

Marketing cost, marketing loss and marketing efficiency of green chilli in different supply chains

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ABSTRACT : The study was conducted during November 2011 to March 2012 in Allahabad district, India to assess net profit of producer, marketing cost, marketing loss, marketing margin, marketing efficiency, producer share in consumer price and consumer purchase price in four different marketing supply chains of green chilli (SC₁: Producer – Consumer, SC₂: Producer – Retailer – Consumer, SC₃: Producer – Commission agent – Retailer – Consumer, SC₄: Producer – Commission agent – Wholesaler – Retailer – Consumer). The gross marketing price, net marketing price and net profit of producer were significantly higher in marketing supply chain SC₁, followed by SC₂, SC₃ and SC₄. The consumer purchase price was significantly minimum in marketing supply chain SC₁ for green chilli. The total marketing cost, total marketing loss and total net marketing margin of intermediaries was significantly higher in supply chain SC₄, followed by SC₃, SC₂ and SC₁. The commission paid by producer and wholesaler / retailer to commission agent was the most dominant factor which influenced marketing cost of green chilli. The marketing efficiency estimated by three methods and producer share in consumer price was significantly higher for marketing supply chain SC₁, followed by SC₂, SC₃ and SC₄. The overall results revealed that the net profit of the producer, marketing efficiency and producer share in consumer price decreased significantly with the increase in number of intermediaries in marketing supply chains, whereas marketing cost and marketing loss increased significantly with the increase in number of intermediaries in marketing supply chains. In order to provide higher net profit to producer and competitive price to consumer for green chilli, it is important to introduce single window marketing system as well as provide better facilities for storage, transportation and marketing of green chilli.

Key Words: Green chilli, supply chain, marketing efficiency, producer share in consumer price.