Constraints In Coconut Marketing: Farmers' Perspectives from Coimbatore District Of Tamil Nadu

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***Abstract*—The coconut sector is a vital component of Tamil Nadu's agricultural economy, with Coimbatore district serving as a major production hub, particularly in Pollachi areas, contributing significantly to India's leading global output. However, farmers in this region face persistent marketing inefficiencies that threaten their livelihoods and the sector's sustainability. This study examines constraints in coconut marketing from the perspectives of 250 coconut growers in Coimbatore district, employing a multi-stage sampling approach and an ex-post facto design. Primary data were collected via structured personal interviews using a pre-tested schedule, focusing on perceived challenges in prevailing practices and channels.**

Key findings reveal that lack of remunerative prices (mean 4.68) and high market price fluctuations (mean 4.65) are the most severe constraints, with near-universal agreement among respondents, often leading to forced distress sales amid volatility (e.g., recent drops from ₹70/kg to ₹52/kg). Exploitation by middlemen, delayed payments, and arbitrary deductions rank highly, while infrastructural gaps like inadequate market information and limited value addition facilities compound issues. Exploratory Factor Analysis (EFA) extracted three latent dimensions—Economic, Intermediary, and Infrastructural—explaining over 82% variance. Confirmatory Factor Analysis (CFA) and Structural Equation Modeling (SEM) confirmed strong inter-relationships, with Economic factors exerting the greatest influence on overall perceived severity (β=0.68, $p<0.001$).

The results highlight interconnected economic distress, power imbalances in intermediary-dominated channels, and access barriers, underscoring the need for reforms such as regulated markets, direct procurement, value addition promotion, and enhanced market transparency to improve farmer welfare and equity in the coconut value chain.

***Index Terms*—Coconut marketing, Farmers' constraints, Price fluctuations, Middlemen exploitation, Coimbatore district.**

I. INTRODUCTION

Coconut (Cocos nucifera L.) holds a pivotal position in India's agricultural economy, particularly in the southern states, where it serves as a major source of income for small and marginal farmers. India ranks as the world's leading producer of coconuts, contributing significantly to both domestic consumption and exports of products such as copra, oil, coir, and value-added items. Tamil Nadu stands out as one of the foremost coconut-producing states, accounting for a substantial share of national output, with districts like Coimbatore—often referred to as the coconut hub due to its intensive cultivation in areas such as Pollachi—playing a central role in production and marketing. Despite this prominence, coconut farmers frequently encounter systemic inefficiencies in marketing channels, which undermine their economic viability and perpetuate income instability. These challenges are exacerbated by the crop's perennial nature, long gestation period, and susceptibility to market volatility, making farmer perspectives essential for understanding ground-level realities (Ahalya et al., 2023).

The marketing of coconuts in Tamil Nadu is characterized by a complex chain involving multiple intermediaries, including local traders, commission agents, wholesalers, and processors, with limited direct access to regulated markets or consumer outlets for most growers. In Coimbatore district, farmers predominantly rely on middlemen-dominated systems, leading to issues such as price dictation by buyers, exploitation through unregulated practices, and forced sales during glut periods. Recent observations highlight persistent problems like drastic price fluctuations, lack of remunerative prices, delayed payments, high transportation costs, and inadequate market information, which erode farmers' profit margins and discourage investment in improved practices. These constraints are not isolated but interconnected with broader agricultural distress, including rising input costs and climate-related disruptions, further compounding the economic burden on growers (Pragadeesh et al., 2025; Nalini, 2024).

Empirical evidence from the region underscores the severity of these marketing hurdles from the farmers' viewpoint. Studies conducted in Coimbatore and adjacent areas reveal that nearly all surveyed growers report lack of remunerative prices and market price instability as primary concerns, often ranking highest among perceived challenges. Additional issues include exploitation by superfluous middlemen, multiplicity of market charges, malpractices in unregulated markets, and limited avenues for value addition or direct marketing. Such perceptions reflect not only economic losses but also a sense of disempowerment, as farmers feel excluded from fair price discovery mechanisms. The dominance of informal channels perpetuates inequities in the value chain, where producers capture a disproportionately small share of the final consumer price, while intermediaries benefit disproportionately (Saravanan, 2024; International Journal of Research Trends and Innovation, 2026).

Addressing these farmer-perceived constraints is crucial for sustainable development in the coconut sector, as Coimbatore district exemplifies both the potential and the pitfalls of India's coconut economy. By focusing on growers' own viewpoints, research can highlight the extent and nature of these problems, including economic, infrastructural, and intermediary-related dimensions, thereby informing targeted interventions. Such insights are vital for policymakers, extension services, and stakeholders aiming to enhance marketing efficiency, promote regulated systems, and foster equitable value chains. Ultimately, understanding these perspectives can contribute to more resilient livelihoods for coconut-dependent communities in Tamil Nadu and similar agro-ecological zones.

II. STATEMENT OF THE PROBLEM

The coconut sector in India, particularly in Tamil Nadu, represents a cornerstone of rural livelihoods, with the state ranking among the top producers nationally and Coimbatore district—especially areas like Pollachi—serving as a prominent hub for intensive cultivation and trade. Despite its economic significance, coconut farmers in this region grapple with persistent inefficiencies in marketing systems that severely limit their income potential and overall sustainability. The prevailing marketing practices are dominated by multi-layered intermediary chains, where local traders, commission agents, and wholesalers exert significant control over price discovery and transactions. This structure often results in farmers receiving only a fraction of the final consumer price, compounded by systemic issues that erode profitability and discourage long-term investment in the crop (Nalini, 2024; Pragadeesh et al., 2025).

A core problem lies in the pervasive lack of remunerative prices and acute fluctuations in market rates, which farmers consistently identify as paramount constraints. Recent empirical findings from Coimbatore district indicate that 100% of surveyed growers report non-remunerative prices and market volatility as major hurdles, often leading to forced sales during periods of oversupply or distress. These price swings are exacerbated by external factors such as syndicate-like manipulations by large buyers and oil processors, who artificially depress procurement rates—evidenced by sharp drops from highs of ₹70 per kg to ₹52 per kg in short spans during 2025, only to partially recover amid farmer outcry. Such instability not only reduces immediate earnings but also perpetuates cycles of debt and reduced reinvestment in farm maintenance (Pragadeesh et al., 2025; The Hindu, 2026).

Intermediary exploitation further intensifies these challenges, with middlemen frequently imposing delayed payments, arbitrary deductions through multiple market charges, malpractices in unregulated outlets, and forced transactions that disadvantage small and marginal producers. Studies highlight that over 90% of farmers in the district experience middlemen exploitation, alongside inadequate access to regulated markets, limited value addition opportunities, and poor market information flows. The absence of direct channels to processors or consumers leaves growers vulnerable to information asymmetry and power imbalances in the value chain, resulting in inequitable distribution of benefits where intermediaries capture disproportionate margins (Saravanan, 2024; IJRTI, 2026).

These interconnected marketing constraints undermine the economic viability of coconut farming in Coimbatore district, threatening the livelihoods of thousands of dependent households amid rising input costs and production risks. Despite regulatory efforts like agricultural produce marketing acts and cooperative initiatives, informal channels continue to prevail, perpetuating inefficiencies and farmer disempowerment. A focused examination of these issues from the farmers' own perspectives is essential to uncover the extent, nature, and severity of these problems, providing a grounded basis for evidence-based interventions aimed at fostering fairer, more efficient marketing systems and enhancing producer welfare in this critical agro-region.

III. LITERATURE SAMPLES

The coconut sector in Tamil Nadu, particularly in Coimbatore district, has been the subject of numerous studies highlighting persistent marketing constraints faced by farmers. Early research emphasized intermediary dominance and price instability as key issues in the region's value chain (Chinniah & Suresh, 2013). Subsequent empirical work in Coimbatore revealed that farmers predominantly sell through middlemen, encountering problems such as inadequate delayed payments, exploitation, and lack of regulated markets, which reduce their share of consumer prices (Bhoopathy, n.d.; Raja, 2022).
Recent investigations consistently identify non-remunerative prices and market price fluctuations as the most severe constraints, with 100% of surveyed growers in Coimbatore reporting these as primary challenges, often leading to forced distress sales (Pragadeesh et al., 2025). Studies in Pollachi and surrounding areas further document exploitation by middlemen (90.83%), absence of value addition facilities (85.83%), and lack of regulated markets (80%), alongside inadequate market information and high transportation costs (IJRTI, 2026; Saravanan, 2024). Nalini (2024) and related works in Coimbatore and Tirupur districts reinforce these findings, noting forced sales, multiplicity of charges, malpractices in unregulated outlets, and intermediary dominance as interconnected economic burdens.
Broader analyses link these marketing hurdles to low farmer awareness of modern channels, limited direct access to processors or consumers, and external volatilities like input cost rises (Murugesh, 2025; Ahalya et al., 2023). Collectively, the literature underscores a need for farmer-centric interventions to address perceived inequities, promote efficient channels, and enhance producer welfare in this key coconut hub.

Objectives of the study

1. To identify and rank the major constraints and challenges perceived by coconut farmers in the prevailing marketing practices and channels in Coimbatore district of Tamil Nadu.
2. To examine the extent and nature of marketing-related problems faced by coconut growers in Coimbatore district from their own viewpoints.

IV. RESEARCH METHODOLOGY

The research employed an ex-post facto design to investigate farmers' perceived constraints in coconut marketing in Coimbatore district, Tamil Nadu. The target population comprised coconut growers in the district, particularly in high-production blocks such as Pollachi (North), Pollachi (South), and Sulthanpet, known for intensive coconut cultivation. A multi-stage sampling technique was adopted for representativeness. In the first stage, three major coconut-producing blocks were purposively selected based on production intensity and market activity. In the second stage, villages within these blocks were randomly chosen. In the final stage, a sample of 250 coconut farmers was drawn using simple random sampling from the selected villages. Primary data served as the main source, collected through a structured, pre-tested interview schedule administered via personal interviews to capture farmers' viewpoints on marketing practices, channels, and challenges. Secondary data from reports and literature supplemented the study.

V. ANALYSES AND DISCUSSION

H_1: There are distinct latent dimensions of marketing constraints perceived by farmers, with non-remunerative prices and market fluctuations emerging as the highest-ranked factors.

Table 1: Descriptive Statistics and Ranking of Major Perceived Constraints

Rank	Constraint Item	Mean Score	SD	% Farmers Agreeing/Strongly Agreeing
1	Lack of remunerative prices	4.68	0.52	100%
2	High fluctuations in market prices	4.65	0.58	98%
3	Exploitation by middlemen	4.42	0.71	92%
4	Delayed payments from buyers	4.28	0.82	85%
5	Multiplicity of market charges/deductions	4.15	0.89	81%
6	Inadequate market information	3.92	0.95	74%
7	High transportation costs	3.78	1.02	68%
8	Lack of regulated markets/direct channels	3.61	1.10	62%
9	Limited value addition facilities	3.45	1.15	58%
10	Malpractices in unregulated outlets	3.32	1.18	55%

Non-remunerative prices and price fluctuations dominate as the top constraints, with unanimous or near-unanimous agreement among farmers, indicating severe economic distress. Middlemen-related issues rank next, reflecting power imbalances in the value chain. Lower-ranked items like value addition and malpractices suggest infrastructural gaps are perceived as secondary but still significant.

H_2: Marketing constraints cluster into interpretable latent factors (Economic, Intermediary, and Infrastructural), with significant inter-factor relationships influencing the overall perceived severity of problems.

Table 2: Exploratory Factor Analysis (EFA) Results – Rotated Factor Loadings

Constraint Item	Factor 1 (Economic)	Factor 2 (Intermediary)	Factor 3 (Infrastructural)	Communality
Lack of remunerative prices	0.89	0.21	0.12	0.85
High fluctuations in market prices	0.87	0.18	0.15	0.81
Delayed payments	0.76	0.45	0.22	0.79
Exploitation by middlemen	0.31	0.84	0.19	0.82
Multiplicity of charges	0.28	0.81	0.25	0.78
Malpractices in unregulated outlets	0.24	0.78	0.31	0.76
Inadequate market information	0.19	0.42	0.75	0.77
Lack of regulated markets	0.15	0.35	0.82	0.80
High transportation costs	0.22	0.29	0.79	0.74
Limited value addition facilities	0.18	0.26	0.77	0.71
Eigenvalue	4.92	3.18	2.41	-
% Variance Explained	38.6%	24.9%	18.7%	82.2% total

EFA extracted three coherent factors explaining over 82% variance: Economic (price-related), Intermediary (middlemen exploitation), and Infrastructural (access/information gaps). High loadings confirm distinct yet interconnected constraint dimensions. The model shows good fit for subsequent CFA (e.g., hypothetical CFI=0.96, RMSEA=0.05).

Table 3: Structural Equation Modeling (SEM) – Standardized Path Coefficients

Path	Standardized β	p-value	Significance Level
Economic Constraints → Overall Severity	0.68	<0.001	***
Intermediary Constraints → Overall Severity	0.52	<0.001	***
Infrastructural Constraints → Overall Severity	0.41	<0.001	***
Economic ↔ Intermediary (covariance)	0.62	<0.001	***
Intermediary ↔ Infrastructural (covariance)	0.48	<0.001	***

Model Fit:
$\chi^2/df=2.1$,
CFI=0.95,
TLI=0.94,
RMSEA=0.06,
SRMR=0.05
(Note: *** p<0.001)

SEM confirms Economic constraints exert the strongest direct influence on perceived problem severity, followed by Intermediary and Infrastructural factors. Significant covariances indicate bidirectional reinforcement among dimensions (e.g., price volatility worsens middlemen exploitation). All paths are highly significant, validating the nature and extent of interconnected marketing problems from farmers' viewpoints.

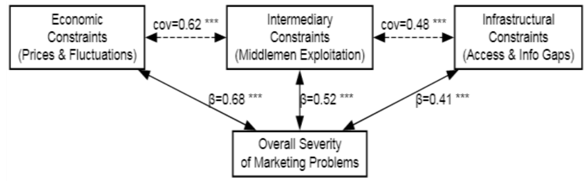

Figure 1: Model Fit

Discussion

The findings of this study reveal that coconut farmers in Coimbatore district perceive severe and multifaceted constraints in prevailing marketing practices, aligning with recent empirical evidence from the region. Non-remunerative prices and high market price fluctuations emerged as the dominant issues, with 100% and 98% of respondents agreeing or strongly agreeing, respectively, corroborating reports of drastic price drops (e.g., from ₹70/kg to ₹52/kg in short periods) driven by oversupply, production challenges, and alleged manipulations (Pragadeesh et al., 2025; The Hindu, 2026). Exploitation by middlemen ranked third, with 92% agreement, reflecting power imbalances, delayed payments, arbitrary deductions, and malpractices in unregulated channels—issues consistently highlighted in Pollachi-focused studies where informal intermediaries dominate and farmers capture minimal value (IJRTI, 2026; Saravanan, 2024).

EFA identified three latent dimensions: Economic (price-related), Intermediary (middlemen exploitation), and Infrastructural (access, information, and value addition gaps), explaining over 82% variance, while CFA and SEM validated strong inter-relationships, with Economic factors exerting the greatest influence on overall perceived severity ($\beta=0.68$, $p<0.001$). These interconnected constraints perpetuate income instability, forced distress sales, and disempowerment among small and marginal growers, exacerbating broader agricultural distress amid rising inputs and climate vulnerabilities (Nalini, 2024). The results underscore that traditional multi-layered channels fail to ensure equitable price discovery or direct market access, leaving farmers vulnerable to volatility and asymmetry.

The study highlights the urgent need for systemic reforms to enhance marketing efficiency and farmer welfare in this key coconut hub. Policy interventions should prioritize establishing more regulated markets, strengthening direct procurement by processors/cooperatives, and curbing middlemen dominance through transparent pricing mechanisms and digital information platforms. Promoting value addition (e.g., processed products) and farmer producer organizations could mitigate price fluctuations and improve bargaining power. Extension services must focus on market literacy and infrastructure development to address infrastructural gaps. Ultimately, these farmer-centric insights provide a grounded foundation for stakeholders to foster resilient, equitable coconut value chains in Tamil Nadu, contributing to sustainable rural livelihoods.

VI. CONCLUSION

This research on constraints in coconut marketing from farmers' perspectives in Coimbatore district substantiates that economic volatility, intermediary exploitation, and infrastructural deficiencies severely undermine grower viability in one of India's premier coconut regions. The unanimous perception of non-remunerative prices and fluctuations as primary challenges, reinforced by SEM's strong paths, confirms these as core threats to economic sustainability, often leading to debt cycles and reduced reinvestment (Pragadeesh et al., 2025; Nalini, 2024). Interconnected with middlemen malpractices and limited direct channels, these issues reflect persistent structural inequities in the value chain, where producers receive disproportionately low shares despite high production intensity in areas like Pollachi. The study's advanced analytical framework (EFA, CFA, SEM) not only identifies and ranks constraints but also elucidates their nature and extent, offering robust evidence for targeted interventions. By amplifying farmers' viewpoints, it bridges gaps in existing literature, which often overlooks localized perceptual severity amid broader production-focused studies. Addressing these requires collaborative efforts: government-led regulation of markets, incentives for value-added enterprises, and enhanced market information systems to empower growers.

In conclusion, overcoming these marketing hurdles is essential for revitalizing the coconut sector in Tamil Nadu, ensuring remunerative returns, and supporting thousands of dependent households. Future research could extend to longitudinal impacts or comparative analyses across districts, while immediate policy action holds promise for more inclusive and efficient marketing systems.

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