

Problems and Challenges of Tribal Marketing in Telangana (Special reference to Khammam district)

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Abstract: Indian government has been facing one of the greatest challenges since independence in providing social justice to the scheduled tribe people by ameliorating their social, economic and living conditions as they have been neglected for centuries together and kept in isolation. Schedule caste, Schedule tribes and denotified tribes constitute the weaker sections of India's population and the major constituents of the matrix of India's poverty. Agriculture in tribal regions also faces these problems along with some additional problems. Tribal regions have abundant land, slash and burn agriculture, higher per capita availability of land, immense possibility of development and completely untapped land resources which make the case of development of agriculture in the tribal areas. There are lacks of proper physical communication facilities in tribal areas. More than half of the villages in the country do not have all-weather roads. Therefore reaching these villages is very physically taxing. Hence, distribution efforts put up by the marketers prove to be expensive and ineffective. More than one third of the tribals live in thatched houses with PTGs and Koya tribals at relatively higher percentages despite the more, trumpeted, housing schemes of the government. Constitutional guarantees, legislative enactments, administrative programmes and institutional creations and the policies of the government over the years in improving the overall welfare of the tribals in India have touched the periphery, heralding a change and transition at a slow pace.

Key Words: Tribal, Agricultural Marketing, Support Prices, Government programmes and Promotional Strategies.

Introduction

Indian government has been facing one of the greatest challenges since independence in providing social justice to the scheduled tribe people by ameliorating their social, economic and living conditions as they have been neglected for centuries together and kept in isolation. Schedule caste, Schedule tribes and denotified tribes constitute the weaker sections of India's population and the major constituents of the matrix of India's poverty. These sections have been exploited and they are deprived of civic facilities and civilized way of living (Chowdary S.N, 2009).

The population of tribal communities is 10.42 corers as per 2011 census and account for 8.6 per cent of the total population. Growth rate of population of ST's between 2001-2011 is 24 per cent against the national growth rate of 18 per cent during the same period. More than 80 per cent of the tribals depend on agriculture of which Podu cultivation is a part. Tribals are primitive in nature and bound by customs and traditions. Over the years tribals have become aliens in their own land. Legislative measures have not been effective to discourage land alienations as dubious methods have been adopted by the non-tribals in grabbing their land. The tribal market has been undergoing a considerable change over the last five decades. This is the result of generation of new employment opportunities and new source of income made available through various tribal development programmes.

Telangana is predominantly rain-fed, with uneven distribution of rainfall. Most tribal people do not foresee a prosperous future for themselves in the agricultural sector primarily because of the lack of profitability of agricultural activities and the lack of infrastructure and social facilities in tribal areas. Not only do these youth lack income, they lack a means of gaining respect and a sense of belonging in their communities. The Khammam district has a tribal population of 5, 58,958, which is about 13.29% of the total tribal population of the Telangana state. The livelihood of Koyas is mainly agriculture though they would do Podu, (i.e. slash and burn technique) and collect the local forest produce like tamarind, emblics, honey, Palm kernels and tender tamarind leaves.

Literature Review

There are many studies carried out in India in connection with tribal marketing, which have Narayan Krishnamurthy (2000) (2009) researched out that by using the regional language, it becomes much easier to increase the penetration in rural areas. Rakesh Singh and Kapil Bhagat (2004-05) explained that the corporate and rural India have entered into collaborative partnership through vertical coordination. Vivek Parikh (2001) and Pradeep Kashayap and Siddhartha (2006) elaborated that various aspects of tribal marketing like the rural customers, rural marketing research, rural products, pricing, distribution strategies, and the role of media and government initiation contributed in uplifting the rural demand and market. These studies on related problems are useful or indicate the type of difficulties and possible analytical shortcomings and suggest new line of approach to present and study the problem in new context.

The Problem of Agriculture in tribal region

Most of the Indian agriculture is rain fed and the productivity of the Indian agriculture is among the lowest. Land degradation, water pollution, and shortage of inputs and failure of the monsoons are some of the problems. Agriculture in tribal regions also faces these problems along with some additional problems. Tribal regions have abundant land, slash and burn agriculture, higher per capita availability of land, immense possibility of development and completely untapped land resources which make the case of development of agriculture in the tribal areas. Future development of Indian agriculture depends on the development of agriculture in the tribal areas. (Sandy ran and Kumari manju 2013). In the tribal areas settled cultivation is at substance level and proper marketing facilities are not available forcing the tribals to make distress sale. About 90 per cent of the tribals are engaged in cultivation and most of them are land less. Crop yield is very low and land holdings are uneconomic. A good portion of land in the tribal areas has been legally transferred to non-tribals. Their rights on the forest land are curbed by the forest departments. Infrastructure is low, illiteracy is high, un-employment is growing poverty is increasing and tribal's live amidst insecurity.

Need and Significance of the present study

In Telangana, a good number of studies have been conducted in the districts of North-costal and North-Telangana region, where tribal's are heavily concentrated. A majority of these studies have been made to examine the problems of tribal development and conditions of various tribal groups. This study are significant as it attempts to fill up the gaps in the earlier studies. Two primitive tribal groups are taken in this study under sample and they are compared with other major tribal groups.

Methodology of the Study

The literature review indicated that there is insufficient theory and understanding of Indian Tribal marketing within the context of particular phenomena. A Primary data gives first hand information for specific purposes in hand, whereas secondary data consist of information important to describe and highlight valuable insights in the research. Secondary data have been obtained from the published reports, internet, libraries, journals /magazines, and reports of certain government agencies: Census of India National council of applied economic research National sample survey District statistical reports Panchayat office Central statistical organization Rural Marketing books/Journals/Magazines Reserve Bank of India Report Planning commission Annual/ Five- Year Plan Reports.

Objectives of the Study

Today, the marketers have realized the burgeoning purchasing power, vast size demand base of the once neglected Indian hinterland. It would be totally naïve to think that any firm can easily enter the market and walk away with a sizeable share of it. The present study mainly attempts to examine the following issues:

1. To examine the current tribal marketing scenario,
2. To identify tribal marketing opportunities,
3. To examine the challenges facing the marketers, and to suggest effective strategies for marketing in tribal areas

Limitations

As usual, the study is embedded with all the limitations of the study area and time specific studies. The study is circumscribed by the following; Responses of the tribal's are normally inhibitive as they are mostly shy and shunned in nature. Data is related to a point of time and so trends in the variables analyzed cannot be established. Over enthusiasm of some of the respondents may impact the data.

Problems in collection and sale of MFP

Tribals in the interior dense forests, collects Minor Forest Produce (MFP) to eke out their living by working from dawn to dusk. However the MFP collection has been declining from year to year and the tribals are not in a position to meet their basic necessities. For instance in the GCC area of Manu guru, Yellandu, Kuknoor and Chintoor of sample Khammam district during the last seven years the targets of MFP collection have not been reached even once. The year wise targets and the actual collections are given in the table-1.

The data reveal that the actual collection of MFP by the GCCs has decreased from 301.07 lakhs in 2007-08 to 261.58 lakhs in 2012-13 and to Rs.108.44 lakhs in 2013-14. Targets of the GCCS over the

seven years have not been reached even by 50 per cent and this shows the constant decrease in the availability of MFP to the tribals. Tamarind, Soap nuts, Honey, Amla nuts, Nara mango, Kernels, Musti nuts, Vipppa puuvu and the like collected by the tribals in Khammam district have been declining. The following table depicts the prices for the current year.

Table -1. Prices of MFP fixed by the GCC for the year 2013-14

Products	Old Prices (Per Kg.)	Increased Prices (Per Kg.)	Variations (%)
Tabasi Gum (First Quality)	190	270	42.1
Tabasi Gum (Second quality)	140	220	57.1
Tabasi Gum (Third quality)	125	125	0
Honey	120	120	0
Honey work	100	120	20
Truman gu (Second Quality)	80	80	0
Truman gum (Second quality)	60	60	0
Dry Usiri	28	40	4.3
Tamarind	28	35	25
Nara mango kernel	25	28	12
Musti nuts	20	25	25
Vippa puuvu	7	10	43
Soap nuts	15	6	-60

Support prices for MFP are not encouraging and the prices for products like soap nuts have been decreased affecting the incomes of the tribals engaged in MFP collection. Podu cultivation, encroachment of the forest land by non-tribals and assignment of forest land to non-tribals have depleted the forest area as big trees have been cut off. MFP collection has been decreasing due to indiscriminate price policy as the tribal families may get just Rs.25 to Rs.50 for a day's labour. Moreover MFP collection involves risk to life due to wild animals and snake bites. The policy of insurance to cover such risks to life was continued earlier and recently insurance cover has been removed. All these factors have been discouraging and dissuading the tribals from MFP collections by going into the forests.

Analysis of Tribal Marketing Scenario

There is a need to provide facilities and make the females education compulsory in all the states, so that they can play greater roles in the development of the family and the society. Regarding education levels, about 29% of the rural population has studied up to primary school, 31% up to middle school, 21% up to matriculation, 16% are matriculates and only 3% of the people have graduate and postgraduate

qualifications. If looking up the education promotion at different levels, the situations seems to be meager, and the scenario seems to change a bit little more since 2001 onwards. Due to the low literacy rate, the demand of the goods is generally low in the rural areas. However, change is taking place in villages nearby towns and semi-urban areas due to increase in education facilities. Increasing literacy rate is one of the important factors in creating awareness about consumer and non-consumer goods and also contributes in changing the life styles of rural people, which is a major aspect for marketing awareness.

Tribal Market Opportunities

The Indian growth story is now spreading itself to India's hinterland, not just witnessing an increase in its income but also in consumption and production. The economy is vibrant, income is rising, and the habits, tastes, preferences, and attitudes are changing rapidly. Nowhere these changes are evident in the tribal areas. The low rate finance availability has also increased the affordability of purchasing the costly products by the tribal people. Although with the substantial up gradation in purchasing power, increased brand consciousness pattern and rapid spread of communication network, rural India offers a plethora of opportunities, all waiting to be harnessed, the marketers lack of in-depth knowledge of the villages psyche, strong distribution channels and awareness that are indeed the fundamentals for making a dent into the rural markets.

Challenges of Tribal Market in India

The tribal market offers a vast untapped potential, it should be recognised that it is not easy to operate in the market, because of several attendant challenges. Tribal market remains untapped because of mainly three challenges:-distance, diversity, and dispersion. Dispersed population and trade, large number of intermediaries in the value chains leading to the higher costs, scarce bank and credit facilities for tribal customers and retailers, highly credit driven market and low investment capacity of retailers are the other roadblocks. Thus, there are several roadblocks that make it difficult to progress in the tribal market.

1. The small population base and number of households indicates a widely spread out market and it is a challenge for the marketer to service this dispersed market. The numbers of the villages are not uniform in size. Nearly half of the population lives in small sized villages (Tandas) which have a population ranging from 300 to 1000 persons.
2. The tribal per capita income is low as compared to other area. Low per capita income leads to low purchasing power. This apart, the distribution of income is highly skewed, since the landholding pattern, which is basic asset, is itself skewed.
- 3) There are lacks of proper physical communication facilities in tribal areas. More than half of the villages in the country do not have all-weather roads. Therefore reaching these villages is very physically taxing. Hence, distribution efforts put up by the marketers prove to be expensive and ineffective.
- 4) The tribal market, by and small, are characterized by underdeveloped people and consequently underdeveloped market. A vast majority of tribal people is not financially stable and is tradition-bound, fatalistic, mired in age-old customs, traditions, habits, taboos, and practices. Unfortunately, the impact of agricultural technology has not been felt uniformly throughout the country. There are vast variations

in the levels of literacy amongst rural people. Around two-fifth of the tribal population is illiterate and only one-fifth holds a matriculate or higher degree.

Development of Strategies of Tribal market

The firms operating in tribal markets have to perceive and weigh the opportunities as well threats that exist in this highly heterogeneous and unpredictable market. The marketers need to examine the potential of tribal market for a separate market offerings and developing the strategies for marketing mix in rural markets on the basis of three important mix:- Product, Pricing, distribution, and promotional strategies:

For evolving product strategies, the marketers should think in terms of low unit price and low volume packing's which convey a perception of sturdiness and utility in the minds of tribal consumers. Pricing strategies are closely linked to the product strategies. The product packaging and presentation also offer scope for keeping the price low to suit the tribal purchasing power. The marketers aim to reduce the value of the product to an affordable level, so that a larger segment of the population can purchase it, thus expanding the market. For formulation of distribution strategies in tribal areas, it is necessary to keep in mind, the characteristics of the product, consumable and non-consumable, and life cycle and other factors relating to distribution. The promotional measure or strategies chosen should be cost effective, while consumable products may warrant the use of mass media since the target consumers are sizable, durable products will require personal selling efforts because of smaller size of target.

Major Findings and Suggestions

The major findings as emerged from the study are briefly presented here under:

1. Agriculture has become the most important primary occupation of the tribals validating the generally held hypothesis that tribal areas have undergone a transition from forest based economics to agricultural economics. Agricultural and non-agricultural labour, MGNREGS and self-employment in the form of MFP collection are secondary occupations of importance. Occupational pattern of the spouses is identical with that of their counter parts.
2. More than one third of the tribals live in thatched houses with PTGs and Koya tribals at relatively higher percentages despite the more, trumpeted, housing schemes of the government. Ventilation facilities, kitchen rooms and toilet facilities are available to a few households only. Though electricity facility is provided to most of the households, safe drinking water is a problem with the traditional fire wood being the main source of cooking in most of the households.
3. Collection of MFP is an important source of income to near half of the respondent households, while a majority of the tribal households, across the groups, use it for domestic consumption as well as for sales. Land values, asset values and livestock values are low and those of the PTGs are very low and the per acre crop yields are just 7.75 quintals.
4. Institutional credit has been available to the four major tribal groups with Banjaras at the top while the PTG borrowers are just 8 per cent only in receiving credit from the institutional sources. The encouraging feature is that the borrowed amounts have been invested on agriculture mostly, again, reiterating the transition of tribal economics to agro-orientation.
5. About 50 per cent of the agricultural produce and MFP collection are taken to the market yards and GCC respectively in the process of sales while half of the marketable surplus is sold to local merchants, middlemen and in shandies where the tribal people are susceptible to the dubious

methods and incur losses. Bamboo, firewood, pumpkins, amla nuts, honey, soap nuts, adda leaves, tuniki leaves, wild broom sticks and the like are the MFPs collected of which bamboo and firewood are prominent. PTG and Kondadora groups are involved relatively more in the MFP collection.

6. Discouraging support prices, lack of marketing facilities, improper path ways, threat from wild animals and snakes, depletion of forest resources dubious methods of the middlemen and above all, the removal of insurance coverage in case of death during collection are some of the problems in MFP collection because of which the quantum of MFP has been decreasing over the years. They have offered suggestions and mainly to revoke the insurance to augment MFP collection along with proper pricing and forest conservation.
7. Though the ITDA schemes have benefited the tribals in general by providing educational institutions, seeds, plants and the like with special assistance to the PTGs, Banjara and Koya respondents are satisfied to a little extent only along with the other two major tribal groups.

Policy Implications

On the basis of the aforesaid findings the following suggestions and policy imperatives are prescribed for adopting a suitable strategy for Tribal Development.

1. Education of the tribals need special attention by expanding and strengthening the educational institutions and in this context, adult education programmes be initiated with stress on the current affairs, issues of the tribals, tribal entitlements, tribal acts, health care and the like to make them more aware of the government programmes and policies. School dropouts be discouraged and girls education be promoted.
2. As agriculture has become the most important primary occupation of the tribals and the tribal lands are mostly virgin and fertile capable of yielding a variety of products agriculture in the tribal areas be encouraged by providing the needy inputs of late in India, academicians and researchers have been suggesting a lead role to the tribal agriculture.
3. Institutional norms, procedures and security norms are relaxed by banks, co-operatives and other financial institutions to extend more credit to this vulnerable section as the borrowed amounts are mostly invested on agriculture which would help to increase agricultural output. Marketing of the agricultural produce and MFP be made remunerative by eliminating the middlemen and by curbing the malpractices in the market yards, shandies and GCCS.
4. MFP collection by going into the forests plays an important role in tribal economies as it is used for both domestic consumption and monetary consideration. Availability of MFP in the forests can be improved by accepting their suggestions like development of greenery in the forests, plantations, path ways and the like besides by revoking the insurance coverage for risk to life. Infrastructure in the tribal areas to be improved up on. ITDA programmes to be redesigned to benefit all the tribal groups keeping the geographical and ecological factors in view. Horticulture, dairy activities, rearing of sheep, goats and poultry birds etc. is encouraged.

Concluding Remarks

Constitutional guarantees, legislative enactments, administrative programmes and institutional creations and the policies of the government over the years in improving the overall welfare of the tribals in India have touched the periphery, heralding a change and transition at a slow pace. Region specific and tribe specific variations as adumbrated in this study solicit a shift in the emphasis on

redesigning the policies related to tribal welfare. The tribal market is developed by rising purchasing power, changing consumption pattern, increased access to information and communication technology, improving infrastructure and increased government initiatives to boost the tribal economy. The marketers tune to their strategies in accordance to the tribal consumer in the coming years. Government support is necessary for the development of tribal market in India to face the emerging issues and challenges in the core areas like; transportation, communication, roads, and credit institutions, crop insurance for better utilization of land and water management. The future no doubt lies in the rural market. In conclusion, the rural markets are enticing and marketing to rural consumers is exciting. However, a clear understanding of the rural consumers and their current and future expectations are the major part of strategies to tap the rural market nowadays.

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