

Influence of communication skill in choosing the most viable and profitable marketing channel for red onion farmers in Jaffna district

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Information seeking behavior of farmer plays a vital role in opening up market opportunities. This behavior influences farmers' decision to choose a most profitable marketing channel. This study was conducted to identify the demographic and socioeconomic characteristics that influence information seeking behavior of red onion farmers. Random sampling was used to select 210 farmers. The selected sample represented almost 12 percent of the total commercial red onion producers in the Jaffna District. A structured questionnaire was prepared and pretested prior to data collection. The compiled data were analyzed within the framework of Multinomial Logit regression model using the econometric software STATA version 13.

The results revealed that increase in the education level by one year, possessing a mobile phone, possessing own storage facilities and knowledge of the market price, the multinomial log-odds for participation in the wholesale market through middleman relative to the participation in the direct retailing market were significant and increased by 0.242, 0.342, 1.431 and 3.631 units. Again, when one unit increase in the age of the farmer and being a member of a farmer organization, the multinomial log-odds manifested a significantly negative impact and hindering the choice of performing direct transporting relative to the participation in the direct retailing by 0.053, and 0.684 units.

It is important to both government and non government sectors to take efforts to disseminate the market price details using current electronic media particularly via mobile phones, specifically targeting the educated and younger farmers that they may be more effective in fetching reasonable price for their produce. This procedure is certain to increase the farmers' share tremendously through helping them to identify the most profitable marketing channel. Moreover giving credit to buy a communication device and providing a toll free market information dissemination service will result in a desirable effect in keeping farmers better informed. This research concludes that success and profitability of the red onion farming in Jaffna district primarily depend on the degree of the accessibility and availability of the market information and the communicating ability the farmers.

Keywords: farm profitability; multinomial Logit; information technology; middlemen; on-farm storage.