

Original Research Article

<https://doi.org/10.20546/ijcmas.2021.1001.206>

Impact Study on Agro Input Dealers in Madurai District--SWOC Analysis

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ABSTRACT

Keywords

Agro input dealers,
SWOC analysis,
Agri-
entrepreneurship

Article Info

Accepted:
12 December 2020
Available Online:
10 January 2021

Agri-Entrepreneurship has significant role in the economic to faster rural development in country. The present study aims at identifying strengths, weakness, opportunities and challenges for agro-based entrepreneur in Madurai district of Tamil Nadu. For SWOC analysis, a list on 34 items which included Strengths-10, Weakness-9, Opportunities-6 and Challenges-9 items were prepared and examine with 200 Agri-entrepreneurs. Individually, the respondent was asked to indicate the importance and rank/propability the strengths, weakness, opportunities and challenges as perceived by them. Statistical tool of mean score method is used to rank. From the results, it could be observed that appropriate geographical condition, credibility towards inputs dealers were the strength. The result further revealed that collaborative mode of service e-marketing and institutional support were the foremost opportunities the perceived with mean score of 2.7, 1.79 and 1.7 respectively. The study concluded that Government / Development departments has to focus on input suppliers as part of their programme intervention who were act as central role in agricultural value chain and to help farmers in emerging economic condition

Introduction

Farmers form a large proportion of the global population. They are valuable human resource and are important asset for development for countries in which they constitute the majority of the population. Agri. entrepreneurs are the future of agricultural

and other rural industries. SWOC is an acronym stands for strengths, weakness, opportunity and challenges, SWOC analysis is a planning tool used to understand the strengths, weakness, opportunities, and challenges involved in a person, project, or in a business. It is defined as a process of generating information that is helpful in

matching agri.-entrepreneur capacity to the entrepreneurial activities in which it operates. SWOC analysis is a strategic planning method used to research external and internal factors which affect agri-entrepreneur success and growth.

Strengths are positive tangible and intangible attributes, internal to individual, basic assets of the agri-entrepreneur in agriculture business which provides growth and development. Weakness is the liability of an individual, to involvement of agri-entrepreneur which affect the growth and utilization in agriculture business. Opportunity is the ability of an individual to expand the prospect and exploitation of agri-entrepreneur towards agriculture business varied aspects. Challenges are the external factors, situations that might block the agri-entrepreneur activities.

With the above context, the present study was conducted with the following specific objective

To analysis the SWOC of agro input dealers of Madurai District in Tamil Nadu.

Materials and Methods

The study was conducted in Madurai district of TamilNadu. Totally 200 agri input dealers were selected from 11 agri. division .A well structured and pre tested interview schedule was used to collect data by personal interview. In the formulation of research methodology for SWOC, a list of 45 items (strengths -9, weakness-8, opportunities-6 and challenges -22) were prepared after reviewing the relevant research conducted in SWOC on different dimensions and also on holding discussion with specialized scientists and extension workers. An interview schedule was prepared to assess the SWOC parameters of the agri-entrepreneurs. The perceived

responses of the respondents under each parameters were listed.

In advanced SWOC is to identify the most significant factors of the analysis from all the items listed on it. The scoring procedure followed by Ovidijus Jurevicius (2013) was used

Prioritization

Strength and weakness are evaluated on the following criteria and scale .

Importance

Importance shows how important in a strength or a weakness is for the organization in its industry as some strength (weakness) might be more important than others. A number from 0.01 (not important) to 1.0 (very important) should be assigned to each strength and weakness. The sum of all weights should be equal to 1.0 (including strength and weakness).

Rating

A score from 1 to 3 is given to each factor to indicate whether it is a major (3) or a minor (1) strength for agro-input dealer. The same rating should be assigned to the weakness where '1' would mean a minor weakness and '3' a major weakness

Score

Score is a result of importance multiplied by rating. It allows prioritizing the strength and weakness.

Opportunities

Opportunities and threats are prioritized slightly differently than strengths and weakness. Their evaluation includes.

Importance

It shows to what extent the external factor might impact the business. Again the numbers from 0.01 (no impact) to 1.0 (every high impact) should be assigned to each item. The sum of all weights should equal 1.0 (including opportunities and threats).

Probability

Probability of occurrence is showing how likely the opportunity or threat will have any impact on business. It should be rated from 1 (low probability) to 3 (high probability).

Score

Importance multiplied by probability will give a score by which you will be able to prioritize opportunities and threats. Pay attention to the factors having the highest mean score and ignore the factors that will not likely affect your business.

Further, the respondents were asked to rank the strengths, weakness, opportunities and challenges as perceived by them.

Results and Discussion

As strength is the basic asset which provides growth and success to lead the agri business effective. This part of the study deals with the strength as perceived by agri. entrepreneur. The item ranked by agri. entrepreneur on priority based on its comparative advantage over agri-entrepreneur in agri business is given in Table 1.

Timely availability of input was ranked as I strength in their business with mean weightage score of 2.75. This might be due to the fact that agriculture is seasonal bound in nature.

Technical knowledge on agriculture and allied ranked II which was also asset for running the agri input shop because majority of the farmers have acquired information from input dealers. If they were acquired knowledge and they were able to disseminate the information. This findings is in accordance with the finding of Subodh kumar *et al.*, (2018)

Strong credibility of input dealers act as a prime source of success of the business which was ranked III. This might be due to farmers believed the information obtained through input shop is more credible. This was also one of the important factor for sales promotion.

It could be observed from table that Madurai has rich in appropriate geographical conditions for agri business, where huge agriculture production on various crops rice, millets and pulses are possible. So it is one of the important strength of agro input dealer which ranked IV.

The strength ranked V by the respondents were customer satisfaction followed by Government and NGO training on various dimensions (1.70). This findings are in conformity with the finding of Shefali Srivastava (2016).

The large domestic demand ranked VII with mean score of (1.64) followed by diversified income (VIII rank) with the mean score of 1.6. The probable reason might be due to the fact that agro input dealers mostly obtained income through seeds, fertilizer, pesticides, sprayers and other equipments which normally depends on seasonal basis.

Weakness of the agri. entrepreneur-input dealer

Weakness is the liability of the agri. entrepreneur input dealer and it is an internal factor. The importance and rating of weakness

assigned by the respondents is depicted in Table 2.

Lack of infrastructure facility ranked I with a mean score of 2.7. In the development process of any industry infrastructure is the important elements which is necessary to be considered consciously. In case of the agri. entrepreneur infrastructure is not adequate like road, transportation, banks, telecommunications storage godown etc.

Agri business requires good quality raw material input *viz* seeds make it sale but low quality raw material is available in the local market so low quality of the raw material was found to be one of the 8 weaknesses of agri-entrepreneur with a mean score of 2.1 which ranked II. These findings are in confirmity with the finding of Bankim *et al.*, (2019)

Lack of integrated approach and Lack of professional management and lack of integrated approach were the weakness served as II ranked weakness with a mean score of 2.1 .

Political interferences ranked III among the 8 weakness of the agri. entrepreneur with a mean score 1.8 in rural areas. Political persons normally influence the input dealers to do services to the farmers for seed supply in time, Subsidies etc

The weakness which ranked IV with a mean score of 1.76 was lack of finance. Majority of agri.entrepreneur were facing the problems of getting finance to extent their business

In the weakness of the agri. entrepreneur the factors ranked V with a mean score of 1.6 was traditional approach, and lack of modern technology. Traditional approach of the agri business like conventional method of production, processing planning, management, marketing etc. The outgoing

approach increases the cost of production of the agri business. Lack of modern technology will decreases the sales capacity of the agri business. The cost of modern technology is very high which is not affordable to agri business The VI ranked with a mean score of 1.4 weakness is complex procedure which involves different type of formalities that may create problems in agri business different types of formalities.

Opportunities of the agri. Entrepreneur

It could be observed from table 3 that ‘collaborate mode of service with line department’ statement was ranked first with mean score of 2.7 followed by Institutional support *viz.*, degree / diploma /certificate courses through Distance Education with the mean score of 1.79 ranked as second. Through open and distance learning courses, abled to acquire. Latest updated information about the agriculture and allied technologies.

The third ranked opportunities as perceived by the input dealers were ‘e marketing (online) and subsidy scheme for various equipments and implements with the mean score of 1.76.

In digital world, we can revalorize agriculture market end to end digital Tamil Nadu Government launched bilingual (Tamil and English) mobile application in a bid to use technology benefit to farmers. It offers agricultural services to farmers including crop prices and market linkage. Promotion to agri entrepreneurship development in rural area and marketing of bio input in market were the opportunities ranked IV and V with the mean score of 1.54 and 0.23 respectively. At current scenario the agricultural biological market is expected to grow from USD 8.8 billion in 2019 to USD 18.9 billion by 2025 at a compound annual growth rate (CAGR) of 13.6% during forecast period. Hence bio input

market as found to be the one among the opportunities.

Further, as per the report of IPCC (Inter governmental Panel on Climate Change) the climate smart bio-agents makes soil more fertile which yield more crops and greater resilience to droughts and heat (Steenwerth *et al.*, 2014). Hence, bio input market was found to be one among the opportunities.

It could be observed from table that, expressed that marketing of agro-inputs before expiry date, as the foremost challenges with mean score of 2.7 ranked I. followed by quality assurance of inputs, lack of market and intelligence and lacking infrastructure were ranked as II with the mean score of 2.4 (Table 4)

Agricultural input dealers supply input viz.,

seeds, feed, fertilizers, pesticides and equipments. Farmers those who-obtained seeds from input dealers faced the problem of poor generation and ineffectiveness pesticide. Further, input dealers often work normally, without the business support and training required to grow. At present scenario market intelligence is a important component to success of entrepreneur. Knowledge on e marketing, forecast information about agriculture related to seasonal crops areas etc to know about the demand.

Poor infrastructure facilities viz., storage and transport were the greatest set backs in agro input services – which worsen in the rainy season. The increase in distance and transport cost to the rural area agro input service centre which reflect in the price of the inputs at a reasonable higher rate which ranked as II challenges faced by input dealers.

Table.1

Sl. No.	Strength of the agri entrepreneur	Importance	Rating	Mean score	Rank
1.	Suitable geographical	0.82	3	2.46	IV
2.	Timely availability of input	0.95	3	2.85	I
3.	Diversified income (Pesticide, fertilizer seeds)	0.80	2	1.60	VIII
4.	Technical knowledge on agriculture	0.90	3	2.70	II
5.	Strong credibility obtained and allied by input dealers	0.89	3	2.67	III
6.	Improvement in product quality	0.70	2	1.40	IX
7.	Travel / skilled worker	0.60	2	1.20	X
8.	Large domestic demand	0.82	2	1.64	VII
9.	Govt & NGO impart training on various dimension	0.85	2	1.70	VI
10.	Customer satisfaction	0.9	2	1.80	V

Table.2 Weakness of the agri-entrepreneur (agro input dealer)

Sl. No.	Weakness of the agri-entrepreneur	Importance	Rating	Mean score	Rank
1.	Lack of infrastructure facility	0.9	3	2.7	I
2.	Low quality of the raw material (seeds)	0.7	3	2.1	II
3.	Complex procedure	0.7	2	1.4	VI
4.	Political interferences	0.9	3	1.8	III
5.	Lack of finance	0.88	2	1.76	IV
6.	Lack of professional management	0.7	3	2.1	II
7.	Traditional approach	0.8	2	1.6	V
8.	Lack of modern technology	0.8	2	1.6	V
9.	Lack of integrated approach	0.7	3	2.1	II

Table.3 Opportunities of input dealers

Sl. No.	Opportunities of the agri entrepreneurs	Importance	Probability	Mean Score	Rank
1.	e-marketing (on line)	0.8	2.2	1.76	III
2.	Diversified products marketing of bio input	0.09	2.6	0.23	V
3.	Agri entrepreneurship development in the rural areas	0.7	2.2	1.54	IV
4.	Institution support degree / diploma or certificate courses through distance education	0.78	2.3	1.79	II
5.	Subside schemes for various equipments and implements	0.8	2.2	1.76	III
6.	Collaborate mode of service with line department	0.9	3	2.7	1

Table.4 Challenges faced by the agro input dealers challenges faced by the agri entrepreneur (Agro-input dealers are presented in Table)

Sl. No.	Challenges	Importance	Probability	Mean Score	Rank
1.	Raising cost of inputs	0.8	3	2.4	II
2.	Lack of funds	0.7	2	1.4	IV
3.	Unable to supply and agri inputs viz seeds, bio-input, chemicals, fertilizer in time (seasons)	0.9	2	1.8	III
4.	Lack of market intelligence	0.8	3	2.4	II
5.	Lack of infrastructure	0.8	3	2.4	II
6.	Quality assurance of inputs	0.8	3	2.4	II
7.	Marketing the agro inputs before expiry	0.9	3	2.7	I
8.	Unable to utilize the institutional supports like training, ODL courses etc.	0.6	2	1.8	III
9.	Un-certainty in demand	0.7	2	1.4	IV

Input dealers expressed that unable to supply of agri input in time viz., seed, fertilizer, chemicals, equipments and bio-inputs and unable to utilize the institutional support available, lack of training and ODL courses. As one among the major challenges faced which ranked III with the mean score of 1.8 followed by low demand ranked with the mean score of 1.4 and lack of funds for business was found to be a major challenges faced by input dealers This finding is un-conformity with the finding of (Singh, 2008) who reported that highly productive farmers require a right input at the right time. Lacking of funds for business operation is the major challenge faced by input dealers ranked IV with mean score 1.4. They required funds to stock their shelves and shops to supply the inputs in time to farmers since agriculture is a seasonal of monsoon base demand for inputs also based on the monsoon and uncertainty which affect the agri business in a being way. This finding is in conformity with the finding of Batiouno *et al.*, (2011). Who found that low use of inputs by farmers, due to market constraints that reduce profitability of input use, was one of the factors responsible for the gap between potential and actual funds.

It could be concluded that timely supply of input was ranked as first strength followed by technical knowledge on agriculture .Lack of infrastructure facilities was found to be one of the major weakness among agri input dealer entrepreneur. Collaborative mode of service with allied department plays vital role for success of the agri input service business . Marketing of agri input before expiry was found to be a challenging task .Hence, Government has to provide some policy

measures to overcome that type of loss to the entrepreneurs.

Acknowledgement

Authors would like to express sincere gratitude to the Tamil Nadu Government and Tamil Nadu Agricultural University to pursue my Ph.D degree through part time mode and my sincere thanks also input dealers /servicers who willingly spare their valuable time and efforts in answering the question during data collection.

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How to cite this article:

Jeyaprakash Narayanan, T., J. Pushpa, R. Velusamy, J. S. Amarnath and Prabhakaran, K. 2021. Impact Study on Agro Input Dealers in Madurai District--SWOC Analysis. *Int.J.Curr.Microbiol.App.Sci.* 10(01): 1766-1772. doi: <https://doi.org/10.20546/ijcmas.2021.1001.206>