

Price-Spread And Marketing Efficiency of Khowa in Allahabad District of East Uttar Pradesh

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Abstract

The present research study has attempted to find out Marketing Expenses, Price-Spread and Marketing Efficiency of selling Khowa in main marketing channels prevalent in Allahabad District of Eastern Uttar Pradesh. The study reveals that khowa marketing by larger producers was more expensive in comparison of smaller khowa producers in case of selling khowa to traders. The study also reveals that selling khowa to retailers was also expensive in case of larger producers of Khowa in the area under study. This study also clarifies that marketing expenses in case of khowa being sold directly to consumers was quite negligible in the area under the study. The producer's share in consumer's rupees was highest (100%) in channel-I (producers consumers). Thus, khowa marketing through channel-I was most efficient among the prevalent khowa marketing channels. The extent of market margin was also highest (Rs. 58 per Kg.) in channel-I. Thus, channel-I was most efficient channel of marketing Khowa. Therefore, the marketing infrastructure for khowa producers must be developed properly to keep khowa producers in further production of more khowa and sell directly to the consumers.

Key Words:

Price-Spread, Marketing Efficiency, Khowa, Allahabad District

Introduction

As per World Focus, Indian dairying is emerging as a surprise industry. India represents one of the World's largest and fastest growing markets for milk and milk products due to the increasing disposable incomes among the 250 million strong middle class. The imports of milk products have reduced over the years while the exports have increased. This has made the amount of net imports, i.e. imports minus export in some of the recent years as negative. However, the net imports of equivalent milk have been very small in relation to the total domestic milk production. The net imports that were around one percent of the domestic milk production during the early nineties gradually reduced to less than 0.1 percent during 1990-91 to 1997-98. That is, the domestic consumption of milk has remained more or less equal to the domestic production of milk till now. (Indian Dairyman, Dec. 2000)

The upsurge in milk production has thrown up unprecedented challenge in the marketing of milk and milk products. The country is blessed with an enormous domestic market which is attracting multinationals to India. The three groups of dairy products offering exciting marketing opportunities are (1) Liquid milk (2) Cheese khowa, Paneer and milk based sweets and (3) Milk powder, Ghee and Butter. About 35 percent of the milk produced is consumed in urban areas, of this cooperatives supply 20%, private dairies 2%, Govt. managed dairies 2% and the significant share by private traders. According to P.C.D.F. (Pradeshik Cooperative Dairy Federation) Uttar Pradesh, Lucknow, U.P. Allahabad. D.U.S.S. (Dugdha Utpadak Sahakari Sangh) unit acquired a significant place in Eastern U.P. in respect of sales of milk and milk products. In the area under study particularly the producers of milk and khowa who use to sell the same are either marginal and small farmers or landless poors and as such they really need profitable price for their produce to continue further in the