

A
PROJECT REPORT
ON
TO STUDY OF MARKETING CHANNELS FOR
KIRTI FERTILIZER'S AND CHEMICAL'S”
FOR
KIRTI FERTILIZER'S AND CHEMICAL'S
RAHURI, AHMEDNAGAR

In Partial fulfillment of
BACHELOR OF BUSINESS ADMINISTRATION

Submitted by
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Under the Guidance of
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Academic Year 2020-2021

DECLARATION

I undersigned **Mr. Aniket Balasaheb Pawar** hereby declare that this project work entitled “**To study of marketing channel system for Kirti Fertilizers and Chemicals**” is my work, carried out under the guidance of my faculty guide **Prof. Sayyed L.R.** This report neither full nor in part has ever been submitted for award of any other degree of either this university or any other university.

Place: Ahmednagar

Date:


Signature


ACKNOWLEDGEMENT


The successful completion of project is a challenging job. It gives me great satisfaction and also gives me great pleasure to submit this project report.

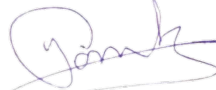
I wish to express my deep sense of gratitude and constant encouragement at every stage of this project. It is for this pains taking supervision that this work has development into this project form.

At this moment I feel the need to express hearty gratitude to my respected guide, **Prof. Sayyed L.R.** for his valuable cooperation and timely guidance which enabled the completion of my project well in time. Also I am thankful to our **Principal** support me at every time in the fulfillment of this project.

Last but not the least, I am thankful to all those who directly or indirectly helped me in completing the project successfully.


Project Guide


Internal Examiner


External Examiner

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CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

The Project is undertaken to identify the strength of Fertilizer product of Kirti Fertilizer and Chemicals its competitor in Rahuri region of Maharashtra State. The Tahasil allotted to me are Rahuri, Vambori, Takalimiya, Deolali, Manjari, Valan, Bargaon Nandur, Khadame, Lakh and Umbare. The study has done in two parts i.e. dealers & farmers. Apart from these the market potential for FERTILIZER has been evaluated along with a tab on the competitors and their strategies.

The dealers were evaluated on some parameters viz. Annual Turnover, Relative coverage of different competitor in market, major constraints in selling in FERTILIZER, Most important Promotional activities, Satisfaction level of Dealers, Kirti sale as compare to total sale, margin on product.

Further these dealers and retailer are very strong in their loyal customer base because of their personal rapport with farmers and the credit leverages offered by them to their customers.

On financial aspects all the markets are highly credit-oriented. The socioeconomic profile of the farmers is poor and because marginal land holdings, their repaying capacity and risk bearing ability is less. This is the reason that most of farmers take the inputs on credit and clear the accounts after the cropping season and thus the money that circulates between the company and end-users remains blocked as long as the length of cropping season. Though dealers accept that the credit period to clear their accounts to distributors is of 15 days but they are not able to clear the whole amount within the stipulated time as at an average more than 40% of dealers are forced to do the business on 60% or more credit sales.

The Project mainly aims to understand the most useful suggestion from Dealer and farmer which actually make the Dealer and farmer to purchase the KIRTI'S product.

Farmers have not too much knowledge about the weedicide and these people mostly refer the suggestion of the dealer, progressive farmer, company person, campaigning or demonstration. So it is great chance to motivate the sale through good repo and better quality product. Dealers are very interested for promoting the KIRTI'S product because trust of people, quality of product, scheme of company etc. The dealers are mostly not keeping all types of fertilizer they mainly follow the cropping pattern of particular area for e.g. in Rahuri, Vambori, Umbre area mainly

concentrate on the paddy crop and in Valan, Manjari mainly concentrate on the onion and cereal crops.

Many competitors are working at dealers' levels mainly and very less work is going on at farmers' level that is the gap left by the competitors. The perception of dealers and farmers about these local brands on the basis of assurance, responsiveness, empathy and reliability is average and some dealer promotion scheme and farmer level extension activities as suggested in the action plan can help the company to consolidate its business.

The results indicate that Field demonstrations as best way of popularizing the KIRTI'S products as we can show the results and influence many farmers to use our product after convincing them. In case of farmers, quality & price of the product are the main reasons of influencing buying behavior of farmers. The study has done about perception of farmers towards FERTILIZER product of KIRTI FERTILIZER AND CHEMICAL.

Fertilizer is generally defined as "any material, organic or inorganic, natural or synthetic, which supplies one or more of the chemical elements required for the plant growth". Sixteen elements are identified as essential elements for plant growth, of which nine are required in macro quantities and seven in micro quantities. Of the elements, carbon, oxygen and hydrogen are supplied by air and water and are, therefore, not treated as nutrients by the fertilizer industry.

The main aim of the industry is to provide the primary and secondary nutrients which are required in macro quantities. Primary nutrients are normally supplied through chemical fertilizers. The grade of a fertilizer is expressed as a set of three numbers in the order of per cent N, P₂O₅ and K₂O. Chemical fertilizers have played a vital role in the success of India's green revolution (7th five year plan-1966-69) and consequent self-reliance in food-grain production. The increase in fertilizer consumption has contributed significantly to sustainable production of food grains in the country. The Government of India has been consistently pursuing policies conducive to increased availability and consumption of fertilizers in the country.

Chemical fertilizers have played a vital role in the success of India's green revolution and consequent self-reliance in food-grain production. The increase in fertilizer consumption has contributed significantly to sustainable production of

food grains in the country. The Government of India has been consistently pursuing policies conducive to increased availability and consumption of fertilizers in the country. Fertilizer is a key ingredient in ensuring the food security of the country by increasing the production and productivity of the soil. The domestic food grain production target has been set at 320 million tones by 2011-12 from the present production of 210 million tones. This target could be achieved by higher productivity through improved farming practices, expansion of irrigation, better seeds and extensive and balanced use of fertilizers. Towards this end, the Department is planning to raise the production of urea from the present installed capacity of 197 LMT to 300 LMT by the end of 11th Five Year Plan i.e., 2011-12 by taking concrete steps to boost production and productivity, removing regional imbalances in production and distribution, securing long term tie-ups for supply of feedstock and raw material etc.

Fertilizers Industry Profile

History

Chemical fertilizers have played a vital role in the success of India's green revolution and consequent self-reliance in food-grain production. The increase in fertilizer consumption has contributed significantly to sustainable production of food grains in the country. The Government of India has been consistently pursuing policies conducive to increased availability and consumption of fertilizers in the country.

The Indian Fertilizer industry had a very humble beginning in 1906, when the first manufacturing unit of Single Super Phosphate (SSP) was set up in Ranipet near Chennai with an annual capacity of 6000 MT. The Fertilizer & Chemicals Travancore of India Ltd. (FACT) at Cochin in Kerala and the Fertilizers Corporation of India (FCI) in Sindri in Bihar were the first large sized -fertilizer plants set up in the forties and fifties with a view to establish an industrial base to achieve self-sufficiency in food grains. Subsequently, green revolution in the late sixties gave an impetus to the growth of fertilizer industry in India. The seventies and eighties then witnessed a significant addition to the fertilizer production capacity. In the present scenario, there are more than 57 large and 64 medium and small fertilizer production units under the India fertilizer industry. The main products manufactured by the fertilizer industry in India are phosphate

based fertilizers, nitrogenous fertilizers, and complex fertilizers. The fertilizer industry in India with its rapid growth is all set to make a long lasting global impression

Availability and Sales

- Sales of fertilizers viz, Pratik-Pro, Kirti Gold ,Kirti Power and Ki- Mag has considerably increased by 25.18%, 26.94% ,56.30% and 41.01% respectively during the year 2018-19 as compared to the year 2017-18
- 04. 50% of indigenous production of Pratik-Pro is allocated under ECA to the states, by the Department of Fertilizers and distribution of balance.
- 50% of production is decided by the manufacturers in consultation with the State Governments. Other subsidized fertilizers are de-controlled and movement plan is decided upon by the manufacturers/importers in consultation with the State Governments.

In Lakh MT

Year	PRATIK-PRO		KIRTI-GOLD		KI-MAG	
	Avail.	Sale	Avail.	Sale	Avail.	Sale
2017-18	50.00	38.00	60.00	28.50	46.50	26.40
2018-19	62.00	32.40	61.50	34.50	65.50	42.50
% increase in 17-18 over 18-19	26.30%	25.18%	20.64%	26.94%	41.50%	41.01%

Price stability for farmers

- Despite sharp increase in the national prices of fertilizers over last Two years. There has been no increase in selling price of Fertilizers for farmers in last Two years.

The selling prices of fertilizers are:

Sr.No.	Name of the Fertilizer	Current MRP (Rs. per tone)
1	PRATIK-PRO	30400
2	KIRTI-GOLD	34000
3	KIRTI-POWER	17400
4	KI-MAG	17200
5	KIRTI-POTESH	17400

Increase in international prices

Average International Prices of Fertilizers

Year	PRATIK-PRO	KIRTI-GOLD	KI-MAG
2017-18	1024	1013	330
2018-19	1120	1160	360
May 2019 prices	1270	1220	380

Indigenous production

Indigenous production of nutrients (N & P) has increased progressively with peak Production in 2017-18. However, there was a decline in 2018-19 due to feedstock Constraints and their sharp increase in international prices. In 2017-18, to meet the Increased requirement of fertilizers, the indigenous production is planned at a level higher than the peak production in 2018-19

Production of Pratik-Pro, Kirti-Gold and Ki-Mag during the last Two years is given below:

(In Lakh MT)

Product	2016-17	2017-18
Pratik-Pro	50.00	38.50
Kirti-Gold	62.00	51.84
Ki-Mag	45.11	53.64
Total N	106	113.38
Total P	36.31	40.67

planned

Imports

Department of Fertilizers has arranged timely imports of Pratik-Pro and other fertilizers to ensure timely availability of fertilizers to the farmers in required quantities.

The import of different fertilizers made during the last Two year is as under:

Year	Pratik-Pro	Kirti-Gold	Ki-Mag
2017-18	6.41	6.44	34.09
2018-19	20.56	28.28	45.29

*includes import of 2.49 LMT of MAP

COMPANY PROFILE

History and development

The genesis of Kirti Fertilizers And Chemicals could be said to be in the year 2011 when Mr. S. G. Jadhav set up Kirti Nitrite Ltd, combining his skills in trading and manufacturing. DNL grew by leaps and bounds, and also won many prestigious awards like the Sir Unish Khan Pathan award, for being the best Chemical Industrial unit in India.

In 2011, Kirti Fertilizers and Chemicals started commercial production of ammonia (in technical collaboration with Fish International Engineers (USA) using natural gas as feedstock. The International Finance Corporation initially supported this venture of Kirti group in the form of equity participation in (KFAC).

The company undertook major expansion and diversification in 2011 to achieve forward integration of ammonia and diversification in Methanol.

In July 2012, KFAC commenced commercial production of Low Density Ammonium Nitrate (LDAN), Nitro Phosphate (NP), Dilute Nitric Acid (DNA), and Concentrated Nitric Acid (CNA).

This has resulted in a multi-product portfolio for KFAC consisting of chemicals, Chemicals, fertilizers and other agri-inputs. To ensure an uninterrupted supply of natural gas to its plant, KFAC laid its own 43 km gas pipeline from the coastal fall point of Bombay High to its plants in Tajola, thus becoming one of the first companies in India to have its own gas pipeline.

The Company has now diversified into specialty retailing with Ishanya, India's largest Design Centre and Specialty Mall for interiors and exteriors. This 5, 50,000 sq.ft. Project is located near the hear of Gujarat and is home to 18 product and service categories in interiors and exteriors.

KFAC has a chemical storage terminal at Jawaharlal Nehru Port Trust (JNPT) to provide support to its logistics management system and ensure a window to the world trade in chemicals. It is in the process of adding new storage facilities for Ammonia,

Chemicals

Agribusiness

Specialty Retailing Social Responsibilities:

The Company has been contributing towards social causes for nearly two decades. The Kirti Charitable Trust (KCT) and the Kirti Medical Foundation (KMF) with the support of KFAC and Kirti Nitrite Limited are carrying on development activities for society. KCT has been actively working in the area of mother and childcare. The foundation has been imparting training and communication on health care. Extending the activities on both sides, the Foundation has catalysed and supported the creation of Aanganwadis, and taken education to youth on family planning. The Foundation is now working to curtail the spread of HIV / AIDS.

Future Prospects:

KFAC will continue to make deeper inroads into value-added chemicals, agro inputs and related services and specialty retailing.

KFAC plans to leverage its well-knit marketing and distribution network in chemicals and fertilizer industry to provide value-added services to their customers. The chemical storage and drumming facilities at Jawaharlal Nehru Port (JNPT) near Bombay will provide further value-added services.

Vision

- We in Kirti believe that the customer is the very purpose of our existence.
- We are a committed, hard-working and disciplined team working towards the satisfaction of all stakeholders.
- We are a caring organization working to continuously improve employee satisfaction.
- We work as a team to achieve quality and excellence in all our activities leading to continuous growth.
- We will create a learning organization, committed to continuously improve, to be better than the best.
- We are proud to be part of Kirti.

Recognition & Awards

- Kirti Fertilizers and Chemicals' (and the Kirti group's) unwavering commitment to quality, safety and community development is reflected by the numerous awards we have received. A few of these awards recognizing KFAC are listed below:

Environment, Agriculture and Rural Development Award

- This award is for outstanding contribution in the field of:
 - Control of air and water pollution in industry
 - Rural development for the benefit of the poorer sections of the people
 - Agriculture for highest productivity of a crop

Annual Fertilizers Association of India (FAI) Honor

The Fertilizer Association of India awards are given to provide incentives for high quality fundamental or applied research amongst the Indian scientists in the field of Fertilizer Use Research.

National Safety Council of India Safety Awards - 2000

National Safety Council of India declared KFAC the winner of the *Prashansa Puraskar* for developing and implementing very effective Occupational Safety and Health Management Systems and Procedures and achieving very good performance. National Safety Council of India is a member of the Asia-Pacific Occupational Safety and Health Organization (APOSHO) is an international body.

ORGANISATIONAL STRUCTURE

KFAC is managed by a Board of Directors, with significant representation of independent (and highly regarded) experts. This ensures transparency, governance and high quality inputs for the company.

S.G.Jadhav, Chairman

a well known Industrialist, having 20 years of versatile experience in the Chemical Trade & Industry, and the founder of Kirti Nitrite Limited and Kirti Fertilizers And Chemicals.

PRODUCT PROFILE

Products of Kirti Fertilizers:-

Bulk Fertilizers:

Complex Fertilizers:

PRATIK-PRO (0.4:10.4:0.4)

KIRTI-GOLD (0.50:0.50:0.50)

Mixtures:

1) KIRTI-POWER (10:5:10)

2) KI-MAG

Straight Fertilizers:

KIRTI-POTESH

Speciality Fertilizers:

MgSO₄

ZnSO₄

Bio Fertilizers:

Granules:

1) Crop Plus

Liquids:

Cotton Special

Soybean Special.

Chili / Vegetable special.



प्रतिक - प्रो

PRATIK - PRO

Phosphate Rich Organic Manure



Government Approved

KIRTI FERTILIZER AND CHEMICALS

किर्ती फर्टिलायझर्स अँड केमिकल्स

Office : Sai Shraddha Residency, S.F.9, Station Road, Rahuri
Dist. Ahmednagar ☎(02426) 233866

Lic. No. LCFD10010457

प्रतिक - प्रो

PRATIK - PRO

प्रतिक - प्रो

प्रतिक - प्रो

PRATIK - PRO

प्रतिक - प्रो

किर्ती - गोल्ड



किर्ती - गोल्ड

KIRTI - GOLD

Organic Manure
Granule



KIRTI - GOLD

किर्ती - गोल्ड

KIRTI - GOLD

किर्ती - गोल्ड

किर्ती - गोल्ड

Government Approved

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KIRTI FERTILIZERS & CHEMICALS



किर्ती पॉवर

SECONDARY NUTRIENT FERTILIZER

सर्वे पिकासाठी उपयुक्त
सरकार मान्य दानेदार खाद

GOVT. APPROVED GRADE

Ca	Mg	S
10%	5%	10%

BATCH NO. : KFG-01

DATE OF PACKING :

NET WEIGHT : 50 kg

GROSS WEIGHT : 50.105 kg

MAX RETAIL PRICE Rs. : 870/-
(INCLUSIVE ALL TAXES)

FOR FEEDBACK CALL OUR CUSTOMER CELL NO. 8408050496



MKT. & BY:
KIRTI FERTILIZERS & CHEMICALS

GAT NO. 309/1, KHE, PARMANAND,
NEWASA, A'NAGAR - 414 105
LIC. NO. - NM 91

MFG. BY:



कि-मॅग

मॅग्नेशियम सल्फेट फर्टीलायझर

MgSo4 - 9.6%

For Agriculture use only

Net Content : 25 Kg

Batch No.

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M.R.P. : 430/-

(Inclusive all taxes)

Date of Expiry : 3 Yrs from Dt. of Mfg.

KIRTI FERTILIZER & CHEMICALS

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Tal. Rahuri, Dist. Ahmednagar ☎(02426) 233866

Lic. No. LCFD10010457

For Sale in Maharashtra State only

1.2 Statement of the Problem

“To study of marketing channels for kirti fertilizer’s and chemical’s” for Kirti fertilizer’s and chemical’s Rahuri, ahmednagar

1.3 Objectives of the study

- To study marketing channel system and its components in marketing of fertilizers.
- To study the role of dealers in distribution network.
- To study the consumers responses for products of company.

1.4 Scope Of The Study

- The study of marketing channel system will give knowledge about the different levels and components working in the system. This study is limited to Distribution network only.
- It will facilitate the identification and location of problems in distribution of fertilizers.
- By studding these we can locate the problems faced by dealer and consumers about the products of company.

1.5 Limitations of the Study:

- The time of Two months is very limited to study the market.
- Due to late mansoon and unavailability of fertilizers, the farmers were very violent about dealers and government. Due to that dealers were also very much disturbed. And both of them were uninterested to interact and talk about the fertilizers.
- Dealers were not opening their business secrets.
- As I was working with company sales executive, the dealers were always trying to impress him rather to open the information.

1.6 Significance of the study

The research conducted was descriptive in nature. Nasik segment was surveyed to attend certain objectives. The survey was conducted to analyses the Retailers awareness and satisfaction as well as of Distribution network to find out the factors, which would influence the buying decision of the Customers and about the functioning of existing dealers and Distributors. Sampling was used as the mode of collecting the sample. After the survey completed data was first sorted and then Analyzed on chosen parameters. This analyzed data was later converted into forms of Graphs such as Pie Chart, Bar Graphs etc. This was done to make result easily comprehensible by anyone going through the report. This also made it easy to draw conclusion based on the research and provide in a presentable format. On this information was compiled in the form of presentable and highly comprehensive report.

CHAPTER 2
RESEARCH METHODOLOGY

RESEARCH METHODOLOGY

Research has its special significance in solving various operational and planning problems of business and industry. Research methodology is a way to systematically analyze the research problem.

Research Design: Discriptive Research.

Area of Survey: Rahuri.

Period of Study : Two Months.

Sample Size: 100 Farmers and all local dealers (30)

Type of Sampling: Convenience Sampling Method.

Samples are selected from farmers to cover maximum population and result become realistic.

Source of Data:

Primary: - Primary data was collected from the direct source that is by direct contact with farmers and dealers. The data regarding information about company was gathered from Sales Executives and sales promoter of company. The required information is gathered from them by making discussions.

Method of Data Analysis:

- **Tabulation-** The collected data is tabulated for easy interpretation. This is done by taking different parameters into consideration. These parameters are those which are responsible for buyers buying decision.
- **Graphical-** It can be very easy to understand and interpret data by graphical representation. The decision making person can easily interpret data and make the appropriate decision.

METHODOLOGY OF STUDY:

Research can be defined as a systemized effort to gain new knowledge. A research is carried out by different methodologies which have their own pros and cons. Research methodology is a way to solve research in study and solving research problems along with logic behind them are defined through research methodology. Thus while talking about research methodologies we are not only talking of research methods but also consider the logic behind the methods. The decisions taken with respect to the Marketing Policies are more strategic rather than calculative. So the research is strategy oriented.

ASSUMPTIONS:

1. It has been assumed that sample of hundred represents the whole population
2. The information given by the customer is unbiased

INTRODUCTION TO MARKETING CHANNELS:

- Manufacturer normally uses intermediaries for taking their products to the users. All such intermediaries constitute the marketing channels. The manufacturer branch of institutional channels like chain stores, super markets, etc. are used by firm they too form part of marketing channel of firm.
- Channel play pivotal role on marketing. They perform number of distribution functions as given bellow—

❖ Functions performed by marketing channels :-

- 1) Facilitate selling by being physically close to customers
- 2) Provide distribution efficiency by bridging manufacturer with customer, efficiently and economically.
- 3) Break the bulk & cater to the tiny requirements of buyer.
- 4) Assemble product into assortments to meet buyers needs.

- 5) Match “Segment of Supply” with “Segment of demand”.
- 6) Look after part of physical distribution / marketing logistics
- 7) Sub Distribution:
 - Reselling.
 - Re transport
 - Handling Accounting
- 8) Stock Handling:
 - Providing Warehouse space.
 - Storing the stock.
 - Bearing Risk
- 9) Share financial burden of principal.
- 10) Provide salesmen ship.
- 11) Assist in Merchandising.
- 12) Assist in implementing the price mechanism.
- 13) Assist in developing sales forecast.
- 14) Provide market intelligence and feedback. Maintain records
- 15) Take care of license requirement.

Channel Levels, Channel Members and Channel Length:

- All marketing intermediaries operate at different tiers.
- Each distinctive tier of intermediaries is referred to as a Level in channel. And each link is referred as Channel member.
- The number of levels determines the length of channel. The more the levels, longer the channel.

The member doesn't determine the length of channel.

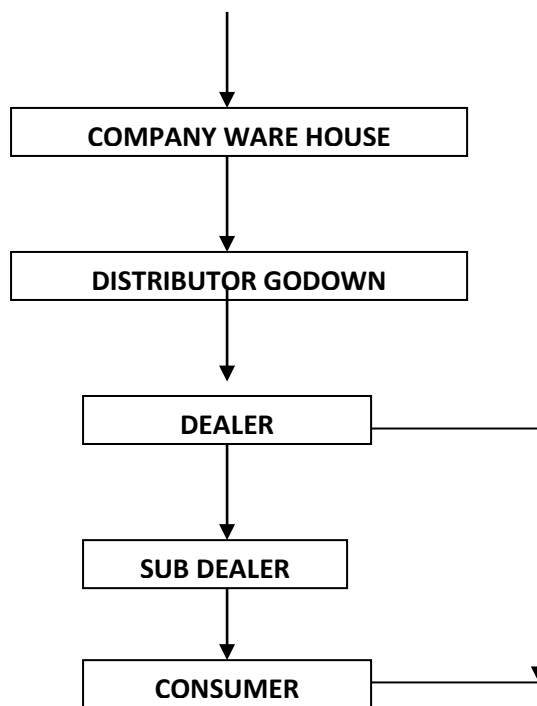
Types of Marketing Intermediaries:

- 1) Sole- selling agents.
- 2) Marketer
- 3) C & F Agents
- 4) Stockiest / Distributors.
- 5) Retailers / Dealers.
- 6) Brokers

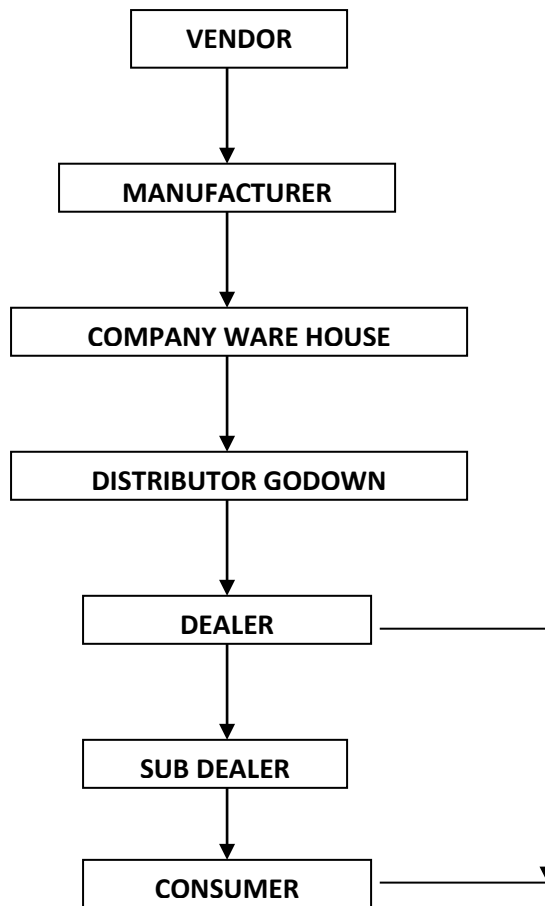
- 7) Franchisees.
- 8) Authorized Representatives.
- 9) Commission Agents.
- 10) Transporter.

Current Marketing Channels of company:

For own Products -



2) For Vendors Products –



Observations:

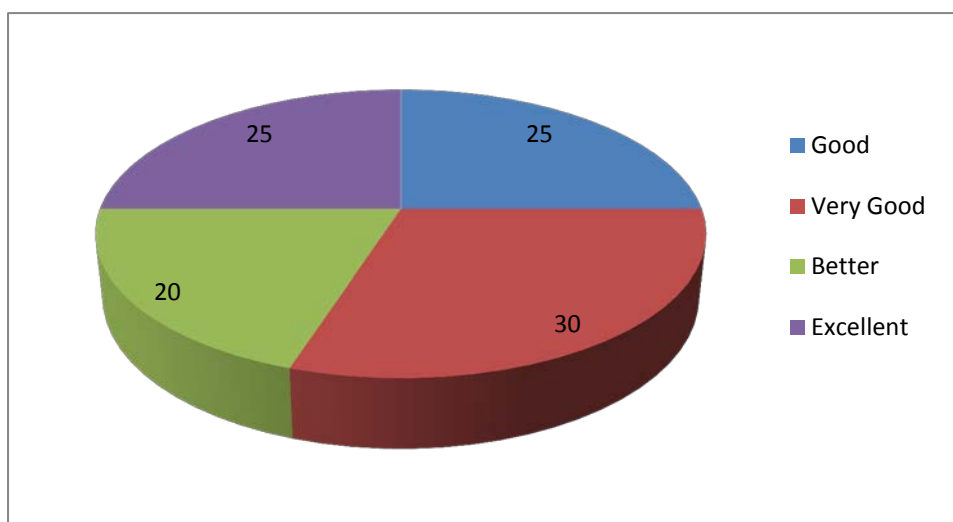
- In this whole system dealer is the main connecting link between company and consumer.
- Dealers invest their money for purchasing products of company.
- They bear risk as failure in monsoon or any natural calamity will make their investment dead.
- As dealers are in direct contact with customers they have to suffer through loss in case of any violent actions done by customers.
- They have to be responsible for any legal matter as Government also have check on their activities.

CHAPTER 3
DATA ANALYSIS AND
INTERPRETATION

Farmers Contribution:

A) Opinion about "Kirti Fertilizer" brand?

Parameter	Farmer opinion	Percentage
Good	25	25%
Very Good	30	30%
Better	20	20%
Excellent	25	25%
Total	100	100%

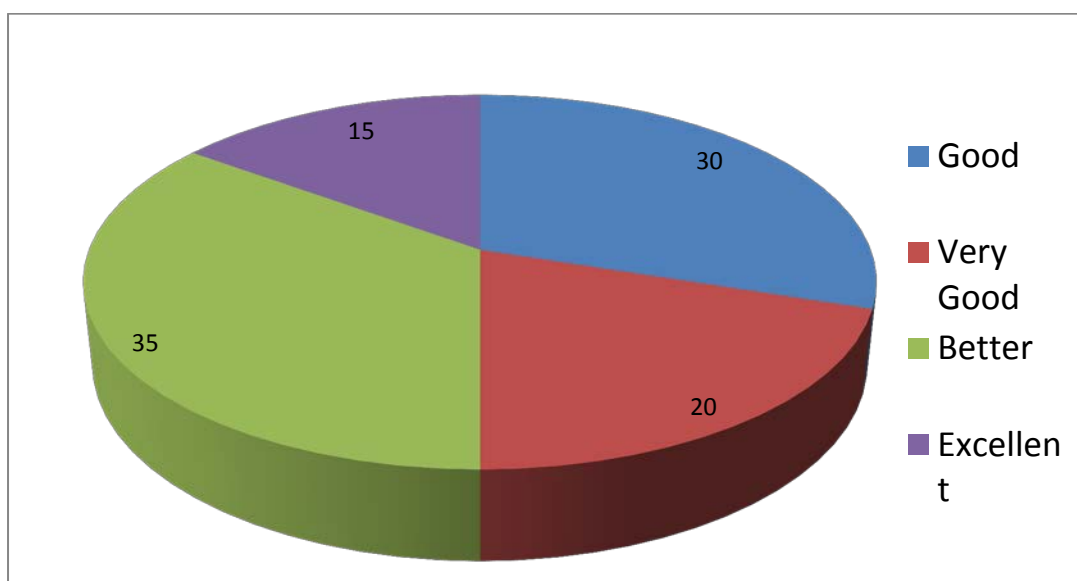


Observations:

- Above Diagram clearly relevant that out of 100 farmers.
- 25% Farmers are having good brand of Kirti Fertilizer.
- 30% Farmer are having very good brand of Kirti Fertilizer.
- 20% Farmer are having better brand of Kirti Fertilizer.
- 25% Farmer are having excellent brand of Kirti Fertilizer.

B) About Quality of products?

Parameter	Farmer	Percentage
Good	30	30%
Very Good	20	20%
Better	35	35%
Excellent	15	15%
Total	100	100%

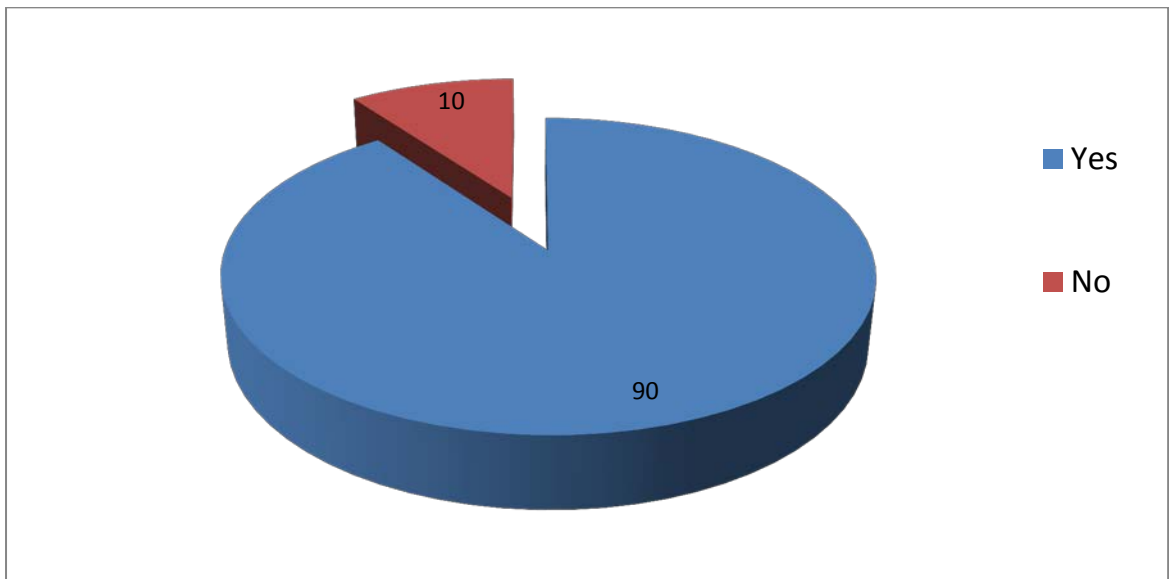


Observations:

- Above Diagram clearly relevant that out of 100 farmers.
- 30% Farmers are having good quality of Kirti Fertilizer.
- 20% Farmer are having very good quality of Kirti Fertilizer.
- 35% Farmer are having better quality of Kirti Fertilizer.
- 15% Farmer are having excellent quality of Kirti Fertilizer.

C) Availability of products?

Parameter	Farmer	Percentage
Yes	90	90%
No	10	10%
Total	100	100%

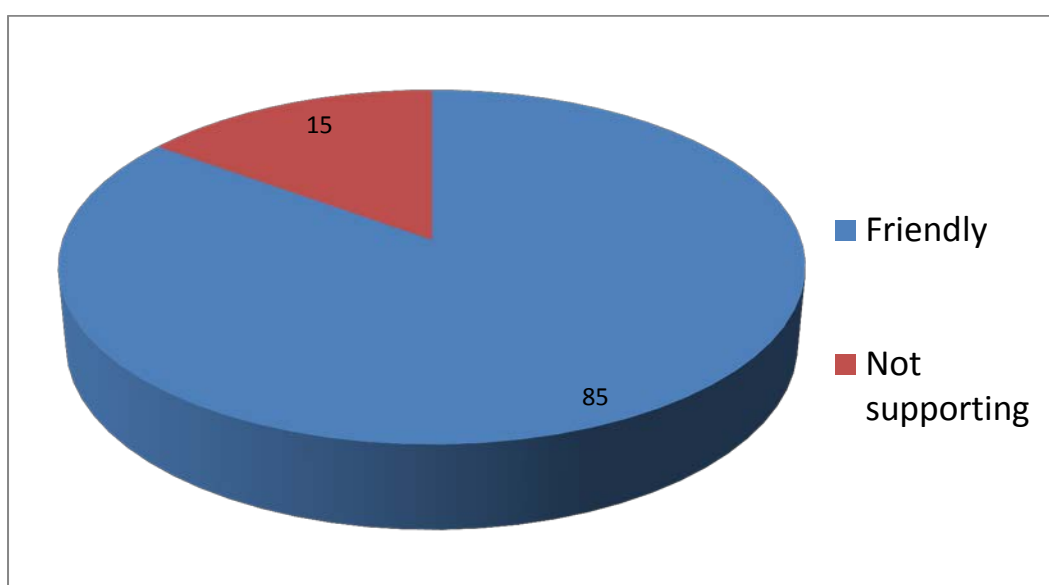


Observations:

- Above Diagram clearly relevant that out of 100 farmers.
- 10% Farmers are having available of product.
- 90% Farmer are having not available of the product.

D) Opinion about dealer's relations?

Parameter	Farmer	Percentage
Friendly	85	85%
Not supporting	15	15%
Total	100	100%

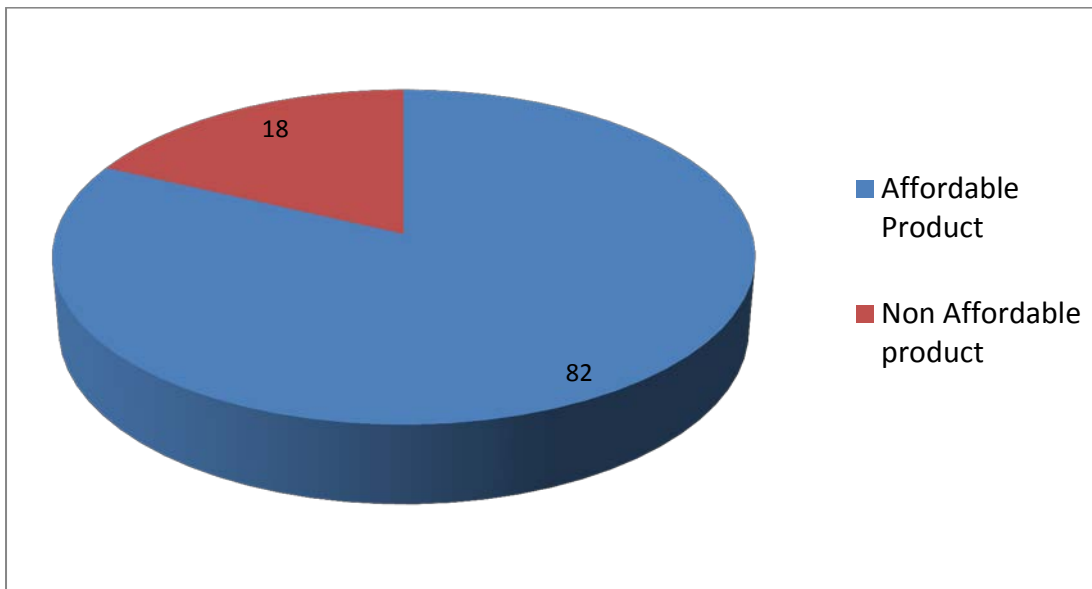


Observations:

- Above Diagram clearly relevant that out of 100 farmers.
- 15% Farmers are having not supporting have dealer's relationship.
- 80% Farmer are having friendly relationship of dealers quality of Kirti Fertilizer

E) Farmers Opinion about product?

Parameter	Farmer	Percentage
Affordable Product	82	82%
Non Affordable product	18	18%
Total	100	100%

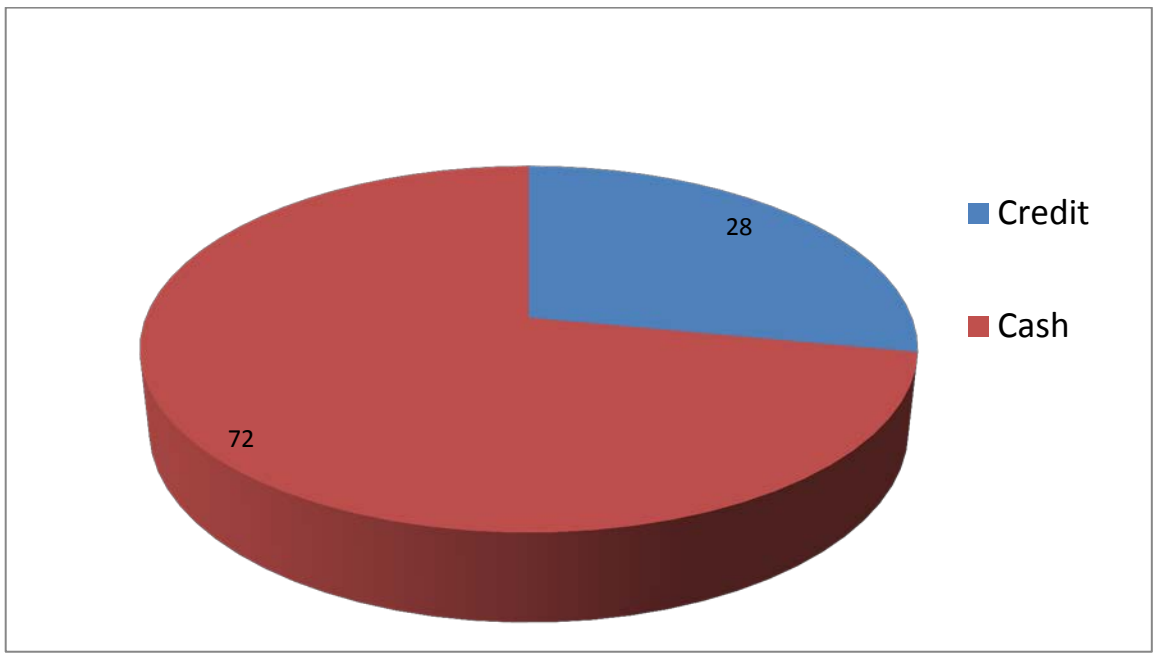


Observation

- Above Diagram clearly relevant that out of 100 farmers.
- 18% farmers non affordable about product
- 82% farmers are affordable about product

F) Purchase Type?

Parameter	Farmer	Percentage
Credit	28	28%
Cash	72	72%
Total	100	100%



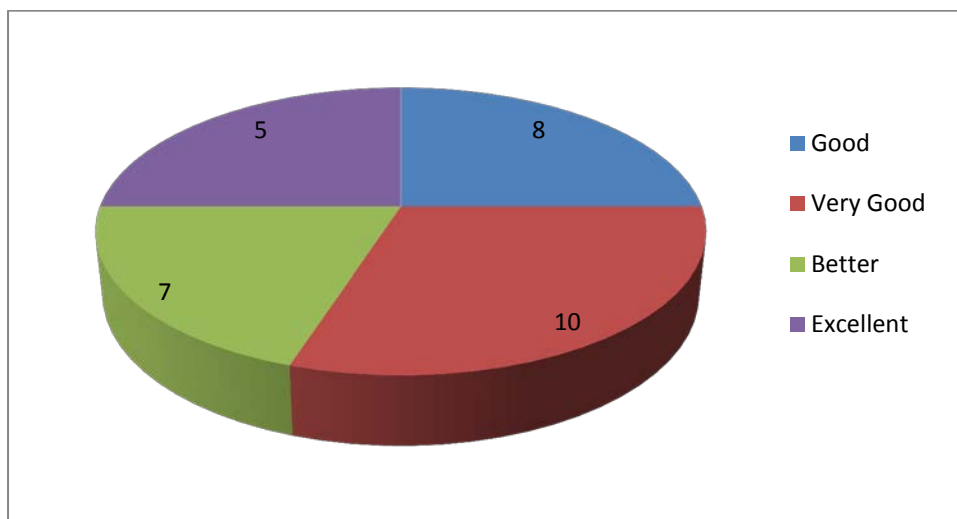
Observations:

- Above Diagram clearly relevant that out of 100 farmers.
- 28% Farmers are having purchase product of credit.
- 72% Farmers are having purchase product of cash.

Dealer's Contribution:

A) Opinion about "Kirti Fertilizer" brand?

Parameter	Dealer's opinion	Percentage
Good	8	27
Very Good	10	33
Better	7	23
Excellent	5	17
Total	30	100

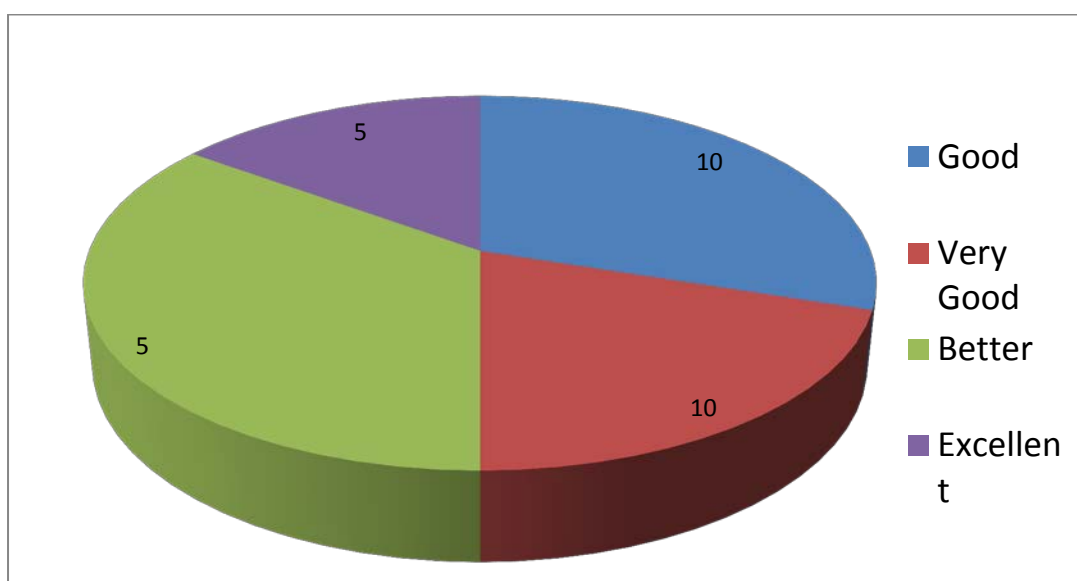


Observations:

- Above Diagram clearly relevant that out of 30 Dealers.
- 27% Dealers are having good brand of Kirti Fertilizer.
- 33% Dealers are having very good brand of Kirti Fertilizer.
- 23% Dealers are having better brand of Kirti Fertilizer.
- 17% Dealers are having excellent brand of Kirti Fertilizer.

B) About Quality of products?

Parameter	Farmer	Percentage
Good	10	33
Very Good	10	33
Better	5	17
Excellent	5	17
Total	30	100

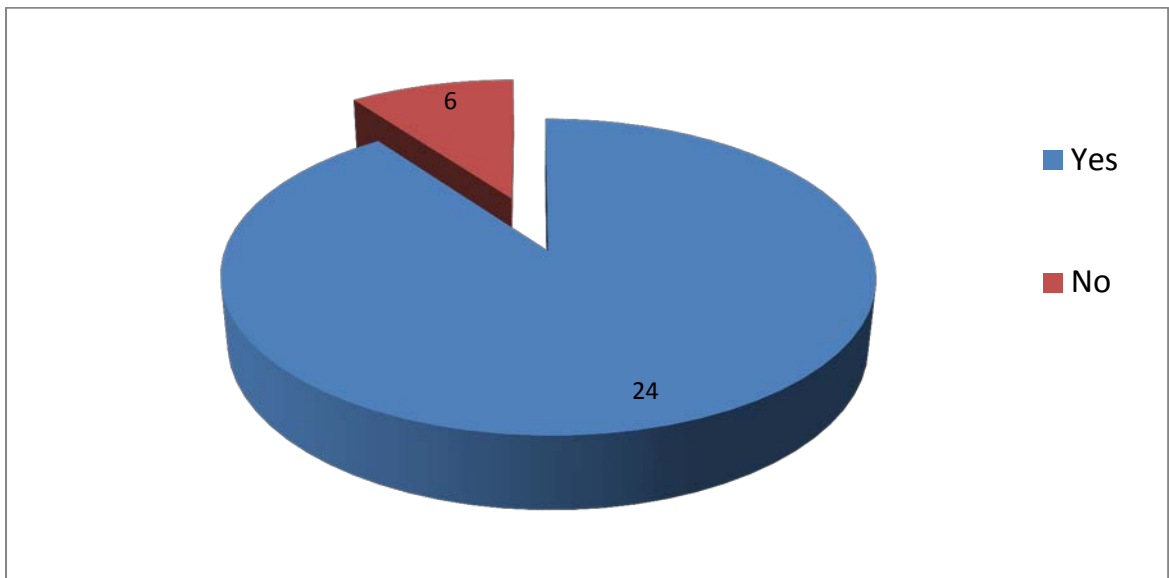


Observations:

- Above Diagram clearly relevant that out of 30 Dealers.
- 33% Dealers are having good quality of Kirti Fertilizer.
- 33% Dealers are having very good quality of Kirti Fertilizer.
- 17% Dealers are having better quality of Kirti Fertilizer.
- 17% Dealers are having excellent quality of Kirti Fertilizer.

C) Availability of products?

Parameter	Dealers	Percentage
Yes	24	80
No	6	20
Total	30	100



Observations:

- Above Diagram clearly relevant that out of 30 Dealers.
- 20% Dealers are having available of product.
- 80% Dealers are having not available of the product.

D) Farmer Response For The Product?

Parameter	Good	Better	Total
Dealer's	17	13	30
Percentage	57	43	100



Observations:

- Above Diagram clearly relevant that out of 30 Dealer's.
- 43% Dealers are having farmer response of the product.
- 57% Dealers are having farmer response of the product.

E) Transport Service?

Parameter	Time to time	Delay	Total
Dealer's	15	15	30
Percentage	50	50	100



Observations:

- Above Diagram clearly relevant that out of 30 Dealer's.
- 50% Dealers are having transport service is time to time.
- 50% Dealers are having transport service is delay.

F) Technical Knowledge?

Parameter	Yes	No	Total
Dealer's	22	8	30
Percentage	73	27	100

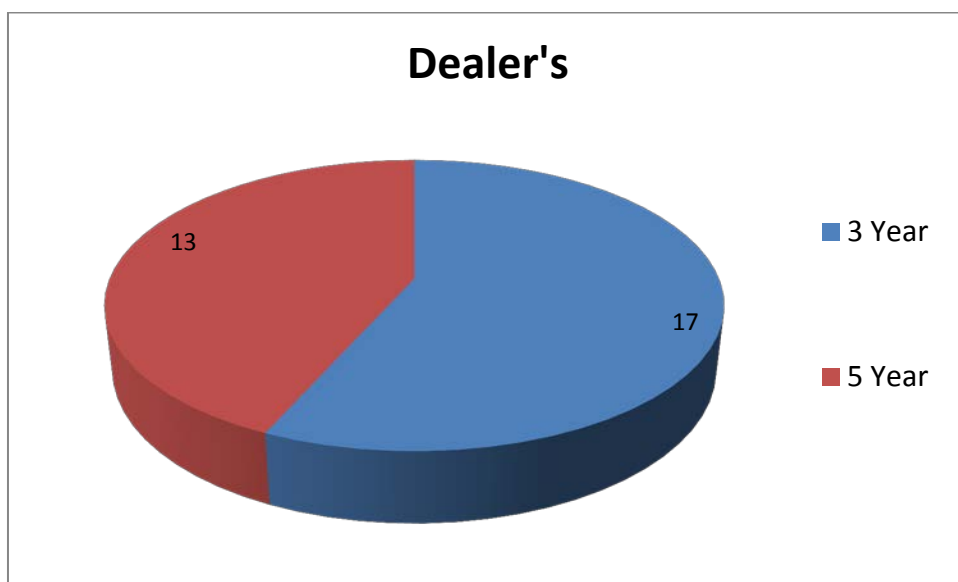


Observations:

- Above Diagram clearly relevant that out of 30 Dealer's.
- 27% Dealers are having technical knowledge are not there.
- 73% Dealers are having technical knowledge.

G) Dealership since how many years?

Parameter	3 Year	5 Year	Total
Dealer's	17	13	30
Percentage	53	47	100



Observations:

- Above Diagram clearly relevant that out of 30 Dealer's.
- 47% Dealers are having 5 year dealership.
- 53% Dealers are having 3 year dealership.

Characteristics of Rural Market

Social and cultural factors

Social hierarchy, traditions, social norms & customs play significant roles in determining individual & collective behavior in rural India. (One of the most important determinants of social hierarchy in rural areas is the caste system).

The family system is of joint family in rural areas the oldest male in family is the “Head Person” or “The Family Leader”. He makes all the decision in family.

Consumer behavior:-

Seasonal availability of agriculture products influence seasonal rural consumers demand. Purchase decision process and performance shows certain characteristic that have implication for marketers.

Exhibition & road shows acts as key trigger for information search behavior of rural consumers. Opinion leaders & people who are perceived to be knowledgeable play important role as information provider & advisor.

Word of mouth has more significance in purchase decision of rural consumer exhibit a greater involvement in purchase process. Leading to a more detail information search behavior.

Family members, relative’s, friends are discussed before making purchase decision.

Segmenting Rural Markets:-

For purpose of targeting decision, rural markets can be segmented using multiple dimensions, such as

- Geographic (North, West, South, East)
- Demographic (Age, Sex, Occupation - farmers, labor)
- Psychographic (social, lifestyle).

Behavior plays useful segmentation schemes for rural socio-economic classified (SEC). This scheme classified consumer’s information four classes:

1. SEC-R1 – landlord farmers, educated, exposed to urban environment, children study in nearby towns, adopts modern technology

2. SEC-R2 – rich farmers may be not educated but want their children to educate, aspire to have high social status.
3. SEC-R2 – marginal farmers, children studying in village schools, conservative in technology adoption.
4. SEC-R4 – very low land holding, poor income status.

Other than this in the segmentation of rural market for agriculture input products, the farmers are classified on the basis of their response to the new technology. It can be shown as follows:

Classification of Farmers on the basis of Response to New Technology:

The farmers have following groups –

1. **Initiators**
2. **Early Adapters**
3. **Late Adapters**
4. **Early Majority**
5. **Late Majority**
6. **Laggards.**

Initiators: This is the group of farmers who are very interested in new technology. They always try to seek new information. They take efforts and personally approach to the technical persons for new information. They have very high risk bearing ability. They have Sustainable Farming Business. Generally these are land lords, Political Leaders, etc. They always try to do new experiments on their farms. These are very few in number.

Early Adapters: This group of farmers is the followers of the initiators. They seek information about new technology and also they are interested in the results of that technology. These are more than the initiators. Many times they are in the concern with initiators. Generally these are also land lords.

Late Adapters: These are the followers of Early Adapters. They get known about new technology from the early adapters. Early adapters are the source of information

for them. They constitute few percent of population.

Early Majority: This type constitutes major part of society. They have medium land holding. The risk taking ability of these farmers is also limited. They seek information from the local initiators. They never go for experiments.

Late Majority: These are the followers of Early Majority. Generally they are poor farmers having low land holding. They adapt new technology when it drained well in society. And the results are well known.

Laggards: This class of farmers is very late in adoption of new technology. They have very low land holding. Their risk bearing ability is also very low. They are very sticky for their customs and traditions. They never leave their conventional practices of farming. They are orthodox people. By the time they adopt new techniques, the initiators may have tried for one or more advanced techniques.

As per these policies company have to decide their promotional activities.

DEMAND GENERATION ACTIVITIES:-

In field demand generation activities are carried out in more than 10 villages covering around whole Rahuri block of Ahmednagar District. Various demand generating activities carried out are as follows:

INDIVIDUAL FARMER CONTACTS

It involves direct visit to farmers in villages or in farm. It includes introducing our product to farmer, explaining the strength and suitability and convincing them to buy. Also providing the guidance to farmers and solving their queries if any.

It was not possible to cover all farmers of tahsil. So we went to village early in the morning to cover most of the farmers, farmers were gathered at village's common place such as Grampanchayat, Temple, Retailers shop. Then we went at farm where farmers engage in agricultural activity.

FARMERS MEETING

It consists of a mass level meeting in a village nearby. On average 20 to 30 farmers were gathered together and they were informed and convinced about the

product of the company. Schedule of farmers meeting were varies generally most of meeting we carried out at the time of demonstration. In farmers meeting we explained benefits of Crop Plus and other speciality products of company.

DEMONSTRATION

Conducting crop demonstration on farmer's field is the most effective method of convincing farmers on the need for adoption of agricultural technology to improve crop yield and fertilizer use efficiency.

Demonstration is visual method to understand farmers very effectively about our products. We took some demonstration plots in Rahuri taluka. At each demonstration we took one spraying. Before fixing demonstration plot we consider following points.

A. LOCATION

Plots which we were selected are located roadside. This provision is done for easy identification for farmers.

B. COVERAGE

Demonstration plot are selected in such a way that they should covered all the area of Rahuri taluka.

C. OWNER OF DEMONSTRATED PLOT

We selected farmer which is innovative and co-operative. Also they have positive view towards Kirti Fertilizer, so that they can cooperates with other farmers for explaining effectiveness of Crop Plus. The farmer is Innovator who has better social status.

Observations:

In the sales promotion activities of company, the things can be described along with SWOT analysis as given bellow:

SWOT ANALYSIS

STRENGTHS

- KIRTI CROP PLUS is 100% Bio fertilizers having 25 Amino Acids in addition with glucose technology.
- It maintains fertility of the soil and water.
- There is easy availability and less leaching of nutrients in soil.
- Brand image of KIRTI FERTILIZER helps in selling any products.
- Well established marketing channels.
- Company's quality products has created good image Kirti's product.
- One of the company's strength is its power brands e.g. Kirti Power is master in Complex Fertilizers.

WEAKNESSES

- High cost of product
- Less promotional activities
- No attractive features on farmer point of view.
- Farmers are not fully aware about importance of soil applicable bio-fertilizers.
- Non attractive packaging is a major weakness.
- Kirti had less field force, separate and dedicated field force has to develop market like other competitors Ranade, Wakhar Industries, etc.
- According to customers, Kirti (Crop Plus) shows late entry into market in particular product portfolio, this is an obstacle to establish brand by defeating competitor's product in a same range.
- It was found that the Literature/educative materials Kirti supplies to farmer and dealers are comparatively less effective and attractive.

OPPORTUNITIES

- Different grades of Crop Plus should be manufactured according to the cropping pattern, stages of the crops and market potential.
- Farmers demanding product knowledge which is easy to understand and should be in easy language.
- Farmer's awareness is increasing regarding requirement of bio-fertilizers for maintenance of soil fertility.
- If product will give good results in current year, it will achieve more market shares in forth coming years.
- Market changing to cash market.

THREATS

- Untimely / inadequate rainfall and meteorological conditions.
- Poor field development work will lead to the market eaten up by competitors.
- Small players grabbing market.
- Inadequate knowledge about optimum uses of Fertilizers in remote areas.
- Natural calamities like drought will reduce the sale.

CHAPTER 4
FINDING, SUGGESTION,
CONCLUSION

FINDING

- Dealer is the main connecting link between manufacturer and consumer. They are playing vital role in the sale of product. But some of them are not showing their involvement for the sale of product.
- Particularly well established market players are not interested for this as they have their stand in market. They think that company has their need to promote the products.
- The government also has its control over the sale of Mix and Complex Fertilizers. The Government officers keep check on dealers for appropriate sale of these fertilizers and avoid the unfair practices of sales of complex fertilizers. But many times misconduct of the things leads to the creation of problems. It leads to the violence among the farmers.
- Consumers are not satisfied about the price rate offered by dealers for the products.
- Some sub-dealers in remote rural market are used to do unfair marketing practices which hamper the sale and may lead to spoil the Brand Image of company.

RECOMMENDATIONS

- Company has to encourage new dealers who are interested to work for company instead of old uninterested "Big Fishes ". Company can encourage new ones with the help of unique brand of "Kirti Fertilizer- Power".
- To avoid any unfair practice company has to keep limited number of dealers so that company can control on their activities and may involve them in the promotional activities.
- The future demand is predicted before the season, to avoid any shortage of fertilizers during season. For that the dealer meeting is have to be conducted before the season.
- If we think about the current market situation and government policies about raw material of Complex Fertilizers, the brand name of Kirti Power will not be fruitful for encouragement for long time in coming future.
- In that respect one thing has to keep in mind that farmer never make experiments on their farm. That is they never keep faith on the new product until and unless they are fully aware about it. For gaining customer belief company have to prove the utility of product by conducting Method Demonstrations and Result Demonstrations.
- Face to Face meeting with big farmers by sales person and technical persons will be highly beneficial for increasing awareness about the quality product of Kirti Fertilizer.

CONCLUSION

- In the marketing channel of fertilizers Dealers have major role as they are in direct contact with the end users. They play a very important role in the sale of Fertilizers as they are the nearest source of information for the farmers.
- But nearly depending on dealers for the business will lead to spoil the market.
- Farmers are dependent on dealers only for information as they are not fully aware about new technology. If a company provides an alternative for this source of information as “company sales promoters”, at their door steps, they can demand the product to dealer by its name and will not be misguided by dealers.
- Also appointing a large number of dealers is leading to misconduct and is responsible for unfair marketing practices. Instead of that putting a less number of dealers is easy to keep watch on their activities and also it's easy to involve them in promotion activities.
- While appointing dealership the policies should be such that the dealer must be loyal with company and he has to work for company, as company also gives profit to him.
- Rural Farmer is a loyal customer. He is very sticky about the Brand on which he has faith. To gain their faith is a very difficult task. The farmers have faith in products of Kirti Fertilizers. It's very beneficial in sales promotion.

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Web Sites :

- www.urvarak.com
- www.fai.org
- www.kirtifertilizer.com

ANNEXURE

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ANNEXURE

Questionnaire:

A) FOR FARMERS: (For Bulk Products)

1. Opinion about "Kirti Fertilizer" brand?
 - a) Good
 - b) Very Good
 - c) Better
 - d) Excellent
2. About Quality of products?
 - a) Good
 - b) Very Good
 - c) Better
 - d) Excellent
3. Availability of products?
 - a) Yes
 - b) No
4. Opinion about dealer's relations?
 - a) Ecofriendly
 - b) Not Supporting
5. Farmer's opinion about product?
 - a) Affordable Product
 - b) Non Affordable Product
6. Purchase type?
 - a) Credit
 - b) Cash

A) FOR DEALERS: (Bulk products)

- 1) Opinion about "KIRTI" brand?
 - a) Good
 - b) Very Good
 - c) Better
 - d) Excellent
- 2) About quality of product?
 - a) Good
 - b) Very Good
 - c) Better
 - d) Excellent
- 3) Availability of product?
 - a) Yes
 - b) No
- 4) Farmers Response for the product?
 - a) Good
 - b) Better
- 5) Transport service?
 - a) Time to Time s
 - b) Delay
- 6) Technical knowledge about product?
 - a) Yes
 - b) No
- 7) Dealership since how many years?
 - a) 3 Year
 - b) 5 Year