



## REVENUE INCREMENT COMMENCING RURAL NON AGRICULTURAL PRODUCTS: EVIDENCE FROM MARKETING FRAMEWORK

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### ***Abstract***

The role of agricultural producer organisations, which attempt to unite farmers, has grown in significance throughout the food supply chain. Additionally, they are commonly believed to have the ability to significantly improve the wellness of rural residents. However, our knowledge of how these collective action organisations function in the market is still quite limited. The paper offers two responses in response to this. First, the market behaviour of these organisations exhibits a wide range, according to our research. This is relevant to both their product mix and the marketing channels they employ. Second, by incorporating recent developments in firm theory, our analysis aims to shed some light on the nature and causes of this heterogeneity. Even while the evidence only shows conditional connections, it identifies two intriguing regularities. On the one hand, it implies that the size of the organisation and willingness to accept deliveries from non-members are positively correlated with the supply of major retail chains. On the other hand, it implies that businesses with higher levels of competition offer fewer products than businesses with lower levels of competition.

### **1. Introduction**

Globalisation resulted into cut throat competitive environment. Here, the incremental revenue has become the need of the hour to sustain and remain in the same position. Incremental Revenue is the term used to describe the revenue from an increasing sales volume. The revenue earned by two alternative techniques is analysed and compared using the incremental revenue. It is measured in relation to a baseline revenue level that has been established. When a change in sales volume occurs during the period under examination, incremental revenue refers to the

value of additional revenue generated by the company. By dividing the change in revenue for a given period by the change in quantity sold, the incremental revenue is determined. To determine the implications of changes in liabilities and revenue on the budget, a baseline revenue level is used as a benchmark. It is crucial to first identify and name these non-farm products before going on to describe the marketing strategy for them in rural areas. We must choose which should be referred to as non-farm products in the context of rural development. In general, these are the same as manufactured goods, but in economic terms, these are goods that, after being processed, gain value and are sold for a higher price. In addition, milk collection, wool shearing, dates curing, other fruits and vegetables primary processing, raw sugar (Shakkar) and gur-making are some other activities producing the non-farm products. These activities include tobacco curing, small scale oil-seed crushing, cottage scale tanning industry, etc. Such small-scale industries have grown in rural areas. Agricultural marketing in general Marketing in rural areas is based on the conventional methods of assembly and distribution, as opposed to the sophisticated and multi-sectoral operations that take place in urban areas.

Since accurate identification of the labour movement is crucial, this study's core data were acquired from people who reside in areas where the labour movement is active. The purpose of this study was to determine the association between certain socioeconomic parameters and the labour potential in rural households and the propensity to switch to non-agricultural jobs. The role of agricultural producer organisations, which attempt to unite farmers, has grown in significance throughout the food supply chain. Additionally, they are commonly believed to have the ability to significantly improve the wellness of rural residents. However, our knowledge of how these collective action organisations function in the market is still quite limited.

## **2. Review of Literature**

(Fałkowski & Chlebicka, 2021) The role of agricultural producer organisations, which attempt to unite farmers, has grown in significance throughout the food supply chain. Additionally, they are commonly believed to have the ability to significantly improve the wellness of rural residents. However, our knowledge of how these collective action organisations function in the market is still quite limited. The paper offers two responses in response to this. First, the market behaviour of these organisations exhibits a wide range, according to our research. This is relevant to both their product mix and the marketing channels they employ.

(Alavion & Taghdisi, 2021) Iran's rural population has a pressing need for ICT applications to start e-marketing campaigns and create more jobs. The fact that small-scale farmers make up the majority of the villages is crucial, and an e-marketing strategy that can be embraced and put into practise should be suggested. As a result, the current study's goals included performing rural provincial clustering and modelling villagers' intentions to adopt e-marketing. Data were gathered from around 1000 villages across all provinces that have ICT offices. The study model was created in a way that allowed for the development of the Theory of Planned Behavior (TPB) and the addition of background information about the rural economy. The Geographic Model of Planned Behavior (GeoTPB) was consequently suggested.

(Liao et al., 2021) Key opinion leaders (KOLs) have had excellent success with agriculture brand e-commerce marketing on social media thanks to the low-cost and high-efficiency

internet traffic monetizing capability. However, depending on which products they favour, opinion leaders frequently use a variety of promotion tactics. For agricultural product brand firms, figuring out how to improve online marketing tactics based on the divergent opinions of opinion leaders remains a challenge that needs to be solved quickly. In this study, opinion leaders with limited rationality and brand enterprises for agricultural products serve as the research subjects.

(Hochuli et al., 2021) The production of milk is the part of Swiss agriculture with the greatest economic impact. Even though the market is strongly regulated in regard to Europe and the rest of the globe by tariff barriers, the price pressure on Swiss dairy farms is increasing. In light of this, the question of which strategic approach is most advantageous for individual dairy farms arises. The choices are to specialise in milk production, diversify through methods like direct marketing or agritourism, or stop producing milk altogether. For farms in the dairy business with a large capital lockup, the latter is not feasible. On the other hand, expanding into a supplementary area of farming like agritourism or direct marketing might be connected to current milk production.

(S. Shukla & Tandon, 2011) Scholars have extensively discussed the economic effects of rural e-commerce, but there are few studies that concentrate on the environmental effects. (Mishra, 2011) In developed nations, the majority of food is sold through supply chains managed by sizable wholesalers and supermarket chains, including organic fruits and vegetables. A portion is sold via regional marketing channels, including niche retailers, food subscription services, farmers' markets, and community-supported agriculture.

(de Oliveira Padilha et al., 2022) In order to understand how participants in the Brazilian organic cotton ecosystem collaborate to build green marketing innovation strategies, this study examines how green marketing innovations have been co-created by those participants. Brazil's use of organic cotton demonstrates how policies and plans that put environmental concerns ahead of profit-making potential can provide direction and foster ecosystem cohesiveness. A case study on the Brazilian organic cotton ecosystem was carried out to discuss how cooperative successes and green marketing techniques can affect innovation.

(Iris et al., 2018) Compared to other farming types, the impact on investments is noticeably less for crop farms. However, given that there didn't seem to be much of a demand for such advisory services, the results also suggest that Lithuanian farmers have a fairly low level of environmental awareness. Young farmers' lack of business administration and marketing skills is suggested by the comparatively high demand for advisory services related to the creation of business plans, which highlights the need for social dimension development.

(Sarvade et al., 2020) The hamlet offers a significant case study for understanding agricultural resilience because it has more than 50% small and medium landowning households and 76% of the entire main workforce is employed in agriculture. Resilience has typically only been conceptualised in terms of a system or a geographical limit. It is a popular belief that forces within agriculture and the rural area are what drive agrarian resilience as well. i.e., land ownership is unchanging, the peasantry's labour is geographically restricted to agriculture, agriculture generates capital, and the peasantry's networks and skills are also restricted to agriculture.

(R. Shukla et al., 2019) Georgia has rural-urban movement, as well as emigration from the agricultural sector, like many other transitional nations. This holds true for Georgia's Greater

Caucasus, specifically the hilly Kazbegi district. The district's primary economic activity is subsistence farming; very few agricultural producers engage in commercial activity. Due to the area's stunning natural surroundings, tourism has increased over the past ten years, while there has been a decline in interest in the agricultural industry.

(Jhariya et al., 2015) The persistent flight of young people and the resulting rural-urban disconnections pose a severe threat to global sustainable rural development, therefore restoring and strengthening rural-urban links is essential to reversing the trend of rural decline. This study develops a transdisciplinary framework to understand the process of an AFN-type agricultural practise case in eastern China and examines its impact on re-linking local rural community to neighbouring cities and fostering rural endogenous development cap by combining the umbrella concept of Alternative Food Network (AFN) centering on directly connecting farmers and local consumers and "social capital" closely linked to "trust," "shared value," and "social network."

### 3. Research Methodology

#### 3.1 Objectives:

1. To apprehend the revenue incremental practice for non agricultural products.
2. To govern the role of marketing framework on non agricultural products.

#### 3.2 Marketing Framework

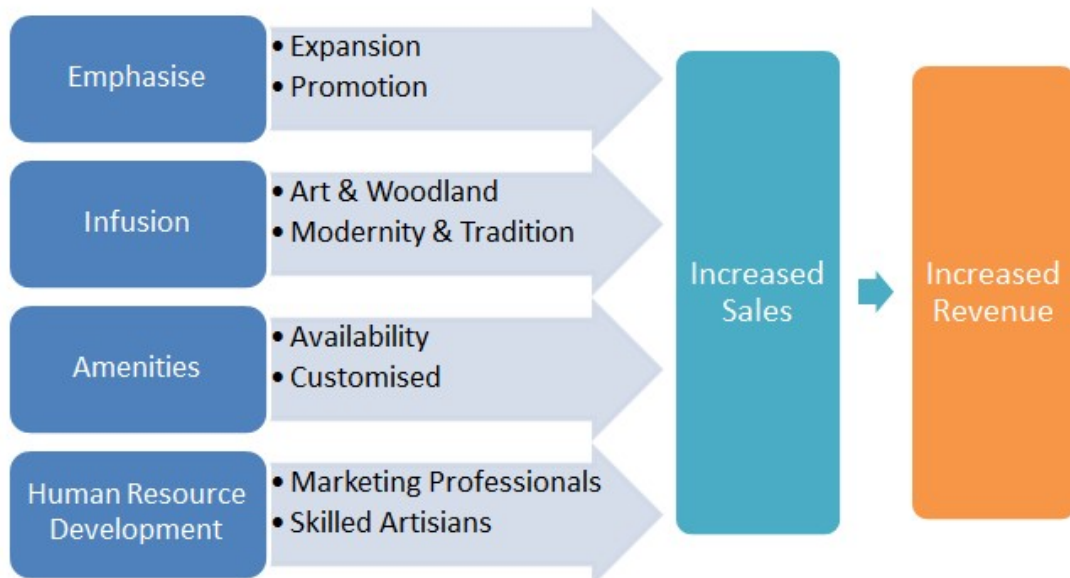


Fig. 1.1 Marketing Framework

#### 3.3 Hypothesis Formulation:

**H<sub>1</sub>:** Expansion and promotion has a significant impact over sales of non agricultural products.

**H<sub>2</sub>:** Infusion of modernity and tradition has a significant impact on sales of non agricultural products.

**H<sub>3</sub>:** Customisation on product has a significant impact on sales of non agricultural products.

**H<sub>4</sub>:** Developing human resource has a significant impact over sales of non agricultural products.

#### 4. Data Analysis

##### 4.1 Analysis Tool

Structured questionnaire has designed, examined and using convenience non probability sampling technique, data has collected from the residents at various districts of Chhattisgarh. The data thus collected is analysed through SPSS data analytics software.

Table 1: The summary of research design and descriptive study

Research Design	Descriptive Study
Data Source	Primary Data
Instrument Used	Questionnaire
Sample Unit	Chhattisgarh
Population	Consumers of Chhattisgarh
Sampling Design	Non Probability Sampling-Convenience Sampling
Data Analysis	Regression and ANOVA

Table 2: Descriptive Statistics

Mean	<i>Expansion promotion and</i>				<i>Customisation</i>				<i>Infusion of modernity and tradition</i>			
	6	4.7	4.7	4.9	5.8	4.7	5.0	4.6	4.82	5.01	4.81	4.63
<b>Standard Error</b>	0.03	0.08	0.09	0.09	0.09	0.08	0.09	0.09	0.09	0.09	0.08	0.09
<b>Median</b>	6	4	4	5	7	4	5	4	5	5	4	4
<b>Mode</b>	6	3	3	7	9	3	7	3	5	7	3	3
<b>Standard Deviation</b>	0.8	2.51	2.59	2.62	2.74	2.5	2.76	2.64	2.57	2.69	2.44	2.58
<b>Sample Variance</b>	0.65	6.31	6.72	6.89	7.52	6.24	7.64	6.96	6.62	7.24	5.94	6.64
<b>Kurtosis</b>	-1.5	-1	-1.1	-1.2	-1.3	-1	-1.4	-1.2	-1.1	-1.4	-1	-1.1
<b>Skewness</b>	0.01	0.36	0.3	0.11	-0.4	0.38	0.08	0.35	0.27	0.12	0.41	0.34
<b>Range</b>	2	8	8	8	8	8	8	8	8	8	8	8
<b>Minimum</b>	5	1	1	1	1	1	1	1	1	1	1	1

<b>Maximum</b>	7	9	9	9	9	9	9	9	9	9	9	9
<b>Sum</b>	5468	4287	4322	4538	5356	4303	4613	4247	4398	4571	4383	4226
<b>Count</b>	540	540	540	540	540	540	540	540	540	540	540	540
<b>Confidence Level(95.0%)</b>	0.05	0.16	0.17	0.17	0.18	0.16	0.18	0.17	0.17	0.17	0.16	0.17

The model was constituted for dependent variables into predictor variables such as Expansion and promotion, Customisation, Infusion of modernity and tradition , measured by ANOVA (Kumar and Sharma, 2017b; Kumar et al., 2018) and shown in Table. These four constructs explain 54.2% variance of the model. There is no sign of auto-correlation as Durbin-Watson statistics is 2.063 as the value is between a range of 0 to 4 (Durbin and Watson, 1950).

**Table 3: Regression Model**

Model Summary <sup>b</sup>											
Model	R (multiple regression coeff.)	R <sup>2</sup> (coeff. of determination)	Adjusted R <sup>2</sup>	S.E. of estimate	R <sup>2</sup> change	F-change	df1	df2	Sig.	Durbin-Watson	
1	0.736 <sup>a</sup>	0.542	0.395	0.98643	0.542	268.088	4	536	0.000	2.063	

a: Predictors: (Constant), *Expansion and promotion, Customisation, Infusion of modernity and tradition*

b: Dependent Variable: Sales of non agricultural products

**Table 4: ANOVA**

ANOVA <sup>a</sup>						
Model	Sum of Squares	df	Mean Square	F	Sig.	
Regression	1043.448	4	260.862	268.088	0.000 <sup>b</sup>	
Residual	882.552	536	0.973			
Total	1926.000	539				

a: Dependent Variable: Sales of non agricultural products

b: Predictors: (Constant), *Expansion and promotion, Customisation, Infusion of modernity and tradition*

## 5. Results and Discussion

According to the Table's findings, farmers' full-time job in crop production deepens the gender performance gap. Roughly 80% of the endowment effect and about 62% of the gender

performance gap are explained by full-time crop cultivation. Full-time crop farming is statistically significant and positive in the female structural disadvantage results, indicating that it expands the performance gap. In order to achieve high production and, as a result, larger margins, good performance calls for more time and a high level of managerial abilities. In comparison to males who have fewer domestic duties, women, especially those who have children, tend to spend less time on farming operations due to concerns about child care and other household chores. This may result in decreased farm output.

A multiple regression model with a positive intercept of 0.853 and a standard error of 0.986 is used to explain the customer choice. With a regression value of 0.802, quality—which encompasses factors like taste, uniqueness, and services—has a favourable impact on consumer preference. A regression coefficient of 0.168 indicates a favourable relationship between customer desire and health consciousness. Price similarly influences consumer preference favourably, with a regression coefficient of 0.138 taking into account factors like consumer affordability, method of payment, etc. With a regression coefficient of 0.026, availability, which takes into account convenience, outlet design and layout, exhibitions and fairs, and online facilities, has a favourable effect on consumer preference.

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