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# A Study on Marketing Management of Horticulture Nurseries in Bhadradri-Kothagudem District of Telangana

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## ABSTRACT

The study on marketing mix and constraints of commercial horticultural nursery owners aimed to bring out a strategy for the policy makers and implementing agencies for the development of entrepreneurial ship in the study area. The present study was carried out in Aswaraopeta and Dammampeta of Bhadradri Kothagudem district. The present study revealed that various variables viz., place, products, price and promotions have provided in detail about entrepreneurial behavior of nursery owners. In the marketing mix nursery owners has adopted various strategies such as selection and growing of unique and demanded sapling and marketing at local, national and international level and also maintaining prices at affordable level to the farmers in competitive with kusumanchi nurseries. To study the marketing mix adopted by nursery owners 3 prominent nurseries (vijayalaxmi, Chandra, balaji nurseries) were selected which are very prominent in producing nursery saplings, and strong market base. Among the constraints faced by nursery growers, high electricity charges and high cost of soil and polythene bags were predominant. Further, price fluctuations and lack of subsidies were the major constraints faced by nursery growers. Among the constraints faced by middlemen finding of new customers was the major constraint. The constraints faced by consumers were higher prices of nursery saplings and availability of saplings at specific sites only. Hence, it is concluded that policy makers and implementers need to take up need-based efforts that help in improving the marketing aspects and eliminating the constraints will make huge profits to the nursery owners.

**Key words:** Marketing mix, Constraints, Entrepreneurial behavior, Nursery saplings

India supports 1.27 billion populations (17 per cent of the world population) with only 2.4 per cent land share, at the global level. Agriculture plays a key role in Indian economy. Still about around 55 per cent of the population is depended on agriculture and its allied activities (Census 2011). Agriculture and its allied sectors like horticulture, sericulture, forestry, dairy and fishery etc., contribute 19.9 per cent to the country's Gross domestic product (Economic survey 2020-2021). Horticulture is an allied sector of agriculture which plays a pivotal role in contributing country's GDP [1]. The Horticulture sector (fruits, vegetables, flowers, spices, plantation crops, Ornamental crops, medicinal and aromatic plants) has become a key driver for economic development in many of the states in the country [2]. Over the years, horticulture has emerged as one of the potential agricultural enterprise in accelerating the growth of economy. Its role in the country's nutritional security, poverty alleviation and employment generation programs are becoming increasingly

important [3]. It offers not only a wide range of options to the farmers for crop diversification, but also provides ample scope for sustaining large number of Agro-industries which generate huge employment opportunities.

Considering the importance, changes in food consumption pattern, profitability in horticultural crops and green coverage, Government of India and different state governments have been giving more emphasis towards promotion of horticultural crops, consisting of vegetable crops, fruit crops, plantation crops, flower crops and ornamental crops [4]. Hence, in many states including Telangana, nurseries are established in a big way to support horticulture crops. Within the Telangana state, majority of the nurseries are established in Bhadradri Kothagudem district.

## MATERIALS AND METHODS

The present study was confined to Aswaraopeta and Dammampeta Mandals of Bhadradri Kothagudem district. The study was carried out during the year 2019-2020. The two mandals viz., Aswaraopeta and Dammampeta consist of a significant number of horticulture nurseries in the district. Aswaraopeta is one of the largest producers of nursery plant saplings in Telangana. Out of thirty villages in Aswaraopeta Mandal, top three village's viz., Naravarigudem,

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Aswaraopeta, Alligudem and out of thirty-one villages in Dammamapeta Mandal three villages viz., Mandalapalli, Dammamapeta and Patvarigudem were selected purposively which were having highest number and area under commercial horticultural nurseries from the study area. Among them 60 nursery owners, 20 middlemen (commission agents, wholesalers and retailers) and 40 customers were selected. Thus, total sampling was 120. The primary data was obtained from nursery growers, the middle men such as wholesalers, traders, retailers, wholesalers and consumers with the help of the well-prepared questionnaires for satisfying the objectives of the study. The secondary data was collected from the government reports, books, magazines, journals, newspapers and internet sources. Information was also gathered from annual reports of National Horticultural Board.

## RESULTS AND DISCUSSION

### Marketing mix adopted by nursery owners in the study area

Four P's of marketing i.e., Place, Product, Price and Promotion are the four pillars on which any business/organization/company formulates their strategies. An

attempt has been made to study each 'P' for the selected nursery units.

**Place:** The nursery products in the study area are generally sold at place of production. There are no exclusive outlets to stock and market them. Chandra nursery plant saplings are sold in Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra and some Northern Parts of India and few export destinations such as Bangladesh, Nepal, and Bhutan. Vijaya Laxmi nursery products are sold in Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra and Gujarat. Balaji nursery products are sold in Telangana, Andhra Pradesh, Karnataka, Tamil Nadu and Maharashtra.

### Products

i) *Vijayalaxmi nursery:* Vijayalaxmi nursery focused on producing mango plant saplings. Vijayalaxmi nursery mainly produces mango plant saplings. Along with mango, guava, apple-ber and custard apple plant saplings are also produced. In the study area it is seen that the products of this nursery has demand in all over South India and Gujarat, Maharashtra and Karnataka states [5].

Table 1 Products of Vijayalaxmi nursery

Product name (Mango varieties)	Age of plant saplings (In years)	Available packing bag size (In cm)	Area of target customers	Annual sales (per year)
Banginapalli variety	3	21×21	Andhra Pradesh and Telangana	50,000
Totapuri variety	2	13×14	Rayalaseema region of A.P.	60,000
Dasheri variety	1	9×11	Telangana region	1,00,000
Alphanso variety	2	13×14	Karnataka region	80,000
Chinna-rasam	3	21×21	Krishna district of A.P.	1,00,000
Peddada-rasam	3	21×21	Krishna district of A.P.	75,000
Neelam	2	13×14	Chittoor district of A.P.	60,000
Cheruku rasam	3	21×21	West Godavari areas of A.P.	50,000

ii) *Balaji clones nursery:* Balaji clones nursery specializes in producing guava plant saplings. Balaji nursery mainly produces guava plant saplings. Along with guava,

apple-ber, custard apple, sri-gandham plant saplings, Red sandal wood plant saplings, teak wood plant saplings are also produced [6].

Table 2 Products details of Balaji clones nursery

Product name (Guava varieties)	Age of plant saplings (In days and height)	Available packing bag size (in cm)	Area of target customers	Annual sales (per year)
Allahabad Safeda	60	5.5×6.5	Telangana and Andhra Pradesh	2,00,000
Taiwan pink variety	60	5.5×6.5	Karnataka and Maharashtra	3,00,000
Plantation saplings	Height of saplings	Available packaging size (in cm)	Area of target customers	Annual sales (per year)
Red sandal wood	3-5 feet	5×6	Rayalaseema region	3,000-4,000
Sri -Gandham	2 feet	5×6	Telangana and Maharashtra	60,000
Teak wood saplings	3 feet	4×5	Telangana region	1,00,000

iii) *Chandra nursery:* Chandra nursery has vast experience in producing coconut and apple ber plant sapling. Along with coconut and apple ber, guava, custard apple,

floriculture plant saplings are also produced. In the study area it is seen that the products of this nursery have demand all over India and Gujarat, Maharashtra, Karnataka [7].

Table 3 Products of Chandra nursery

Product name (Apple Ber)	Age of plant saplings (No. of days)	Available packing bag size (In cm)	Area of target customers	Annual sales (per year)
Kashmiri apple ber	60	5.5×6.5	Telangana & Andhra Pradesh	1,00,000
Green apple ber	60	5.5×6.5	Karnataka & Maharashtra	3,00,000
Product name (Coconut varieties)	Age of sapling	Available packing size (In cm)	Area of target customers	Annual sales (per year)
East coast tall variety	1 year	21×21	Costal districts of Andhra Pradesh	10,000
West coast tall variety	10 months	21×21	Khammam & Telangana Region	50,000
Andaman ordinary	1 year	21×21	Andhra Pradesh	10,000
Ganga bondam	1 year	21×21	Konaseema Region	50,000

### Prices

Price is one of the important and essential variable factors in determining the income for a firm. Nursery unit's main aim is to provide good quality saplings to farmers at value for their money. This helps in achieving good yield of farmer table 4.4 shows prices of different saplings in comparison with Kusumanchi nurseries. To compare the

pricing strategy of these 3 nurseries, Kusumanchi nursery prices (which is located in Khammam district and around 120 KM far away from the study area) is selected for comparison. Both the areas are competitors in nursery market and located within the earnest while Khammam district, which played key role in supplying nursery saplings to horticultural farmers and customers [8].

Table 4 Prices of products in the study area in comparison with Kusumanchi nursery products

Name of the nursery	Products (bag size in cm)	Price of the product at study area	Prices of nursery products at Kusumanchi	Percentage of difference (%)
Vijayalaxmi Nursery (Mango)	Banginipalli variety (21×21)	Rs: 195/-	Rs: 210/-	-7.7%
	Totapuri variety (13×14)	Rs: 120	Rs: 120/-	Nil
	Desheri variety (9×11)	Rs: 80/-	Rs: 100/-	-25%
	Rasalu varieties (China & Pedda)	Rs: 220/-	Rs: 230/-	-4.5%
Balaji clones Nursery (Guava)	Allahabadsafeda (Guava)	Rs: 22/-	Rs:25/-	-13.6%
	Taiwan pink variety (Guava)	Rs:20/-	Rs:25/-	-25%
	Red sandal wood	Rs:20/-	Rs:30/-	-50%
	Sri Gandham	Rs:30/-	Rs:30/-	Nil
Chandra Nursery (Coconut and apple ber)	East coast tall variety	Rs:70/-	Rs:80/-	-12.5%
	West coast tall variety	Rs:60/-	Rs:70/-	-14.3%
	Andaman ordinary	Rs:70/-	Rs:70/-	Nil
	Ganga Bondam	Rs:80/-	Rs:80/-	Nil
	Kashmir apple ber	Rs:65/-	Rs:65/-	Nil
	Green apple ber	Rs:60/-	Rs:70/-	-14.3%

### Promotions

The nursery owners also conduct various promotional programs to promote their products. Mainly they market their products with personnel contacts and word of mouth. It is noticed that the nursery owners conduct exhibitions, tie banners at prominent places, advertise at retailer shops and in newspapers, distribute pamphlets, and conduct training to young entrepreneurs. It is also noticed that Television as the media is used for advertising by few nursery owners [9].

Table 5 Promotional activities of different nursery owners

Promotional activity	Vijayalaxmi nursery	Chandra nursery	Balaji nursery
Personnel contacts	√	√	√
Word of mouth	√	√	√
Field demonstrations	√	√	√
Posters	√	√	√
Hoardings	-	√	√
Banners	√	√	√
Television	-	√	-
Newspapers	√	√	-
Pamphlets	-	√	√

Table 6 Nursery owners' production constraints

Statement	Mean score	Rank
Availability of inputs like seed / planting materials	44.91667	6
Availability of inputs like manures	42.05	7
Availability of inputs like fertilizers	31.71667	8
Water related constraints	21.2	9
Electricity related constraints	76.33333	1
Availability of labor supply	48.2	5
Weather constraints	53.33333	4
Occurrence of pests and diseases	58.68333	3
Availability of soil and bags	67.66667	2

Major constraints faced by nursery owners, middlemen and consumers

*Nursery owner's production constraints:* The production constraints perceived by the owners of nurseries in the study were summarized in (Table 6). It can be observed from the table that high electricity charges was the major constraint which occupied rank 1<sup>st</sup> with an average mean score of (76.33), followed by availability of soil and bags (66.66) ranked 2<sup>nd</sup>, occurrence to pests and diseases (58.68) ranked 3<sup>rd</sup>, and weather constraints (53.33) ranked 4<sup>th</sup>.

*Nursery owners marketing constraints:* The marketing related constraints perceived by the owners of nurseries in the study area were summarized in (Table 7). It revealed that price fluctuations was the major constraint which ranks 1<sup>st</sup> with an average mean score of 66.16 followed by competitor's strength which ranks 2<sup>nd</sup> with average mean score of 61.98 followed by consumers interests ranked 3<sup>rd</sup> with average score of 44.18. Apart from this transportation is the least constraint which ranks 5<sup>th</sup> with an average mean score of 36.88 [10].

Table 7 Nursery owners marketing constraints

Statement	Mean score	Rank
Price fluctuations	66.16667	1
Competitor's strength	61.98333	2
Consumer interests/preferences	44.18333	3
Transportation	36.88333	5
Availability of market channel	38.78333	4

Table 8 Nursery owner's financial constraints (n=multiple)

Statement	Mean score	Rank
Lack of subsidies	65.3	1
Lack of investment/bank loans	56.5	2
Higher interest rates	44.91667	3
Workers Wage rates	31.28333	4

*Nursery owner's financial constraints:* The financial constraints perceived by the owners of nurseries in the study are summarized in (Table 8). From the table it can be observed that lack of subsidies was the major constraint which ranks 1<sup>st</sup>

with an average mean score of 65.3 followed by lack of investment/bank loans which ranks 2<sup>nd</sup> with average mean score of 56.5. Followed by higher interest rates which ranks 3<sup>rd</sup> with an average mean score of 44.9. Apart from this wage rates are the least constraint which ranks 4<sup>th</sup> with an average score of 31.2 [11].

**Nursery owners' middle men constraints:** The constraints faced by nursery middlemen in the study area are summarized in (Table 9). It can be observed from the table that finding the new customer were the major constraint which ranks 1<sup>st</sup> with an average mean score of 80.00, followed by changes in consumer prices which ranks 2<sup>nd</sup> with an average mean score of 66.65, followed by fluctuation in market prices which ranks 3<sup>rd</sup> with an average mean score of 62.15.

Table 9 Middle men constraints (n=multiple)

Statement	Mean score	Rank
Finding the new customer	80	1
Availability of different saplings according to consumer interests	59.2	4
Transportation cost	39.1	8
Competition in market	51.75	5
Less demand	40.4	7
Labor supply	34.95	9
More wage rates	42.3	6
Change in consumer preferences	66.65	2
Fluctuation in prices	62.15	3

Table 10 Consumer constraints (n=multiple)

Statement	Mean score	Rank
Consumer interested varieties	47.875	4
High price	71	1
Located in particular area	58.5	2
Lack of quality	32.575	6
Lack of germination percentage	50.575	3
Seasonal supply	37.475	5

**Consumer constraints:** The constraints faced by the consumers in the study area were summarized in (Table 10). It can be observed from the table that high prices was the major constraint which ranks 1<sup>st</sup> with an average mean score of 71.00, followed by located in particular area ranks 2<sup>nd</sup> with an average mean score of 58.5. Followed by lack of germination percentage which ranks 3<sup>rd</sup> with an average mean score of 50.5 [12].

## CONCLUSION

Three nurseries were selected (Vijayalaxmi, Balaji, and Chandra nurseries) to study marketing mix as a part of their marketing strategy. Products of these nurseries in the study area were selling at different places of state, national and international markets. The pricing strategies of 3 nurseries (Vijayalaxmi, Balaji, and Chandra nurseries) in the study area were compared with Kusumanchi nursery sapling prices (which are located in Khammam district and around 120 KM far away from the study area). Among the constraints faced by nursery growers, high electricity charges (ranked 1<sup>st</sup>) and high cost of soil and polythene bags (ranked 2<sup>nd</sup>) were predominant. Further, price fluctuations (ranked 1<sup>st</sup>) and lack of subsidies (ranked 2<sup>nd</sup>) were the major financial constraints faced by nursery growers. Among the constraints faced by middle men finding new customer's (ranked 1<sup>st</sup>) was the major constraint. The constraints faced by consumers were high prices (ranked 1<sup>st</sup>) of nursery saplings and availability of saplings at specific sites only (ranked 2<sup>nd</sup>). From the study it has been suggested that more training can be organized for nursery owners to improve marketing and business skills. Government can consider nursery growers as part of farmer's community and can extend free power supply to all the nursery growers. Government can establish nursery board to promote interstate and inter boarder marketing. Government and universities can strengthen research and development to promote new varieties, new nursery equipment and instruments. It is suggested to establish an FPO to make their production and marketing activities more efficiently.

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