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Article : SPECIAL MARKETING STRATEGY OF CATTLE BROKERS:A STUDY WITH REFRENCE TO LATUR DISTRICT

Author : Dr. P. N. Sagar [Rajarshi Shahu Mahavidyalaya, Latur (M.S.-India)]
Dr. H. S. Patange [Yeshwant Mahavidyalaya, Nanded. (M.S.-India)]

Abstract

A cattle marketing is very distinct from marketing of any other product or service. Each and every cattle is distinct from each other in respect of size, height, colour, shape, appearance, age, milk yield, order and stage of lactation, stage of pregnancy and working capacity etc., hence the prices are also not one and the same for all cattle. There is no any standard price of cattle and no guaranteed price from the government. The prices of cattle are determined under the bargaining between buyers and sellers with or without brokers.

Brokers play very important role in cattle marketing. Use of code language for numbers is a cattle marketing strategy used by the brokers. The main aim of code language is to maintain secrecy of buyer's expected price of cattle and seller's expected price of cattle and also the amount of commission. Brokers use code language in cattle dealing. This code language is commonly used for number identification in respect of price of cattle and amount of commission.

It is concluded that, cattle brokerage on cattle dealing is fixed by various methods and code language for numbers is used as a special cattle market

Introduction:

A cattle marketing is very distinct from marketing of any other product or service. Each and every cattle is distinct from each other in respect of size, height, colour, shape, appearance, age, milk yield, order and stage of lactation, stage of pregnancy and working capacity etc., hence the prices are also not one and the same for all cattle. There is no any standard price of cattle and no guaranteed price from the government. The prices of cattle are determined under the bargaining between buyers and sellers with or without brokers.

Generally, cattle price is determined by demand and supply laws of economics. It is but natural that seller tries to get maximum price for his cattle, where as buyer tries to pay minimum price for the same. Seller and buyer adjust their expected prices to a common one on which settlement is made.

According to law of demand, if other things remain same, when price increases, demand decreases and vice-versa. According to law of supply, if other things remain same, when price increases, supply increases and vice-versa. The price will be fixed when demand and supply equals to each another.

OBJECTIVES OF THE STUDY:

i. To study the mode of operandi of the cattle market.
ii. To understand marketing strategies used by cattle brokers.

HYPOTHESIS OF THE STUDY:

Code language for numbers is used as a marketing strategy by the cattle brokers.

Research Methodology:

The study is based upon primary data. The researcher has conducted a field survey by means of visits and interviews for the purpose of collecting primary data. The researcher has prepared structured questionnaire for the respondents involved in the cattle marketing.

i. Questionnaire: For respondents involved in cattle dealing.
ii. Observation: For mode of operation and marketing strategy.
iii. Interviews: With officers of cattle market committees.

Primary data has been collected with the help of questionnaire, observations and interviews and same was the analyzed for drawing conclusions.

Selection of Sample:

For making in depth study of cattle marketing in Marathwada region of state ofMaharashtra in India, Latur district is selected as a representative of the region. The researchers have selected eight major cattle markets on the basis of their significance in the district. Minor cattle markets are excluded as their very little influence on the cattle marketing in the district.

The researchers have further selected 20 respondents from each of the eight cattle markets randomly on the basis of Probability Law. Thus a total sample of 160 respondents involved in cattle marketing has been selected and surveyed with the help of questionnaires and visits at the time of cattle dealing.

COMMISSION (BROKERAGE) OF CATTLE BROKERS ON CATTLE DEALING:

When seller offers very high price, where as buyer proposes very low price and nobody adjusts their prices to common one, it is difficult to fix the price of cattle. In such case, there is a need of a middle (third) man between seller and buyer to fix the price. This middle / third man is known as broker or agent. He is locally called as Dalal. He plays very important role in cattle trading. Initially, he asks to buyer as well as seller individually expected prices of cattle on which buyer is ready to buy and seller is ready to sell the cattle. He keeps secrecy of the both seller's and buyer's expected prices in his mind. He tries to reduce the price of cattle by stating some drawbacks of cattle and to increase the price of cattle by stating qualities of cattle.

He gets remuneration on this dealing from seller as commission. This commission is called as 'brokerage'. There is an open commission of Rs. 100/- per cattle sold. Sometimes, buyer and seller both appoint separate brokers. Buyer's broker tries to reduce the price of the cattle by bringing out the drawbacks and shortcomings of the cattle. Seller's broker tries to increase the price of cattle by stating the qualities of cattle. Broker gets commission for this work openly or secretly as the case may be.

On the basis of nature of payment of commission to broker, the commission can be classified as follows:

1. Open and Minimum Commission by Seller:

It is a commission openly paid by seller to broker Rs. 100/- per cattle sold. It is very rightly said that Rs. 100/- per tail of cattle. Open commission is a minimum commission which is to be paid by seller to broker for sale of cattle.

2. Secret and Fixed Commission by Seller:

It is the commission secretly paid by the seller to broker over Rs. 100/- per cattle sold. The amount of commission is kept secret from the buyer. When seller is in very need to sell his cattle or if his cattle is defective, he offers higher commission over Rs. 100/- to the broker on selling such cattle. It is fixed secretly by seller and broker.

3. Secret and Fixed Commission by Buyer:

It is the commission secretly paid by buyer to broker. There is no practice of open commission from buyer to broker, but secret commission may be there from buyer to broker. When the buyer is in need to buy a particular cattle at minimum price, buyer pays secret commission to the broker on buying such cattle. Buyer keeps secrecy of the commission from seller. It is fixed secretly by buyer and broker.

4. Secret Excessive Commission by Buyer under Guaranteed Price:

In this case, buyer is agreed with broker to buy particular cattle at a particular price i.e. guaranteed price. He gives guarantee to broker to pay such a price. If broker makes available those cattle to buyer at below the guaranteed price, at that time, buyer allows excessive commission (i.e. excessive guaranteed price over actual price). For example, if a buyer is ready to buy a particular cattle for Rs. 15,000/-, but broker makes available that cattle at Rs. 14,000/- to buyer. Here the difference between guaranteed price and actual price is given to the broker as commission. Buyer and broker both keep secrecy of such commission from seller. It is one type of secret commission.

5. Secret Excessive Commission by Seller over Guaranteed Price:

In this case, seller is agreed with broker to sell particular cattle at a particular price, i.e. guaranteed price. He gives guarantee to broker to accept such price for his cattle. If broker makes sale of those cattle for seller at above the guaranteed price, at that time, seller allows excessive commission (i.e. excessive actual price over guaranteed price). For example, if a seller is ready to sell his cattle for Rs. 15,000/- but broker sells that cattle to buyer for Rs. 16,000/- Here the difference between actual sale price and guaranteed sale price is given to the broker as commission. Seller and broker both maintain secrecy of such commission from buyer. It is also one type of secret commission.

6. Secret Excessive Commission by both Buyer and Seller:

This method is used, when buyer and seller appoint common broker for buying and selling the cattle. This common broker asks individually to both buyer and seller their expected price on which buyer is ready to buy the cattle and seller is ready to sell the cattle. He maintains secrecy buyer's purchase price from seller and seller's sale price from buyer. His commission will be the excessive actual price over seller's expected price and excessive buyer's expected price over actual price. For example, if buyer's expected price is Rs. 18,000/- and seller's expected price is Rs. 14,000/- and broker makes deal on Rs. 16,000/-. Here broker will earn commission Rs. 2,000/- (18,000 - 16,000) from buyer and Rs. 2,000 (16,000 - 14,000) from seller. In such case, total commission of Rs. 4,000/- will be earned by broker.

CODE LANGUAGE FOR NUMBERS:

A SPECIAL MARKETING STRATEGY OF CATTLE BROKERS:

Use of code language for numbers is a cattle marketing strategy used by the brokers. Brokers play very important role in cattle marketing. The main aim of code language is to maintain secrecy of buyer's expected price of cattle and seller's expected price of cattle and also the amount of commission. Brokers use code language in cattle dealing. This code language is commonly used for number identification in respect of price of cattle and amount of commission. The following code words are used for various numbers by the brokers.

Number	Code Word	Number	Code Word
1	Kaila	2,000	Dubra Thokan
2	Yaj Kaile	3,000	Dhala Thokan
3	Dhala Kaile	4,000	Raba Thokan
4	Raba Kaile	5,000	Khamas Thokan
5	Khamas Kaile	6,000	Sal Thokan
6	Sal Kaile	7,000	Latorh Thokan
7	Latorh Kaile	8,000	Kotar Thokan
8	Kotar Kaile	9,000	Van Thokan
9	Van Kaile	10,000	Asar Thokan
10	Asar	20,000	Suti Thokan
20	Suti	25,000	Masa Thokan
25	Masa	30,000	Metha Thokan
30	Metha	40,000	Yaj Suti Thokan
40	Yaj Suti	50,000	Nimti Thokan
50	Nimti	5,000	Khamas Thokan
60	Giri	6,000	Sal Thokan
70	Lathorh Asar	7,000	Latorh Thokan
80	Kotar Asar	8,000	Kotar Thokan
90	Van Asar	9,000	Van Thokan
100	Shikara	10,000	Asar Thokan
200	Yaj Shikare	60,000	Giri Thokan
300	Dhala Shikare	70,000	Lathorh Asar Thokan
400	Raba Shikare	80,000	Kotar Asar Thokan
500	Khamas Shikare	90,000	Van Asar Thokan
600	Sal Shikare	1,00,000	Meta Aivat
700	Latorh Shikare		
800	Kotar Shikare		
900	Van Shikare		
1,000	Thokan		

The brokers use above code words for various numbers of price and amount of commission, for maintaining secrecy in cattle dealing. This code language is developed and applied by the brokers in cattle market. This language is as old as cattle marketing itself. It is not a written language. It is used orally. Sometimes body language is also used by the brokers. For example by hiding fingers in the dhoti and touching to others, communication takes place.

According to survey report, out of 70 cattle broker respondents, 65 (92.85%) reported that the code language for numbers is used as marketing strategy for cattle dealing and only 5 (7.15%) reported that the code language is not used as marketing strategy for cattle dealing. The hypothesis of the study "Code language is used as marketing strategy by the cattle brokers" is tested and accepted on the basis of survey report expressed in percentage.

Conclusion : It is concluded that , cattle brokerage on cattle dealing is fixed by various methods and code language for numbers is used as a special cattle market

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