

# CHALLENGES FACED BY MUSHROOM EXPORTERS IN COIMBATORE CITY – AN ANALYTICAL STUDY

Dr.P.Gurusamy<sup>1</sup>  
Dr.G.Vignesh<sup>2</sup>

---

**I**ndia has a wide scope for growing different types of vegetables and mushrooms since the climate is appropriately suitable for mushroom cultivation in India. The marketing of fresh mushrooms is a very challenging one in India due to its nature as perishable products. The demand for mushroom is growing since all the country's people are turning in to health-conscious and interested to have the richest source of protein. Therefore, the necessities of natural vegetables as well as cultivated mushroom consumption patterns are slowly increasing in the 21<sup>st</sup> century. Since there are few challenges faced by cultivators of mushroom as well as exporter of mushroom in India. For overcome the challenges of the mushroom exporter, whole mushroom exporters are adopting eight prolonged strategy in terms of product categorization, quality of mushroom cultivation style, spread the mushroom in among the potential area, improving the quality of mushroom and its packaging style, slowly increase the market reachability, offering the value-added services related mushroom products like preparation of mushroom recipe for simple and easy cooking, well-established agriculture and mushroom cultivation infrastructural facilities, develop the knowledge and skill, establish the standard brand positioning and promote the mushroom export in all over the world with the help of India's export promotion council and Agricultural Export Development Authority for reach the Indian mushroom products in the world market. The problems associations with growing mushrooms were resolved by technological advancements in the mushroom industry. Finally, this present study is going to examine the challenges faced by the mushroom exporters in the study area. This study concluded that, if mushroom cultivators and exporters and Government agencies are joining together, one or another day Indian mushroom will become the king of the overseas mushroom market.

## Preamble

Cultivation of Mushroom is an old agricultural practice since the 17<sup>th</sup> century in all over the world. Meanwhile, commercial cultivation in all over the world and including India has started in the 20<sup>th</sup> century. Cultivating and growing mushroom under a controlled atmosphere with the help of a green farmhouse effect is the recent trends in all over the world. It is popular among the mushroom cultivators and mushroom exporters. At present in India's majority states farmers and entrepreneurs, as well as state governments, are concentrating and encouraging towards artificial

## Abstract

**Keywords:** Market Promotion, Mushroom industry, value addition, Agricultural and Processed Food Product Export Development Authority,, Skill development.

---

**Received :** 03.07.2020

**Revised :** 16.07.2020

**Accepted :** 18.07.2020

---

---

<sup>1</sup> Professor of Logistics & Shipping, Coimbatore Marine College, Coimbatore.

<sup>2</sup> Head of the department of commerce IB in NGM College, Pollachi.

cultivation of mushroom to meet out the domestic and foreign market demands of mushroom products. The many Indian state locality, soil, atmosphere, as well as climate, are suitable to establish a farm of mushroom naturally, it is one of the natural gift to Indian farmers. Indian farmer's purchasing power, size of land, less investment, and less space are suitable to start this type of agriculture-related business to Indian farmers, many farmers, as well as homemakers, prefer this profession for earning through alternative source of their income for running their family. Apart from this, Indian button mushroom and fresh processed one are highly wanted to German consumers, American consumers, Israel consumers, and Mexican consumers, especially more than ninety-five percent of Indian button form mushrooms are very familiar in the world market as well as domestic market too. The Indian mushrooms are exported more than a hundred countries worldwide. The mushroom export volume of India is around 17.5 million dollars during the 2019-2020. For increasing the export volume of mushroom in India, the GOI is taking umpteen number of initiatives like this agriculture income is exempted from income tax 8f and offering various services like consultancy, Agri loan arrangements, agriculture professor advice and field visit by the expert in the field of artificial mushroom cultivation practices and methods is among India's mushroom farm area for improving the export volume of mushroom as well as foreign exchange earnings of India.

### **Statement of the Research Problem**

The agricultural sector has been on a downward trend, earning lesser direct and indirect revenues due to high taxes on inputs which results in higher priced agricultural inputs, thus lower investments. There is also demand deficiency unemployment, especially in this sector, and reduced funding to research in mushrooms growing and its consumption as an alternative protein source. Inflation in agricultural products has lead to reduced purchasing power thus less demand for highly-priced beneficial commodities like mushroom. The lack of agricultural credit or incentives from the government and it's poorly managed such as agricultural finance corporation (AFC) bank has lead to decreased production in the agricultural sector due to its mismanagement over the years. Therefore, all the agriculturists are thinking about the value-added agricultural products like mushrooms, organic products, herbal items, and flowers. This present study is going to observe the bottlenecks of mushroom exporters in the study area for rectifying the respondent's problems to enrich the growth of mushroom exports in the near future.

### **Research Methodology of the Study**

The researchers have applied the questionnaire method for collecting the primary data in among the mushroom exporters in the study area to meet out the objectives of study like challenges faced by mushroom exporters in Coimbatore city. Further, this present study is concentrating towards the role of APEDA and pre-shipment storage facilities of mushroom exporters in the study area, and secondary data are collected through various desk research works as well as published contents related to mushroom exports.

## **Area of the study**

The research study was conducted only in Coimbatore city. Since this city is very popular as an industrial hub to all categories of business from the textile industry to agriculture. Therefore, this area is selected as a study area by the researcher.

## **Research & Sampling Design**

The researcher has adopted a descriptive and analytical research design for observing the challenges of mushroom exporters in Coimbatore city. The researchers are applied convenient sampling techniques for gathering the primary data sources in among mushroom exporters in Coimbatore city. The sample size is determined as fifty mushroom respondents, those who are registered their concern as a mushroom exporter in Coimbatore city.

## **Period of the study**

The researcher has collected the data from January 2020 to February 2020 among the mushroom exporter in Coimbatore city.

## **Statistical Tools Applied For the Study**

The following statistical tools have been used by the researcher to do the analysis part of the study. They are Simple Percentage Analysis, Weighted average score mean, and ranking method.

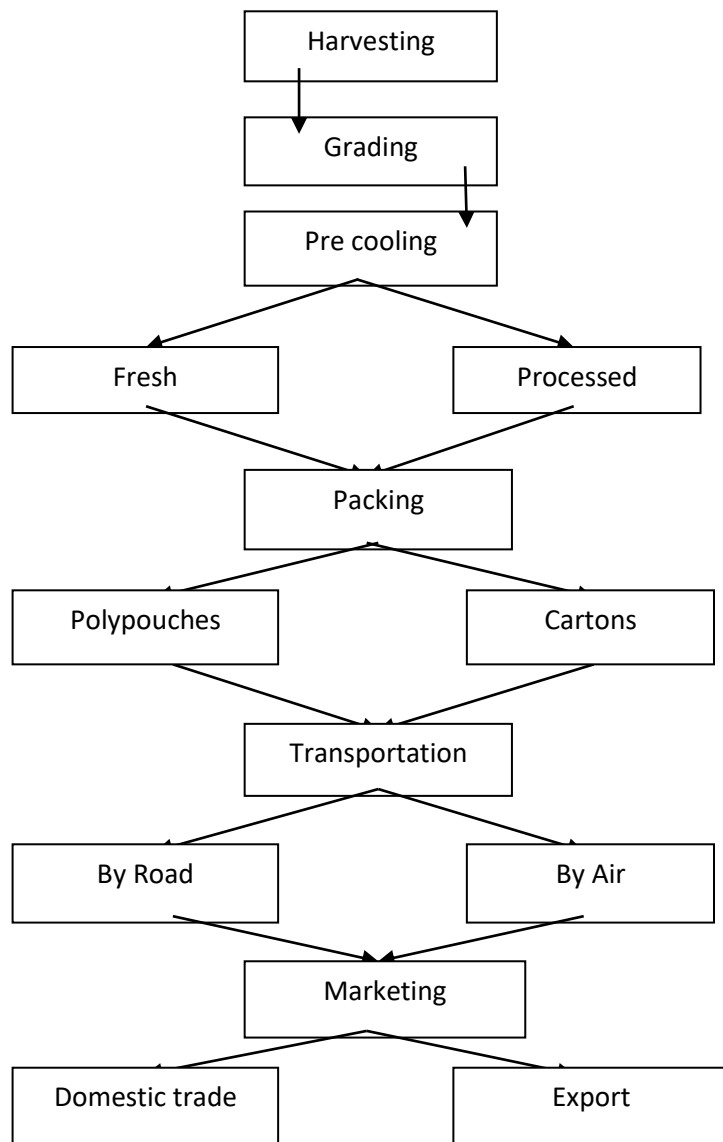
## **Shortcomings of the study**

The current research study is framed based on the Coimbatore city mushroom exporter opinion only. The findings of the present study may not suitable for entire India. Due to the time constraint and busy schedule of the mushroom exporters, the researcher has collected 50 questionnaires from the mushroom exporter in Coimbatore city.

*Market Promotion,  
Mushroom industry,  
value addition,  
Agricultural and  
Processed Food Product  
Export Development  
Authority, Skill  
development.*

---

## Post Harvesting Practices of Mushroom



Source: APEDA.Com

## Results and Discussion of the study

**Table Number: 01**

Level of satisfaction of mushroom exporter towards APEDA

Factor	hs	s	n	ds	hds	Total	Mean Score
	5	4	3	2	1		
Fumigation facilities	10	32	4	2	2	50	<b>3.92</b>
	50	128	12	4	2	196	
Export procedures	8	30	6	4	2	50	<b>3.76</b>
	40	120	18	8	2	188	
Export Certification system for exports	15	27	5	2	1	50	<b>4.06</b>
	75	108	15	4	1	203	
Pest risk analysis	8	24	10	4	4	50	<b>3.56</b>
	40	96	30	8	4	178	
Toxic compound level certificate issued by APEDA recognized laboratories	28	10	8	3	1	50	<b>4.22</b>
	140	40	24	6	1	211	

*Market Promotion,  
Mushroom industry,  
value addition,  
Agricultural and  
Processed Food Product  
Export Development  
Authority, Skill  
development.*

---

### Source: Afresh data

The above table exhibits the weighted average mean scores. The table highlights the weighted score, which helps to decide the most important factor, where is the satisfaction level for the mushroom exports provided by APEDA. The toxic level certificate issued by APEDA recognized laboratories was the highly satisfied service availed by APEDA with a mean score of 4.22 and the respondents are highly dissatisfied with the pest risk analysis with the least mean score of 3.56.

**Table Number: 02**

Level of satisfaction towards modern Equipment used for mushroom export

Opinion	hs	s	n	Ds	hds	Total	Mean Score
	5	4	3	2	1		
Reducing the production cost	9	13	14	5	9	50	<b>3.16</b>
	45	52	42	10	9	158	
Raise the level of profit	14	16	9	4	7	50	<b>3.52</b>
	70	64	27	8	7	176	
Save time	5	8	24	4	9	50	<b>2.92</b>
	25	32	72	8	9	145	
Satisfaction of importers	13	9	15	7	6	50	<b>3.32</b>
	65	36	45	14	6	166	
Increase the volume of production	9	16	4	7	14	50	<b>2.98</b>
	45	64	12	14	14	149	

**Source: Afresh data**

The above table exhibits the weighted average mean scores. The table highlights the weighted score of the satisfaction level of modern technology in export. The highest score is 3.52 raise in the level of profit and the lowest score is 2.92 save time.

**Table Number: 03****Problem faced by the mushroom exporters**

Factors	7	6	5	4	3	2	1	Total	Mean Score	Rank
Quality issues	2	10	5	4	20	4	5	50	3.76	VII
	14	60	25	16	60	8	5	188		
Packing issues	5	8	4	15	6	5	7	50	3.96	VI
	35	48	20	60	18	10	7	198		
Quarantine or pest problem	3	17	6	4	10	3	7	50	4.04	V
	21	102	30	6	30	6	7	202		
Certification problem	5	12	15	6	4	3	5	50	4.58	II
	35	72	75	24	12	6	5	229		
Low yield during high requirements	3	7	12	18	5	3	2	50	4.36	III
	21	42	60	72	15	6	2	218		
Food safety system of importing countries	5	7	7	12	8	9	2	50	4.08	IV
	35	42	35	48	24	18	2	204		
Quality standards fixed by importing countries	18	6	5	12	3	4	2	50	5.08	I
	126	36	25	48	9	8	2	254		

*Market Promotion, Mushroom industry, value addition, Agricultural and Processed Food Product Export Development Authority, Skill development.*

---

**Source: Afresh data**

From the above table, it is concluded that by applying ranking for problems faced in mushroom exporters. The Quality standards fixed by importing countries ranked as one with a mean score of 5.08 and quality issues rank position is very low mean score of 3.76.

**Table Number: 04**

**Factors for Fixing Price of mushroom**

<b>Factors</b>	<b>10</b>	<b>9</b>	<b>8</b>	<b>7</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>Total</b>	<b>Mean</b>	<b>Rank</b>
Cost	3	2	3	5	2	10	7	7	8	3	50	4.74	IX
	30	18	24	35	12	50	28	21	16	3	237		
Company objective	3	5	5	10	7	5	3	3	7	2	50	5.78	VI
	30	45	40	70	42	25	12	9	14	2	289		
Types of product	3	2	5	3	5	5	5	10	10	2	50	4.72	X
	30	18	40	21	30	25	20	30	20	2	236		
Nature of transportation	2	15	10	3	3	2	7	2	5	1	50	6.58	II
	20	135	80	21	18	10	28	6	10	1	329		
Other elements of marketing mix	5	3	5	7	5	10	3	5	2	5	50	5.64	VII
	50	27	40	49	30	50	12	15	4	5	282		
Exchange rate & credit	10	3	7	5	3	3	2	7	2	8	50	5.84	V
	100	27	56	35	18	15	8	21	4	8	292		
Government policies	3	12	3	3	7	3	7	7	2	3	50	5.92	IV
	30	108	24	21	42	15	28	21	4	3	296		
Competition	10	5	7	5	5	7	3	2	1	5	50	6.52	III
	100	45	56	35	30	35	12	6	2	5	326		
Demand	15	5	5	7	3	3	5	5	1	1	50	7.1	I
	150	45	40	49	18	15	20	15	2	1	355		
Standardization and adaptation	2	5	7	8	2	2	5	5	7	7	50	5.1	VIII
	20	45	56	56	12	10	20	15	14	7	255		

**Source: Afresh data**



From the above table, it is confined that applying ranking for fixing the export price of mushroom exports is done. The demand is ranked as one with a mean score of 7.1, and the types of products ranked the low mean score of 4.72.

### **Observation of the Study**

The majority of the respondents 40% are sole proprietorship.  
The maximum number of the respondents (42%) is manufacturer exporters.  
44% of the respondents having an experience of 11-15 years in this field.  
56% of the respondents are investing their capital for starting this business.  
50% of the respondents are exporting button-type mushrooms to importer countries.  
24% of the respondents exporting the mushroom towards France.  
44% of exporters prefer air cargo for moving their mushroom from Coimbatore to importer's destination.  
46% of the respondents involve with exporting of pickle as the value-added product.  
26% of mushroom exporters are using a flexible pouch for packaging the mushroom.  
44% of the respondents are packaging 20 kg. Quantity for exports.  
36% of the respondents are selecting mushroom suppliers based on their quality of product.  
52% of the respondents prefer a pre-shipment finance method.  
32% of the respondents are using a letter of credit for receiving their payment.  
44% of the mushroom exporters are facing the problem of weight loss.  
36% of the respondents are felt that there is a market potential that exists in the overseas market for mushroom products.  
44% of the respondents are acquiring experience in the field of mushroom exports.  
44% of the respondents have a lack of quality as the main reason for the return of goods.  
100% of the mushroom exporters' are members of APEDA only.  
44% of respondents are satisfied by various services offered in APEDA as a scheme.  
Aflatoxin level certificate issued by APEDA recognized laboratories secured the highest mean score of 4.22.  
3.52 weighted average score secured by an increase in profit levels under the level of satisfaction towards modern technology.  
Quality standards fixed by importing countries statement is securing the first rank with the mean score of 5.08 under problems faced by mushroom exporters.

### **Recommendations of the Study**

The mushroom cultivators and exporter must develop new technologies for attaining maximum yields without using pesticides and chemicals.  
The Government of India must take initiative through offering on the job training to the new mushroom cultivators and exporters for aware of all importer countries' food safety control and export-import policy.  
Mushroom Exporters must procure the mushroom from quality mushroom cultivators for maintaining their standard and brand in the overseas market for avoiding the reverse logistics of mushroom cargo.

To increase the production, productivity, and quality of the mushroom, APEDA must conduct the periodical visit to mushroom cultivator's locality for avoiding the problems of low yield during high demand periods.

APEDA must do research and development related to mushroom cultivation and its allied area to enrich the volume of production as well as quality to meet the future demand and compete with developed countries.

The mushroom cultivators must establish the cold warehouse facilities for storing the mushroom and avoid the shrinkage as well as weight loss of mushroom during the storage time.

Mushroom exporters may concentrate on mushroom allied products like mushroom chips, mushroom candy, and mushroom ketchup to meet the working capital of the mushroom industry.

### **Conclusion of the Study**

All over the world, the majority of developed, developing, and under-developing countries are felt that export-oriented activities related to the agriculture sector one of the right choices to increase the economic and gross domestic product level of a particular country. It is possible through offering quality mushroom exports and allied services in both the domestic and international markets. Right now, India is lacking in the area of agricultural export due to poor awareness and less potential to compete with the world market related to agricultural products. This is the right time; Indian agricultural ministry must take serious steps towards increasing the mushroom exports with the help of various promotional measures to compete with the global market as well as creating employment opportunities and new entrepreneurs in the field of mushroom exports near future. For developing the mushroom markets, the Government of India is offering several methods for increasing the mushroom export volumes and its allied products. Even though, agricultural exporter is facing challenges related to importer countries' Exim policy, expectations, lack of working capital, less experienced, and poor market prediction intelligence connected with mushroom exports. If mushroom cultivators and exporters and Government agencies are joining together, one or another day Indian mushroom will become the king of the overseas mushroom market. It will eradicate the rural and urban areas of people's unemployment problems as well as the migration of village people from urban to the city will reduce drastically in the near future. It will strengthen the Indian foreign exchange earnings as well as an image of Indian mushroom exporters in the future.

### **References**

#### **Journals and Websites**

Elaine Marshall (2009), "Make money by growing mushrooms", Diversification booklet number 7, Rome 2009.

Manjit Singh (2011), "Earning more through exporting mushrooms".

G C Wakchaure (2011), Production and Marketing of Mushrooms: Global and National Scenario, Research Gate.

B.L.Dhar and R.N.Verma (2018), The Indian mushroom industry, the international society for mushroom science.

Behari Lal Dhar (2017) Mushroom Farm Design and Technology of Cultivation.

Dr.V.P.Sharma (2019), Mushroom Society of India Directorate of Mushroom Research ICAR, India.

Agriculture Economics Research Review, vol.23, January –June 2012.

International Journal of Commerce and Management Research, vol.3, issue.3 March 2017, Page no.23-26.

International Journals of Social Science Studies, vol.5, no.6 June 2017.

Journals of Agriculture Extension and Rural Development, vol.8 (8), March 2016.

*Market Promotion,  
Mushroom industry,  
value addition,  
Agricultural and  
Processed Food Product  
Export Development  
Authority, Skill  
development.*

---

## **Websites**

[www.mdpi.com/journal/sustainability](http://www.mdpi.com/journal/sustainability)

[www.managejournal.com](http://www.managejournal.com)

<http://ijsss.redfame.com>

[www.allresearchjournal.com](http://www.allresearchjournal.com)