

MARKET-LED EXTENSION

With globalization of the market, farmers need to transform themselves from mere producers-sellers in the domestic market to producers cum sellers in a wider market sense to best realize the returns on their investments, risks and efforts.

NEED

- Conversion of P-L-E into M-L-E
- Orientation of extension system with knowledge and skills related to the market.
- Minimization of production cost.
- Introduction of export oriented product.
- Modernization of wholesale markets or new markets with new Agricultural policy.

Objective

1. Conversion of agricultural sector into profit oriented business
2. Strengthening R-E-F linkages – between various department at various levels.
3. Strengthening market linkages to farmers – IT application in Agricultural marketing.
4. Wider use of electronic mass media for Agricultural Extension.

Agri-Markets in India

- **6261 Wholesale Markets** in India (majority are regulated markets)
- **20870 Rural Primary Markets** (about 15% are regulated markets)

Total – 27131

Problems

1. Production related

- ✓ Seasonality of production: Supply not uniform throughout the year.
- ✓ Perishability of produce: Problem of storage.
- ✓ Bulkiness of production: Transportation problem.

2. Market related

- ✓ Non – availability of MI: Lack of information about the market.
- ✓ Existence of many middleman
- ✓ Inferior quality of produce.

3. Extension related

- ✓ Lack of communication skills.
- ✓ Lack of credibility.
- ✓ Insufficient information related with market and many more....

Paradigm Shift from Production-led Extension to Market Led Extension

Aspects	Production-led extension	Market-led extension
Purpose/objective	Transfer of production technologies	Enabling farmers to get optimum returns out of the enterprise
Expected end results	Delivery of messages Adoption of package of practices by most of the farmers	High returns
Farmers seen as	Progressive farmer High producer	Farmer as an entrepreneur “Agripreneur”
Focus	Production / yields”Seed to seed”	Whole process as an enterprise / High Returns ”Rupee to Rupee”
Technology	Fixed package recommended for an agro-climatic zone covering very huge area irrespective of different farming situations	Diverse baskets of package of practices suitable to local situations/ farming systems

Continued...

Extensionists' interactions	Messages Training \ Motivating Recommendations	Joint analysis of the issues Varied choices for adoption Consultancy
Linkages/ liaison	Research-Extension-Farmer	Research-Extension-Farmer extended by market linkages
Extensionists' role	Limited to delivery mode and feedback to research system	Establishment of marketing and agro processing linkages between farmer groups, markets and processors
Maintenance of Records	Not much importance as the focus was on production	Very important as agriculture viewed as an enterprise to understand the cost benefit ratio and the profits generated
Information Technology support	Emphasis on production technologies	MI including likely price trends, demand position, current prices, market practices, communication net work,

Challenges

1. Rapid changes in the information tech and need for collection of relevant information.
2. Generation of data on Market intelligence – interlinking of marketing and Agricultural line departments.
3. Reorganization of extension system –
4. Strong communication skills with credibility

Conclusion

The focus of the extension functionaries need to be extended beyond production. Farmers should be sensitized on various aspects on quality, consumer's preference, market intelligence, processing and value addition and other marketing information. This will help the farming community to realize high returns for the produce, minimize the production costs, and improve the product value and marketability.