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Role of Market-Led Extension in Indian Agriculture

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Abstract

Since the previous 50 years, Indian agriculture has achieved enormous strides, becoming self-sufficient in the production of food grains. Even though production has greatly grown, monetary incentives to entice farmers have not been successful. It also entails strengthening the ability of the agricultural sector to boost productivity and profit maximization through the emerging trend of extension service. According to the WTO, in order to reap the best returns on their investments, farmers at all levels must transition from production and selling on the home market to producer and seller on the larger market scene. The paradigm shift of current agricultural situations, which calls for the sector's transformation into a profit-oriented enterprise, makes the need for market-led imperative. However, the Market-led extension help the farmers to improve the quality of farm produce, increase the product value and marketability resulting in increasing of income to the farmers.

Introduction

Indian agriculture has made tremendous progress since the last half century, hence attaining the status of self-sufficiency in food grain production. Indian agriculture made a rapid progress augmenting the annual food grain production from 51 million tonnes in the early 1950's to 235 million tonnes in 2009-2010 and steered the country to a status of self-sufficiency (Kumar *et al.*, 2012). Though the production has been increased significantly, yet it has failed to attract the farmers with remunerative incentives. With the globalization of commodity market, farmers have to transform themselves into producer cum seller to realize the optimum returns from the investments. Most of the production related technologies are being provided to the farmers by extension delivery mechanism. In present scenario it is the utmost need to change the focus of extension delivery mechanism from production oriented to market oriented to increase the farmers' income. Market-led extension help the farmers to improve the quality of farm produce, increase the product value and marketability resulting in increasing of income to the farmers.

The market-led extension system will take care of both the production and selling of their output, unlike the agricultural extension system, which has so far focused on production technologies. With the aid of technology, market-led extension uses a combination of agriculture, economics, and extension to effectively reach the farming community. A farmer who is an effective manager should be able to earn from farming just as much as from any other business. Most farmers should be focused on making money. Crops should be grown only to earn profit, not just some profit but as much profit as feasible. To gain a return on their investment, risks, and efforts, farmers

must change from being merely producers-sellers on the domestic market to producers-cum-sellers on the global market. The function of market intelligence is crucial for the effective and efficient operation of the marketing system. Everyone who is involved in product manufacturing, purchase, and sale is constantly in need of market intelligence. The role of extension in bringing about the turn around and making the country self-sufficient cannot be denied. The production has increased dramatically but could not translate into better remuneration to the farmers. Agriculture marketing has gained momentum in view of the substantial increase in production level as well as opening of the economy with GATT/WTO agreement (Krishna *et al.*, 2019).

The government needs market data to develop policies that would promote efficient corporate operations. Farmers and other marketing professionals could benefit in the desired way from market-led extension. In the changing setting of the agricultural scenario, market-oriented production and improving farmers' understanding of the market, market analysis, and market intelligence are extremely important. In order to help the farming community, this study aims to take a peek at the developments in the marketing system and ideas for market-led extension. Market-led extension establishes its position by helping the farmers realize high returns for the produce, minimize the production costs, and improve the product value and marketability (Nafees and Slathia, 2011).

Objectives

1. To identify possible areas of intervention of extension in agricultural marketing.
2. To build up and use effective extension methodologies for providing need-based support to farming community in marketing of their produce.
3. The present linkage among Research-Extension-Farmers is extended by market linkage.
4. To identify and communicate innovation for value addition practices and post-harvest technologies.
5. To develop network and action plans for extension to support marketing of the product at different level.
6. To strengthen of commercial ties with farmers as to obtained the sustainability in agriculture.

Concept of Market-Led Extension

Farmers need to have access to accurate, current information in the ever-changing world of agriculture, from production technology to market-focused knowledge (Figure 1), such as what to produce? When should we produce? How much should we produce? How and where should we sell? At what cost? How should we market his produce? Market-led extension basically views farmers as agri-entrepreneurs and gives them the tools they need to earn high

returns (money to money) from their entire farming operation. Additionally, this provides farmers with a variety of practice packages that are appropriate for regional circumstances or farming systems (Roy, 2020).



Figure 1: Flow Chart of Market Led Extension

Required Information to Extension System and Farmers

Extension education needed to be focused on marketing aspect, particularly on to produce more quantitative and qualitative products for export-oriented standard from existing available resources to create the new avenue of income generation (Singh *et al.*, 2004). For MLE to succeed, the necessary data must be provided to the farmers and the extension systems. The list is really long. Thus, we are unable to create the ideal approach until we get this information. Consequently, which include things like the market price of the crops - this is what we just said - as well as their availability, their use, and credit facilities. Therefore, the extension mechanism has to gather a lot of data. The challenge then is to place this information in the right direction so that we can develop a marketing strategy after it has been gathered. The specific information needed by farmers and the extension system is:

- (a) Present scenario and land use pattern.
- (b) Suitability of land to crops/ enterprises.
- (c) Crops in demand in near future.
- (d) Market prices of crops.
- (e) Availability of inputs.
- (f) Usage of inputs.
- (g) Credit facilities.
- (h) Price differences in various markets.
- (i) Network of storage and warehouse facilities transport facilities.

- (j) Regular update of market intelligence.
- (k) Food safety and quality standard.
- (l) Certification.
- (m) Production technologies, including new varieties, organic farming, bio-pesticides and fertilizers, IPM, INM, and harvesting techniques, etc.
- (n) Processing, grading, adding value, packaging, storing, certification, etc. are all examples of post-harvest management.
- (o) Contract farming.
- (p) Private modern terminal markets.
- (q) Food retail chains.
- (r) WTO regulations.

Role of Extension Personals in Light of Market-led Extension

- (a) SWOT analysis of the market to educate farmers on how to plan their marketing and production strategies.
- (b) The formation of Farmers' Interest Groups (FIGs) based on commodities and the development of their capacities.
- (c) Improving farmers' interactivity and communication skills so they may share their opinions with consumers and other market forces (middlemen) to acquire feedback and leverage during direct marketing negotiations.
- (d) Creating connections in marketing and agro-processing between farmer organizations, marketplaces, and private processors.
- (e) Suggestions for product planning: Instead of using numerous established channels where middlemen are reaping the rewards of the farmer's labours, as we saw at the beginning of this topic, the farmer should choose direct marketing. That the channels for marketing or the persons participating in the market receive more than 75% of the price that the consumer pays. The farmer should therefore focus on this 75% with a direct marketing strategy.
- (f) Farmers need to be made aware of the advantages of direct marketing.
- (g) Regular internet usage can provide them with the relevant information that they require.
- (h) Regularly gathering thorough market intelligence on many market-related topics.
- (i) Creation of video clips showing the farming successes of local farmers.

Problems

The problems in this market led extension include:

- 1. Production related:** Production factors include seasonality, perishability and bulkiness.

2. Market related: Market related factors include the absence of market intelligence, the presence of numerous middlemen and produce of inferior grade.

3. Extension related: Extension-related issues, including those involving inadequate market knowledge, a lack of credibility, communication skills, and more.

Challenges

There are certain challenges the market led extension is facing:

- (a) Prior to giving them marketing extension roles, the task is to encourage the extension staff to acquire new marketing knowledge and skills in order to establish their reputation and enable sizable earnings for the farming community.
- (b) Farmers who use information technology successfully sporadically get their story published. The gathering of up-to-date data and development of pertinent websites pertaining to/ serving the interests of farmers requires a vast network of experienced employees.
- (c) The creation of market intelligence data would be a laborious undertaking in and of itself. It is urgently necessary to enhance the fundamental facilities, release the extension cadres from the confines of hygiene concerns, and inspire them to pursue motivational reasons like success, job happiness, recognition, etc.
- (d) The extension system may be reorganized, and the extra director extension post may be renamed additional director extension and marketing and given responsibility for both the extension and marketing.

Paradigm Shift from Production-Led Extension to Market Led Extension

Let's examine the paradigm transition from production-led to market-led extension and pinpoint the contrasts that are clearly presented in table 1. If you consider the production-led extension's goal, it emphasizes the transfer of technologies. Traditionally, these operations have been carried out by extension agencies. However, in the case of market-led extension, the emphasis or main goal is maximizing returns. Whatever technology you use should provide you with the best returns; it is not the transfer of technology. In order to be successful in the liberalized market scenario, the focus needs to be shifted from 'supply driven' to market driven' and farmers should produce according to the market needs and earn high returns (Roy, 2020).

Strategies for Promoting Farmers'-Led Extension

Extension professionals must play a critical role in the dissemination of the most recent market information to the farming community in order to help farmers achieve

Table 1: Paradigm Shift from Production-led Extension to Market Led Extension

Aspects	Production-led extension	Market-led extension
1. Purpose/objective	Transfer of technologies	Optimum returns
2. Expected end results	Adoption of package of practices	High returns
3. Farmers seen as	Progressive farmers	Entrepreneur: "Agripreneur"
4. Focus	"Seed to seed"	"Rupee to Rupee"
5. Technology	Fixed package for an agro-climatic zone	Baskets of package of practices to different farming systems
6. Extensionists' interactions	Training / Motivation	Joint analysis of the problems
7. Linkages/ liaison	Research-Extension-Farmer	Research-Extension-Market -Farmer
8. 'Extensionists' role	Delivery mode and feedback to research system	Establishment of marketing and agro processing linkages

maximum returns on their investments in the ever-changing agricultural setting. Farmers and other marketing professionals could benefit in the desired way from market-led extension. In terms of produce, we need to determine what the market needs now and in the future. One of the key responsibilities of the government's agricultural extension machinery will have to be the creation of a strategic plan for market-led extension at the district, block, and village levels. The strategy plan will need to be prepared by a multidisciplinary team of specialists from the local agricultural university, KVK, NGOs, state agricultural ministries, and input agency. Below are few recommendations:

- (a) Supporting farmer-led extension through promoting farmer interest groups, women's interest groups, and commodity interest groups.
- (b) Increasing these organized groups' capacity for cutting-edge agricultural production technology.
- (c) The Farmers-Scientists Forum (MPKV) model needs to be duplicated on a larger scale. In their social structure, these member farmers will act as para-extension agents.
- (d) Promotion of farmer's participatory research and extension programmes for location specific technology development, refinement and dissemination.
- (e) Farmer groups should have access to market information and market intelligence using information and communication technology (ICT).

Conclusion

The market-led extension system establishes its position by assisting farmers in receiving high returns for their produce, lowering production costs, and enhancing the

value and marketability of their products. Utilizing information technology, electronic media, and print media will help spread production and market information. Due to the development of production methods, Indian farmers have transitioned from subsistence to self-sufficiency. They must change their emphasis from being "supply driven" to being "market driven" in order to produce in accordance with the needs of the market and generate great returns.

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