

Status of Floriculture in India: With Special Focus to Marketing

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ABSTRACT

Floriculture is an age old farming activity in India having immense potential for generating gainful self-employment among small and marginal farmers. In the recent years it has emerged as a profitable agri-business in India and worldwide. Searching of market is essential tenet for each and every producers of floriculture which propels them to go for producer association, as it improves the quality and value of the products. Netherland is the best production hub in world forum where as India exports more to USA and United Kingdom these days. Southern India controls the major production of flowers whereas West Bengal is number one in cut flower production and Tamil Nadu is number one in loose flower production. Though market of flower is unscientific and unorganized still some specific market like K R Market (Karnataka), Dadar Market (Maharashtra) gives a better platform for floral marketing. Artificial flowers are major thrust in this market sphere these days.

Key words: Floriculture, Probable Market, Flower Grower Association

INTRODUCTION

Flower is a loveliest object of the earth. A single flower is a reason of a million smiles and happiness. In India Flowers are very intimately associated with the many social and religious activities. In India, major flower growers refer to those which produce high-value, cut flowers such as rose, gladiolus, carnation, orchids, tuberose, lily, gerbera and loose flowers like Jasmine, Crossandra Marigold, China Aster, Chrysanthemums, and Gaillardia.

Floriculture is an age old farming activities in India having massive potential for generating gainful self-employment among

small and marginal farmers². In the recent years, it has emerged as a profitable agri-business in India and worldwide, as improved standards of living and growing consciousness among the citizens across the globe to live in environment friendly atmosphere has led to an increase in the demand of floriculture products in the developed as well as in the developing countries worldwide. Government of India has identified floriculture as a sunrise industry and accorded it 100 percent export oriented status. Owing to steady increase in demand of flower, floriculture has become one of the important commercial trades in Agriculture.

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IMPORTANCE OF FLOWERS IN INDIA

1. Economic point of view: Many flowers and ornamental plants are being grown for domestic as well as for export market and it will provide more return/unit area than any other agricultural/horticultural crops. Now-a-days, growing of cut flowers is suited for flower decorations for bouquets preparation, and for floral baskets, has increased substantially and its share of the total trade has also improved. The present trend in floriculture is making dry flowers, extraction of natural colours and essential oils. There is lots of demand for good quality flower seeds and ornamental plant materials.

2. Aesthetic point of view: Numbers of scope for landscaping are there in flower segment and is considered as billion dollar earning industry. Horticultural therapy is the new dimension of horticultural science to heal the psychic debility and the science is to use garden, landscape plants, parts of plants, growing activity as tools to work is being utilized in psychiatric hospital, general hospitals, physical rehabilitation centre, homes for elderly, prisons and schools. The patients can achieve higher level of personal development and satisfaction.

3. Social point of view: “John Ketes” says a flower speaks hundreds of unspoken words. Flowers symbolize the purity, beauty, peace, love, adoration, innocence and passion etc. Hence, many flowers are used to express the most sensitive, delicate and loving feelings. In our society no social function is complete

without the use of flowers, floral ornaments, bouquets or flower arrangements they are invariably used in all social functions. Flowers are used in social gatherings, birthday parties, welcoming friends or relatives and honouring dignitaries. The concept of Valentine’s Day is fast catching up in India also.

WORLD FLORICULTURE SCENARIO:

Globally, the export of flowers has increased phenomenally from 8 billion US dollar in 2006 to 13 billion US dollar in 2015. The number of countries reported to have exported flowers in 2006 was 50 which has increased to 118 in the year 2015. The Compound Annual Growth Rate (CAGR) of World’s flower export during 2006-2015 is 5 percent. India has exported 22,086 MT of flowers to the world for the worth of 549 crores rupees in 2016-17. The Netherland is an important producer for cut flowers (54% in Global Market of Production), as well as a key importer from developing countries. Besides being one of the market leaders for cut flowers, the Netherlands are also a main trade hub, especially in the area of Aalsmeer. Every year roughly 1,200 to 1,500 new flowers and plants are bred and cultivated by growers. New types of cut flowers contributed massively to the flower industry. The leading export markets for Dutch floriculture are European, with Germany, UK and France among the top three countries importing flowers from the Netherlands. USA are emerging as leading flower importers (22%) in World.

Table 1: showing major flower auction centers and major flower producing countries in world

MAJOR FLOWERS AUCTION CENTRES AROUND THE WORLD		TOP TEN COUNTRIES IN FLOWER PRODUCTION	
Rank	Country	Rank	Country
First	Flora Holland, Netherlands	First	Netherland
Second	Ota Floriculture Auction Co. Ltd., Japan	Second	USA
Third	Landgrad, Germany	Third	Brazil
Fourth	Veilling Holambra, Brazil	Fourth	Sweden
Fifth	International Flower Auction Bangalore, (IFAB)Ltd., Bangalore	Fifth	Denmark
Six	MB Flores,Belgium	Six	Malaysia
Seven	Taipei Flowers Auction Co. Ltd. Taiwan	Seven	India
Eight	Ontario Flower Growers Co-operative, Canada	Eight	Switzerland
Nine	FloraMax Flower Auctions, New Zealand	Nine	Cambodia
Ten	FloraBella, Italy	Ten	Australia
Eleven	Dubai Flower Centre, UAE	Source: www.statista.com	
Source:www.ifabindia.org			

INDIAN FLORICULTURE SCENARIO

India is on the 18th rank with contributing 0.6 percent share in global floriculture trade. During the last decade, export increased at a CAGR of 4.33 percent. The domestic Indian market is growing at the rate of 25 per cent per year in the country as a whole. About 249 thousand hectares area was under cultivation in floriculture in 2014-15. The states like Karnataka, Tamil Nadu, Andhra Pradesh, West Bengal, Maharashtra, Rajasthan, Delhi and Haryana have emerged as major floriculture centres in recent times. The strength of floriculture development in India are varied according to different agro-climatic conditions in the country, availability of manpower and large demand for floricultural products in metropolitan cities. Emphasis has been shifting from traditional flowers to cut flowers for export purposes. The country's first and the only Digital Flower auction Centre is located in Bengaluru, running by Karnataka Agro Industrial Corporation (KAIC) at Hebbal. www.rosebazar.com is the first and the only online flower auction facility at Bangalore initiated by Karuturi Floritech Ltd (Karuturi

Networks Ltd.), started in March 2000. Flowers are categorized into cut flowers and loose flowers

1. Cut flowers: Cut flowers are fresh flower harvested in clusters / spike or in single along with their stem. like, Rose, Carnation, Gerbera, Tuberose, Gladiolus and Orchid sp. Major cut flowers are exported in European countries. West Bengal is number one in cut flower production, may be due to "Festivals, weddings, large scale political functions and other special occasions are driving demand for cut flowers as they are mostly used for decorative purposes, as gifts/bouquets for formal events," said D.S. Rawat, national secretary general of ASSOCHAM while releasing the findings of the chamber's study in one of the blogs of The Times of India.

2. Loose Flowers: The flowers which are usually harvested without stalk and used for Gajara, Veni and Garland. like, Jasmine, Crossandra, Marigold, Gaillardia and Chrysanthemum. Tamil Nadu is number one in Loose Flower productions may be due to aesthetic preference of women for their hair.

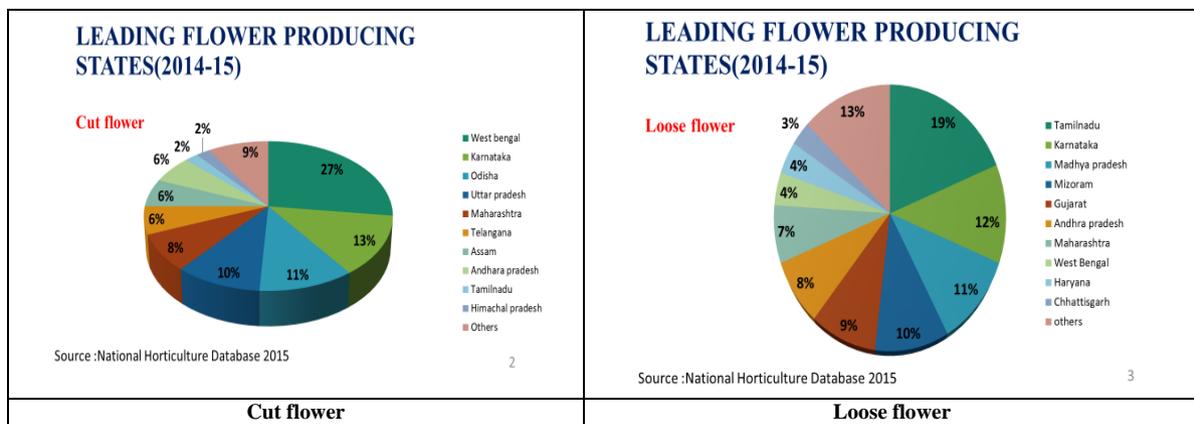


Fig. 1: showing leading states in Cut Flower Production and Loose Flower Production in India

MARKETING OF FLOWERS

In India Marketing of flowers is not systemic. In most of the Indian cities flowers are brought to wholesale markets, which mostly operate in open yards. Retail outlets - more often than not operate in the open on-road sides. Some good florists' show rooms with storage facilities are

taking flower market in to different horizon. The packaging and transportation of flowers from the farms to the retail markets at present is very unscientific and unorganised as well. Some major trading sectors of flower are highlighted in Table Number 2.

Table 2: showing major flower market in India and Online selling portal

MAJOR FLOWER MARKETS IN INDIA	ONLINE FLOWER SELLING PORTALS
1. K. R. Market (Bangalore)	1. www.Fernspetals.com
2. Dadar Market in Mumbai	2. www.Flowersura.com
3. Gultekri Market in Pune	3. www.Indiamart.com
4. Flower Market in Madurai (TN)	
5. Flower Market in Delhi	
6. Jamalpur Flower Market, Ahmedabad	
7. Chalai Market in Trivandrum (Kerala)	
8. Flower Market in Lucknow (UP)	
9. Malikghat bazaar (Calcutta)	
10. Chennai (TN)	
11. Jambagh Flower Market (Hyderabad)	

DEMAND AND SUPPLY FOR FLOWERS

In India demand of flowers are quickly increasing during Festival, Valentine day, Puja and wedding seasons, and Christmas. Due to inadequate supply chain and cold storage facilities seller cannot fulfil market demand and during these time flowers price has been increasing.

Seasonal demand in European markets:

According to a report by APEDA, 80% of the total import of flowers by the EU takes place during the winter season i.e. November 1 to May 31. Only 20% Flowers are imported in summer (www.producenews.com).

TYPES OF FLOWER MARKETS

The flower markets are classified as below according to Florist:

- A. Local florists
- B. Flower boutiques

Strategies used by local florists:

They provide better services to the customers and try to get mutual trust from them. The flower arrangements are decorative & customized. They gives aesthetic look to stall for attract customers. They analyse their current position and try to improve it by creating a good image and mutual trust among their customers. They copy the strategies of their competitors most rottenly.

Strategies used by the flower boutiques:

They offer membership cards, gift cards and proper discounts to those customers who purchase from them on a regular basis. They undertake orders such as decoration of cars, building's, temples etc. For some special occasions, they advertise themselves with the aid of the media like Newspapers,

Leaflet/cards, L.C.D Screen and through Internet

INTERNATIONAL EXPORT POTENTIAL

Dutch Rose is primarily being exported from India. Main export destinations are European countries & USA and U.K. International trade for cut flower was estimated to be US\$ 2.78 billion¹. Bangalore is considered export hub with many export-oriented units in the nearby regions. The major importing countries of cut flowers are Netherlands, USA, Germany, France, UK, Switzerland, Italy and Japan. The five flowers namely Rose, Chrysanthemum, Carnation, Tulip and Lily account for 70-75 per cent of the world trade. India has exported 22,086.1MT of flowers worth of Rs.548.74crore in 2016-2017. Netherland Exported Maximum in value and Germany imported maximum in value in year 2017 (www.trademap.org). USA and United Kingdom are two best destination of India in floriculture (www.apeda.gov.in)

FLOWER GROWERS ASSOCIATION

To overcome different problems in marketing, Farmers have started many associations with aim to take advantage without middleman interference. Due to these associations, they have advantage of collective dealing with the govt. bodies and marketing organizations. Name of some major associations are:

1. Horticulture and Floriculture Association, Belgaum
2. Surat Region Flower Grower Association
3. South India Floriculture Association (SIFA)
4. Maharashtra Flower Grower Association
5. Gujarat Floriculture Association

SWOT ANALYSIS –INDIAN FLORICULTURE	
STRENGTH	OPPORTUNITY
India have Varied Agro Climate conditions Availability of labor at low costs It has ample agricultural Land	After Globalisation, export market flowers are widen that gives India is a better stand in world market
WEAKNESS	THREAT
Flowers markets are unorganized sector More Air freight charges for export Lack of Storage facility Improper supply chain management system	Price of flower is fluctuating regularly Infrastructure particularly storage system is essential in this direction during export Dummy Flower/ Artificial flower demand is also booming in World Market

CONCLUSION

Floriculture production and market is booming now-a-days due to increase in demand both in national and international market. USA and United Kingdom are two best market for India floral export, but national market is very much fragmented, that gives emerging of many association. Understanding of major market both at brick and click way, gives the stakeholders a better way of understanding of floral market.

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