

MARKETING AND CONSUMPTION PATTERN OF FINE GRAIN RICE IN SOME SELECTED AREAS OF DHAKA AND GAZIPUR DISTRICT

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Abstract

Present (study was undertaken for analyzing the marketing system of fine grain rice, determining marketing costs and margins and also studying the pattern of consumption) Primary data were collected using purposive sampling technique from the 58 intermediaries from Tongi bazar, Karda bazar, Gazipur bazar and Bormi bazar under Gazipur District. For studying the pattern of consumption of fine grain rice, a cross section of 30 consumers residing at Shimultoli and Sayabithi of Gazipur thana under Gazipur district and Mirpur-10 and Dhanmondi-5 of Dhaka city were selected purposively. It was found that the marketing margin of Faria for fine grain rice was Tk.43.80 per quintal which included a marketing cost of Tk.31.23 and profit Tk. 12.57 per quintal. Marketing margin of Kutials and Retailers were Tk. 120.55 and 109.65 which included marketing cost of Tk.81.81 and 57.15 and profit Tk.38.74 and Tk.52.50 per quintal paddy and paddy equivalent, respectively. Some valuable information about behaviour of fine grain rice consumers were obtained. The higher income groups consumed more fine grain rice than lower ones. So, Fine grain rice consumption increased with increase in income. The low income group relatively spend more on normal rice than on fine grain rice. A Marshallian demand function was estimated in log-linear form. It was found that there were positive relationships among price of fine grain rice, per capita household income, price of normal rice and per capita quantity demanded of fine grain rice but the negative relationship was observed between household size and per capita quantity demanded of fine grain rice. The own price elasticity of fine grain rice was 0.109. The income elasticity was 0.525 and the cross price elasticities for household size and price of normal rice were -0.703 and 0.252. An attempt was made to know the consumers' preferences of Kalijira and Chinigura as fine grain rice. Between these two cultivars, the consumers preferred most Kalijira for its aroma, length, breath and whiteness. Besides plain rice, fine grain rice are used as different dish items. Inadequate capital appeared to be the major problem in the rice business by the intermediaries while high prices of fine grain rice was the most important problem for the consumers.