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Research Paper Commerce

A Study on Farmers Brand Preference on the Consumption of Fertilizer in Tiruppur District, Tamilnadu

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ABSTRACT

This article provides an introduction of fertilizer, there are several brands of fertilizer exists in the market, an attempt is being made to study the leading eight fertilizer manufacturing concern and to know which is more popular, preferred and purchased by the farmers. Now expectation and the level of satisfaction of farmers is an essential one for withstanding a brand. The factors influencing the farmers for purchasing branded fertilizer like quality, price, availability and advertisement. Today, consumer market is flooded with various brands of fertilizers. Each branded fertilizers stands out distinctly when grouped with other branded fertilizer. Farmers have specific preference or choice and they analyze the price, quality, packaging aspects etc. before they buy the product and hence, it is up to the different brands of fertilizers manufacturers to concentrate on those aspects and workout better strategy to attract more farmers for their brands.

KEYWORDS : fertilizer, farmers, brand preference

INTRODUCTION

India is one of the world's largest and oldest agrarian economics. Agriculture is the backbone of Indian economy. Agriculture contributes more than 26% of the national income of our country. It earns about 14% of the India's foreign exchange. It provides employment opportunities more than 65% of the work force directly and indirectly.

The increasing number in population means higher demand for food. Threats in agricultural production such as pests, loss of soil fertility and lack of nutrients may result in low percentage of plants to harvest. If these problems are not addressed, there would not be enough crops which compose a big fraction of our food supply to sustain the needs of the people. Hence, the importance of using fertilizers rises.

Fertilizer is one of the key industries in India being an essential input for agriculture production. Sharp increase in agriculture production in our country rightly attributed to increasing production and consumption of fertilizer. India stands 3rd in the consumption of fertilizer

Fertilizer has been universally accepted as an integral part of package in practice for raising Indian agriculture to a higher technological plank. It is estimated that the fertilizers in association with water can enhance output by about 70 per cent. Nearly, 50 per cent of the increased food grain productions in the last decade in the world come from the increased use of fertilizers. It is accepted that fertilizer is an expensive agricultural input and therefore, its efficient use is indispensable for reducing the cost per unit of agricultural produce.

Fertilizer is an organic or inorganic material of natural or synthetic origin that is added to a soil to supply one or more plant nutrients essential to the growth of plants. Conservative estimates report 30% to 50% of crop yields are attributed to natural or synthetic commercial fertilizer.

Organic fertilizer includes animal manure, household wastes, plant materials (including crop residues), and compost made from one or more of these sources. In addition to providing nutrients, organic fertilizers contribute to soil quality by improving the structure, chemistry and biological activity level of soil.

Main inorganic nutrient fertilisers: these are the main fertilizing elements supplied in substantial quantities for plant growth, i.e. nitrogen, phosphorus and potassium. Secondary inorganic nutrient fertilisers: these are calcium, magnesium, sodium and sulphur. Inorganic micro-nutrient fertilisers: these contain elements required in small quantities such as boron, cobalt, copper, iron, manganese, etc. Ammonium nitrate fertilisers of high nitrogen content: given the dangerous nature of this type of fertilizer.

This organic and inorganic fertilizer made through the fertilizer companies such as IPL, SPIC, MFL, KRIBHCO, IFFCO, RCF, COROMONDEL, and FACT. These are some of the leading fertilizer production companies which mainly distributed all over Tamilnadu.

Manufacturers offer their products to farmers through dealers under different brand names. In the modern marketing management, the concept of brand image has gained tremendous attention. In the fertilizer marketing also, brand development assumes importance. There are several brands in nitrogenous fertilizer, complex and potash fertilizer. As an awareness and creeps in farmers, manufacturers engage themselves in a tough competition with their rivals in order to imbibe brand loyalty in the farmers. A good brand image has to be maintained to keep up brand loyalty. Thus, brand image becomes one of the important factors that determine the market share. It is therefore essential for the marketing personnel in distribution channel to have a sufficient knowledge on the behavior of farmers. In the fertilizer marketing also the availability of different brands in Urea, DAP, Complex, etc., calls for the preference on the part of dealers and farmers. Various factors influence them to choose their brands.

STATEMENT OF THE PROBLEM

is one of the important inputs, which is essential for increasing crop yield. There are number of brands available in fertilizer. The farmers have different purchase pattern towards price, package, availability, utility and quality etc., The farmers' select particular brand of fertilizer for various reasons. The farmer weightage gives to a particular or motive may vary from person to person. Hence, a question arises in the mind of researcher regarding the factors that are influencing the farmers to select a particular brand from the fertilizer market.

OBJECTIVES

To analyse the farmers brand preference of fertilizer in Tiruppur district.

To find out the factors influencing the farmers in buying a branded fertilizer.

RESEARCH METHODOLOGY

Methods for data collection

The study is based on primary data only. The primary data were collected from male and female farmers who are using branded fertilizer. Interview schedule method is used to collect data from respondents.

Sampling

The method is non- probability sampling method. The researcher has adopted convenience sampling method. However, the researcher was much careful to ensure that sample represents the whole area of the study. A sample unit of 500 respondents has been selected for the study using the convenience sampling method. The respondents were farmers; users of both organic and inorganic fertilizer were enrolled from the region of seven Taluks in Tirupur District i.e., Udumalpet, Kan-

geyam, Dharapuram, Madathukulam, Palladam, Avinashi and Tirupur.

Period of study
Period for the study is 3 months i.e. October 2012 to December 2012.

Statistical tools
The various data collected using primary sources were analysed using statistical tools like Simple percentage analysis and Garrat ranking method.

SCOPE OF THE STUDY
The scope of the study reveals the farmer's brand preference towards fertilizers in Tiruppur district. The vital purpose of the study has been conducted to identify the farmer's attitude and evaluate their preferences towards brand and find out the factors in which it decides the buying decisions regarding fertilizers. The outcome of the study would suggest right solutions to the problems identified.

LIMITATIONS OF THE STUDY
The following are the limitations of the study:

The study was confined to rural areas only in Tiruppur District and hence the results cannot be generalized to other areas.

Due to time constraints, the number of respondents taken for the study is limited to 500.

Only selected brands of fertilizer have been studied.

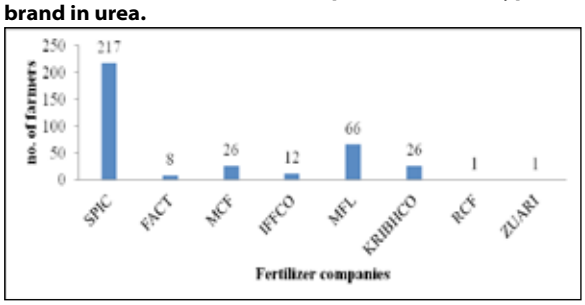
ANALYSIS AND INTERPRETATION
Simple Percentage Analysis:

Preference and Brand-Urea
Table 1: The table discloses the preference and types of brand in urea.

Brand	No. of Farmers	% of Farmers
Southern Petrochemicals and Industry Corporation (SPIC)	217	60.7
The Fertilizers and Chemicals Travancore ltd (FACT)	8	2.2
Mangalore Chemical and Fertilizer ltd (MCF)	26	7.2
Indian Farmers Fertilizer Co-operative ltd (IFFCO)	12	3.3
Madras Fertilizer Limited (MFL)	66	18.7
Krishak Bharathi Co-operative ltd. (KRIBHCO)	26	7.2
Rashtriya Chemicals and Fertilizers ltd (RCF)	1	.3
ZUARI Agro Chemicals ltd	1	.3
Total	357	100.0

Hence, it is found from the table that majority of the farmers prefer SPIC brand of urea. Brand preference in urea was analyzed and it is found that only 357 farmers are using urea. Out of 500 farmers, 217 (60.7%) prefer SPIC brand; Eight (2.2%) prefer FACT brand; 26 (7.2%) prefer MCF brand; 12 (3.3%) prefer IFFCO brand; 66 (18.7%) prefer MFL brand; 26 (7.2%) prefer KRIBHCO brand; one (.3%) prefer RCF brand and the rest one (.3%) prefer ZUARI brand.

Chart 1: The chart discloses the preference and types of brand in urea.

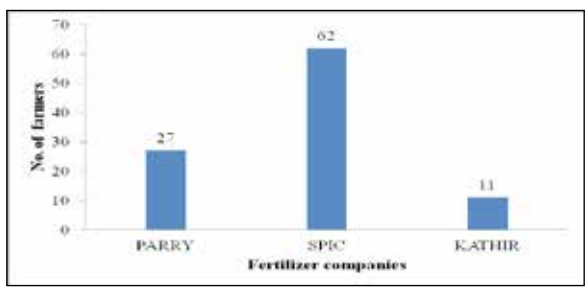


Preference and Brands-Super Phosphate
Table 2-The table discloses the farmers' brand preference of super phosphate.

Brand	No. of Farmers	% of Farmers
Coromandel International Ltd (Parry)	27	27
Southern Petrochemicals Industries Corporation Ltd (SPIC)	62	62
Coimbatore Pioneer Fertilizer Ltd (Kathir)	11	11
Total	100	100

From the above table, brand preference in Super Phosphate was analyzed from 500 farmers and it is found that, only 100 farmers prefer Super Phosphate. Of which, 27 (27%) prefer Parry brand; 62 (62%) prefer SPIC brand and the rest 11 (11%) prefer Kathir brand.

Chart 2-The chart discloses the farmers' brand preference of super phosphate.

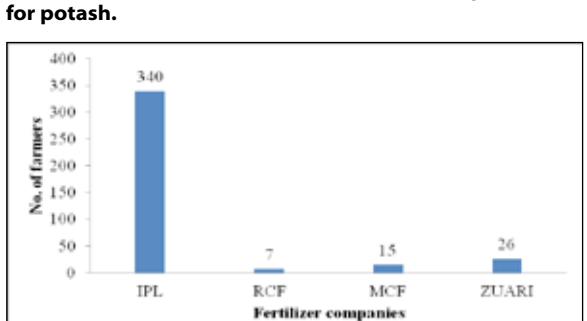


Preference and Brands-Potash
Table 3: The table discloses the farmers brand preference for potash.

Brands	No. of Farmers	% of Farmers
Indian Potash Limited (IPL)	340	87.9
Rashtriya Chemicals and Fertilizer Ltd (RCF)	7	1.8
Mangalore chemicals and Fertilizer Ltd (MCF)	15	3.6
ZUARI Agro Chemicals Limited	26	6.7
Total	388	100.0

The above table reveals brand preference in potash was analyzed and it shows that out of 500 farmers only 388 use potash. Of them, 340 (87.9%) prefer IPL brand; Seven (1.8%) prefer RCF brand; 15 (3.6%) prefer MCF and the rest 26 (6.7%) prefer ZUARI brand.

Chart 3: The chart discloses the farmers brand preference for potash.



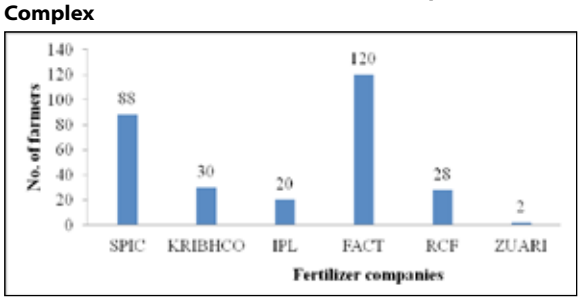
Preference and Brands-Complex

Table 4: The table discloses the brand preference for Complex

Brands	No. of Farmers	% of Farmers
Southern Petrochemicals Industries Corporation Ltd (SPIC)	88	30.7
Krishak Bharathi Cooperative Ltd (KRIBHCO)	30	10.1
Indian Potash Limited (IPL)	20	7.0
Fertilizer and Chemicals Travancore Ltd (FACT)	120	41.8
Rashtriya Chemicals and Fertilizer Ltd (RCF)	28	9.8
ZUARI Agro chemicals Ltd	2	0.7
Total	288	100.0

The above table shows brand preference in Complex was analyzed from 500 farmers and it is found that, only 288 use Complex. Of them, 88 (30.7%) farmers prefer SPIC brand; 30 (10.1%) prefer KRIBHCO brand; 20 (7.0) prefer IPL brand; 120 (41.8) prefer FACT brand; 28 (9.8) prefer RCF brand; and the rest two (.7%) prefer ZUARI brand.

Chart 4: The chart discloses the brand preference for Complex



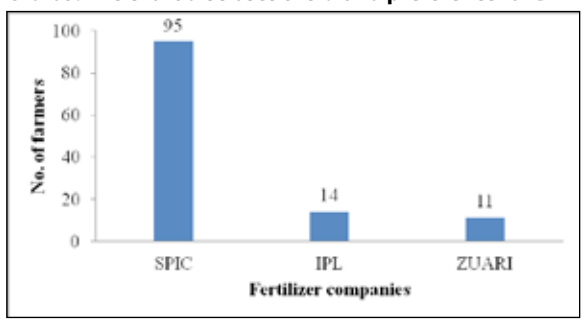
Preference and Brands-DAP

Table 5: The table discloses the brand preference for DAP

Brand	No. of Farmers	% of Farmers
Southern Petrochemical Industries Corporation Ltd (SPIC)	95	79.2
Indian Potash Limited (IPL)	14	11.7
ZUARI Agro Chemicals Ltd	11	9.2
Total	120	100.0

Hence, the above table shows the brand preference in DAP was analyzed from 500 farmers and it is observed that, 120 farmers are using DAP. Of them, 95 (79.2%) prefer SPIC brand; 14 (11.7%) prefer IPL brand; and the rest 11 (9.2%) prefer ZUARI brand.

Chart 5: The chart discloses the brand preference for DAP



GARRETT RANKING FOR SELECTED FACTORS OF BRANDED ERTILIZER

Table 6: Factors influence the farmers to purchase the fertilizer

Factor	Total							
	1	2	3	4	5	6	7	
Promotional activities	31	42	34	34	76	123	160	500
Availability	65	60	99	97	67	77	35	500
Cost	101	88	72	66	75	45	53	500
Experience	77	84	60	74	62	77	66	500
Advertisement	29	30	56	92	104	95	94	500
Quality	101	99	88	74	52	39	47	500
Ingredients	96	97	91	63	64	44	45	500
Garrett Table Value	83	73	66	60	56	52	48	

Source: Primary Data

Factor	Rank							Garrett score	Mean Score	Garrett Rank
	1	2	3	4	5	6	7			
Promotional activities	2573	3066	2244	2040	4256	6396	7680	28255	56.51	7
Availability	5395	4380	6534	5820	3752	4004	1680	31565	63.13	5
Cost	8383	6424	4752	3960	4200	2340	2544	32603	65.206	3
Experience	6391	6132	3960	4440	3472	4004	3168	31567	63.134	4
Advertisement	2407	2190	3696	5520	5824	4940	4512	29089	58.178	6
Quality	8383	7227	5808	4440	2912	2028	2256	33054	66.108	1
Ingredients	7968	7081	6006	3780	3584	2288	2160	32867	65.734	2

It is observed from the above table, Quality was given first rank with a mean score of 66.108, and ingredients obtained second rank with a mean score of 65.734. Cost obtained third rank with a mean score of 65.206. Experience obtained fourth rank with a mean score of 63.134. Availability of fertilizer was given fifth rank with a mean score of 63.13. Advertisement obtained sixth rank with a mean score of 58.178. Promotional activities were given seventh rank with a mean score of 56.51.

FINDINGS

Simple Percentage

It is found that majority of the farmers prefer SPIC brand of urea.

It is found that majority of the farmers prefer SPIC brand of super phosphate.

It is found that majority of the farmers prefer IPL brand of potash.

It is found that majority of the farmers prefer FACT brand of complex

It is found that majority of the farmers prefer SPIC brand of DAP

Garrat Ranking

It is found that, Quality was given first rank with a mean score of 66.108 and Promotional activities obtained seventh rank with a mean score of 56.51.

SUGGESTIONS

The following are some of the suggestions given on the basis of respondents of study and oral discussions held with customers:

Quality is always important for any production. But it is more important in case of fertilizer for reason that it is more related to health. Hence, it is suggested to the manufacturer of branded fertilizer to have focus on the quality aspect and make farmer to feel reliable. Manufacturers have to produce good quality of fertilizer that is healthier.

It is found from this study that majority of farmers feel that the price of branded fertilizer is high. This use an indication that farmers may at any time be dissatisfied with pricing aspect in the long run. Hence, the manufacturer of branded fertilizer shall keep the pricing strategies to suit the market environment so as to remain in the market for a long period.

Like any other product of fertilizer also needs better advertisement. The advertisement will not only create awareness but also influences the farmers to buy the product. However, the fertilizer is not advertised for many brands available in the market. Hence, it is suggested that advertisement may be given more important for various branded fertilizer and can be advertised through different medias.

Among the various brands of fertilizer available in the market, SPIC and IPL is preferred by majority of the respondents. It is information for the manufacturers of other brands of fertilizer. They have to analyze the market and to develop such marketing strategies for capturing and key share in the market. Otherwise they lose their market share slowly in the long run.

The companies may participate in farmer exhibitions and fairs, awareness shows or sponsor certain contests, so that the farmer may get an opportunity to experience the quality, price and other features of the product as promotional activities.

CONCLUSION

The modern market is a highly competitive and transitional one. A company must first decide what it can sell, how much it can sell and what approaches must be used to entice the vary farmers. The farmers today do not accept any product, which does not give them complete satisfaction, and so many products do not find a place in the market. So it can be said that the modern market is consumer oriented and only the consumers determine any product success or failure. One of the products, which was very successful and had found a permanent place for itself in the minds of the farmers, is the SPIC and IPL fertilizer. Today consumer market with is flooded with various brands of SPIC and IPL. Each branded SPIC and IPL fertilizer stands out distinctly when grouped with other branded fertilizer. Farmers have specific preference or choice. Farmers analyze the price, quality, advertisement etc. before they buy the product and hence, it is up to the different brands of fertilizer manufacturers to concentrate on those aspects and workout better strategy to attract more farmers for their brands. Hence, manufacturers should feel the pulse of farmers. They should plan their production and distribution activities as per the needs and convenient of the farmers.

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