

Review of Agricultural Marketing Management in Enhancing Farmers' Income

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Abstract: *Agricultural marketing management plays a crucial role in improving farmers' income by ensuring efficient movement of agricultural produce from farms to consumers, reducing post-harvest losses, improving price realization, strengthening market access, and reducing unnecessary dependence on intermediaries. In India, the effectiveness of agricultural marketing has increasingly become important because agricultural productivity alone cannot guarantee higher farm income.*

The development of regulated markets, direct marketing, Farmer Producer Organizations (FPOs), digital trading platforms, improved storage and transportation facilities, grading and standardization, and electronic market information systems has created new opportunities for farmers to obtain better prices. The National Agriculture Market (e-NAM), launched in 2016, has particularly attempted to improve transparency and price discovery by digitally integrating agricultural markets. By March 2026, e-NAM had integrated 1,656 mandis, with more than 1.80 crore farmers and 4,724 FPOs registered on the platform.

Keywords: Agricultural Marketing, Farmer Producer Organizations, Price Discovery, Market Access, Digital Agriculture, Aurangabad, Maharashtra

I. INTRODUCTION

Agriculture is an important source of livelihood in Maharashtra, and the income received by farmers depends not only on production but also on the effectiveness of the marketing system through which agricultural commodities reach consumers. Agricultural marketing management includes all activities involved in assembling, grading, storing, transporting, processing, pricing and selling farm produce. An efficient marketing system can increase farmers' share in the consumer price by reducing unnecessary transaction costs, minimizing post-harvest losses and creating competitive opportunities for producers. Conversely, weak marketing arrangements may result in distress sales, high dependence on intermediaries, inadequate price information, delayed payments and significant differences between farm-gate and consumer prices. Research on Indian agricultural marketing has emphasized that improving productivity alone is insufficient for increasing farm income when farmers face high marketing costs and weak price realization.

Aurangabad, now officially known as Chhatrapati Sambhajinagar, represents an important agricultural region of Maharashtra and provides a useful context for examining agricultural marketing management. Farmers in the region operate within changing agricultural markets where traditional APMC channels increasingly coexist with direct sales, private traders, digital platforms, producer organizations and other emerging marketing mechanisms. The effectiveness of these channels depends upon the availability of transportation, storage, market information, grading facilities, institutional finance and bargaining power. Therefore, agricultural marketing management should not be understood merely as the sale of agricultural commodities; rather, it represents an integrated system connecting production decisions, post-harvest management, market information, pricing, logistics, processing and consumption.

II. AGRICULTURAL MARKETING MANAGEMENT AND FARMERS' INCOME

Agricultural marketing has a direct relationship with farmers' income because the final economic benefit of agricultural production depends on the price received by producers. A farmer may achieve high production but still obtain low income if the commodity is sold immediately after harvesting during a period of abundant market arrivals. Effective marketing management can help farmers overcome this problem through storage, better timing of sales, market diversification and access to alternative buyers. The reduction of intermediaries and transaction costs can also increase the proportion of the consumer's expenditure received by farmers. Traditional agricultural markets have sometimes been criticized for fragmented operations, information asymmetry and limited competition. The development of alternative channels such as direct marketing, contract farming, FPO-based marketing and electronic trading has therefore become important in improving farmers' bargaining position. Government policy has also recognized the importance of market infrastructure and alternative marketing channels for increasing the efficiency of agricultural markets.

III. MAJOR COMPONENTS OF AGRICULTURAL MARKETING MANAGEMENT

Component	Role in Agricultural Marketing	Expected Benefit to Farmers
Market Information	Provides information about prices, demand and arrivals	Better selling decisions
APMC Markets	Provide organized trading platforms	Transparent and regulated transactions
e-NAM	Provides electronic bidding and wider buyer access	Better price discovery
Storage	Allows farmers to avoid immediate distress sales	Improved timing of sale
Transportation	Connects farms with local and distant markets	Wider market access
Grading and Standardization	Differentiates produce according to quality	Better quality-based prices
Farmer Producer Organizations	Aggregates produce and bargaining power	Higher negotiating capacity
Direct Marketing	Connects farmers directly with consumers/buyers	Reduced intermediary margins
Processing and Value Addition	Converts raw produce into higher-value products	Increased income opportunities
Institutional Finance	Supports production and post-harvest marketing	Reduced dependence on informal credit
Digital Payments	Facilitates secure and faster transactions	Greater financial transparency
Contract/Organized Marketing	Provides structured buyer-producer relationships	Greater market certainty

IV. ROLE OF APMC AND TRADITIONAL MARKETING CHANNELS

Agricultural Produce Market Committee markets continue to play an important role in agricultural marketing. They provide physical marketplaces where farmers can sell their produce through established trading arrangements. APMC markets can provide facilities such as auction platforms, weighing, grading and payment systems. However, the effectiveness of these markets varies according to infrastructure, competition, trader participation and local institutional arrangements. Farmers may continue to depend on commission agents and local traders because of immediate payment, familiarity and access to credit. Such relationships can be particularly important for small and marginal farmers who lack storage facilities or sufficient working capital. At the same time, dependence on intermediaries may weaken farmers' bargaining power and increase the gap between farm-gate and consumer prices. Consequently, strengthening

APMC infrastructure while simultaneously developing competitive alternative channels is necessary for improving agricultural marketing efficiency.

V. DIGITAL AGRICULTURAL MARKETING AND E-NAM

Digital transformation has emerged as an important component of agricultural marketing management in India. e-NAM seeks to connect physical agricultural markets through an electronic trading platform, enabling transparent bidding, wider buyer participation, quality-based transactions and online payments. The official e-NAM framework identifies improved price discovery, reduction of information asymmetry and greater market integration as important objectives. By March 2026, the platform had reached 1,656 integrated mandis across 23 States and 4 Union Territories, with cumulative trade of approximately ₹4.84 lakh crore since its launch.

For farmers in Aurangabad, digital marketing can potentially expand the geographical area within which produce can be marketed. Instead of depending exclusively on nearby traders, farmers and their organizations can access information about prices and buyers in other markets. However, digital marketing requires reliable internet access, digital literacy, quality testing facilities, standardized grading and awareness among farmers. Therefore, simply providing an online platform is insufficient; digital agricultural marketing must be supported by physical market infrastructure and farmer training.

VI. FARMER PRODUCER ORGANIZATIONS AND COLLECTIVE MARKETING

Farmer Producer Organizations can play a significant role in improving farmers' income by aggregating agricultural produce and strengthening collective bargaining. Individual small farmers often have limited quantities of produce and weak negotiating power, whereas an FPO can aggregate produce, negotiate with large buyers, arrange transportation and undertake grading, packaging and processing. Collective marketing can also reduce per-unit transaction costs. The increasing integration of FPOs into digital agricultural markets provides an opportunity to combine collective organization with wider market access. In 2026, thousands of FPOs were registered on e-NAM, demonstrating the growing importance of producer collectives in formal agricultural marketing. For Aurangabad, strengthening crop-specific and commodity-based FPOs could help farmers collectively market cotton, pulses, soybean, horticultural products and other agricultural commodities.

VII. STORAGE, TRANSPORTATION AND POST-HARVEST MANAGEMENT

Storage and transportation are fundamental components of agricultural marketing management. Lack of adequate storage often forces farmers to sell immediately after harvest, particularly when market arrivals are high and prices are relatively low. Proper storage enables farmers to retain produce until market conditions become more favorable. Similarly, efficient transportation reduces physical losses and allows farmers to access distant markets. Post-harvest management also includes cleaning, grading, sorting, packaging and processing. These activities can increase the market value of agricultural commodities. Evidence from agricultural marketing studies shows that inadequate storage, transportation, grading and produce collection are among the major problems faced by farmers. Therefore, investment in rural warehouses, cold-storage facilities, collection centers, roads and transportation services is essential for improving farm profitability in Aurangabad.

VIII. MARKET INFORMATION AND PRICE DISCOVERY

Access to timely and reliable market information is essential for farmers' decision-making. Farmers need information about prevailing prices, arrivals, demand conditions, quality requirements and potential buyers before deciding where and when to sell. Information asymmetry can result in farmers accepting lower prices because they do not know alternative market opportunities. Digital platforms, mobile applications, agricultural extension services and market information systems can reduce this problem. e-NAM, for example, provides information concerning market prices and enables farmers to identify integrated markets in their vicinity. For Aurangabad farmers, strengthening local

dissemination of price information through mobile technology, FPOs, cooperatives and extension agencies could improve bargaining power and reduce dependence on individual traders.

IX. AGRICULTURAL MARKETING CHALLENGES IN AURANGABAD

The major agricultural marketing challenges relevant to Aurangabad include inadequate storage capacity, transportation difficulties, limited processing facilities, price fluctuations, dependence on intermediaries, inadequate market information, small and fragmented marketable surpluses, insufficient grading and standardization, limited digital literacy and restricted access to organized buyers. Climate variability can further influence production and market arrivals, creating additional price uncertainty. Small farmers are particularly vulnerable because they may lack the financial capacity to store produce or transport it to distant markets. Consequently, agricultural marketing management in Aurangabad should focus on creating an integrated system that combines local market infrastructure with digital and organized marketing channels.

X. REVIEW OF MAJOR FINDINGS FROM PREVIOUS STUDIES

Study/Source	Major Focus	Major Finding	Relevance to Aurangabad
Nuthalapati, Bhatt & Beero	e-NAM performance	Digital marketing can improve price discovery and reduce marketing inefficiencies	Supports digital market integration
Pawar & Walke (2024)	e-NAM in Maharashtra	Reported improvements in price realization, market access and transparency, while infrastructure and digital-skill gaps remained	Directly relevant to Maharashtra
Government of India	e-NAM development	Expansion of integrated mandis and farmer participation	Indicates growing digital market opportunities
Government of India	Marketing reforms	Emphasized direct marketing, private markets and alternative channels	Supports diversification of marketing channels
Agricultural marketing studies	Conventional marketing	Storage, transportation, grading and intermediary-related problems affect farmer returns	Relevant to local agricultural markets
Recent FPO developments	Collective marketing	FPO participation can improve access to organized and digital markets	Potential for stronger farmer bargaining

A Maharashtra-focused pilot study involving farmers in e-NAM-integrated mandis reported improved price realization, market access and transparency, but also identified infrastructure gaps, grading and assaying issues and digital skill disparities as continuing constraints. These findings are particularly relevant for understanding the conditions under which digital agricultural marketing can contribute to farmers' income.

XI. INTEGRATED MODEL FOR ENHANCING FARMERS' INCOME IN AURANGABAD

The review suggests that improving farmers' income requires a multidimensional agricultural marketing management model rather than dependence on a single intervention.

Production → Aggregation through FPOs → Cleaning/Grading → Storage → Market Information → e-NAM/APMC/Direct Marketing → Competitive Price Discovery → Digital Payment → Processing/Value Addition → Higher Farmer Income

This model can reduce post-harvest losses, increase bargaining power, improve access to buyers and encourage value addition. The combination of physical and digital infrastructure is particularly important because digital platforms cannot function effectively without reliable quality assessment, logistics, storage and payment systems.

XII. CONCLUSION

Agricultural marketing management is an essential mechanism for converting agricultural production into sustainable farm income. The review demonstrates that farmers' income is influenced not only by productivity but also by price realization, marketing costs, storage, transportation, quality assessment, market information, bargaining power and access to competitive buyers. In Aurangabad, traditional APMC markets continue to have importance, but their effectiveness can be strengthened through digital integration, improved infrastructure and greater competition. e-NAM provides an important opportunity for transparent price discovery and expanded market access, while FPOs can strengthen collective bargaining and reduce transaction costs. Maharashtra evidence indicates that digital agricultural marketing can improve price realization and farmer wellbeing, but infrastructure and digital-literacy constraints must be addressed. Therefore, a comprehensive agricultural marketing strategy for Aurangabad should emphasize FPO development, e-NAM participation, storage infrastructure, transportation, grading and standardization, market information, processing, direct marketing and farmer training. Such an integrated approach can reduce distress sales, improve farmers' share in the consumer rupee and contribute to sustainable enhancement of agricultural income.

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