011). Other sources of data have gathered from Daund Tahsil Office. The obtained data were converted into percent. The process data have displayed by relevant maps, figures and divided circles. The following techniques have been used in present study.

i) Nearest-Neighbour Analysis Techniques.

\[ R_n = \frac{d_o}{d_e} \]

Where:

- \( R_n \) = Nearest Neighbour Value
- \( d_o \) = Observed Average Distance Between Market Centres.
- \( d_e \) = Expected Average Distance Between Market Centres.
\[
de = 1/2 \sqrt{\frac{A}{N}}
\]

Where:

\(N\) = Number of Points in the Study Region.
\(A\) = Area of the Study Region.

ii) Centrality Index.

\[
Ci = \frac{Os \times 100}{Mx}
\]

Where:

\(Ci\) = Centrality Index of Market Centres
\(Os\) = Observed or Weighted Composite Scores.
\(Mx\) = Maximum Weighted Scores.

iii) Market Attractiveness:

(100 percent) – (Percent of observed number of buyers in term of expected number of buyers).

Where:

Expected number of Buyers has represent a single family unit of five members from each of villages.

iv) Market Efficiency:

(100 percent) – (Percent of observed number of sellers in term of expected number of sellers).

Where:

Expected number of sellers has calculated empirical basis of normal ratio of sellers (10 Buyers : 1 Sellers).

1.9 Arrangement of Text

It is necessary to organize in proper manner any piece of research which gives a brief idea of the whole study. Therefore, the present study has been divided into seven chapters. The beginning chapter opens with introductionaly background of study explaining significance of markets, choice of study region, history of development of market centres, growth of market in India, review of literatures, objectives, database and methodology and arrangement of text. The second chapter has attempted to describe the geographical personality of Daund taluka where in Physiography, drainage, climate, soil types and vegetations. Moreover, economic personality of the tahsil like population distribution and density occupational
structure, transport network and distribution of weekly market centres have described. The third chapter, on morphology of market centres has highlighted the study of different characteristics of weekly market centres in term of location, morphology, shape and stalls situation. The fourth chapter has observed local and outside sellers, place of their origin, distance traveled by sellers, types of commodity, age and sex composition, educational composition, religions composition and travel pattern. Chapter five deals with the behaviour of buyers, network of buyers, origin, distance and type of commodity, age, sex, educational, religions and caste composition and travel pattern of buyers. The six chapter, has discussed the delimitation of market area, market centres and service villages, market centres and influencing factors, market attractiveness and efficiency, spatial pattern of market centres have been determined by applying nearest neighbour technique, hierarchy of weekly market centres, weekly market centres and rural development. Lastly, An attempt in seven chapter has presented major findings and suggestions followed by concluding remarks.

1.10 Limitation of Study

The existance and functioning of market centres in rural areas are influenced by physiography, irrigation, transport, communication, literacy, social and physical factors. The information regarding these factors has not updated and was found insufficient for the researchers. During this period the changes in case of market site and situation, rural economy, agriculture and infrastructure facilities have occurred hence researcher has handicapped in proper explaination of text. The lack of accurate data on morphology of market, behaviour of sellers and buyers and indicators of rural development have solely dependend during fieldwork resulting certain accuracy. The study regarding market and village level was available only for the year 2011-12 hence rural development in relation to market centres have been studied for 2011-12 in study region.