

MARKETING OF BROILER IN AND AROUND CHENNAI : AN ECONOMIC ANALYSIS

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TAMIL NADU VETERINARY AND ANIMAL SCIENCES UNIVERSITY
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CERTIFICATE

This is to certify that the thesis entitled "**MARKETING OF BROILER IN AND AROUND CHENNAI : AN ECONOMIC ANALYSIS**" submitted in partial fulfilment of the requirements for the degree of MASTER OF VETERINARY SCIENCE in ANIMAL HUSBANDRY ECONOMICS to the TAMIL NADU VETERINARY AND ANIMAL SCIENCES UNIVERSITY, CHENNAI is a record of bonafide research work carried out by SUSAN MINI JACOB under my supervision and guidance and that no part of this thesis has been submitted for the award of any other degree, diploma, fellowship of other similar titles or prizes and that the work has not been published in part or full in any scientific or popular journal or magazine.

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ABSTRACT

Title	:	Marketing of Broiler in and around Chennai : An Economic Analysis
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A study was undertaken to analyse the broiler marketing system in Chennai during the period 1998-99.

A pre-determined sample of 55 broiler farms were selected through simple random sampling technique and the samples were then post- stratified into three categories, viz small farms (below 1500 birds) medium farms (1501-4000 birds) and large farms (above 4000 birds) for this study. Besides this, wholesalers and retailers of ten each from Chennai were selected.

The socio-economic status of broiler farmers revealed that large farms had the highest percentage of collegiate educated broiler farm owners, the maximum number of broiler farmers were in the age group between 31-40 years, and the large farmers had highest per cent (70.58 per cent) of farm income. Small land holding farmers had more of medium size broiler farms where as large land holding farmers and marginal farmers had more of large and small size farms respectively. The analysis of market structure portrayed that the value of concentration ratio and Hirschman - Herfindahl Index were 0.38 (38 per

cent) and 0.57 (57 per cent) respectively indicating the absence of monopoly at farm level. Though the market at farm level have been classified under slightly concentrated oligopoly as per Bain's classification, considering the atomistically competitive buyer group and easy entry into or exit out of the market, market intelligence, product substitution, etc., the market was said to be pure competitive.

The following three marketing channels were identified in the movement of broilers.

Channel I - Producers - wholesaler - retailer - consumer

Channel II - Producer - retailer - consumer

Channel III - Producer - consumer

Of these, channel I transacted the maximum quantum of broilers (54.54 per cent) followed by channel II while channel III transacted only a negligible quantum of broilers.

It was found that the total broilers transacted from the large farms were the largest (86.89 per cent) followed by medium farms and small farms. The volume of transaction was more in December (peak month) as compared to May (lean month).

The producer's share of consumer's rupee was maximum in peak month irrespective of the channel, and the same was more in channel III followed by channel II and I. Among the marketing cost involved at first stage of transaction, the transport cost shared a major proportion. Price spread in channel I was highest due to the margin of intermediaries while channel III was lowest due to the absence of intermediaries but transacted only negligible quantum of broilers.

The 12 months seasonal index of broiler prices for 10 years from 1990-1999 was analysed which showed that the broiler prices were the highest in the months of December and January and lowest in August, September. The price trend over 10 years were calculated using the linear equation which explained that 82 per cent of variation in broiler prices was due to trend and the price increased by 0.24 paise per month.

The producers and intermediaries were asked to rank the problems that are prevalent in the study area in the marketing of broilers and the results were analysed through Garret's ranking technique.

The producers ranked the poor transport facility followed by long distance from the market centre, exploitation by unscrupulous middlemen, wide price fluctuation, poor information about market trends, absence of price fixing agency, scattered distribution of consumers, poor consumer acceptability and low price in relation to broiler meat.

The wholesalers ranked the wide price fluctuation as major problem. High transport cost, long distance from market centre, scattered distribution of consumers, poor information about market trends, poor consumer acceptability and absence of price fixing agency were other factors hindering effective broiler marketing.

The major constraint faced by the retailer was wide price fluctuation followed by high transport cost, exploitation by too many middle men, scattered distribution of consumers, poor consumer acceptability and poor information about market trends were other constraints affecting productive broiler marketing.