

Bayer better life paving a new pathway to empower smallholders' farmers: A qualitative study

*Sarita Das, Shantanu Raj

Centre for Agribusiness Management, Utkal University, Bhubaneswar, Odisha, India

*Corresponding email: saritaceed@gmail.com

ARTICLE INFO	ABSTRACT
<p>Case Study Received on April 25, 2023 Revised on May 12, 2023 Accepted on May 24, 2023 Published on June 13, 2023</p> <p>Article Authors Sarita Das, Shantanu Raj</p> <p>Corresponding Author Email saritaceed@gmail.com</p>	<p>As we know that 85% of the farmers in India have less than 1 hectare of land and due to shortage of farm resources, their growth gets impeded. Bayer Better life farming understands their condition and trying every means to improve their life. Hence, they provide latest technology, supporting services and disseminate the knowledge of sustainable agricultural practices especially in those areas where infrastructure are fragile. The paper emphasizes that how partnering with public and private organization can develop a sustainable ecosystem that empowers smallholder farmers. The BLF has forged collaboration with many MNC and National companies and local partners working relentlessly in the areas of agri-input, irrigation and crop insurance. The study also highlighted that how this collaboration helps in identifying the grass root problem of smallholders' farmers and figuring out the solution to the problem. The study also delves about the multifarious function executed by BLF at the village level. These are encouraging food security by providing access to high-quality agricultural inputs, such as seeds, crop protection products and drip irrigation technology, to help produce safe, nutritious and high-yielding crops. They also offer educational training to build capabilities, with certification programs that support financial stability through farm management, greater market access and successful entrepreneurship. The run special entrepreneurship programme for female because 75% of the agricultural operations are handles by female. The study also focuses about the BLF operation model based on the concept of hub & spoke model and how it generate suffice revenue for their stakeholders. The model is designed in such a manner that it provides impetus to market linkage process, a win-win situate for smallholders' farmer. In nutshell they strongly aligned with the UN Sustainable Development Goals, and strive to increase food security and alleviate poverty. They further promote gender equality, sustainable agricultural practices and meaningful public-private partnerships.</p>
<p style="background-color: #e0e0e0;">PUBLICATION INFO</p> <p>International Journal of Agricultural Invention (IJAI) RNI: UPENG/2016/70091 ISSN: 2456-1797 (P) Vol.: 8, Issue: 1, Pages: 137-143 Journal Homepage URL http://agriinventionjournal.com/ DOI: 10.46492/IJAI/2023.8.1.18</p>	<p style="background-color: #e0e0e0;">KEYWORDS</p> <p>GAP, Sustainability, Market Linkage, Agri-Entrepreneur, GI</p>

HOW TO CITE THIS ARTICLE

Das, S., Raj, S. (2023) Bayer better life paving a new pathway to empower smallholders' farmers: A qualitative study, *International Journal of Agricultural Invention*, 8(1): 137-143. DOI: 10.46492/IJAI/2023.8.1.18

An axiom by M.K. Gandhi (the father of Indian nation) that the soul of India lives in her village (Joshi, 2000). India is predominantly an agrarian society where 55% of the population relies on agriculture contributing 15% of the GDP. This hefty dependence on agriculture begets uncertainty in the income of rural consumers (Bhattacharya and Innes, 2013). According to (Chand *et al.*, 2011) that despite bumper agricultural production the Indian, farmers did not come out from the vicious cycle

poverty. To drag out farmers from this predicament, the GOI is trying to encourage rural retailing, which not only adds non-farm income but also elevates their standard of living (Sinha *et al.*, 2012). In rural areas 85-90 % of retailing is unorganized and it is a good source of non-farm income. It creates employment and, as a conduit of goods and services, has also been emphasized by (Berdegue *et al.*, 2000) for developing countries like Latin America.

However, there is stark difference between organized retailing and unorganized retailing in rural areas and very few studies have addressed this difference. In rural areas, unorganized retail has deep footprint because of the profound relationship between shopkeepers and their customers. It is due to the credit they provide when sowing the crops, a practice need to be followed by organized retail (Reardon and Berdegue, 2002). The retail scenario in the rural area is now changing because organized retails making a slow and impactful presence by directly linking farmers to any market or financial institution where they can avail easy loan and meet their operating expense. According to CCI, rural retailing is the backbone of the Indian economy and contributes to 10% of India's GDP. This sector has generated lots of self-employment after agriculture (CCI, 2014). According to survey conducted by (Swamy, 2008 and Kashyap, 2012) there are 7.8 million retailers spread over 64 million Indian villages. This sector generated largest source of self-employment (11.5 million people) after agriculture sector (CCI, 2014). Though the average turnover of each village shop is \$320 per month and the total turnover of unorganized rural retailer is \$30.4 billion per annum, as per the survey conducted by (Swamy, 2008 and Kashyap, 2012).

The rural retail penetration and its turnover can only be enhance when govt. eases the retail policy so that more organized retail can set up and increases their footprint in rural pockets. The only way to compete with unorganized retail is that organized retail should understand the need of rural consumers and tailor their products and services which fulfill their needs. Most of the study in rural retail hovered around unorganized retail, and organized retail draws measly attention to researcher and the policy makers. This might be due to the fact that organized retail has a tiny presence in rural India *i.e.* 8-10 % which is much less compared to unorganized retail pegging at 88 % (Technopak, 2018). The viability of organized retailing in rural areas has always been skeptical in Indian context hence less attention has been given in research study (Siddique and Siddique, 2012). The pertinent reason behind the debacle of organized retail is due to higher overhead costs, wavering demand due to erratic rainfall, lower disposable income and inability to extend credit to rural consumer.

Despite of their failure, the importance of organized retail in rural areas cannot be overlooked. They can leverage the opportunity of providing a myriad of products and services under one roof to the farmers and create sustainable and viable farming for small and marginal farmers. To fulfill this void, the present study is based on Bayer Better life the organized retail outlet and how it bridges the gap between retailer and farmers. To my knowledge and understanding, there is ample paper that delve into the growing of organized retail in urban cities but the paltry amount of studies has been carried on rural areas and how their presence create opportunity and impinge on growth in rural pockets. Unlike other organized retail, BLF provides gamut of financial and non-financial services to small and marginal farmers, which other organized retailers failed in the past. The novelty of the study vested in how Bayer Better Life farming (organized retail) impacts the livelihood of the small holder's farmers to build the sustainable and lucrative farming business. This is the crucial problem in which most of the studies missed to address so far. The study endeavors to add specific contribution to existing knowledge which is enunciated below:

- Firstly, organized retail provides one-stop solution for the smallholders and clearly depicted through the operational model.
- Secondly, it identifies and promotes Agri-entrepreneurs in village areas and equips them with proper skills and knowledge through extensive training.
- Thirdly, it provides all sort of input and financial services to smallholder farmers under one roof in the nick of time. These services render in proper time helps small farmers to lead a better life.
- Fourthly, BLF aid in market linkage so that farmer get real-time information about the market price for their produce and avoids distress sale.
- Fifthly, the study espouses about customized apps which assist retailers in carrying their business smoothly and efficiently. These apps help in processing the order to payment cycle.
- Lastly, the study elaborates on the value-added services provided by organized retail to smallholders' farmer.

The above-mentioned contributions are the gaps in the study that have not been elaborately broached in other research papers associated with organized retail. To my better understanding and knowledge, the paper addresses five research questions.

RQ1: How BLF identifies and promotes Agri-entrepreneur in village level?

RQ2: What kinds of services are disseminated by the BLF to smallholders' farmer to enhance their living standards?

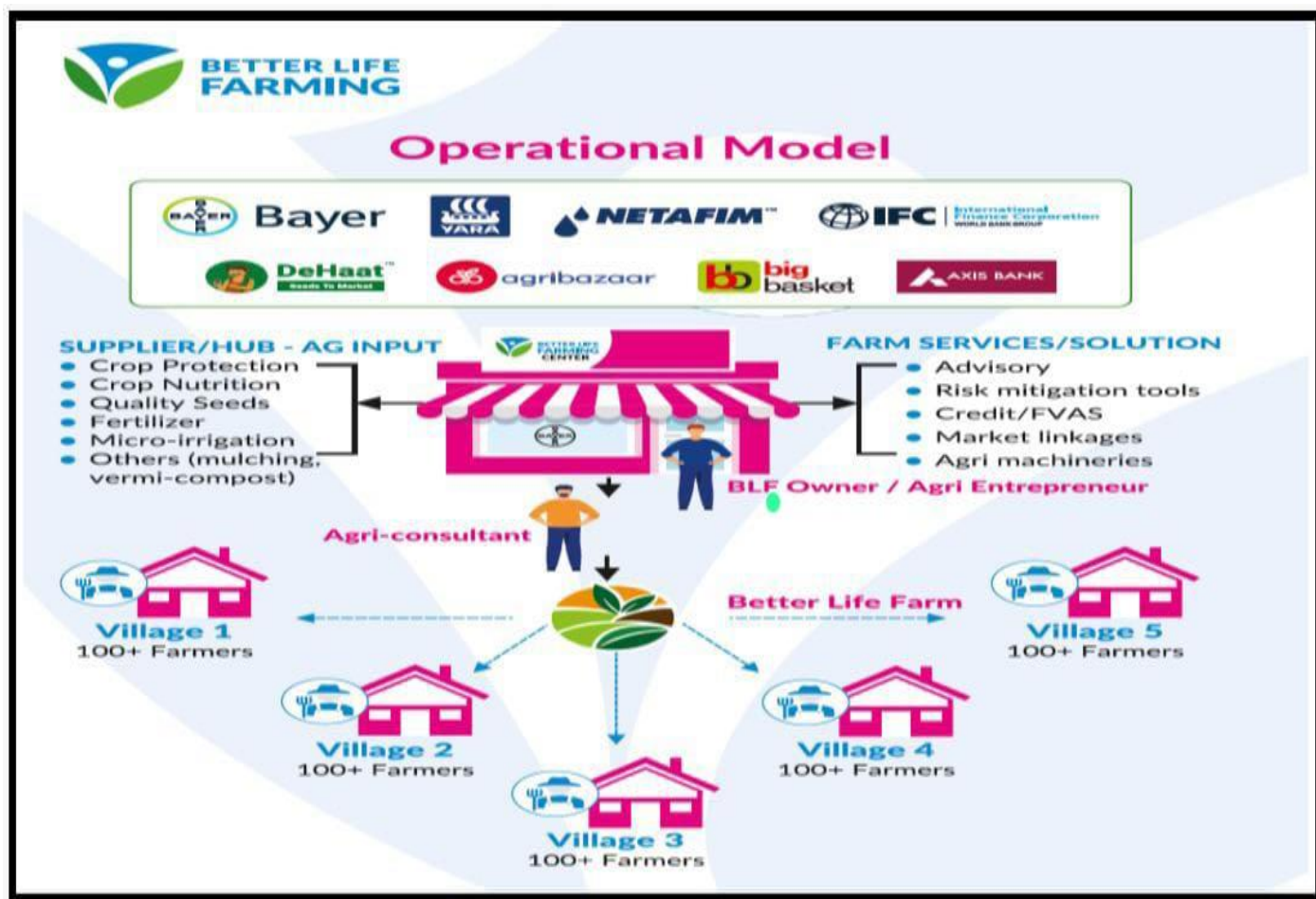
RQ3: How the BLF acts as a bridge to connect farmers with the market so that they get better market prices for their produce?

RQ4: How channel partners reap benefits through the technology developed by the BLF?

RQ5: How Bayer Better Life farming impacting the quality of life of smallholders women farmers, corroborating with the successful case study?

Bayer Better Life Farming

Better Life Farming is a collaboration of public and private partners who jointly working with the farming community and local partners to ameliorate the livelihood of smallholders and their communities via a last-mile delivery approach. It creates a conducive ecosystem where small and marginal farmers can build commercially viable & sustainable farming business. BLF India joins over 20 global and local business partners in the areas of irrigation, crop insurance, market linkage and training advisory. The main aim of this collaboration with BLF is to identify the gamut of challenges faced by small and marginal farmers and their incessant effort to solve their problems at the farm level. According to Bayer sustainability report (2020) smallholders' farmers are essential food producers as they produce 50% of food consumed in low- and mid-income countries. They knew that smallholder's farmer somehow failed to attain full farming potential.



Hence BLF empowers these farmers across the country to grow commercially viable and sustainable farming business. Concurrently they motivate and educate smallholders' farmers to adopt GAP (good agriculture practices) for a better ecological footprint. BLF aid small farmers to unleash their full farming potential to improve their livelihood and uplift farming communities. Some of the most critical aspects of BLF is encompassing below:

- It is one stop solution where farmers can avail of multifaceted services, like technical advisory, farm solutions, agri-input, financial services, and market linkage and farm digitization.
- Their farm models are revenue based and have successfully deployed in the village level. Models are based on a hub and spoke hence; very feasible to cater services to farmers.
- The trained agri-consultant provides all sorts of farm solutions to small and marginal farmers. They are very dexterous in handling five villages, each carrying 100 farmers.
- They identify progressive farmers, agri graduate /small retailers/ FPO (farmer producer organization) and train them to become successful Agripreneurs. These Agripreneurs provide small farmers all types of farm and non-farming services.

The success of BLF lies in the assets light model, which bridges the gap between BLF and smallholder farmers. The model imparts a mutual benefit to all the critical stakeholders like Agripreneur, Agri-consultant, Agri-input companies, and farmers. The model is well enough to tackle the fundamental problem of smallholders' farmers and deliver customized products and solutions to smallholders' farmers which is very feasible to apply at low cost in their doorsteps. The (fig 1) below depicts the operational model of Bayer Better Life farming.

Methodology

The above study is context-based analysis. The study relies on secondary data fetched from various research literature paper and consultant reports. The paper delves about the BLF operation in Odisha.

Analysis

RQ1: How BLF Identifies and Promotes Agri-Entrepreneur in Village Level

BLF always fosters agripreneurship. Any progressive farmer, agri graduate/chemistry honors or any institution like FPO/ NGO can be agripreneur. The BLF assist them in starting the BLF center. The size of BLF center varies from 8.6 feet to 10 feet. The company provides numerous handholding supports like granting the license to run center, input distribution, technical advice and rendering financial services. Those who aspire to start a BLF center must develop a good rapport with the farming community and, with a measly amount of 1 lakh rupees can start their own BLF center. The Agri-entrepreneur in association with a technical consultant, performs plethora of activities *i.e.*, dissemination of technological knowledge and successful deployment of farm technology at the farm level. These actors plays seminal role in educating the farmers about the quality of seeds, diversification of farming, crop nutrition, and the beneficial impact of drip irrigation and mulching on crop production. Concurrently they also assist smallholder's farmers in market linkage, provide timely information about the crop and connect farmers to financial institution so that they cannot confront any fund crunching. They emphasized on GAP (good agriculture practices) and how it has a strong impact on crop productivity and sustainability. The BLF center, under the supervision of agri-entrepreneur, act as a mini collection center from where off-takers can collect farm produce. It will help rural youth to be agile part of the agri value chain and generate local employment opportunities.

RQ2: What kind of services are disseminated by the BLF to smallholder's farmer to enhance their standard of living

BLF center staunchly believes in a one-stop solution where smallholder farmers will get the entire product under one roof. The center provides gamut of services like agronomic education, customized agronomic solution that is easy to implement at farm level, access to finance, and proper market linkage where farmers can sell their produce and fetch good prices.

The center is owned and run by agri-entrepreneur and they hail from the farmer community. Hence they have a good rapport with the small farmers. They provide quality input, crop consultation and other vital services. They encourage farmers for adopt GAP eventually ushering them to sustainable and viable agriculture. Each BLF center, in integration with a technical consultant, disseminates farm services to 5 villages, and each village comprises 100 farmers. The salient services provided under the BLF canopy are enumerated below:

Crop Advisory

We provide all sorts of business mentoring to agri-entrepreneur and render extensive training to smallholders' farmer on many upcoming breakthroughs in agriculture. It will take the farm level to optimum potential.

Billing App

This service facilitates the day-to-day business operation. It streamlines the business operation through quick order-to-payment cycle. It quickly generates customer invoice, order processing, tracking, invoice checkup and inventory replacement. It also checks product expiry dates, tracking of product returns, fast filing of complaints if any business glitch happens. Very important that, it keeps a record of BLF center footfall and documentation.

Banking Facility

It connects smallholders' farmer to the organized financial institution and equips them with the proper knowledge of documentation in order to get hassle-free loans. It also eases the process of cash withdrawal, cash deposit, balance inquiry, mini-statement and bill payment.

Better Life Model Farm

It provides a free sample to farmers for live demonstration to smallholder's farmers so that they can understand the product efficacy and its usage. The BLF center always sticks to the BTL strategy (below the line). Besides, they also test the quality new crops in their model farm on specific standardized parameters.

The quality is admissible and satisfying, then they provide a live demonstration to the farmers.

Reward Point

Promotional strategy is designed to allure smallholders' farmers to earn maximum points, later they can redeem these points to get attractive rewards.

Extensive Training

BLF, in collaboration with World Bank, designed programme focuses on strategic training to Agri-entrepreneurs and Agri-consultant. These trainings are related to sustainable farming and ways to enhance the productivity of small and marginal farmers.

Market Linkage

The farmers get real-time information about the market to get better price realization. The BLF has an improvised e-platform where farmers can get much leeway's to sell their produce to any market *i.e.* within the state or outside state, to fetch good returns for their produce.

RQ3: How the BLF acts as a bridge to connect farmers with market to get better market price for their produce

Apart from having an e-platform to trade agri produce, the company also forged an alliance with new unicorn startups working in agriculture like Dehaat, Bigbasket and Agribazaar with an ambition to ensure that smallholders farmer get the right price and right market for their produce. This association spawns efficient integration in the crop value chain. These companies perform the role of backward linkage by procuring farm produce directly from farmers with the help of collection center operating in the respective areas. They provide real-time market information to smallholders farmers so that they can access other market and sell their produce where they can fetch reasonable prices.

RQ4: How channel partners reap benefits through the technology developed by the BLF

Bayer better life farming provides agri input and services, from sowing to harvest time.

To make this task hassle-free, technology plays a seamless role in disseminating information and adding value to each step, from sowing to crop harvesting. This empowers smallholder's farmers to get time-critical information at every steps of crop production for protection. They have trained farmers & channel partners to use their app which is designed and developed in such a manner that it brings transparency and efficiency in day-to-day business activities. At the channel point, it helps in order tracking, quickly generates invoices, footfall tracking, and product return tracking, and checks the bill payments. At the farm level it provides updated information about weather, GI (geographical information), crop insurance information, and sophisticated technology which can gauge anticipated crop losses. The technology operates at the farm level or channel level. It always spurs the business process by decreasing the lead time.

RQ5: How Bayer Better Life farming positively impacted the quality of life of smallholder women farmer, corroborating with successful case study

Organized retail realized that future of India lies in the hand of entrepreneur and it is the pressing need of business. The BLF always supports women farmers and provides all sorts of assistance to churn them into women entrepreneurs. They not only employ to rural women but help them to maintain high self-esteem. They trained women to become agri-consultant and in turn they expeditiously provided services to women agri-entrepreneur and smallholders' women farmers. The role of women as a small holder agri-entrepreneur is corroborated through a small case study enunciated below. Before joining to BLF, Ranju Singh was a small-scale seasonal seed seller traveling from village to village. She supplies seeds to smallholder farmers. During selling season, sometimes she missed some of the villages hence to avoid such situation; she started running the BLF center. She provided her fellow farmers with much-appreciated assistance. Ranju is a very active member of NGO, Mahila Mandal, which serves around 3000 female as well as male farmers in Chatra district. She is working assiduously to uplift and empower smallholder female farmers. Her main concern is to empower women and convert them into agri-entrepreneur by connecting them with BLF.

Today 55-60% of agricultural labor is female. If they are armed with accurate information, timely services and affordable technology, then they not only ramp up production and generate adequate revenue but live life with high self-esteem.

Conclusion

The BLF plays a very pivotal role in uplifting the standard of life of small & marginal farmers. Unlike unorganized retail has strong foothold in rural areas and traps the smallholder's farmer in the vicious cycle of credit. Organized retail entirely relies on one-stop solution so that farmers can select the different brands of agri-input with an optimum price. The BLF also provides plethora of agri services, from transplanting of paddy till procuring paddy. Besides, they have also established an alliance with big input companies providing quality and certified products to farmers. Their trained agri-consultant provides free consultation to farmers on various subjects. They motivate farmers to adopt GAP (general agriculture practices) to create a sustainable and viable farming system. They foster young rural people to become agri-entrepreneur and become self-reliant in future. The company policies are very propitious for young people to start their BLF center with minimum capital base of 1 lakh. In turn, the BLF agri-consultant provides all sorts of handholding support to agri-entrepreneur to run their center. In brevity, the agri-consultant acts as a communication bridge between agri-entrepreneur. The BLF also provides financial and market linkage support to farmers regardless of gender. Since 60% of the agriculture labors are women and perform multifarious agriculture activities, Bayer BLF specifically designed women entrepreneurship programme to support them. They became self-reliant and empowered other women. They strongly aligned with the UN Sustainable Development Goals, and strive to increase food security and alleviate poverty. They further promote gender equality, sustainable agricultural practices and meaningful public-private partnerships.

Future Implication

A possible future research avenue is empirically validating the model depicted in (fig 1).

The another line of future study can be comparing analysis between organized and unorganized retail visa a vis to specific product and market. The study will unfold the pattern of business operation between organized and organized retail, which often intrigues researchers.

References

- Berdegúe, J., Reardon, T., Escobar, G., Echeverría, R. (2000) Policies to Promote Non-Farm Rural Employment in Latin America, Overseas Development Institute, Retrieved May 25, 2015 from <https://dlc.dlib.indiana.edu/dlc/bitstream/handle/10535/4393/55-non-farm-rural-employment-latin-america.pdf?Sequence=1> and is allowed.
- Bhattacharya, H., Innes, R. (2013) Income and the environment in rural India: Is there a poverty trap? *Am. J. Agric. Econ.*, 95(1): 42e69.
- Chand, R., Prasanna, P. L., Singh, A. (2011) Farm size and productivity: understanding the strengths of smallholders and improving their livelihoods, *Econ. Polit. Wkly.*, 46(26): 5e11
- Competition Commission of India (2014) FDI in Indian Retail Sector: Analysis of Competition in Agri-food Sector, Retrieved Aug 15, 2014 from: <http://www.cci.gov.in>
- Joshi, D. (2000) Gandhiji on Villages, Gandhi Book Center, Mumbai.
- Kashyap, P. (2012) Rural Marketing, Pearson Education, New Delhi.
- Kashyap, P., Raut, S. (2005) The Rural Marketing Book, Dreamtech Press, New Delhi.
- Reardon, T., Berdegue, J. A. (2002) The rapid rise of supermarkets in Latin America: challenges and opportunities for development, *Dev. Policy Rev.*, 20(4): 371e388.
- Swamy, R. K. (2008) BBDO Guide to Market Planning (vol. I), R. K. Swamy /BBDO Advertising Pvt Ltd: Chennai.
- Siddique, S., Siddique, R. A. (2012) Rural marketing in India: opportunities, challenges and strategies, *Int. J. Retail. Rural Bus. Perspect*, 1(2): 142-147.
- Sinha, P. K., Gokhale, S., Thomas, S. (2012) Development of Modern Retailing in India: It's Impacts on Distribution and Procurement Networks and Changing Consumption Pattern. Retrieved Aug 11, 2014 from: <http://www.iimahd.ernet.in>.