PREFACE

Although India has been growing flowers and ornamental plants since hundreds of years, commercial hi-tech cultivation of flowers and plants has taken roots only during the last decade and a half. The past decade has witnessed a significant change in Indian urban housing system. Rapid urbanization has brought about a change in the life style of Indian consumers. With the increasing urbanization process, the usage of flowers and pot-plants is witnessing a rising trend. The increase in the number of florist shops and plant nurseries throughout the country is a clear pointer to the fact that flower and plant usage has increased considerably in the domestic market.

With more and more people shifting to multi-storeyed flats / apartments, with little or no space for gardening, the dependence on potted plants for a touch of green, has increased. Even those who live in sprawling bungalows with attached gardens, depend on potted plants for interior decoration. Majority of these plants used are the foliage plants, whose leaves provide the decorative value. A few years ago nobody ever thought that there would be such an unusual huge demand for flowers, particularly in big cities on the eve of Valentine’s Day, when florists were unable to meet the demand. A strong domestic market is necessary for the viability of export oriented floriculture firms, as it absorbs the non-exportable stuff.

The export potential of Indian agricultural produce has remained untapped due to a variety of reasons, and more particularly due to lack of infrastructure facilities. This is particularly with regard to post-harvest infrastructure, insufficient cold storage and pre-cooling facilities, lack of refrigerated transport and bad domestic roads. High cost of inland and air-freight, non-availability of international quality planting material and lack of quality consciousness and awareness among growers, lack of proper information of requirements in international market, are some of the other factors responsible for India’s poor performance in agro-exports. According to Mr. D. Rajagopalan (1998), Chairman, Agricultural & Processed Food Products Development Authority (APEDA), an estimated 30-40 percent of agro-products,
particularly high-value horticultural products get wasted due to lack of proper cold chain facilities and appropriate technology to increase the shelf life of horticultural products. Countries like Brazil, Mexico, Thailand and Chile have earned names for themselves in the global trade of agro-products, by adopting latest technology for increasing productivity and ensuring proper cold chain linkages, so that the quality standards of the perishable agro-product are maintained till it reaches the final consumer.

Floriculture products, particularly cut flowers, being one of the most perishable of the agro-products, require special attention and care during post-harvest handling and transportation. Export marketing of cut flowers is a difficult and specialized area, as it is important for those in the marketing chain to have a detailed knowledge of handling a highly perishable product, strictly according to the quality standards demanded in global markets. If one is successful in marketing a highly perishable product like cut-flowers, then it would not be difficult to handle any other agro-product. This is what really interested the researcher to take up this study of the export-oriented Indian floriculture industry, the problems it is presently facing, the existing and future prospects and the strategies required to capture a larger share in the global market pie.

Floriculture industry also offers many socio-economic benefits, particularly in terms of the aesthetic value of flowers and plants, employment generation, rise in income level and above all being environment friendly. The global floriculture industry is growing at around 10 percent and there is an ample scope for Indian entrepreneurs to tap the vast potential overseas markets. As the export-oriented Indian floriculture industry is still in the stage of infancy, it is dogged by numerous problems and constraints. The researcher has found it necessary to study these problems, determine the strengths and weaknesses of the Indian floriculture industry and analyze the opportunities and threats that exist for the industry in the global environment. The present study collected primary data from the industry and secondary data from articles and reports published in various journals, magazines, newspapers, and the official publications of the Government of India. Among the
official publications, the prominent have been sourced from the Ministry of Commerce, Government of India, Indian Trade Promotion Organisation, Agricultural & Processed Food Products Export Development Authority, Indian Council of Agricultural Research and Indian Institute of Foreign Trade. On the basis of the primary and secondary data, this study has been able to draw conclusions and suggest strategic courses of action, so that the export oriented Indian floriculture industry can be benefited by these findings.

The research study has been divided into eight chapters. The first chapter is introductory and gives a general view of the history of floriculture in India and the emergence of export oriented hi-tech floriculture. In this chapter an overview of the global demand in floriculture products, particularly cut flowers has been discussed and the intensity of competition, particularly among developing nations with reference to India’s position has been given.

The second chapter, World Export Trade in Floriculture, gives an overview of the export trade in floriculture products, particularly cut flowers. The trade and production data of the major competing nations have been studied.

The third chapter, Overseas Markets for Floriculture Products – Existing & Potential, provides an overview of the existing and potential markets for Indian floriculture products, particularly cut flowers. The market structure, regulations and requirements with regard to quality and packaging, with regard to individual markets have been examined and the implications for Indian exporters have been suggested. The major markets that have been studied include Germany, UK, France, The Netherlands, Italy, USA, Japan and Switzerland.

In the fourth chapter, Status of Indian Floriculture Industry, a detailed scenario of India’s status as a producer and exporter of floriculture products has been discussed. The chapter provides information about the various floriculture crops and the natural climatic and soil regions where India can exploit its inherent natural advantages. The current status of export oriented floriculture production in India and the export growth during the period 1988-89 to 1998-99 has also been given. Export
figures of various floriculture products and the major 30 destinations for Indian floriculture products during the period 1997-98 & 1998-99 have been discussed. The current status of the R&D activities by Government institutions has also been examined in this chapter.

The fifth chapter, *Government Role in the Promotion of Floriculture Production & Exports*, focuses on the role of the Government of India in promoting the export oriented floriculture industry. The role of APEDA, the apex body of the Ministry of Commerce, Government of India, responsible for the promotion of production and export of floriculture products, has been studied.

The sixth chapter, *Major Problems in Production & Export of Floriculture Products*, gives account of the various problems that are being faced by the export oriented floriculture firms in India. The problems have been sourced from the industry as well as from published literature.

In the seventh chapter, *A Survey of the Major Exporters of Floriculture Products & Analysis*, an analysis of the primary data has been done, which was collected from floriculture firms with the help of questionnaire. Floriculture firms in the survey included a few from the prominent corporate groups like Essar, B.K. Birla & Sri Vasavi. The responses helped in ascertaining the quantum and actual nature of the problems the export oriented floriculture firms are facing in India. The valuable views and opinions of the respondents helped the researcher in substantiating the strategies, which are given in the eighth chapter.

In the eighth chapter, *SWOT Analysis & Marketing Strategies for Export Oriented Indian floriculture industry*, after a thorough analysis of the strengths, weaknesses, opportunities & strengths of the Indian floriculture industry, appropriate strategies have been formulated, in order to enable the floriculture units to be strategically competent, to face the stiff competition in international markets.

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