CHAPTER VI
CONCLUSIONS AND SUGGESTIONS
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After analyzing the primary and secondary data on fertilizer market structure; components; influencing variables; pertaining to Karnataka State, following are the conclusions and suggestions.

1. It is observed that the type of crop grown and accessibility of credit were the important factors influencing quantum of fertilizer usage. Therefore making credit more accessible to the farmers by simplifying the procedure to obtain it from formal sources and making credit facilities easier and reasonable.

2. The fertilizer usage depends largely on type of crop grown. For cash crops such as sugarcane, the fertilizer is used in large quantities. Cash crops are mostly grown under irrigated conditions. However, in order to increase productivity, there is a need to promote usage of fertilizer even in rain-fed areas.

3. The existing distribution system for fertilizers in Karnataka is dominated by private sectors rather than the cooperatives. The cooperatives can increase their sales by selling different brands of fertilizers and providing better credit facilities through crop production loan scheme, where the fertilizers are given as a kind component of the loan. Providing a major share of loan as kind component will help the farmers in better utilization of loans as compared to cash component.

4. Banks with micro loan scheme and crop insurance scheme should join hand with fertilizer dealers for combating the problem of credit availability to the farmers for effective fertilizer marketing.

5. Although the cooperatives had opened sufficient number of retail outlets throughout the state, they are lagging behind in effective distribution of fertilizers. So the cooperatives must concentrate on effective marketing of fertilizers through increasing the efficiency of
each outlets. One of the many ways of increasing the efficiency of cooperatives is to link the crop loan to marketing.

6. Lack of knowledge about composition of fertilizers is one among the major problems faced by the farmers in the study area. There is an immediate need to educate the farmers in this regard by conducting farmer trainings through Krishi Vigyan Kendras of State Agriculture Universities and Extension Agencies of agriculture Departments.

7. Study on factors influencing consumer preference for fertilizers revealed that, credit facilities available with the private retail outlets defined the preference of farmers towards a particular source of fertilizers. The private retail outlets are facing the problem of lack of distribution credit from the manufacturers. There is a need that the retail outlets get the distribution for at least two months due, to the crop production season.

8. The distributors can increase the sales by adopting farmer’s meeting, campaigning and advertisement through radio as this source of product promotion are influential means of advertisement among the farmers.

9. Easy & timely availability and proper packaging were the major factors considered by the farmers to be brand loyal. Therefore, companies/ manufacturers must be careful in maintaining quality brands and companies must be quick in supply of fertilizers in time and thereby reducing the lead time of supply shortages.

10. From the study it is found that retailer is the main source of information to farmers and also in one or the other way farmer is dependent on retailer for his input requirements. Hence, companies must give more importance to retailer by offering him more and more incentives, gifts, discount offers, trips and also arrange dealer
meeting frequently which will in turn help the companies to build strong dealers network to sell companies fertilizers.

11. Fertilizer companies while releasing new fertilizer brands should rely more on retailer oriented promotion of brands and direct farmer contacting methods, which will be more effective in increasing sales of company brands.