

SWOT ANALYSIS OF CUT FLOWER INDUSTRY IN TAMIL NADU

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INTRODUCTION

In India Tamil Nadu has long tradition of floriculture. The social and economic aspects of flower growing were however, recognized much later. The offering and exchange of flowers on all social occasions, in place of worship and their use adornment of hair by women and for home decoration have become an integral part of human living. With changing life styles and increase urban affluence, floriculture has assured definite commercial status in recent times. Appreciation of the potential of commercial floriculture has resulted in the blossoming of this field into a viable agri-business option. Availability of natural resource like diverse agro climatic conductions permits production of a wide range of temperate and tropical flower. The commercial activity of production and marketing of floriculture Products productions is also a source of gainful and quality employment to source of people and gaining of out source of income in our country. This paper consider by identifying a set of issues that needs to be addressed by both Tamil Nadu government and private flower farms and local flower farms.

CURRENT STATUS OF CUT FLOWER FLORICULTURE INDUSTRY IN INDIA

The world trade in floriculture is increasing steadily and now it is estimated to reach US 50 billion. At present the Indian contribution in the world trade is estimated as low as 2%. This shows that there is enormous possibility to increase this volume and under make inroads far the world wide. The area under floriculture in India is around 34000 ha. The total trade of conventional flowers around Rs. 400 crore annually.

TYPES OF CUT FLOWERS CULTIVATED IN TAMIL NADU

The Tamil Nadu is endowed with various agro climatic conditions suitable for raising a wide variety of plantation & horticultural crops. The condition prevailing in Tamil Nadu is suitable for growing different lands of cut flowers like rose, carnation, gerbera, lily, alstroemeria, limoniuim, chrysanthemum and bird of paradise etc. The above listed flowers are much in demand worldwide. These are all the flowers which are commercially important.

PRESENT POSITIONS OF CUT FLOWERS PRODUCTION IN TAMIL NADU

Cut flower production and trade has shown a huge potential in overcoming this problem.

The awareness created by the institute of Commercial Horticulture combined with the implementation of various researches and training encourages the flower growers to go for the cut flowers in larger areas, so that the sizeable volumes are obtained for export. From the initial period onwards, the hills area development scheme has a specific role in uplifting the farmers for cut flower growing and now the farmers are being provided with lot of financial and no financial support from NHM and other government institutions.



Under National Horticultural Mission, the Tamil Nadu district has been given with an objective to ensure holistic growth of horticulture, enhancement of production to improve the nutritional security and income support of the farmers. Most of the farmers in Tamil Nadu are small & marginal farmers and the land holdings are very small. But the protected cultivation of cut flowers in a smaller area itself gives more income. The main cut flowers recommended for growing in Tamil Nadu are carnation, gerbera, alstroemeria, limoniuim, bird of paradise etc.

Because of the less volume produced in the Hosur, Nilgris district, the flowers are only meant for the domestic export. Now, due to the golden revolution, National Horticulture Mission encourages the farmers to go for protected cultivation by giving 50% subsidy to small and marginal farmers etc... since, the flowers produced in Tamil Nadu are of international standards, and accepted in most of the

advanced countries, there is a bright scope for development of floriculture in Tamil Nadu.

As the floriculture in Tamil Nadu is booming like anything, the pros and cons of this industry have to be worked out to observe the consistency of performance in the near future. In this concern the following SWOT (Strength, Weakness, Opportunity, and Threat) analysis is drawn and discussed as below.

STRENGTH

- Climate and soil conducive for floriculture and blessed with unique biodiversity.
- Flowers are grown in pollution free hills and there is a minimum chance for pest and disease occurrence by this healthy environment.
- Enough lights throughout the year for good flower productivity under green house conditions.
- Year round production of most of the cut flowers is possible, especially during winter where the need or demand of cut flowers is more in European countries.
- Low cost green house technology by wooden frames without compromising the flower quality is possible here
- Women entrepreneurship in cut flower production with the assistance of institutional support enhances employment, income generation, human resource empowerment and self fulfillment.
- Existing link between the elite growers and planting material suppliers from breeding to harvest to market is a good sign. But this has to be spread to small growers also through proper measures.
- Quality of flowers grown here is meeting the international standards requirement when compare with other states of India and thereby ensuring consistency in market of advanced countries.
- Popularization and awareness about cut flowers to the people of entire country by of the strategies in triggering the cut flower trade of this district.
- Promotion of flowers through retailing shows a yet another perspective for the export rejected flowers in cut flower market here.

WEAKNESS

- Unawareness among the growers about the latest state of - art- technologies in cut flower production and market.
- High capital cost involved to start the cut flower growing business.
- Unawareness among the growers about the lucrative nature of this business when compare with other horticultural crops.
- Lack of good planting materials and its high cost. Since most of the planting materials are patented and imported one, growers are facing a tremendous risk in again and again depending on the planting material suppliers.
- Lack of properly trained and technically sound man power among the growers.
- Lack of awareness of the small growers on the functioning of auction centre at Bangalore town.
- Price of the water soluble fertilizers has become very costly and farmers / growers are not adopting ideal nutrient management technique.
- Insufficiency of logistic support in cut flower transport and poor cold storage facilities.
- Growers are not aware about the ideal cut flower harvesting period and staggered harvesting techniques based on market demand.
- Consistency in supply of flowers and lackness in organizing volume are the major bottlenecks prevailing now in this industry.
- Price fluctuation and middlemen interference in cut flower trade are other constraints.
- No ideal packaging is being followed and scientific way of packing and grading the flowers is totally missing.
- Encouraging the foreign consultants without knowing ground realities.
- Unorganized retail market and highly disorganized state of the flower market will make it very difficult to achieve good net returns.
- No proper crop insurance measures for protected structures and flower crop and growers are also not care of it.

- No coordination between Banks, Government Departments and planting material suppliers.
- Nonpayment of dues by the buyers.

OPPORTUNITIES

- Large demand for cut flowers in the international market.
- Production and project cost steadily increasing in developed countries.
- Floriculture is declared as focus export thrust area by Government of India through various schemes.
- Geographical locality of India between Europe and East Asia.
- Liberalization of market policy by WTO recommendations.
- Good marketing intelligence by Internet, Online trading and through DEMIC (Domestic and Export Market Intelligence Cell).
- Video conferencing facility with leading brand (Geographical indicator) for the produce of the flower growers of the Tamil Nadu.
- Building up a single regional brand (Geographical indicator for the produce of the flower growers of the Tamil Nadu).
- Capacity building in greenhouse structures making, fertigation and nutrient management, production technology micro climate control measures and marketing by the ICH, TNAU, TANFLORA through training programs.
- Provision for knowing the current market trend, consumer preferences and choices through internet
- Participation of super market in cut flower value added products in advanced countries.
- Contract farming / buy back market system / assured market.
- Advertising through media about the branded and value added products.
- Attracting the youth in floriculture trade.
- Permanent solution for stopping the rural youth migration towards urban areas from Tamil Nadu.
- Low volume, high value crop

THREATS

- Perishable nature of cut flowers.
- Ideal production technology on need basis.
- Competitiveness from African and South American countries.
- Hill areas of North India expanding their production rapidly.
- Delay in transport can cause a considerable loss of quality.
- Strict quarantine, phytosanitary conditions and quality standards followed by export.
- No timely payment or ensured payment to the sellers by the buyers
- Lack of proper road infrastructure facilities
- Most of the units are in remote places and ends in transportation delay
- High air freight cost, non availability of air cargo space and import duty by importing countries
- Non availability of skilled labours for harvesting and packing
- Unorganized domestic market due to small and fragmented units, since meeting out the volume is the problem
- No consistency among the farmers in delivering the end products to the registered buyers in the buyback agreement
- No proper market channel and domination of middle men in trading
- Reduced productivity in many cut flower units
- High investment cost in setting up cut flower unit
- Imported chemicals from other countries in huge cost are not safe
- Monopoly of companies in planting material supply
- Lacking in proper technology dissemination
- Recommendation for the Flower Growers
- Planting material guarantee conditions should be strictly followed.

- Selling of flowers by the farmers who have availed subsidy should only through the action centre.
- The large farmers should consider efforts to hedge currency risk.
- Promote strong brand recognition for Indian cut flowers.
- Small scale growers can provide faillers and additional varieties to large scale producers.
- Incentives to encourage integration of small growers into large producer's supply chain network.
- Increase direct sales to supermarket, florist, etc avoiding the intermediaries.
- Prepare farms to meet together standards both domestic and international markets.
- Recommendations for the Government
- Bankers to disburse the loan amount to the former at appropriate time to facilitate timely planning.
- An independent information website should be created.
- A fall time marketing professional should be employed in the action centre.
- Be arranged small flower growers.
- Enhance security service to farmers are facilities.
- Consider development of commodity insurance market.
- Promoting institutional innovation by providing market information, extension service, mediating disputes and establishing standard for instance, allows a variety of private institutions and marketing arrangements to develop which can there adapt to changing environments.

CONCLUSION

In the changing economy the government of India Should initiates the growth of cut flower industry. The government should make effects to increase cut flower production and export. In today's scenario, the dealers of the flower i.e. growers, retailers, wholesalers and consumers should have full knowledge about flower production and trade. The business of flowers is still in the growth stage and it can be increased by the efforts made by government of Tamil Nadu various programmes, seminars, conferences, floricultural Journals etc. As Tamil Nadu has a fertile land, therefore it should introduce new irrigation technique to increase the production of flowers to improve the exports.

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