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Lack Of Marketing And Financial Facilities Demotivates The Rural Business Leaders: A Study On Nayahat Pan Market, Nayahat, Puri, Odisha

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Abstract

The Nayahat Pan Market, a traditional trading center located in Nayahat, Puri district of Odisha, which plays a significant role in the socio-economic life of local vendors, farmers, and consumers. P*an*holds a unique cultural and commercial importance in Odisha, being widely consumed and used in social, religious, and ceremonial practices. Despite its significance, the marketing of pan continues to remain largely unorganized, facing several challenges such as price fluctuation, lack of proper storage facilities, credit dependency, and transport delays.The study was conducted using both primary and secondary data sources. Primary data were collected from 140 respondents including wholesalers, retailers, small sellers, and transporters through questionnaires, interviews, and field observations. Secondary information was obtained from government records, published reports, and previous research studies. A descriptive research design with random sampling was used to ensure representation of all categories of market participants. Data were analysed with the help of tables, percentages, charts, and thematic grouping.The key findings reveal that while wholesalers record the highest per-vendor sales, retailers constitute the largest share of the market, contributing nearly half of the estimated daily turnover. Price fluctuation and credit issues were reported as the most pressing challenges by vendors, followed by storage and transport problems. The estimated daily market turnover was found to be approximately INR 2.6 lakh, with retailers contributing the major portion due to their larger numbers.The study concludes that the Nayahat Pan Market is a vital hub for local trade, but its efficiency is reduced due to infrastructural and financial constraints. Interventions such as improved storage methods, collective marketing, better price information systems, and accessible micro-credit facilities can significantly enhance the sustainability and profitability of the market. The findings are useful

for policymakers, local authorities, and stakeholders seeking to strengthen traditional markets and improve livelihoods in rural Odisha.

Keywords: Nayahat Pan Market, Betel Leaf Trade, Local Market Structure, Market Challenges, Price Fluctuation, Unorganized Market Sector, Socio-Economic Study, Supply Chain Analysis.

Introduction

Markets have always been the lifeline of rural and semi-urban economies in India, serving not only as centres of trade but also as spaces of social and cultural interaction. Among the diverse forms of local markets, pan (betel leaf) markets hold a special place in Odisha, where betel leaves are deeply integrated into cultural, religious, and social practices. The trade of betel leaf involves thousands of small and marginal farmers, vendors, and intermediaries, providing a source of income and livelihood to a large number of rural households. The Nayahat Pan Market, located in Nayahat of Puri district, Odisha, is one of the prominent local hubs for betel leaf trade. It attracts farmers, wholesalers, retailers, transporters, and buyers from surrounding villages and districts. The market operates as an unorganized but highly active center where betel leaves are brought daily from local growers and nearby regions, traded in bulk, and distributed across different consumer segments. This market plays a crucial role not only in generating income for participants but also in maintaining the cultural significance of betel leaves in local society. However, despite its importance, the Nayahat Pan Market faces several challenges. The trade structure is largely informal, and vendors are often dependent on intermediaries for credit and sales. Seasonal fluctuations, price instability, and post-harvest losses due to poor storage and handling further reduce the profitability of the trade. Transport delays and lack of proper infrastructure add to the difficulties. These challenges affect both the efficiency of the market and the livelihoods of those engaged in it. Understanding the functioning of this market, its strengths, weaknesses, and opportunities, therefore becomes essential. A systematic study of the Nayahat Pan Market helps to document the current market structure, trading practices, supply chains, sales volumes, and problems faced by vendors and buyers. It also provides insights into possible improvements such as better infrastructure, collective marketing practices, and institutional support mechanisms.By analysing the socio-economic background of vendors, patterns of trade, and key challenges, the study aims to highlight the significance of the Nayahat Pan Market in the local economy and suggest measures to strengthen its role as a sustainable trading hub.

Literature Review

1. Introduction to the literature

Betel leaf (commonly called *pan* in India) is both a culturally important and economically significant crop in many parts of South Asia. Research on betel-leaf focuses on three broad areas: (1) cultivation and agronomy (varieties, yield, seasonality), (2) post-harvest handling and storage (loss reduction, packaging), and (3) marketing and value chains (price formation, intermediaries, margins, and institutional support). Studies from India and neighboring countries show that while betel leaf generates steady local demand, its trade is often fragmented and dominated by smallholders and informal traders. These broad themes provide the background for market-level studies such as the present one on Nayahat Pan Market.

2. Production and agronomic studies

Agronomic literature highlights that betel vine cultivation is labour-intensive but can be highly productive on small land parcels. Research reports discuss:

- Local varieties suited to humid, shaded environments; cultivation practices such as trellising, irrigation and pest control; and cropping cycles that allow frequent harvests throughout much of the year.
- Smallholders frequently adopt low-input techniques; yield and quality therefore vary significantly across farms.

  These findings are important because the supply characteristics—seasonality, quality, and farm-level practices—directly influence market arrivals, price volatility, and the degree of perish ability vendors experience in urban markets.

3. Post-harvest handling and losses

A recurrent theme is the high perish ability of betel leaf. Key points in the literature include:

- Leaves lose freshness, color, and market value quickly if not handled and stored properly. Spoilage and moisture loss can cause significant post-harvest losses.
- Simple, low-cost interventions (shaded storage, insulated crates, wet-cloth covers, ice-slush during transport) reduce losses considerably. However, adoption is limited by cost, lack of information, and fragmented market structure.
- Research also explores value-added options (grading, hygienic packaging, minimal processing) that can extend shelf-life and reach more distant markets.
- For a market like Nayahat, where freshness is crucial, post-harvest handling literature explains why vendors often report storage and transport as major constraints.

4. Market structure, value chains and price formation

Numerous case studies describe betel-leaf marketing as largely unorganized with typical chains: grower → local collector/commission agent → wholesaler → retailer → consumer. Important findings include:

- Multiple intermediaries often absorb a large share of the price spread, leaving small producers with thin margins.
- Price discovery is informal; local market conventions, bargaining power and weekly/daily demand patterns determine prices more than transparent information flows.
- Market access and bargaining power depend on factors such as volume, product quality, proximity to urban centers, and the presence of cooperatives or unions.
- Collective action (cooperatives or producer groups) or aggregation can improve farmer bargaining and reduce transaction costs—yet such models are not widely present in many local markets. These findings frame why a market-level study needs to map the exact local channels and estimate the margin distribution at Nayahat.

5. Finance, credit, and institutional support

The literature also emphasizes the role of informal credit in small-market ecosystems:

- Vendors and small growers often rely on short-term credit from traders or local moneylenders; this creates dependency and can force distress sales when cash is tight.
- Access to formal credit, microfinance, or working-capital facilities is limited for many small traders.
- Some studies recommend targeted micro-credit or inventory-finance models to stabilize cash flows and reduce the need for fire-sales.

  For Nayahat, vendor-reported credit issues mirror these broader findings and point to interventions that could stabilize day-to-day operations.

6. Demand-side and socio-cultural context

Beyond technical and market analyses, research highlights the cultural embeddedness of pan:

- Betel leaf is used in rituals, hospitality and daily consumption, which stabilizes baseline demand.
- Special occasions and festivals often create seasonal demand spikes that create opportunities and risks for vendors.

  Understanding local consumption patterns and peak periods helps interpret price fluctuations and vendor strategies in Nayahat.

7. Prior market-level studies and methodological lessons

Prior market-level studies on small agricultural or horticultural products suggest effective methods:

- Mixed-methods approaches combining structured vendor surveys, key informant interviews, supply-chain mapping, and spot observations yield both quantitative estimates (volumes, prices, margins) and qualitative insights (bargaining, trust, local norms).
- Simple indicators like per-vendor average sales, aggregated turnover, spoilage percent, and modal price ranges are effective for comparative analysis.
- Pilot testing questionnaires and triangulation with secondary data improve reliability. This methodological guidance shaped the design of the present Nayahat study.

8. Research gaps and how this study contributes

Although there is considerable literature on betel leaf cultivation, post-harvest loss reduction, and broad marketing channels, specific market-level empirical data are often missing for many small markets—especially at the town/market scale in Odisha. The literature shows a shortage of:

- Market micro data (daily volumes, vendor counts, turnover) for specific markets like Nayahat.
- Localized estimates of post-harvest loss and practical field trials of low-cost storage solutions in the Odisha context.
- Detailed breakdowns of margins at each stage for smaller markets.

This study addresses these gaps by documenting vendor profiles, daily sales estimates, problem ranking (price, credit, storage, transport), and providing market-weighted turnover figures for Nayahat. It also complements agronomic and post-harvest literature with on-ground observations about handling, storage practices, and possible low-cost improvements suitable for local vendors.

Research Methodology

1. Research Design

The study is based on a **descriptive research design**. It aims to describe the structure, functioning, and challenges of the Nayahat Pan Market. Both **quantitative methods** (numerical data such as sales, turnover, vendor counts) and **qualitative methods** (opinions, observations, interviews) were used so that the study captures not only facts and figures but also the experiences of vendors and buyers.

2. Objectives of Methodology

The methodology was framed to achieve the following:

- To identify the different types of participants in the market (wholesalers, retailers, small vendors, transporters).
- To measure sales patterns, pricing, and supply sources.
- To find out the main challenges faced by vendors and buyers.
- To suggest practical improvements for better functioning of the market.

3. Area of Study

The research was conducted in **Nayahat Pan Market**, situated in **Puri district, Odisha**. This market is an important hub for the trade of betel leaves (*pan*) and attracts buyers and sellers from nearby villages.

4. Sources of Data

- **Primary Data:** Collected directly from respondents through surveys, interviews, and personal observations in the market.
- **Secondary Data:** Gathered from government records, published reports, earlier research papers, and articles related to betel-leaf trade.

5. Sampling Method

- The study used **random sampling** to avoid bias and ensure fair representation.
- A total of **140 respondents** were selected, including:
  a. Wholesalers (20)
  b. Retailers (60)
  c. Small sellers (50)
  d. Transporters (10)
- This sample size was considered sufficient to reflect the views of the larger vendor population.

6. Tools and Techniques of Data Collection

- **Structured Questionnaire:** Prepared with both closed and open-ended questions to collect data on sales, prices, supply sources, and problems faced.
- **Interviews:** Conducted with key stakeholders like wholesalers and market committee members to gain deeper insights.
- **Observation:** Direct observation of market activities such as storage, handling, bargaining, and transport.
- **Secondary Sources:** Used to validate the primary findings and compare them with broader trends.

7. Data Analysis

- Collected data was arranged systematically in tables, percentages, and charts.
- Descriptive statistics (averages, totals, percentages) were used to interpret numerical data.
- Thematic grouping was applied for qualitative responses such as problems reported and suggestions from vendors.
- Graphs and pie charts were prepared to present results clearly and visually.

8. Ethical Considerations

- Respondents were informed about the purpose of the study.
- Their participation was voluntary, and their identities were kept confidential.
- The information collected was used purely for academic purposes.

9. Limitations of Methodology

- The study was limited to 140 respondents due to time and resource constraints.
- Some vendors were reluctant to share exact sales or income figures.
- Seasonal variations in betel leaf trade could not be fully captured as data collection was done in a short period.

Data Analysis and Key Findings

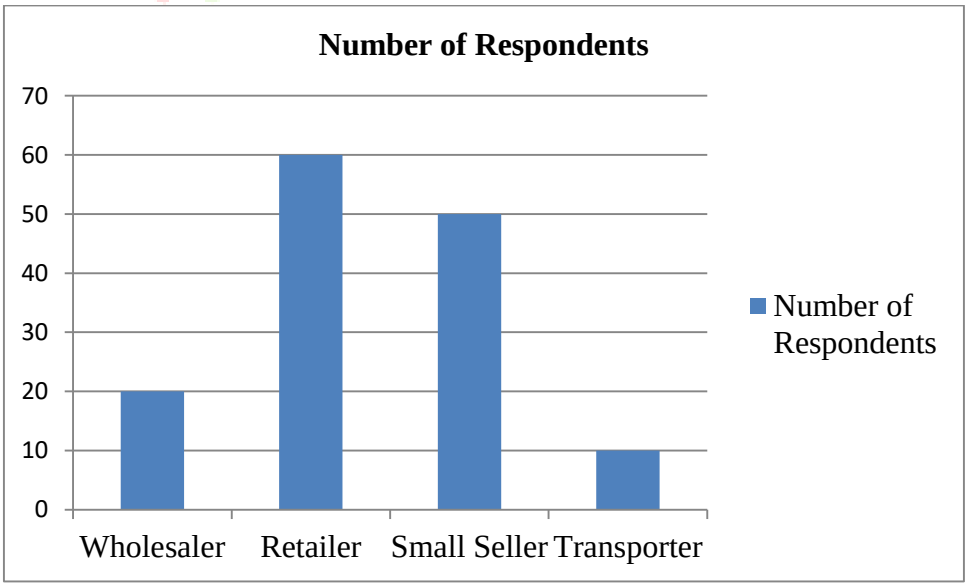
Vendor Type	Number of Respondents	Average Daily Sales (INR)	Main Problem Reported	Estimated Total Daily Sales (INR)	Respondent Share (%)	Sales Share (%)
Wholesaler	20	5000	Storage	100000	14.3	38.5
Retailer	60	2000	Price Fluctuation	120000	42.9	46.1
Small Seller	50	800	Credit Issues	40000	35.7	15.4
Transporter	10	0	Transport Delay	0	7.1	0

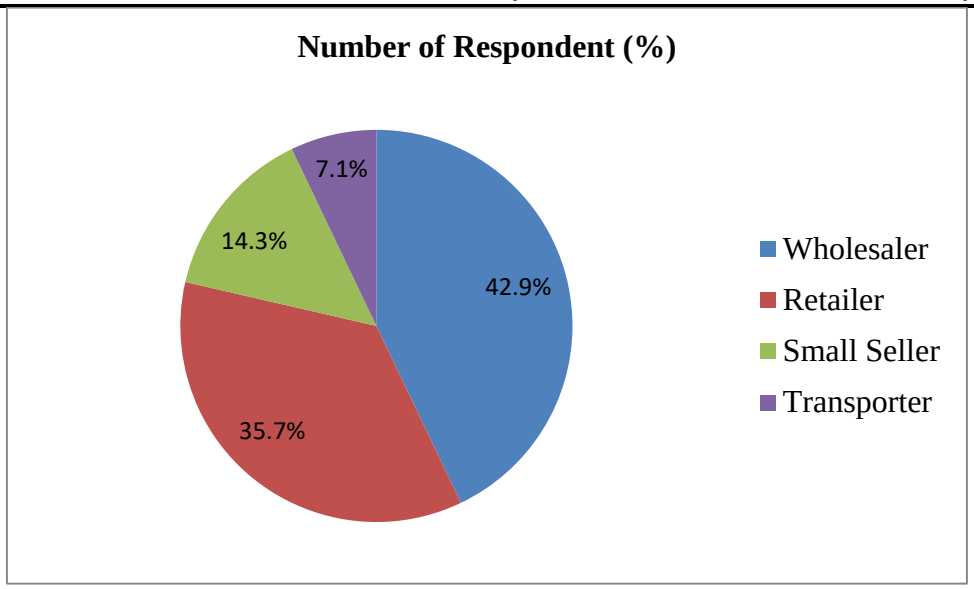
1. Respondent Profile

A total of **140 respondents** were surveyed, which included wholesalers, retailers, small sellers, and transporters.

- **Retailers** formed the largest group with **60 respondents (42.9%)**.
- **Small sellers** accounted for **50 respondents (35.7%)**.
- **Wholesalers** made up **20 respondents (14.3%)**.
- **Transporters** were the smallest group with **10 respondents (7.1%)**.

This shows that the **market is dominated by retailers**, who play a central role in day-to-day trade.

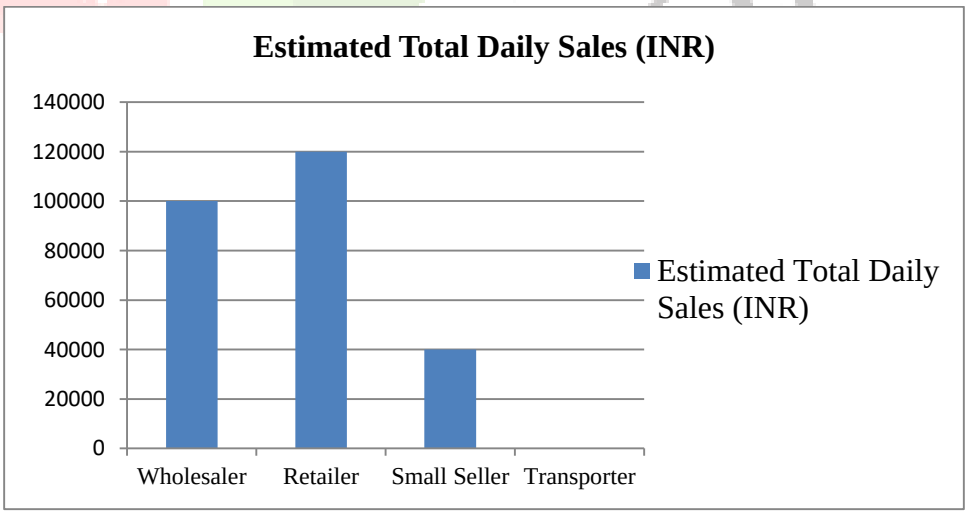


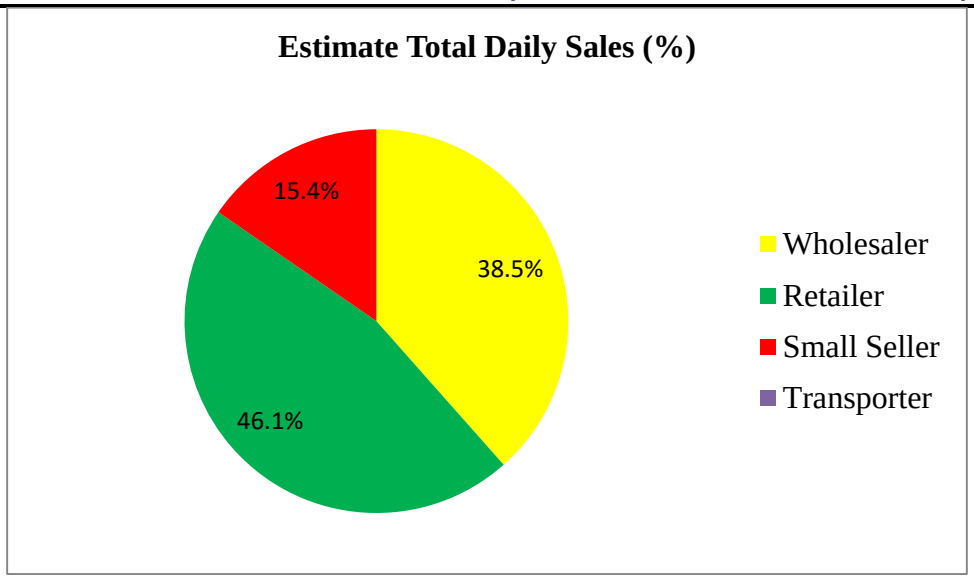


2. Sales and Turnover Analysis

- Wholesalers reported the highest per-vendor daily sales, averaging INR 5,000/day.
- Retailers, though reporting lower per-vendor sales (INR 2,000/day), together contributed the largest share of the total market turnover because of their greater numbers.
- Small sellers averaged INR 800/day, which is modest individually but significant when combined.
- Transporters do not record sales directly but are vital for timely supply and distribution.

The estimated total daily turnover of the market was about INR 2.6 lakh, with the retail segment alone contributing nearly 46%.

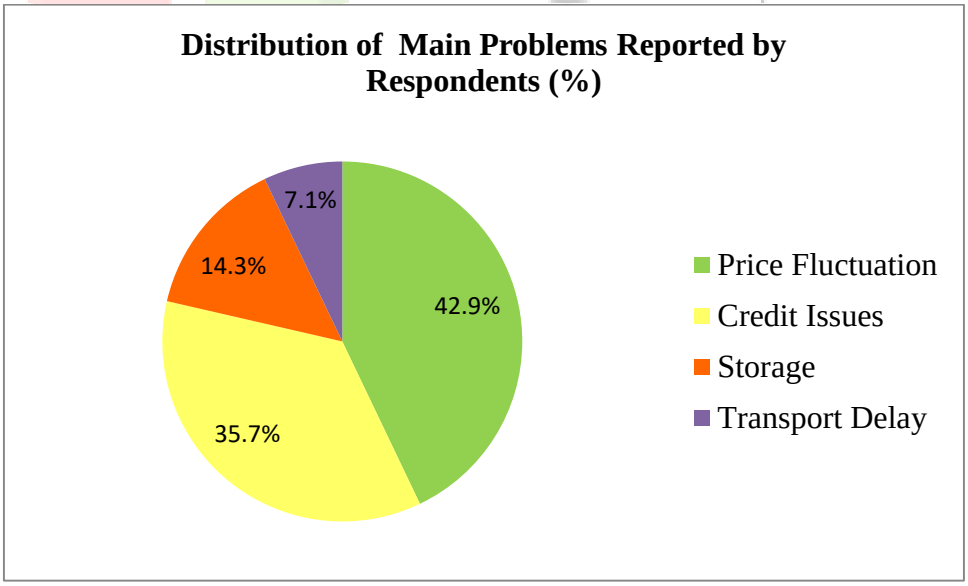




3. Problems Reported by Vendors

Respondents were asked to state their most pressing challenges. The findings are:

- **Price fluctuation:** Reported by 60 respondents (42.9%). Frequent changes in demand and supply lead to unstable incomes.
- **Credit issues:** Reported by 50 respondents (35.7%). Many vendors depend on informal credit, which increases financial stress.
- **Storage and spoilage:** Reported by 20 respondents (14.3%). Betel leaves are perishable, and lack of proper storage causes losses.
- **Transport delays:** Reported by 10 respondents (7.1%). Late arrival of vehicles reduces freshness and market value of leaves.



Conclusion

The study on the Nayahat Pan Market reveals that it is not only a local trading hub but also a vital source of livelihood for many families in and around Puri district. The market is dominated by retailers, who contribute the largest share of the total turnover, even though wholesalers earn the highest sales per vendor. This indicates that both groups play complementary roles in sustaining the trade.

The analysis highlights that the estimated daily turnover of the market is about INR 2.6 lakh, which shows the economic significance of this traditional marketplace. However, several challenges restrict its efficiency and growth. Price fluctuations remain the most common problem, followed closely by credit dependency, storage losses, and transport delays. These issues reduce the profitability of vendors and expose them to financial risks.

Despite these challenges, the market continues to thrive due to the steady cultural and social demand for betel leaves in Odisha. With proper interventions, such as price information systems, access to micro-credit, improved storage and packaging methods, and better transport facilities, the Nayahat Pan Market can function more efficiently and provide greater stability to its stakeholders.

The study shows that the Nayahat Pan Market is not only an economic space but also a reflection of local culture and tradition. Strengthening its infrastructure and addressing vendor challenges will not only improve the earnings of market participants but also preserve the socio-cultural heritage linked with the consumption of pan in Odisha.

Annex A — Sample Questionnaire

Study on Nayahat Pan Market, Nayahat, Puri, Odisha

Date: _____

Respondent Code: _____

Enumerator Name: _____

Section A: General Information

1. Name of Respondent (optional): _____
2. Age: ___ years
3. Gender: ☐ Male ☐ Female ☐ Other
4. Education Level: ☐ Illiterate ☐ Primary ☐ Secondary ☐ Higher Secondary ☐ Graduate ☐ Above
5. Years of Experience in Pan Business: ___ years

Section B: Business Profile

6. Type of Respondent:
   ☐ Wholesaler ☐ Retailer ☐ Small Seller ☐ Transporter ☐ Others: _____
7. Source of Supply of Betel Leaf:
   ☐ Local Farmers ☐ Nearby Districts ☐ Other States ☐ Mixed
8. Average Daily Sales:
   Quantity (bundles/leaves): _____
   Value (INR): _____
9. Average Daily Purchase Cost: INR _____
10. Profit Margin (approximate %): _____
11. Seasonal Variation in Sales:
    ☐ High in Festivals ☐ Regular ☐ Seasonal Drops

Section C: Finance and Credit

12. Do you purchase stock on credit?
    ☐ Yes ☐ No
13. If yes, average credit period: ___ days

14. Main source of credit:

☐ Local moneylender ☐ Wholesaler ☐ Relatives/Friends ☐ Bank/MFI ☐ Others: _____

Section D: Storage and Transport

15. How do you store betel leaves?

☐ Open basket ☐ Covered basket ☐ Cold storage ☐ Others: _____

16. Do you face storage-related losses?

☐ Yes ☐ No

If yes, approx. % of daily loss: ___ %

17. Mode of Transport:

☐ Cycle ☐ Bike ☐ Auto-rickshaw ☐ Van ☐ Truck ☐ Others: _____

18. Major transport issues faced:

☐ Delay ☐ High Cost ☐ Leaf Damage ☐ Others: _____

Section E: Challenges and Suggestions

19. Major problems faced in business (rank them 1 = most severe):

☐ Price Fluctuation

☐ Credit/Finance Issues

☐ Storage Problems

☐ Transport Delays

☐ Low Demand

☐ Others: _____

20. Suggestions for improvement of the market (open-ended):

_____

_____

Section F: Additional Observations (Enumerator Only)

- Stall condition: ☐ Permanent ☐ Temporary
- Cleanliness: ☐ Good ☐ Average ☐ Poor
- Presence of weighing/measurement tools: ☐ Yes ☐ No
- Notes: _____

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