

## Digitalization in Agriculture Marketing

Aasha Anwar<sup>1</sup>, Megha Bose<sup>1</sup> and Mohit Sharma<sup>2</sup>

<sup>1</sup>MBA Student and <sup>2</sup>Assistant Professor, School of Agribusiness and Rural Management, RPCAU, Bihar

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### Abstract

Digital technology is a new factor in economic growth, and the majority of companies are effectively utilising it to benefit their clients. The adoption of digital technology by the agricultural industry to enhance consumer value is not at far behind. Digital technology is a new factor in economic growth, and the majority of companies are effectively utilising it to benefit their clients. Adoption and use of digital marketing empowers farmers for efficient supply chain. It provides better price realization to the farmers. Conventionally, in order to trade, farmers stock up the produce and travel to the nearest mandi from the villages, which can be sometimes be miles away. The things changed in this modern era everything is now digitalized, digital platform provides smooth marketing of the produce at pan-India level. It makes it possible to monitor and evaluate marketing initiatives. It facilitates the development of a relationship with the clients. The use of digital marketing tools enables consumers to keep informed about goods or services. Although there is certain hidden lacuna behind the digital marketing- as agribusiness is all about quality of commodities so images can be deceptive sometimes. In addition to it packaging and transportation of products is a little bit challenge to the farmers as all the arrangements for the logistic is to be done by farmer. It is a barrier that reduces the effectiveness of marketing. This study shows the opportunity and challenges of digital marketing faced by the farmers as the world is moving towards becoming totally digital.

### Introduction

Agriculture with its allied sector is the major backbone of the country's economy. It is the largest source of livelihood to vast population of the nation. Contribution of agriculture in GDP is about 19.9% in the year 2020-21 (raised from 17.7% in 2019-20) and provides employment to around 58% of the population. By 2025, Inc42 projects that the Indian agricultural sector would grow to a value of US\$24 billion. The sixth-largest food and

grocery market in the world is in India, where 70% of sales are made through retail. The second advance estimates predict that India would produce 316.06 MT of food grains in FY 2021–22.

Agricultural marketing is a decision-making process that includes pre- and post-harvest operations, assembly, grading, storage, transportation, and distribution. It begins with a decision to produce a marketable farm product and involves all institutional and financial aspects of market structure or system. To promote growth, employment, remunerative prices, and economic success in rural areas of the nation, the agriculture industry needs well-organized and effective markets, ideally close to farmers.

It was also necessary to put in place enabling mechanisms to purchase agricultural products directly from farmers' fields and to create a strong connection between the farming, retail, and food processing sectors.

In the modern era everything is changing into electronic world. Digital technology is expected to become a new factor in economic growth, and the majority of sectors successfully employ technology to add value to customers. Agriculture is nevertheless lagging behind; it is also incorporated with digital world.

### **Digital Marketing**

The promotion of diverse agricultural products through electronic media is known as digital marketing. Digital marketing has become a crucial part of all forms of communication and is crucial to the success of agriculture. The best fresh products are offered to clients and farmers through digital marketing at the best costs. By addressing their needs and wants, it also improves the bonds between farmers and their customers.

### **Government Interventions**

#### **E-NAM**

A national market for agricultural commodities is created by connecting the current APMC mandis through the pan-Indian electronic trading portal known as the National Agriculture Market (eNAM). By streamlining processes across integrated marketplaces, eliminating information asymmetry between buyers and sellers, and promoting real-time price discovery based on actual demand and supply, it promotes uniformity in farm marketing.

#### **AGMARKNET**



The Directorate of Marketing and Inspection (DMI) is funding the establishment of a national information network for the quick collection and dissemination of pricing, commodity, sales, arrival information, and contract farming. By order of the Union Ministry of Agriculture, it began in March 2000. It connects over 7000 wholesale markets for agricultural products in India.

### **UZHUVAN APP**

In an effort to help farmers using technology, the Tamilnadu government released a multilingual (Tamil and English) smartphone application. It provides farmers with 12 essential agricultural services, such as real-time crop pricing information and marketing connections.

### **Start-ups**

#### **E-CHOUPAL**

Started in the year 2000 by ITC company. It connects rural farmers with buyers online by procuring their agriculture and aquaculture products that including coffee, soyabean, prawns etc.

In rural areas, ITC will offer computers and internet connectivity so that farmers may directly negotiate price and sale. Farmers can order agricultural inputs and receive information on mandi prices, good farming methods, weather forecasts, and more.

#### **DEHAAT**

It is one of the Agri Tech sector's fastest-growing startups and one of the few businesses offering comprehensive services and solutions to India's farming community. On a single platform, it also links farmers with suppliers and buyers. Farmers can purchase all agricultural goods and services on an online marketplace.

### **Discussion**

Digital marketing is crucial for smallholder farmers who sell their products directly to consumers. By cutting out the middleman's commission and offering the customer a large selection of fresh goods, it will help them raise revenues. For instance, the e-NAM site allows farmers to sell their products to a Pan -India market that was created by combining all of the APMC Mandis that were previously in existence.

Reaching a worldwide market and discovering new markets are made possible by digital marketing. It costs less than conventional marketing strategies. It makes it possible to



monitor and evaluate marketing initiatives. It facilitates the development of a relationship with the clients, which in turn fosters client loyalty. The use of digital marketing tools enables consumers to keep informed about goods or services. Customers can participate in the many operations of the business through digital marketing. Customers can browse the company's website, read information about the goods or services, make online purchases, and provide comments. Consumers can obtain detailed information about the goods or services through digital marketing.

The farmers can get market information through the digital and internet-based applications on their Android phones, which can reduce market distortions, logistics and transportation losses, and product waste and damage. The small-holding rural youth are encouraged to continue in agriculture because of the intervention of digitalization in the agriculture market, which has increased their income.

In digital marketing, as farmers sell their products directly to consumers, they are responsible for packing and transportation costs. Contrarily, there is room for improvement in digital marketing. The majority of Indian farmers are illiterate and lack technological knowledge. This may be a barrier that reduces the effectiveness of marketing. One cannot completely rely on e-marketing because many buyers still prefer to buy things offline. Therefore, it is vital to rely on offline markets in some capacity.

### **Conclusion**

Digital marketing is evolving marketing strategies in today's era. The potential for digital marketing in agriculture is still expanding, and it can still be improved. Farmers, traders, FPOs, and consumers are the main participants in the agricultural digital market. Farmers have the chance to learn more about the market and sell their products either directly to consumers or to traders who would pay them a fair price. A wide range of producers and clients are available to traders, allowing them to buy and sell produce from them. Digitalization can boost the value of the FPO brand and open up new business prospects. Customers will have the option of making affordable direct purchases from the farmers.

Within five to ten years, farm marketing in India could be fully digitalized. Farmers in our nation must gradually catch up with markets around the world. More NGOs need to be step up to encourage communication between farmers and Agro entrepreneurs in order to expand digitalization in agriculture marketing. The technique must be understood by all



farmers, so there will be more income realization. So that the agricultural industry and related industries would draw in more people.

Government intervention is necessary to encourage digitization in agricultural marketing. Government should come up with some new projects and involve NGO's and Private partners and take some initiative to train farmer regarding the operations of digital marketing and how it will be beneficial to the them and other stakeholders. This has the potential to advance India and compete in new evolving world.

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