CHAPTER II

RESEARCH METHODOLOGY

Introduction

It is universally accepted that research must be a problem oriented. The present study aims at studying the scope of E marketing along with disadvantages of it. At present, agricultural sector has been suffering from many problems. The Economic development process needs the support from all the sectors in economy. No any country progresses by only establishing industries. Balance of all growth sectors in economy is a prerequisite for the overall economic development. These sectors include agriculture, service, mining, petrochemicals and industries. In the developing as well as in the developed countries, agriculture along with its marketing is an important sector, through which the basic needs of the people are satisfied. Further, if the marketable surplus is available, it is exported to earn the valuable foreign exchange.

The efficient marketing is a precondition for agricultural development. Agricultural marketing has so far been neglected. It has been affected by unwanted intermediaries and middlemen as they have controlled it. As a result, the farmers receive lower price for their farm production those they sell in these markets. On the other hand, consumers are required to pay higher prices. Middlemen thus exploit financially both producers and consumers. The share of farmers in the price of agricultural produce was reduced substantially. For instance, a study by D.S.Sidhu revealed that a farmer was even less 39% in the former case and 34% in the latter. The share of middlemen in case of vegetable was 29.5% and in case of fruits was 46.5%.

The farmers are being cheated in weighmen of farm produce; Facilities of proper storage, road and transport, grading, processing units, loan advancement etc, of farm produce is not available to farmers. These factors
adversely affect efficient and profitable marketing of agricultural produce. As a result, the farmers become indebted, subsequently, farmer’s suicide do not come to an end.

2.1 Selection of the Topic
In this study, an attempt is made to analyze the E-marketing of agriculture produce. The present study is important because Indian Economy is agricultural Economy and at present this sector contributes nearly 22% to India’s GDP. The study focuses on the marketing of agriculture produce, which is perishable and needs immigrate marketing. The Government of Maharashtra established Agriculture Produce Market Committees for regulating marketing of Agriculture produce. The present study is come out with listing of present marketing system, difficulties in marketing of agriculture produce and E marketing of agriculture produce. The present study proves that there is a need of E-marketing system for agriculture produce.

2.2 Relevance of the study:
- **Academic:** Agriculture is the largest livelihood provider in rural India. In spite of this, the small farmer’s gains are not enough compared to the efforts put in and agriculture cost inputs; this can affect the agricultural productivity and food security of the nation. In the agriculture sector, constant application of latest ideas and better technologies is essential to enhance economic well being of the farmers. The bane of Indian agriculture is not lack of technology, R and D efforts; it is inadequacy and inefficiencies in the dissemination of relevant information to the farming sector. So, Information and Communication Technology along with marketing management in agriculture can act as a driving force in the development process.

- **Policy:** The Vision 2020 document of the Department of Agriculture and Co-operation envisages that "the tools of information and Communication technology will provide networking of Agriculture Sector not only in the country but also globally. The Center and State Government Departments will have reservoir of databases. And it will also "bring farmers, researchers,
scientists and administrators together by establishing "Agriculture Online" through exchange of ideas and information. There are several Ministries/Departments in Government dealing with Agricultural Marketing.

- **Research** :-There is a need for Integrated Website for all agencies, of both State and Central Government involved in Agricultural marketing services using ICT like APEDA, APMCs, CWC, SWCs, CACP, CCI, DMI, FCI, JCI, KVKs, MPEDA, NAFED, TRIFED, NCDC, NDDB, NHB, SAMBs etc..

The establishment of AGMARKNET Nodes at KVKs and Panchayats and computerization of all mandies/APMCs. wholesale markets should have WiMAX based Internet Hubs.

ICTs cannot succeed on a stand-alone basis and need to be supplemented by other programmes. E.g. Academic and research data in agriculture marketing needs to be digitalized and it is also necessary to make available the digitalized literature in local languages. The support is also needed to facilitate Cross-flow of information.

### 2.3 Objective of the Research

1. To study and evaluate the present agriculture marketing procedure/system.
2. To find the difficulties faced by the farmers and traders in present marketing system.
3. To assess the possibilities and potentials of direct marketing of agriculture produce through E-media
4. To recommend the changes for improving the efficiency of E-marketing of agricultural produce.
**Justification:**

- The present study came out with listing of present marketing system, difficulties in marketing of agriculture produce and E-marketing of agriculture product.
- When farmers sell their agricultural produce directly to consumers the farmer may have to stay at the market place for long time.
- While selling agriculture produce to traders in town through middlemen there are the chances to cheat them.
- The sales of agricultural produce take place in absence of farmers.
- The visiting traders sometimes claim that the promised quantities are not available.

- The farmers are facing serious difficulties in selling their produce. But the farmers, along with development agencies and government, treat the traders who market their produce with suspicion and mistrust. Here, E-marketing works very well.
- Strategic review of existing online activities and development of farmer’s future online strategy.
- Understanding International best practice, effective tools and strategies in the area of e-Marketing.
- Embedding e-marketing practices and skills of farmers and traders by developing the capabilities of them.

**2.4 Hypothesis of the Research**

1. The E-marketing system shall change the nature and constitutions of the conventional marketing system.
2. Farmers, Traders and other stakeholders are marginally awarded about E-marketing.
3. The E-marketing system shall improve market efficiency and quality of delivery system and profitability from the point of view of farmers, Traders and other Stakeholders.
4. The E-marketing system cannot become successful without removing Psychological, structural and knowledge barriers to the concept.
Justification:

- For testing hypothesis one, questions were asked to the farmers, traders and consumers about their experiences and observations in the conventional market; as consumers are in contact with urban distribution channel member as well as rural consumers. In this connection; variables are considered for collecting markets information.
- Major farmers, traders and stakeholders have idea and agreed to accept the e-marketing concept.
- In testing this hypothesis, farmers deliver the product to traders as well as to the direct consumer. In this connection; variables are considered for collecting information about e-marketing.

We focus on developing these areas

- Marketing – message to your target audience
- Technology – using the correct tools
- People – ensuring educated them
- Metrics – measuring everything related to marketing
- Strategy – digital and business strategy is aligned

All factors make success to remove all mentioned barriers to the e-marketing concept

2.5 Scope of the study

E-marketing is deemed to be broad in scope, because it doesn’t refer only marketing and promotions over the Internet, but also includes marketing done via e-mail and wireless media. E-marketing also embraces the management of digital customer data and electronic customer relationship management (ECRM) and several other business management functions.

E-marketing joins creative and technical aspects of the Internet, including: design, development, advertising and sales. It includes the use of a website in combination with online promotional techniques such as search engine marketing (SEM), social medial marketing, interactive online ads, online
directories, e-mail marketing, affiliate marketing, viral marketing and so on. The digital technologies are used as the delivery and communication mediums, as within the scope of e-marketing include:

- Internet media such as websites and e-mail
- Digital media such as wireless, mobile, cable and satellite.

2.5 Research Methodology

A) Primary Data: - In order to get first hand and authentic data the researcher has used the following methods.

- **Observation Method:** In the study of the effectiveness of present agricultural marketing system the researcher has observed various markets. These methods are helpful to collect unbiased information.

- **Questionnaire Method:** - The researcher has systematically framed the questionnaire to collect the data. Basically three questionnaires are framed for farmers, traders and consumers, respectively. The information sought from them by objective type questions through multiple choices..

B) Secondary Data: - The various published sources such as reference books, journals, Newspapers, reports, records are helpful to collect secondary data.

- **Reference books:** - The researcher has gone through various reference books related to Indian Agricultural and Agricultural Markets. He has referred more than 25 reference books related to the subject.

- **Articles:** - The researcher has referred more than 15 articles published in the reputed journals related to E-marketing, such as Use of ICT in rural area, Online Marketing etc.

- **Websites Related to Direct Marketing:** - The researcher has gone through various websites related to direct marketing through internet to update the current development in marketing field.
2.7 Selection of the Sample

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Name</th>
<th>No. included in the Sample frame</th>
<th>No. to whom questionnaire sent</th>
<th>No. of responses received</th>
<th>Methods Used</th>
</tr>
</thead>
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<tr>
<td>1</td>
<td>Farmers</td>
<td>300</td>
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<td>263</td>
<td>Random sample method</td>
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<tr>
<td>2</td>
<td>Traders</td>
<td>70</td>
<td>70</td>
<td>56</td>
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<tr>
<td>3</td>
<td>Consumers</td>
<td>500</td>
<td>500</td>
<td>450</td>
<td>Random sample method</td>
</tr>
</tbody>
</table>

**Criteria of sample selection:**

For the purpose of the present study, the researcher has considered the following classes of respondents

- **Farmers:** The population of farmers in the area under study is very large. As such the researcher has selected representative samples of 300 farmers. The samples cover farmers from different locations with different income group and cropping pattern.

- **Traders:** The representative numbers of traders are 70 who facilitate the farmers and the marketing process through internet is also covered in the study.

- **Consumer:** The marketing process has been influenced by the traders, farmers and consumers; the researcher has studied the large number of consumers who prefer to buy agro produce through internet.
Justification: The above sample size is justified on the following grounds.

- **Farmers:** The sample of 300 farmers is representative in nature. It is a large enough to cover the different facts of farmers who avail internet facilities for the marketing of agro-produce.

- **Traders:** A good number of traders now adapt e-trading system. This sample of 70 respondents shall help to know their views and opinions as to the merits and limitations of e-trading.

- **Consumers:** The most important part of the study is the consumer, in this identifies study the researcher gives the ideas, views and opinions of consumers towards e-marketing and their economic implication.

### 2.8 Chapter Scheme

The study is divided into seven chapters.

**Chapter-I: - India’s Agriculture and Agricultural Marketing:**

The chapter highlights on general information of India’s agriculture, role of agriculture in Indian economy, nature of agriculture, agriculture marketing system in India, types of market methods of sales and marketing agencies, inadequacies of present marketing system, measures taken by Government to improve efficiencies of agriculture produce marketing system.

**Chapter-II: - Research Methodology**

The topic deals with selection of topic, relevance of the study, objectives and hypothesis of the study, research methodology selection of sample, chapter designs techniques used for data analysis, findings, suggestions and limitations of the study

**Chapter-III: – Review of the Literature**

The chapter highlights on review of reference books, articles published in reputed journals, on-line journals and thesis on respected subject.
Chapter IV: – Origin and Emergence of E-marketing

The chapter highlights origin and emergence of E-marketing. Use of internet for marketing environment in Indian Economy. Internet marketing advantages and disadvantages.

Chapter V: – Analysis of Data.

The chapter deals with Analysis of questionnaire filled by Farmers, Traders and Consumers views.

Chapter VI: – Hypothesis Testing

The chapter highlights Analysis of facts, figures and Interpretation of outcome to testing hypothesis.

Chapter VII: – Findings and Suggestions

The chapter includes findings and conclusions along with recommendations

SUMMARY:

This chapter begins with a definition of the research problems to study E-marketing implementation issues in business organizations, to identify causal factors that influence outcome and develop a measurement instrument for these factors. The research also throws the light on the issues that occur during the planning and implementation phases of the model. The methodologies are discussed in this chapter.

The nature of research is explored by describing the differences between qualitative and quantitative, positivist and interpretive methods which are studied in the chapter.

A case for a hybrid approach of a qualitative case study followed by a quantitative empirical research is also discussed in this chapter.

The chapter elaborates the instrument development methodology followed for the study of E-marketing selection, which is an important activity during the planning stage. The chapter describes the essence of such technique.

The various tools and techniques used in this research are described to identifying the causal factors that impact outcome as well as to measure the outcome. Statistical Package for Social Sciences (SPSS) is used as an analytical tool to test the scale developed as the modeling technique that is used in the research. The chapter concludes the significance of these techniques.