

# PERFORMANCE MEASUREMENT OF MARKETING OF FOREST PRODUCE IN CHHATTISGARH STATE

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**Abstract-** Chhattisgarh is today the major contributor of raw Lac followed by Jharkhand. Lac cultivation is one of the important secondary sources of income for villagers and this is particularly more in the tribal districts. The important Lac producing areas in the state are Kanker, Korba, Rajnandgaon and Bilaspur. Most of the tribal population who live in or around forests was traditionally practicing Lac culture. Of late due to displacement of tribal population from forests has led to reduction in production. However those who own trees that are suitable for Lac still take up cultivation of Lac. Vagaries of weather especially change in temperature and heavy hailstorms during critical stages of insect life cycle effects the crop badly. This climatic uncertainty acts as a major deterrent for poor farmers to invest in this enterprise.

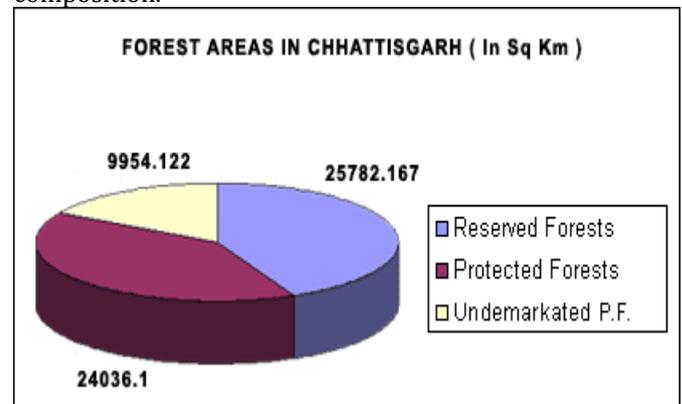
In Chhattisgarh, the processing centers are near to the places where the production happens. For instance the productions in Kanker and Bastar normally arrive at the processing centers of Dhamtari. Most of the processing centers are primarily involved with the first level of conversion i.e. Stick Lac to Seed Lac. There are however, a very few plants doing the industrial processing of Bleached Lac, Decolorized and dewaxed shellacs and Aleuritic acid. The table below lists major production centers in Chhattisgarh.

Key Words: Forest Produce, tribal villages marketing and services, Performance Measurement, geographical area .

## 1 INTRODUCTION

According to the traditional concept, marketing means selling goods and services that have been produced. Thus, all those activities which are concerned with persuasion and sale of goods and services are called marketing. This concept of marketing emphasizes on promotion and sale of goods and services and little attention is paid to consumer satisfaction. The modern concept of marketing considers the consumers' wants and needs as the guiding spirit and focuses on the delivery of such goods and services that can satisfy those needs most effectively. Thus, marketing starts with identifying consumer needs then plan the production of goods and services accordingly to provide him the maximum satisfaction. In other words, the products and services are planned according to the needs of the customers rather than according to the availability of materials and machinery. Not only is that, all activities (manufacturing, research and development, quality control, distribution, selling etc.) directed to satisfy the consumers.

Chhattisgarh having 44 percent geographical area under forest is very rich in biodiversity because of favorable agro-climatic conditions like good rainfall and comparatively less biotic interference. State has dense forest cover with all the three canopies in the forest area. The forest ecosystems can be broadly classified into following three types depending upon species composition.



Non wood forest produce is the produce from various forest species such as fruits, seeds, leaves, barks, roots, flowers and grasses etc. including entire plants of medicinal herbs/shrubs. Chhattisgarh forest ecosystems are very rich in these Non wood forest products. Chhattisgarh State Minor Forest Produce (Trading & Development) Co-Operative Federation Ltd. Raipur is the organization created with an objective to promote trade and development of minor forest produce in the interest of MFP collectors, mostly tribal's. [Baker, R. P., and Howell, A. C.(1938). The preparation of reports, New York: Ronald Press].

## 2. RELATED WORK

The focus of the study was to identify impact of the livelihood of the tribal families. Assessment of Lac cultivation and its impact was focus area of the study. Keeping these objectives in mind the population for the study was collecting tribal villages in the project area. For selection of sample villages, stratified sampling method was used.

## 2.1 SELECTION OF VILLAGES.

As the focus of the study was analysis of Lac and the villages with maximum potential for Lac were considered for sampling. To assess the potential of successful intervention by following factors were considered Number of host trees in a village. Data from forest department was obtained for the same to identify villages with maximum number of host trees. [Anderson, TW. (1958). An introduction to multivariate analysis, new York: John wiley & sons].

Existing activity on Lac cultivation in the village: This was another factor which was used to identify sample villages. Feedback from forest department, discussions with beat guards, local people and field officers was used to identify such villages. Motivation and willingness of people in the villages: Qualitative judgment on motivation was taken after discussions with field officers, Jankars, beat guards and interaction with few local people and heads [Chaturvedi, J. C. (1953). Mathematical statistics, Agra: Nok Jhonk Karyalaya.].



The above selection process helped in identifying five sample villages viz. Kusumpani, Navdabri, Thana bodi, Hatka Charama and Ranidongri. Snowball sampling was used to identify persons who were to be interviewed in the identified sample villages. Snowball sampling relies on referrals from initial sample to subsequent samples. The key question of referral was availability of host trees or being active in Lac cultivation. To cover the population more effectively, different small chain of referrals was started in project villages and It was taken care that representatives across the economic classes are there in the sample. [ Koul, Lokesh (2003). Manual for project work, New Delhi: school of education, ignou]

## 2.2 PRIMARY RESEARCH

This phase consisted of exploratory study with the objective to obtain field information from the people actually involved in the cultivation, processing and trading of Lac. Various discussions were help with the people, directly or indirectly involved in Lac cultivation. 116 families were surveyed from five identified villages. [Chhabra, T. N. (2010). Marketing Management, New Delhi: Dhanpat Rai & Co. (pvt.) Ltd.]

## 2.3 INSTRUMENTATION

A detailed questionnaire was designed which covered all the aspects of impact of NTFPs in the villages and special focus on Lac cultivation was designed. As the survey data will be used to propose strategies and interventions which GVT should make, the data about cash flows, education, busiest months etc was also captured. Focused group discussion was another method used to identify key challenges faced by farmers in Lac cultivation and their view on possible solutions. FGDs were conducted post training in the four villages Detailed interview with questionnaires and informal interaction were other tools which were used to collect data.

## 2.4 SECONDARY RESEARCH

Secondary research was conducted by collecting information through web, government offices, mandi and research institutions. This helped in building theoretical knowledge base on specially Lac, Kosa and Mahua. Further the data obtained from government offices and forest department indicated the concentration zone of trees from which are collected. This helped in identifying resource potential.

## 2.5 VALIDITY AND RELIABILITY

Inferences from the survey were compared with data from various sources was compared to assess the validity and reliability. For example, Survey indicated almost negligible cultivation of Kosa in the project villages. This was cross checked with cocoon bank which purchases Kosa cocoons in the district. Similarly forest department data showed the potential villages for Lac cultivation, which was cross checked with GVT field officers and primary survey respondents. Data on Economics of Lac production was again validated from multiple sources and experts.[ Gandhi, J. C. (1985). Marketing: a managerial introduction, New Delhi: Tata mcgraw – hill publishing co. ltd.]

## 2.5 POOR TRAINING INFRASTRUCTURE FOR LAC

87% of the respondents cited the problem of Lac of training in cultivating Lac through modern methods. There was also lack of trainer in the project area. Those who received training were not able to propagate it further in

the village. Also lack of monitoring and feedback resulted in poor production in the next cycle as well. [Kotler, Philip, and Gary Armstrong(1996), Principal of marketing, New Delhi: Prentice hall of india]

**2.6 SOURCE OF BROOD LAC.**

76% people didn't have access to Lac seeds due to previous crop failure. The untimely distribution from forest department also resulted in ineffective seeds. Only 13% people were aware of source of seeds other than self crop or from nearby farmers. [Mintzberg, Henry, (1979). The structuring of organisations, Englewood cliffs, N. J., prentice-hall, inc.]

**2.7 WEATHER CHALLENGES:**

Lac production becomes very difficult once the temperature in month of summer crosses 42°C. Also the production fails in excessive rain when the crop gets washed away in Lac of sunlight. A crop failure in one cycle leads to another major problem of source of seeds for the next cycle and the problems turns into a vicious cycle. [Mintzberg, Henry, (1979). The structuring of organisations, Englewood cliffs, N. J., prentice-hall, inc.]

**2.8 Problem of Stealing of crop:** farmers face lot of problem protecting its crop from being stolen. Many times this happens during night time when there is no one to protect the crop

**2.9 MARKET LINKAGES**

Price of Lac fluctuates a lot in every season and across seasons as well. The kusumi Lac price in present season was more than 3 times the price of Lac in last season. The prime reason is demand supply gap also the ability of the farmer to negotiate with the level of production he has.

**2.10 Synergy with existing efforts and long term vision:** Support from existing projects running in the project area, support from other stakeholders (forest office) willing to promote Lac, available resources. Considering the challenges listed above the following strategies are recommended. [Wheelen, Thomas L., & J. David Hunger, (1983). Strategic management and business policy reading, mass., Addison - Wesley publishing company.]

Table1. Forest Produce in Chhattisgarh  
Estimated Quantities for Marketing

S. No	Name of MFP		Annual Potential (in qtl.)	Approximate Value (In Crores)
	Local Name	Botanical Name		
1	2	3	4	6
<b>MEDICINAL</b>				
1	Aonla Dry	<i>Embilica officinalis</i>	31000	15.37
2	Van Tulsi	<i>Ocimum Gratissimum</i>	44000	4.40
3	Bel Pulp	<i>Aegle Marmelos</i>	15600	2.23
4	Baibadang	<i>Embelia Ribes</i>	11300	10.14
5	Dhawai Flower	<i>Woodfordia fruticosa</i>	26250	3.70
6	Kalmegh	<i>Andrographis paniculata</i>	13950	2.11
7	Bhelwa Fruit	<i>Semicarpus anacardium</i>	12250	0.85
8	Baheda	<i>Terminalia belerica</i>	26700	1.73
9	Nagarmot ha	<i>Cyperus esculentus</i>	14800	2.15
10	Malkanga ni	<i>Celastrus paniculatus</i>	3200	0.80
11	Tikhur	<i>Maranta arundinacea (Curcuma angustifolia)</i>	1800	2.09
12	Kali Jiri	<i>Vernonia anthelementica</i>	6800	1.70
13	Honey	-	3750	3.42
14	Safed	<i>Chorophytum</i>	1000	6.50

	Musli	<i>tuberosum</i>		
15	Satawar	<i>Asparagus racemosus</i>	2600	1.82
16	Arjun Bark	<i>Terminalia arjuna</i>	1000	0.11
17	Kaladana	<i>Ipomoea nil</i>	2000	0.16
18	Marorphalli	<i>Helicteres isora</i>	1500	0.10
19	Inder Joo	<i>Hollarhena antisentrica</i>	200	0.88
20	Giloy	<i>Tinospora cordifolia</i>	800	0.12
<b>TOTAL</b>				<b>60.38</b>

**2.11 Forest Produce in Chhattisgarh Estimated Quantities for Marketing.**

1. The villagers collect the forest produce from forest areas and sell in the local haat-bazars or to the petty traders in the nearest town.
2. Some petty traders purchase the forest produce from the villagers, visiting their homes or villages at regular intervals.
3. Main traders of forest produce collect this produce from petty traders or agents appointed by them for the purpose at village or haats.
4. The produce collected by the petty traders or agents of main traders is graded / primarily processed.
5. The graded / primarily processed material is sold in near by Mandis or to the main traders at Jagdalpur, Bilaspur, Dhamtari and Raipur markets in Chhattisgarh.
6. The main trader, if required, further processes/grades the material according to the market need and sells the same in bigger markets of the country.
7. The main markets out side the state for the forest produce of Chhattisgarh are in Delhi, Uttar Pradesh, Maharashtra, Madhya Pradesh, West Bengal, Tamilnadu and Andhra Pradesh states.
8. The mode of trade with main traders is based on traditional market linkages and fixation of rates is based on the samples sent to the customer. [Malhotra, K.C. and Prodyut Bhattacharya(2010).Forest and Livelihood. Published by CESS, Hyderabad. pp.246

1. To identify the marketing mix of forest produce in Chhattisgarh.
2. To understand the marketing dynamics of forest produce in Chhattisgarh.
3. To study and make analysis of the role and contribution of marketing in forest produce in Chhattisgarh.
4. To study how the major forest produce maintains their market and how effectively state utilize those resources.

**4. PROPOSED APPROACH**

In order to explore the frequency, nature, determinants & underlying dynamics of thought, the research methodology can be:-

Universe: Sum total of all the units that confirms to some designated part of specification is Universe. For this research, Chhattisgarh region is the universe/Population

Sample: The sample is the representative unit of population the researcher has taken public & private service undertakings as sample. Since in this research, Deliberate of purposive sampling is taken into consideration.

Jan •Lac •Anola •Harra	Feb •Harra •Bhera	Mar •Mahua •Bhera	April •Lac •Mahua •Chironji	May •Chironji •Tendupatta •Bamboo	June •Lac •Tori
July •Lac •Tori •Kosa	Aug •Kosa	Sept	Oct •Lac	Nov •Sitafal •Anola	Dec •Anola

Sampling Size: Refers to number of items to be selected from the universe to constitute to sample. For this research, the sample size will be 400. [Bhattacharya, P.etal (2008). "Towards Certification of Wild Medicinal and Aromatic Plants in Four Indian States" *UnasyIva*,230, vol.59, pp. 35-44.]

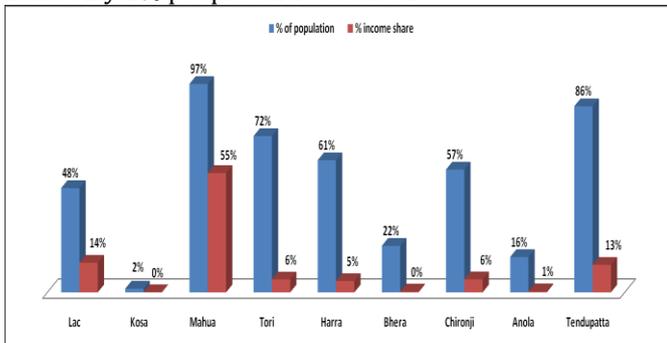
Type of Research: The research "title" is based on descriptive research as well as exploratory research. Descriptive research includes survey & fact finding enquiries of different kinds where as exploratory research is done so as to formulate the working hypothesis from an operational point of view.

Data Collection: The data will be collected from primary-source as well as secondary data source. The statistical technique like correlation parametric or non-parametric test etc, can be used. [Rath, Bikash(2005). Globalization, Global Trend in Herbal Market, and the Impact thereof on Medicinal Plants in Orissa. Vasundhara. Bhubaneswar]

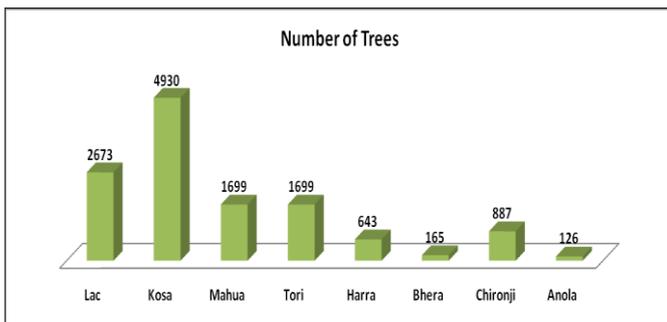
**5. RESULT**

**3. OBJECTIVE**

The chart below shows the percentage of people who earns % of income share for those people. It clearly indicated Mahua is sold by most people (97%) and it adds maximum share of income for the Tribal. On the other hand only 2% people cultivate Kosa.



This chart was clubbed with the resource chart of for the area and preferences of people, government support and expert advice were considered to identify to focus for development.



**Filter1:** Based on significance of potential income can generate

[A]**Mahua, Lac, Tendupatta** adds significantly to household income in the project area.

[B]**Kosa** has lot of potential but very few people are cultivating Kosa in the project area.

[C]Tori, Harra, Chironji and Anola add very little to farmer's income so any intervention by GVT is not likely to have significant impact on overall income of the farmers.

**Filter 2:** Based on willingness of farmers, government support and availability of resources in the research area

[A]Tendupatta is managed by forest department so dropped.

[B] Mahua is primarily used for making alcohol and sometimes prickle. Mahua prickle doesn't have much demand in the market; also Mahua alcohol is used by tribal for self consumptions. One of the possible interventions for Mahua is collective procurement, preservation and marketing of Mahua Flowers.

[C]Kosa has lot of potential in the region in term of host plants to grow Kosa cocoons and government support in providing seeds and market to sell cocoon.

A deeper analysis into the survey data reflects that only 22% people are aware of Kosa farming and of those aware people 76% people doesn't want to try Kosa. The most

frequent reason given was poor return on Kosa crop as compared to labour required to cultivate it. Kosa cocoons sells very cheap in the market and most people found keeping the Kosa crop safe from birds, owls problematic. Travelling distance of wasteland where Kosa host tree exists from the main revenue land was also another de-motivating factor. Thus any intervention for Kosa will require starting work from scratch.

Data from state silk board which is only buying agency of Kosa cocoon in the project area shows that the production of Kosa cocoon from the project area is negligible. This further proves that despite lot of potential Kosa is presently not cultivated by tribal families in the project villages.

## 6. CONCLUSION

### PROMOTING THE DEVELOPMENT OF MARKETING OF FOREST PRODUCE OF CHHATTISGARH STATE BY SUCH MEASURES AS IT THINKS FIT.

1-undertaking, assisting and encouraging scientific, technological and economic research.

2-devising means for improved methods of forest cultivation is one of the important secondary sources of income for villagers and this is particularly more in the tribal districts. Developing and distributing healthy with the support of private industry, improving methods of silk reeling, improving the quality and production of forest area.

3-Co-ordinating and supporting international collaboration with other international Marketing of Forest Produce of Chhattisgarh State.

3- Collaborating with private enterprise to streamline processes including licenses.

5-improving the marketing of forest produce of Chhattisgarh state and raw product.

6-The collection and compilation of statistics.

7-advising the govt. of India on all matters relating to the development of marketing of forest produce industry including import and export of raw product and forest related products.

8. A shortage of supply and high Lac export prices over the past 4 years are stated by exporters to have reduced market uptake in some markets and encouraged substitutes.

## 7. SUGGESTIONS

1- Employees at Chhattisgarh state forest produce Organizations are given opportunities to implement their learned skills acquired during the course of training.

2- The top management (marketing) of the marketing of forest produce of Chhattisgarh state Organizations makes effort in recognizing and making use of employee's hidden talent.

- 3- Employees at the marketing of forest Organizations are encouraged to take initiative to do things on their own without waiting for directions from the marketing administrator.
- 4- The marketing of forest produce of Chhattisgarh state of entrusting power to junior employees in order to build their confidence in fulfilling responsibilities is widespread in the organization.
- 5- In Chhattisgarh state forest produce Organizations executives and workmen's are divergent in their opinion about use of authority delegated to subordinates.
- 6- Employees are less informed about their present status of performance and they do not often measure their potency and limitation.
- 7- In case of forest produce difficulty the employees are quick to react in finding solutions to given problem.
- 8- Employee creativity is well explored in the organization.
- 9- Employees of forest produce Organizations, the top management for making sure that the employees enjoy their work.
- 10- The marketing of forest produce of Chhattisgarh, have a sense of concern for employee well being which is rooted from the top level management.

### 8. Future Work

1. A broader picture of forest marketing may be developed by extending the work area, to all the marketing of forest produce of Chhattisgarh Organizations Plants across different regions and may be country as a whole.
2. Comparative analysis on HRD Climate of public and private sector In Chhattisgarh state forest produce Organizations can be drawn by the potential researcher.

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