CHAPTER- VI

MARKETING PRACTICES AND PROBLEMS OF
HORTICULTURAL CROPS

• Introduction

• Problems in Production Pattern

• Problems in Marketing System

• References
**Introduction:**

This chapter is devoted to a discussion of the problems encountered in the marketing of horticultural crops and which at the same time have the immediate bearing on grower’s returns. The analysis of marketing problems is complex in nature. This is so because the concept and meaning of marketing widely differs. However, horticulture marketing comprises all the activities involved in the flow of horticulture produce from the farming to assembling, processing and distributing and secondary services like storage, transportation, grading, standardization, financing, risk bearing and market information.

The horticultural crop production in Maharashtra is constrained by number of problems like absence of appropriate post harvest handling practice such as farm field watering one or two days prior uprooting/harvesting in order to increase weight during selling was the usual practice that resulted in poor quality, easily damageable onion and eventually low price.

The other problems are problem of pest and disease like root in the case of onion/shallot and problem of fruit disease in the case of tomato and surface water shortage. In addition there is a problem related to poor production and marketing extension support and unorganized input delivery. Farmers used to get seeds from open market. There were no
certification, quality test, and failure guarantees. As a result, in 2005 about 7.6 quintals of onion seed after distributed to farmers and sown, failed to grow and a large number of farmers lost.

There is also a problem related to poor agronomic practices such as tillage, application of chemical fertilizer, watering and weeding in the production of horticultural crops in the area. The biggest decision a fruits, vegetables and spices grower makes-the one that has the most impact on his financial returns-is his marketing decision, how he is going to sell his fruit to get the best possible returns and to avoid the pitfalls and hazards of the market place. As a first step, the horticulture grower must decide whether he wants to try the fresh market or grow his fruit specially for processing, as the problems are complex and varied the same have been divided into two major heads to facilitate further discussion. Problems in production pattern and problems in marketing system.

I. Problems in Production Pattern :

1. Layout of the Orchard : Good orchard lay out results in maximum productivity. Orchard layout ideally involves the allocation of space and the arrangement of trees with in the orchard in such a way so as to achieve the greatest possible out put of high quality fruit, vegetable, spices and plantation crops with the lowest possible effort. Fruit is perennial tree, like other fruit trees and its orchard is a long-term
investment. If properly maintained it yields profitably for a longer period than most of other fruit trees. Thus it deserves a careful planting by way of proper selection of site, provision of suitable drainage, adequate preparatory tillage, layout and proper planting in order to ensure continued good performance.\(^1\)

After the preparation of site, layout of the orchard is taken up. For economic management, fruit trees should be planted in straight rows. The planting systems should provide the maximum number of trees per unit’s area, with sufficient space for the proper development of each tree, its best performance and convenience in cultural operations.

In the state under investigation, layout of orchard is a concern. The growers of this state are holding lands in irregular shape and they are spread as small holding, which insists them to layout the orchard without proper spacing between one plants or another.

**2. Training and Pruning**: Evergreen fruits trees, unlike deciduous fruit trees, require little or no pruning and citrus is any exception. However, for getting better yields of high quality fruit, regular cropping and for easy and economic carryout of cultural operations and harvesting, pruning is essential for citrus fruit trees. Untrained fruit trees are low-headed, as the branching begins from the point of bud insertion. These branches, as the tree ages and increases in size, droop touching the
ground and occupy the interspaces, there by interfering with inter-cultural operations. Fruits are borne on the extremities of these branches and get easily spoiled as they touch the soil. These branches also create favorable conditions for insect-pests and diseases.

According to the field investigations carried out by the researcher 80 per cent of orchards in the area under study, are not properly pruned. Obviously, non-pruning of fruit and plantation crop results in the poor yield and quick deterioration of the quality fruit. Despite the obvious benefits of it is surprising to note that, most of the growers are not following scientific method of training and pruning of fruit and plantation crops. They see it as wastage to cut and prune any part of the tree due to ignorance and lack of guidance from the horticulture specialists.

3. Use of manures and fertilizers: Fruit, plantation crop trees, if not adequately fertilized get into a decadent condition earlier than most of other important fruit trees. Although, soil and plant may continue to flourish for sometime without fertilization, nutrional deficiency symptoms will certainly appear sooner or later, followed by decline in health and yield. Even, if they are in a position to avail them, they are not applying them in a requisite quantity at a required time due to lack of educational background.
4. Irrigation: Irrigation is a major factor in horticulture crop production. Citrus trees can not grow and fruit well without frequent and timely irrigation throughout their life. The irrigation requirement of horticultural crops is closely related with soil, climate, variety, age and bearing capacity of the tree etc. Because of these factors it is rather difficult to from a general rule and issue definite recommendations with regard to the irrigation requirements of fruit trees.

5. Diseases: Horticulture decline, also often referred to as horticulture “die back” is not a specific disease but is a symptom expression of many disorders in the plant. Thy malady is also named as frenching, chlorosis and neglectsis etc. Terms like die-back or declines are now used for certain specific disorders other countries. The term die-back is usually used as a synonym for exanthema of copper deficiency. The term actually signifies the continuous dying of twigs. The following are the important factors responsible for horticulture decline.

(1) Soil (2) Nutritional (3) Root stock (4) Orchard management (5) Insect-pests (6) Nematodes (7) Fungal diseases and (8) Viruses

The horticulture grower is yet to recognize the truth that the most careful orchardist cannot achieve success with inherently poor plants and which varieties unsuited by nature to the site, even if he gives the closest attention to all factors of production.
In this all-important work of stocking the horticulture orchards with cent per cent inherently profitable trees and varieties, the fruit nursery industry has a big responsibility. The Government horticulture nursery at each region should strive to be the legitimate and proper guide to horticulture growers. If on the other hand, they have merely an eye on quick profits and on clearing their stocks, regardless of the larger interests of fruit growers, we have thereby a most potent means of bringing about progressive deterioration in our fruit and orchard wealth.

Many allegations have been made in the past that some private fruit nurserymen not only fall in their duty of selecting varieties and parents, but even resort to questionable practices of selling plants under wrong names and with false and exaggerated claims. Many nursery firms do not even have under their control any selected batch of parent trees while some do not possess any tree at all fit for propagation. So long as a single unscrupulous nursery man is allowed to play his nefarious trade. We have therein a means of adding to the uncertainty in horticulture farming of augmenting the loss to a vast body of growers, and consequently adding to the cost and scarcity of horticulture.²

Even under the best of management and with best of plant material, success in horticulture growing can not always be assured. With a perennial crop like the horticulture, mistakes committed once can not
always be rectified, sometimes not even throughout the long life of the plantation.

From the selection of site to the stage of harvest, there are numerous orchard operations, which demand knowledge of the tree habit and growth, so as to be able to assess the tree requirements correctly and to adopt the right measures and cultural practices. So farm the fruit, vegetable, flowers, plantation crop and spices crops growing methods in the state area under investigation have been largely carried on by ‘trail and error’ methods, by a vast body of men, each pursuing his own course of action. The success of a few here and there promoted many to take to the farming of fruit, vegetable, flowers, plantation crop and spices crops, but without any attempt to analyze the pre-requisites or to understand them.

II. Problems in Marketing Systems:

It is very important that horticultural produce reaches the market as soon as it is possible and at a time when the market needs it the most. A perfect and efficient marketing system is essential to avoid the losses of fruits and vegetables, and also to get a good return from the same. Marketing of perishable horticultural products presents more problems compared to other durable agricultural products.
The interests of producers as well as consumers are poorly served, the grower gets less return and the consumer pays more than what is necessary. Sometimes, the market is in glut with a particular vegetable or fruit and a lot of wastage or loss is experienced. Also, prices are considerably reduced and farmers get dejected. Therefore, glutting should be avoided and the market should be so facilitated as to reduce the loss to the minimum.

The Maharashtra State horticultural crop is characterized by imperfect information which gives the opportunity for the presence of brokerage institutions. The imperfect information creates problems in the bargaining inefficiency in which informed market actors increase their own benefit while those actors who do not have information are marginalized. Since most of the farmers produce the same type of horticultural products at the same time, the supply of the product is in glut during the season compared to the demand leading to lower producer price associated with product bulkiness, perishability and seasonality in the production. Moreover, there is no grading and standardization of the product, weight cheating is a common practice and market power is taken by the brokers and traders.³
Marketing Problems Faced By the Responded Farmers:

Table 6.1 indicates the problems faced by the responded farmers;

Table No- 6.1
Problems faced by the respondent’s farmers

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Problems</th>
<th>No. of respondents farmers</th>
<th>Percentage of respondents farmers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Non-availability of packing material</td>
<td>16</td>
<td>38.40</td>
</tr>
<tr>
<td>2</td>
<td>High cost of packing material</td>
<td>25</td>
<td>60.00</td>
</tr>
<tr>
<td>3</td>
<td>Non-availability of transport facilities in time</td>
<td>12</td>
<td>28.80</td>
</tr>
<tr>
<td>4</td>
<td>High transportation charges</td>
<td>22</td>
<td>52.80</td>
</tr>
<tr>
<td>5</td>
<td>Lack of storage facilities</td>
<td>37</td>
<td>88.80</td>
</tr>
<tr>
<td>6</td>
<td>High market charges</td>
<td>40</td>
<td>96.00</td>
</tr>
<tr>
<td>7</td>
<td>Improper management in markets</td>
<td>32</td>
<td>76.80</td>
</tr>
<tr>
<td>8</td>
<td>High cost of pesticides and insecticides</td>
<td>35</td>
<td>84.00</td>
</tr>
<tr>
<td>9</td>
<td>Lack of technical know-how</td>
<td>31</td>
<td>74.40</td>
</tr>
</tbody>
</table>

Source: Field Investigation

Most of farmers [96.00 percent] faced the problem of high market charges incurred by the Hundekari. Nearly 88.80 percent farmers complained that proper storage facilities be provided for vegetables and fruits. So as to reap the benefits of higher prices during lean periods, high
cost of insecticides and pesticides is reported by 84.00 percent of the total farmers of the total responded farmers 74.40 percent were of the opinion that there is lack of technical know-how regarding improved package of practices and the cultivation of vegetables and fruits. Markets never work in favor of producers was reported by the 76.80 percent of the farmers. High cost of packing material is one of the major bottlenecks reported by the 60.00 of the farmers. Transport facilities were not major constraint for almost all.

1. **Presence of Pre-Harvest Contractors**: Once of most common and most objectionable features of the marketing system of horticulture is the presence of pre-harvest contractors, who take the place of the owner of the orchard in all marketing arrangements. Such contractors handle practically all small gardens, and some large ones. They generally operate in the areas to which they belong or with which they are familiar. Soon after the horticulture is set the contractors go on visiting the individual orchards with a view to make rough estimates of the horticulture crop. Their functions and the terms on which they buy the crop vary from time to time. They may buy the crop even before blossoming time, or at any time before the horticulture is ripe or for that entire season.4

Under present conditions, the pre-harvest contractor serves a useful purpose. Most orchards are small. The owners are not in a position to
handle orchards themselves, and if they attempt to do so, they must hire men to do the work. The expense of hiring reliable watchmen to protest the crop is rather large. Hence, the contractor and his family do this for themselves. In case of smaller growers, the contractor is a means of collecting money in advance of the harvest.

The field investigations carried out by the researcher has revealed the following reasons for selling the crop to pre-harvest contractors which are furnished in Table 6.2. The horticulture growers of the area under investigation expressed risk as the main reason for not taking up the marketing of the horticulture by themselves. The risk expressed by the growers include, cheating, price fluctuations etc. The important reason expressed by nearly 11.7 percent of horticulture growers is the absence of proper transportation facilities. Other reasons expressed by them are clashes with other agricultural operations, scarcity of labour etc. (8.3 percent) lack of managerial personnel (8.3 percent) and problems of watch and ward (3.3 percent).
Table - 6.2

Reasons for Selling the Crop to Pre-harvest Contractors

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Reasons</th>
<th>No. of Farmers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Feels risky to take up marketing price fluctuations, absence of storage facilities etc.</td>
<td>82</td>
<td>68.4</td>
</tr>
<tr>
<td>2.</td>
<td>Clashes with other harvesting seasons, problems of labour scarcity etc,</td>
<td>10</td>
<td>8.3</td>
</tr>
<tr>
<td>3.</td>
<td>Problems like watch and ward</td>
<td>4</td>
<td>3.3</td>
</tr>
<tr>
<td>4.</td>
<td>Absence of proper transportation facilities</td>
<td>14</td>
<td>11.7</td>
</tr>
<tr>
<td>5.</td>
<td>Lack of managerial personnel</td>
<td>10</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>120</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Source: Field investigations

2. Evils of Contracting System: On the other hand, the weaknesses of the system are obvious. The owner often does not know the real value of his horticulture crop, and in any case he can do nothing but accept the best price offered. The contractors in any one section are not very numerous, and often from rings to hold the prices down. If may even be against caste rule to raise the bid for an orchard. Not knowing how the
crop will turn out, or that the market conditions will be, the contractor must be conservative in his offers. The price is ordinarily paid in installments, and if for any reason the season is a bad one, the contractor seldom completes the payment.

More serious is the tendency of contractors to bend their efforts solely to the production of horticulture, with no thought for the good of the trees. Cultivation and managing are often neglected. The presence of a contractor adds greatly to the difficulties of introducing improved methods of cultivation and irrigation, for the contractor is usually an uneducated man who is sure that the traditional ways are the best. If it is desired to sell a crop to a contractor, the evils may be minimized by care in selecting the man, and in setting terms.

3. Preparation for the Market: The horticultural crops differ from other food crops like cereals with respect to certain natural characteristics like moisture content (70-95 percent as against 10-20 percent in case of cereals), texture (soft as against hard texture in case of cereals), and unit size (5gm to 5kg. As against less than 1 gm in case of cereals) etc, which makes them highly perishable resulting in huge post-harvest losses, the post-harvest losses obviously have an impact both at macro and micro levels of the economy.
The preparation of horticultural crops for the market involves the operations like picking, packing and transporting them. It is at this stage that great care is needed in handling the horticultural crops. Otherwise, the horticultural crops may get damaged, resulting in avoidable loss to both the grower and the consumer. The post-harvest losses of horticultural crops in developing countries have been reported to vary between 15 to 50 percent with an estimated minimum of 20 percent.

4. Picking: In Maharashtra the harvesting of horticultural crops is careless and deplorable indifference is shown towards the heavy losses that unnecessarily occur owing to the bad picking and handling of the horticultural crops after harvest. The essential equipment of horticultural crop picking devices, such as step ladders and soft bags to receive the harvested horticultural crops so commonly used in the western countries are conspicuous by their absence in our country. It is observed that so much as 5 per cent of the harvested crop is lost between the orchard and the market. Hard picking is the rule, bending the branches and pulling the horticultural crops is common.

It is the time that growers give their serious attention to these small details to get the best and most out of their orchards. It is indeed a great pity that good horticultural crops should be injured or damaged owing to indifference and neglect in picking. With careful picking with the help of
horticultural crop gathers, ladders and suitable bags careful handling of
the horticulture crop after harvest, a great deal of loss can be avoided. It is
always advisable to harvest horticulture crops in congenial weather
conditions.

The appearance of horticultural crops gives an impression that they
can stand enough handling owing to their tough rind. If handled with care
they are capable of it, but if the rind is injured they get spoiled very
quickly. Horticultural crops get injured owing to several causes while
being picked.\textsuperscript{5} Some of these causes are;

- The finger nails of the customers, Rough or pointed materials in
bags or baskets.

- Bruises caused while being emptied from one container to the
other or when dropped, protruding horticultural crop stalks, and
accidental cuts by the horticultural crop gathers.

Generally, picking is done a week for horticultural crops. Some
times under ripened fruits are also picked either by the growers or by
contractors with a view to securing either immediate cash or the benefits
of high prices prevailing in the beginning of the season. At times, in order
to save the expenses incurred on watching the crop, all the fruits are
picked all at a time.
This is a deplorable practice and results in lowering down the average quality of the fruits. At times when the market is not favorable, the growers or contractors delay the harvesting of the crops. This result in over-ripening which lowers the keeping quality of the fruits,

5. Packing: Packing is a convenient means of identifying manufacturer’s products, of stimulating demand and consumer interest and of improving sale ability of the product by its more attractive appearance. A scientifically developed packing technique will go a long way in preventing adulteration, pilferage, short-weight and maintaining the quality of products and thus pave the way for promoting sales.

Fruits and vegetables are required to move to distant places to meet the demand of the consumers. Selection of right type of containers and method of packing is very important. Existing containers in use the country were evolved in disorganized manner, giving in many cases the least consideration to their actual utility. There are too many types of containers and faulty packaging cause’s high wastage in transit.

The growers and traders of the area under study following two methods of packing in case of fruits and vegetables, Gunny bags can be used in case of Brinjal, onion, cabbage, okra and oranges, they can be transported in loose by trucks. In case of acid limes paddy straw or leaves of Palmyra are first placed in the gunny bags at the bottom and sides, as
padding material to avoid spoilage and damage during the transit. Again at the top came packing is given before they are stitched. The gross weight of each bag is between 35 to 40 kgs. Holding about 800 to 1,000 fruits, the containers are non-returnable in nature. As the bag is non-returnable in nature the growers or trades, generally, can use cheap quality of bags.

Fruits and vegetables can be transported in loose from by trucks to different markets after laying the paddy straw or leaves of Palmyra before filling the trucks in order to reduce the damage. The traditional method of using this gunny bags leads to certain disadvantages. Usually they use cheap quality (as it is non-returnable in nature) gunny bags, which are inferior to hold the product up to the consuming centers. Even at times they were teared off in local transits, i.e. from orchard to the Railway Station. In addition to the above, the cane packing which is usually done by the traders, looses its grip and there by the fruits fall in transit. The growers are nearly loosing 5 percent of the produce due to faulty packing.

6. **Grading** : Picking, grading and packing are done on a scientific basis in advanced countries. This is not vogue in India. At present much of the fruits and vegetables crop is marketed without paying any attention to the grading of fruit and vegetable. As in the case of all fruits are also seldom
graded, however, they can be graded into big, medium and small depending upon the quality, quantity and seasonal variations in demand and supply. Though, they are grading the fruits, the fruits of different grades are packed together in the same container, placing the smaller, diseased and damaged fruits at the bottom of the container and large and attractive fruits on the top.

The traders have an impression that by mixing the small and large sized fruits they are able to get better prices for fruits of poor quality than what they would get otherwise. However, a thorough inspection of the contents of every package in order to find out good and bad quality fruits by the buyer results in low prices.

7. Processing: Processing may be broadly defined as those activities which involve the conversion of farm products into more usable form. Very few farm products are consumed in the form in which they leave the farm. For certain commodities like paddy and sugarcane, processing is essential before they are used for consumption. For others such as fruits and vegetables, it facilities the conversion of surplus production of one season for use in another season or place.

Sometimes processing serves as an adjunct to the marketing operations like transportation, storage and merchandizing. It is also an economic device for relating a given supply of a commodity to a
prevailing market demand situation by differentiating between uses and improving quality and prices of the produce so as to enhance the total revenue of the producer. In otherworld, processing of farm products widens the market in terms of the number of uses and consumers. Its significance in marketing can be gauged from the fact that in advanced countries like U.S.A. over one third of all costs in the marketing of farm products is for processing which ranks second only to retailing as an item of cost.8

Naturally, the importance of processing depends upon the nature of the produce and the type of processing involved. The processing function would include all these essential manufacturing activities that change the basic form of the product. The importance of processing activity in horticultural marketing in general and fruits and vegetables in particular cannot be ignored. Processing is necessary for perishable farm products like fruits and vegetables.

There is very good demand and scope for manufacturing different processed fruit products from citrus fruits like, marmalades, squashes, cordials, pickles, commercial citric acid, aromatic substances from juice and peel and juice concentrates as syrups in the pharmaceuticals industry. The Government has established a fruit preservation and canning industry at Aurangabad, Pune, Nashik, Thane and Nagpur.
8. **Transportation** : In Maharashtra, rail and road transports are not generally designed to suit the fruit and vegetable trade. The grower is therefore, compelled to use the facilities as they are found. The scope for improvement as well as to reduce the cost on transport is great, but these can only be done when group action by producers.

In recent years transportation by Lorry has gained some importance, in some cases, passenger Lorries carry small quantities of fruits to short distance, a service which is often economical and convenient for the small grower. The Lorries offer not only somewhat lower rates, but better service, taking the fruit directly from the orchard, in some cases, to the market. In addition, as the Lorries transport the fruit and vegetable. Recently the lorry owners are also charging high freight charges depending upon the situation, as most of the growers and traders prefer the lorry services.

9. **Storage** : The fruits and vegetables in the country are produced in abundance and there are schemes to further augment the fruit and vegetable production. The marketing of fruits and vegetables is not well regulated to the benefit of the grower and the consumer. It often results in flooding the market with a single type of fruit and vegetable at the sometime, yielding unprofitable returns to the grower. Fruits are seasonal as well as perishable and naturally, abundance of fruits within the season
cannot be avoided. It is too difficult to regulate the market for this perishable fruits. as such, holding fruits for longer periods or out of the season of production, by cold storage is to be restored to, besides refrigerated transport.

This is to minimize the loss of produce through damage and spoilage during transport and distribution, and to prevent gluts and to even out the supplies over a long period, so as to regulate and stabilize the prices of fruits to the advantages of the producer and the consumer alike.

Different kinds and varieties of fruits and vegetables are required to keep at varying ranges of temperature in cold storage under a particular range of humidity for the successful long storage life. If there are cold storages, the grower and the trader will be benefited, and the consumer can get variety of fruits and vegetables at different seasons in fresh from.

But the growers and traders of each region under investigation are not having any storage facilities and they are dispatching the fruits and vegetables immediately after picking, without having any idea, whether the fruits and vegetables can get a reasonable price or not. If they can store these fruits having an idea about the prevailing prices they can enjoy the price advantages.
As the fruits and vegetables are perishable in nature and deteriorate after 2 or 3 days, the grower and the trader not only has to loose profits but also cost of cultivation of the orchards. The cold storage facilities assume a great significance and future of the horticulture industry depends to a large extent on the development of cold storage facilities.

10. **Risk Bearing**: The risk bearing function is the accepting of the possibility of loss in the marketing of a product. The risk can be classified under two broad heads viz., physical and marketing risk. The risks which occur as a result of destruction or deterioration of the product itself by fire, accident, wind, cold, heat and earth quakes are known as physical risks where as the risks which occur because of the change in the value of a product come under the head marketing risks.

Risk bearing of fruits and vegetables due to widespread diseases, heavy wind falls, and continuous drought, makes the grower and trader as insolvent. One of the unfortunate man-made developments is cutting down the fruitful orchards of one grower by another due to political differences and village level groupies. This should be avoided keeping in view the welfare of the fruits growers. The Government should gear up its machinery to smooth out the village fraction politics. On else, crop insurance should be effectively implemented.
11. Market Information: Market information may be defined as facts and their interpretations likely to help producers, traders and consumers in marketing decisions. It covers current price quotations, and the probable effect of seasonal and climatic influences and forecast of further production, consumption and trade movements, seasonal variations in yields and their probable impact on prices and all material likely to influence the terms of exchange.

All this information is essential for the marketing if it is to operate with economy and precision. Any buying or selling activity which is undertaken on an isolated or spontaneous decision has less changes of economic success than that which is conducted after a careful consideration of these facts.

The fruits and vegetables growers in the area under study lack the facility of good marketing information system. Though, the agriculture department has appointed the farm reporters in order to collect the information relating to prices, they are not in a position to collect the information in required manner. Just they go, and consult some of the commission/wholesale merchants as a matter of periodical ritual.
References:


