Study on the Marketing of Marigold Flower in Varanasi District of Uttar Pradesh, India

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Authors' contributions

This work was carried out in collaboration between both authors. Both authors read and approved the final manuscript.

Original Research Article

ABSTRACT

This paper explores the marketing channels, margins, and efficiencies associated with marigold flower cultivation in the Varanasi district of Uttar Pradesh, India. The study investigates three distinct marketing channels to understand their impact on the economic returns for marigold farmers. Through a systematic examination of the cost structures, price spreads, and producer's share in the consumer rupee across these channels, the research aims to identify the most efficient marketing practices that maximize profitability for cultivators. The research methodology involved a multi-stage sampling process, starting with the purposive selection of Varanasi district, followed by the selection of Kashi Vidyapeeth block, which has a high concentration of marigold farmers. Ten villages within this block were chosen randomly, and a stratified random sampling technique was used to select 10% of the farmers, categorized based on landholding sizes. Data was collected through both primary methods, including structured interviews and surveys, and secondary sources, such as reports from the District Agriculture Office. The results indicate that Channel III,

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characterized by direct-to-retailer sales, provides the highest producer share in the consumer rupee at 41.56%, with a lower price spread and total marketing cost compared to other channels. This channel emerges as the most efficient, suggesting that reducing intermediaries in the supply chain can lead to better financial outcomes for farmers. The study concludes that strategic market interventions and policy support are essential to promote more direct marketing avenues, thereby enhancing the income of marigold farmers in the region. This paper contributes valuable insights into the marketing dynamics of high-value agricultural products and offers practical recommendations for improving the efficiency and equity of agricultural marketing systems in India.

1. INTRODUCTION

Marigold cultivation in Varanasi, Uttar Pradesh, serves as a significant agricultural and economic activity, driven by both its cultural significance and commercial demand. This flower's popularity in religious and festive decorations has bolstered a robust market, encouraging farmers to engage in marigold cultivation as a profitable venture [1]. However, the success of this venture heavily depends on the efficacy of the marketing channels employed, which influence the economic returns to farmers [2] and Verma et al., [3].

Effective marketing channels are critical as they determine the price spread between what consumers pay and the revenue received by the farmers. Studies have highlighted the importance of efficient marketing strategies that can significantly enhance profitability by reducing unnecessary intermediaries, thus ensuring a larger share of the consumer spend reaches the producers directly (Patil & Deshmukh, 2022). An efficient marketing system is essential not only for boosting farmers' income but also for sustaining the marigold cultivation industry in the long run [4].

To understand the dynamics and efficiency of these channels, extensive research has been conducted across various regions in India, identifying the challenges and potential strategies to enhance marketing efficiency [5]. Such studies offer critical insights and recommendations for improving marketing systems, which could be particularly beneficial for the marigold farmers in Varanasi Singh et al., [6] and Singh et al., [7].

2. METHODOLOGY

The research methodology employed in this study is a systematic approach designed to explore the various factors influencing marigold farming in Varanasi district, Uttar Pradesh. This chapter outlines the research design, detailing the selection of the study area, data collection methods, and the analytical tools used. The study area was carefully chosen in several stages: starting with the selection of Varanasi district, known for its significant marigold cultivation. Specifically, the Kashi Vidyapeeth block was selected due to its high concentration of marigold farmers. From this block, ten villages were randomly chosen based on their involvement in marigold production. Within these villages, 10% of the farmers were selected using a stratified random sampling method, ensuring representation across five landholding categories. The Bansphatak flower market, located near the Kashi Vishwanath Temple, was purposefully chosen for studying market dynamics, along with five marigold wholesalers [8,9]. Data collection was executed through both primary and secondary methods. Primary data was gathered via structured interviews and surveys, focusing on the challenges faced by farmers and market intermediaries. Secondary data was sourced from the District Agriculture Office and other relevant publications, providing a comprehensive understanding of the marigold farming landscape in the region. This methodology ensures a thorough analysis of the factors affecting marigold farming in Varanasi.

3. RESULTS AND DISCUSSION

3.1 Marketing Channels of Marigold Flower

The channel of marketing of agricultural produce from producer to consumer varies from commodity to commodity and area to area. The chain of intermediaries through which product moves from producer to consumer constitute their marketing channel. There were three common marketing channels identified in marketing of Marigold in study area.

3.2 Marketing Margin, Market Share and Marketing Efficiency

Channel I

The analysis of the marketing channels for marigold flowers reveals significant insights into the cost structure, market margins, price spread, and overall marketing efficiency across three distinct channels. In Channel I, the total marketing cost is highest at ₹13 per kilogram, resulting in a producer's share in the consumer rupee of 34.48%, the lowest among the three channels. This channel also exhibits the highest price spread of ₹19, indicating a significant difference between the price paid by the consumer and the amount received by the producer. The marketing efficiency, calculated using the conventional method, is 0.83, making it the most efficient of the three channels despite the lower producer's share.

Channel II

In comparison, Channel II shows a slightly lower total marketing cost of ₹12 per kilogram, with a price spread of ₹15 and a producer's share of 41.37%. This channel demonstrates a better balance between cost and producer benefit, reflected in a slightly lower marketing efficiency of 0.68. Similarly, Channel III, which also incurs a total marketing cost of ₹12, yields a slightly lower price spread of ₹14 and the highest producer's share in consumer rupees at 41.56%. The marketing efficiency in this channel is 0.72, indicating a more balanced approach between market cost and producer returns.
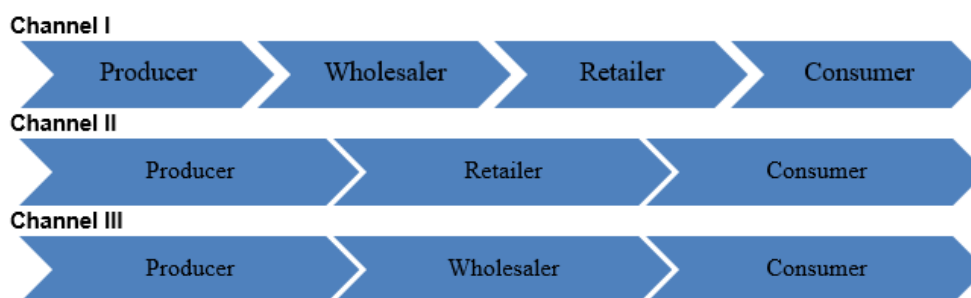

Table 1. Marketing margin, market share and Marketing efficiency of Marigold/Kg packing in Channel I

S. No	Particulars	Price/Kg
	Net price received by producer	10
1	**Cost incurred by the producer**	
a	Packing cost	1
b	Packing material cost	1
c	Miscellaneous charges	2
d	Marketing cost	14
e	Sale price of producer/Purchase price of Wholesaler	14
2	**Cost incurred by the Wholesaler**	
a	Loading and unloading Charges	1
b	Carriage up to Market	2
c	Miscellaneous charges	1
d	Marketing cost	1
e	Margin of Retailer	2
f	Sale price of Wholesaler/Purchase price of Retailer	21
3	**Cost incurred by the Retailer**	
a	Loading and unloading Charges	1
b	Carriage up to Shop	2
c	Miscellaneous charges	1
d	Marketing cost	2
e	Margin of Retailer	2
	Sale price of Wholesaler/Purchase price of Retailer	29
	Total Marketing Cost	13
	Price spread	19
	Producer's share in consumer rupee	34.48%

Table 2. Marketing margin, market share and marketing efficiency of marigold/kg packing in Channel II

S. No	Particulars	Price/Kg
1	Net price received by producer	12
2	**Cost incurred by the Producer**	
a	Packing cost	1
b	Packing material cost	2
c	Miscellaneous charges	3
3	Marketing cost	6
4	Sale price of producer/Purchase price of Retailer	18
	Cost incurred by Retailer	
	Grading sorting charges	1
	Transportation charges	1
	Repackaging charges	1
	Miscellaneous charges	2
	Post Harvest Losses	1
	Marketing cost	6
	Margin of Retailer	3
	Sale price of Retailer/Purchase price of Consumer	27
	Total Marketing Cost	12
	Price spread	15
	Producer's share in consumer rupee	41.37%

Channel III

The comparative analysis underscores the importance of optimizing marketing channels to enhance producer margins while maintaining market efficiency. Channel III appears to be the most favorable for producers, offering the highest share of the consumer rupee with relatively low price spread and marketing costs. This suggests that direct-to-retailer channels may be more beneficial for marigold farmers, reducing intermediaries and increasing profitability.

Table 3. Marketing margin, market share and Marketing efficiency of Marigold/Kg packing in Channel III

S. No	Particulars	Price/Kg
1	Net price received by producer	12
2	**Cost incurred by the Producer**	
a	Packing cost	1
b	Packing material cost	2
c	Miscellaneous charges	3
3	Marketing cost	6
4	Sale price of producer/Purchase price of Retailer	18
	Cost incurred by Wholesaler	
	Grading sorting charges	1
	Transportation charges	1
	Repackaging charges	1
	Miscellaneous charges	2
	Post Harvest Losses	1
	Marketing cost	6
	Margin of Wholesaler	2
	Sale price of Wholesaler/Purchase price of Consumer	26
	Total Marketing Cost	12
	Price spread	14
	Producer's share in consumer rupee	41.37%

Table 4. Comparison table of Channel I and Channel II

Comparison points	Channel I	Channel II	Channel III
Total Marketing cost	13	12	12
Total market margin	4	3	3
Price Spread	19	15	14
Market efficiency by conventional method	0.83	0.68	0.72
Producer's share in consumer rupee	34.48%	41.37%	41.56%

4. CONCLUSION

The comprehensive analysis of the marketing channels for marigold flowers in Varanasi district has revealed critical insights into the cost structures, price spreads, and marketing efficiencies associated with different distribution methods. It is evident that the choice of marketing channel significantly impacts the producer's share in the consumer rupee, with direct-to-retailer channels offering better profitability for farmers. Among the three channels analyzed, Channel III stands out as the most efficient, with the highest producer share and lowest price spread, suggesting that minimizing intermediaries can lead to greater economic benefits for marigold cultivators.

The findings underscore the importance of strategic market interventions to enhance the financial outcomes for farmers, particularly through the promotion of more direct marketing avenues. Additionally, the study highlights the need for policy support in reducing marketing costs and improving access to efficient marketing channels, which can further empower farmers and boost their income. The research contributes valuable knowledge to the discourse on agricultural marketing in India, particularly in the context of high-value crops like marigold, and offers practical implications for both policymakers and practitioners seeking to improve market dynamics and support sustainable agricultural practices. Overall, this study serves as a crucial step toward optimizing marketing strategies that benefit both producers and consumers, ensuring a more equitable distribution of profits across the value chain.

DISCLAIMER (ARTIFICIAL INTELLIGENCE)

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc) and text-to-image generators have been used during writing or editing of this manuscript.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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