

Fish Marketing Channel Analysis of Mohipur Bandor in Bangladesh

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Abstract:- The study was undertaken to understand the marketing channel, scenario of fish market, profitability of fish marketing channel and socio-economic condition of fishermen of Mohipur Bandor in Bangladesh. Questionnaire interview and focus group discussion (FGD) were employed to gather information from fishermen, stockists, wholesalers and retailers who were regulating the fish marketing channel collectively. The marketing channel of Mohipur Bandor consist of four types of people as fishermen, stockists, wholesalers, retailers and after that the ultimate consumer. There is variation in profits earned by various types of assemblers due to imposing stockist's commission on selling fish in the secondary markets. At the time of fishing season, all parties are get acceptable profit but at the time of off season all parties are face some problem to maintain their livelihood except stokists. Socio-economic condition of retailers are very poor as they earn small profit from their business in fishing season but in off season they need to switch another profession. Concerning the distribution of coastal and marine fish, marketing system is yet to be developed in Mohipur Bandor. Primary markets should be free from the control of stockists to make the market competitive. Fishermen association should be established to get proper price of their fish.

Keywords:- Fish, Fish Marketing, Wholesaler, Retailer, Protein, Consumer.

I. INTRODUCTION

Fish is an essential staple food for the people of Bangladesh and plays an important role in the economy of the country. Rresearcher found that more than 60% of animal protein supply which is essential for human health comes from fish [1]. A wide variety of indigenous and exotic fish including shrimp, hilisha, coral, rupchanda, vetki, math, mochon, dela, rupsha, boal and innumerable smaller fishes are available. The marketing channel of Mohipur Bandor consist of four types of people as fishermen, stockists, wholesalers, retailers and after that the ultimate consumer. Government as well as many local and international Non-Government Organizations (NGOs) are working in fisheries sector of Bangladesh, have been taken

many steps and programs to increase fish production. The marketing system and structure is one of the main circumstances of socio-economic condition of the local people and production system of any area [2].

A market is an area within which the forces of demand and supply converge to establish a single price [3]. Fish market is a place where people gather to buy or sell fishes. Fish marketing is defined as an integral aspect of fish production because, it is only when the fish gets to the final consumers that production can be completed. Marketing has been defined as all processes involved from the production of a commodity until it gets to the final consumer [5]. Marketing channel is a chain of various systems involved in marketing from production sector to consumer sector with intra- and interlinkages. At all stages in the marketing chain, fish has to be packed and un-packed, loaded and un-loaded in order to meet consumers' demand [9]. Fish marketing system can also be defined as the way through which fishes reach in consumers from producers. The consumers ultimately are to depend on an effective fish marketing system through which fishes will be available to them [1].

In Bangladesh, the fish marketing system is almost exclusively controlled by middlemen's including commission agents becoming the buyer and seller of the commodity whereby they obtain a percentage fee of the auctioning [4]. The main problem associated with fish marketing includes high perishability, bulkiness, and high cost of storage, transportation and high price spread [5]. Socio-economic problems are also associated with fish marketing such as transportation and distance to the point of sale to the final consumers have affected the quality and cost of fish products [6]. Fish supply is affected due to lack of a proper marketing system and channel. To make fish available to the consumers at the right time and in the right place requires an effective marketing system [7].

Nearly one-third of the food produced for the human consumption (1.3 billion at year-1) was wasted from the entire production to consumption system, the major losses being attributed to improper storage and untimely processing including drying the foodstuff[8]. The fish marketing should not have the object only catching and

selling of fish but it should have the wide scope for exploitation production, distribution, preservation and transportation of fish in addition actual sale of fish by decreasing middlemen [9]. The growth of fish production as well as development of fishery sector in terms of economy and infrastructure is highly dependent on an efficient fish marketing system [10].

There are four types of people involved with fish marketing channel in Mohipur Bandor. They are fishermen, stockist, wholesaler & retailer. Wholesaler from various parts of the country like Barishal, Madaripur, Dhaka, Rajshahi etc. come to Mohipur Bandor and purchase a large amount of fish at a time and they sell those fish to the retailers and again to other wholesalers of different places. They have to bear a heavy amount of transportation cost for wholesaling. Sometimes they purchase fish from contractual basis means it is predetermined from which stock house they will purchase. Most of the case the buying and selling between stockist and wholesaler happen on account. At the time of fishing season, all parties are get acceptable profit but at the time of off season all parties are face some problem to maintain their livelihood except stockists.

II. BACKGROUND OF THE STUDY

Bangladesh is considerably rich in extensive fisheries resources. Physical fisheries resources are of two types - inland fisheries and marine fisheries. The inland fisheries again includes capture fisheries and culture fisheries [11]. As the catch from inland capture fisheries is declining gradually in Bangladesh, the coastal and marine fish is considered to be an important source of protein. Bangladesh acquires a remarkable amount of foreign exchange every year by exporting coastal and marine fisheries products. Due to increase in demand and high price of fishes both in domestic and export market, Bangladesh has a great potentiality to gain huge foreign exchange by exporting coastal and marine fishes. Traditionally, people of Bangladesh like to eat fresh fish. Considering fish production and distribution it was an urgent need to study on fish marketing.

Rahman observed that the price of fish varied with the species and size of fish, season of the year and with the location [12]. Different studies were conducted on fish marketing system in different times in different regions by Ahmed [13], Quddus [14], Rokeya et al. [15], Flowra et al. [16], Siddique [17], Ahmed and Rahman [18], Rashid [19], Alam et al. [2], Rahman et al. [20], Flowra et al. and Omar et al. [21], [22]. Therefore, the present study is undertaken to understand the marketing channel, scenario of fish market, profitability of this channel and socio-economic condition of fishermen of Mohipur Bandor in Bangladesh.

➤ Objectives of the Study

- To know the marketing channel of Mohipur Bandor in Bangladesh.
- To identify the scenario of fish market at Mohipur Bandor.
- To analyze the profitability of this channel
- To identify the socio-economic condition of fishermen.

III. DESCRIPTION OF MOHIPUR BANDOR

Mohipur Bandor is one of the largest fish markets in the southern part of Bangladesh. There are about 250 arats in Mohipur Bandor and about 4500 fishermen works in Mohipur Bandor. There are about 950 wholesaler and 80 retailers in Mohipur Bandor. It is situated in the southern part of Patuakhali District which is near of Kuakata Sea Beach. Transportation system is well decorated that's why people can go to Mohipur Bandor from any part of the country. Wholesaler from various parts of the country like Barishal, Madaripur, Dhaka, Rajshahi etc. come to Mohipur Bandor and purchase a large amount of fish at a time. Sometimes they purchase fish from contractual basis means it is predetermined from which stock house they will purchase. Most of the case the buying and selling between stockist and wholesaler happen on account. The chance of loss is heavy for the wholesaler as sometimes it cause 20-30% loss for them. The stockist get payment only after the wholesaler sell those fish to other wholesaler or retailers of their region. Retailers of Mohipur Bandor are not large in number. During the season the local businessman purchase fish of 3000-5000 tk. from Stockists and sell it to the local market based on demand.

There are some seasons for fishing. During the season fishermen consisting in group to go to the sea for fishing. A large boat consist of 20-25 fishermen and small boat consists of 15 of them. The time they spend in the sea is depends on how much fish they able to catch. It can take 3-5 days sometimes and 15 days in some case. With fish they come back to the ghat and from there fish go to the stock.

The fish generally sold to the stockist at maund, 40 kg consist of 1 mound. Per mound cost 25000-30000 taka. The stockists then stock the fish until they sell it to the wholesaler. There are a large number of stock house in the area. They have their own cooperative association as they can ensure the proper price.

IV. METHODOLOGY OF THE STUDY

This study was conducted based on primary data. Collected data were categorized according to their occupation related to fish marketing in four types of people, they are fishermen, stockist, wholesaler & retailer. Questionnaires were formed with open ended questions which is also four types for those four categories. Data were collected during July to December, 2018 through direct survey. For this purpose, 5 fishermen, 5 stockist, 5 wholesaler and 5 retailers in each study site were randomly selected on the spot and focus group discussion (FGD) were made with 5 participants per batch. A total of 20

surveys and 8 FGDs (2 in each sites) were conducted in Mohipur Bandor.

V. RESULTS AND DISCUSSION

➤ *Fishermen: Information on Fishing*

Fishermen are the first and most vital part of fish marketing channel. There are a large number of fishermen in Mohipur Bandor as their permanent and occasional professional. Most of the fishermen are local pupil. During the fishing season they formed a team of them filled with 15-20 persons in a boat. They go to the coastal revers & sea

with required amount of food and drinks for 5-7 days at least and sometimes 15-20 days at most. They catch various types of fish like shrimp, hilisha, coral, rupchanda, vetki, math, mochon, dela, rupsha, boal etc. After satisfactory amount of fish the come back to the Bandor. Sometimes they can able to catch large amount of fish within short time and sometimes it required much time. Fishermen's life is not so easy but it is very hard and requires hard work and patience. During survey, researchers formed a questionnaire for the fishermen which focus on their role in fish marketing and their profitability.

Name	Reason to be in the profession	Personal boat and net	Monthly Expense of boat & net (BDT)	Monthly expenses of fishing (BDT)	Monthly average sales (BDT)	Proper Price	Customer	Profitability of channel
Md. Ponu Gazi	Family tradition	Yes	10,000	240000	360000	Yes	Stockist	Yes
Md. Rasel Akon	Family tradition	No	No	220000	300000	Yes	Stockist	Yes
Abdus Sobahan Majhi	Agriculture loss	No	12000	220000	420000	Yes	Stockist	Yes
Khalil Hawlader	Family cause	No	15000	360000	300000	Yes	Stockist	Yes
Abdur Rashid	Poverty	No	10,000	170000	200000	No	Stockist	No

Table 1:- Information on Fishermen

The table shows that most of the fishermen came to this profession as a family tradition. Some of them came here for losing agricultural land and property. Most of the fishermen have no personal fishing boat and net. So for that cause they work as labor in other's boat. Only few of them has personal net and boat. Monthly expenses of their fishing is BDT 250000 on an average. The monthly average sales for the fishermen is BDT 200000-400000 range. When it was asked if they get proper price or not most of them answered positively. The channel they use to sell their fish is profitable for them as they said.

➤ *Stockist: Information on Stock*

Stockists are the second part of fish marketing channel. Fishermen after they come back with fish they sell the fish to the stockist. The stockists purchase fish from the fishermen with the amount of money which maintains satisfactory level for both the parties. Sometimes the stockist have their own boat and they hire fishermen for fishing with wages. 10 person on an average as a labor work in every stock house. Stockists purchase a large amount of fish at a time and store them on stock to 12-24 hours generally and sometimes more.

Name	Stock's time	Monthly stock Expense BDT	Monthly transportation cost (BDT)	labor	Wages (BDT)	Monthly purchase (BDT)	Total Cost (BDT)	Monthly sales (BDT)	Average profit (BDT)
M/S Rojin Motsho Arot	3-4 days	15000	25000	12	120000	1200000	13600000	1500000	140000
M/S Allah Vorsha Motsho Arot	6-7 hours	3000	15000	12	72000	1200000	1290000	1500000	210000
Shahajalal Fish	1-2 days	3500	27000	8	64000	500000	594500	700000	105500
M/S Jhumur and Brothers	12 hours	3000	20000	12	144000	500000	664300	750000	85700
Bhai Bhai Motsho Arot	4-6 hours	5000	20000	10	70000	1000000	1095000	1200000	190500

Table 2:- Information on Stockist

The table shows that most of the stockist stock their fish from 12 hours to 7 days in different cases. Monthly expense of their stock is BDT 5000-15000 depends on the size of the stock. The amount of average transportation cost is BDT 20000-25000. No of labor working in each stock house is 8-12 person. Their wages amount for the labor is BDT 70000-120000 depends on the no of labor. Monthly purchase of fish for them is BDT 500000-1200000. Total cost incurred in the stock is BDT 500000-1500000. Stockists has a monthly sales on an average BDT 700000-1500000. The average profit achieved by them is BDT 85000-1500000 which is different for different stock house.

➤ *Wholesaler: Information on Wholesaling*

Wholesalers are the third part of fish marketing channel. Wholesaler purchase a large amount of fish from stockists. Most of the wholesaler related to Mohipur Bandor are not the local people. Peoples from various parts of the country come here for fish purchase and they sell those fish to the retailers and again to other wholesalers of different places. They have to bear a heavy amount of transportation cost for wholesaling.

Name	Source of purchasing	Amount of monthly purchase (BDT)[around]	Percentage of profit (around)	Percentage of loss(around)
Md. Selim	Stockist	1500000	15%	20-30%
Md. Jamal Mridha	Fisherman	2000000	20%	20-30%
Sagir Hossen	Fisherman	1000000	15%	20-30%
Md. Liton Gazi	Fisherman	800000	20%	20-30%
Mamub Hawlader	Fisherman	1000000	15%	20-30%

Table 3:- Information on Wholesaler

The other region's wholesaler purchase from the stockists and the local wholesaler purchase directly from the fishermen. Amount of their monthly average purchase is BDT 800000-1500000 in monetary amount. Percentage of their profit is 15% to 20%. But the wholesaler sometimes had to bear a loss in the range of 20- 30 %.

➤ *Retailers: Information on Retailers*

Retailers is the fourth part of fish marketing channel. In Mohipur Bandor there are some people who work as retailers for meeting the local demand of fish. Retailers purchase fish from stockists in small amount daily and sell them to local market. Most of them has other profession also.

Name	Monthly amount of purchase(BDT)	Average profit(BDT)	Profit percentage	Loss percentage
Shuvonkar Mondal	50000	10000	20%	20%
Abu Bakar	30000	6000	20%	20%
Md. Ansar	40000	8000	20%	25%
Fazlul Karim	40000	7000	15%	20%
Jalil Mia	35000	6000	15%	20%

Table 4:- Information on Retailers

The table shows that most of the retailers purchase fish of BDT 30000-50000. Average profit is BDT 6000-10000 monthly. Monthly profit percentage is 15% to 20%. Sometimes they had to bear loss of 20% on average.

➤ *Socio-economic Condition of Fishermen*

Name	Monthly income(BDT)	Monthly expense(BDT)	Family member	Other Sources of income	Land & Wealth	Monthly Saving(BDT)	Loan & Credits
Md. Ponu Gazi	10000	8000	8	Agricultural land	Yes	2000	Yes
Md. Rasel Akon	12000	9000	4	Day laborer	No	3000	No
Abdus Sobahan Majhi	15000	11000	4	Agricultural land	Yes	4000	Yes 50000 with interest rate 7.5%
Khalil Hawlader	15000	10000	8	Day laborer	Yes	5000	No
Abdur Rashid	17000	13000	6	Boat repairing	Yes	4000	Yes 20000 with 6% interest rate

Table 5:- Information on Socio-economic Condition of Fishermen

From the table we see that most of the fishermen have income in the range of BDT 10000-20000. They have to consume most of their income as expenses and they have expense range around BDT 8000-13000. Most of the fishermen family are generally large. As the whole year is not fishing season so most of them have other sources of income such as agricultural land, day laborer, boat

repairing, net repairing, retail business and other sources. Most of the fishermen have monthly savings in the range of BDT 2000-5000. Most of the fishermen have their own land and some wealth. Almost all of them has bank loan from banks and NGO's and they have to pay interest at 6 to 8% interest rate.

➤ *Price Fixation and Profit Margin of Hilsha Fish (1 kg weight)*

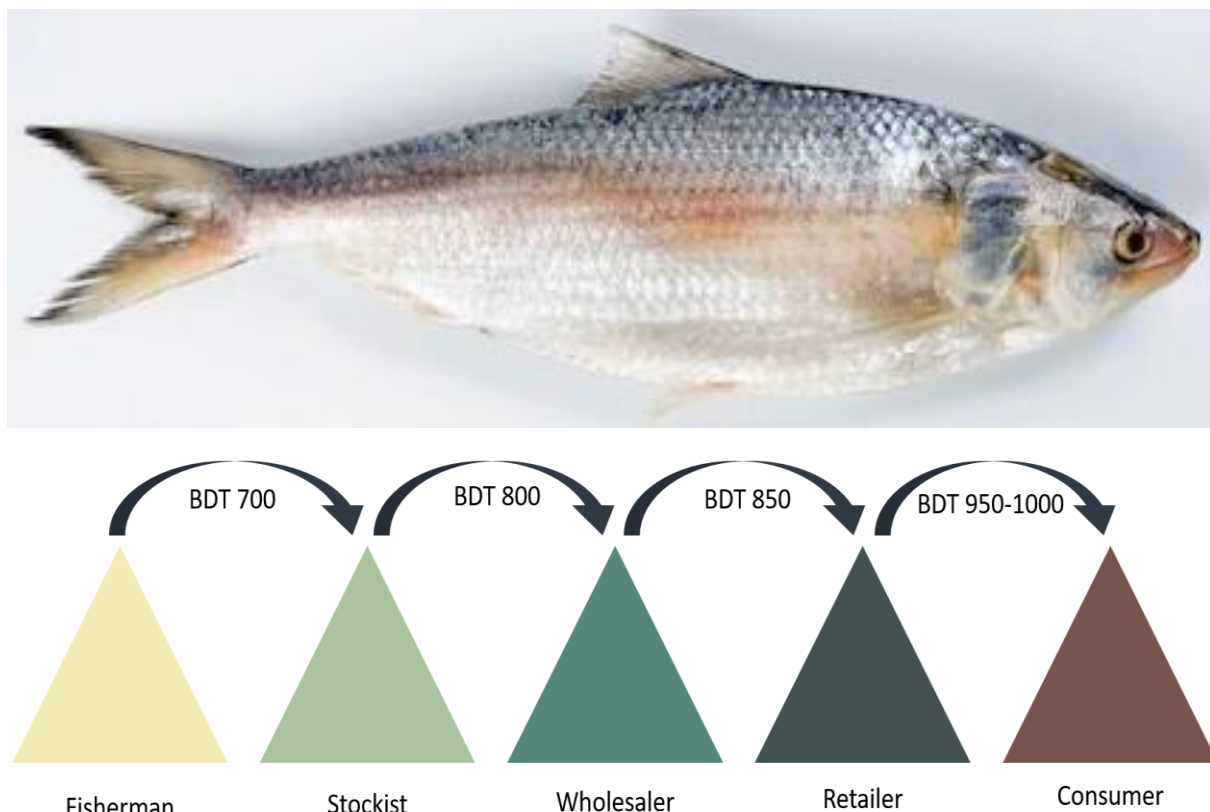


Fig 1:- Price Fixation and Profit Margin of Hilsha Fish (1 kg weight)

Fishermen sell a hilsha on BDT 700 to the stockists. Stockists sell it to the wholesaler at a price of BDT 800. and made a profit of BDT 100. Wholesaler sell it to the retailers and other at BDT 850 and ultimate consumer purchase it at BDT 950/1000.

time they will be free from to sale their fish to stockist at that time they will be able to sale their fish directly to wholesaler and retailer. At this situation they will be profited and consumer will also be profited because will be able to buy hilsha fish at low price. Intermediaries will be failed to earn additional profit. For loan system, it is quite tough to remove intermediaries as well as reduce price of hisha fish.

For taking loan from stockist, fishermen are bound to sale their fish to stockists. If they are free from loan that

➤ *Comparative Analysis*

Particulars	Fishermen	Stockist	Wholesaler	Retailer
Monthly Average Purchase(BDT)	N/A	700000	1200000	40000
Monthly Average (BDT)Sells	300000	100000	1600000	55000
Monthly Average Profit(BDT)	100000	150000	250000	15000

Table 6

➤ Marketing Channel

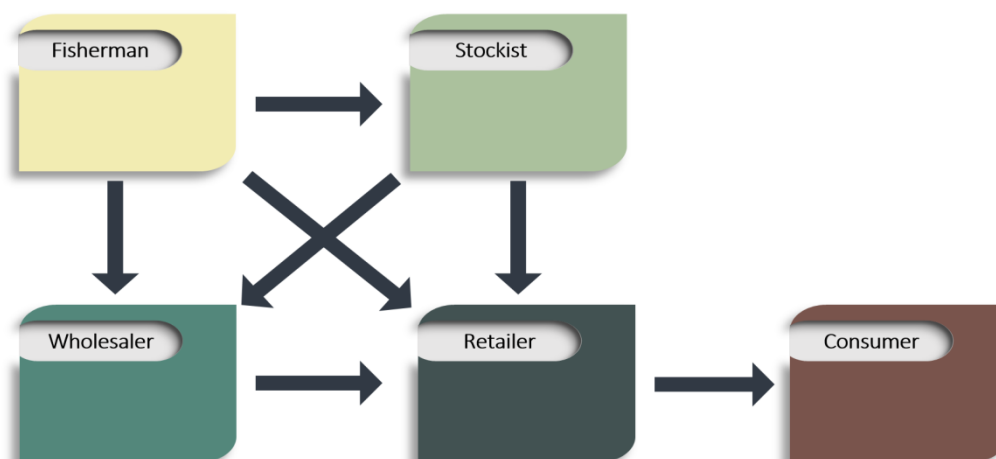


Fig 2:- Marketing Channel of Mohipur Bandor

There are four ways to sell fish from Fishermen to ultimate consumer. The most popular way is fishermen to stockist to wholesaler to retailer and then to the ultimate consumer. There are some other subordinate ways. One of them is fishermen to stockist to retailer to consumer. Another is fishermen to wholesaler to retailer to consumer. And the last one is fishermen to retailer to consumer.

VI. CONCLUSION

In marketing system intermediaries received higher marketing profit, which on the other hand, deprive the fishermen because they could have received higher sales revenue if they could sell the fish in fair price in the markets. There is variation in profits earned by various types of assemblers due to imposing stockist's commission on selling fish in the secondary markets. Marketing cost and marketing margins also influenced the marketing profits. Concerning the distribution of coastal and marine fish, marketing system is yet to be developed in Mohipur Bandor. At the time of fishing season, all parties are get acceptable profit but at the time of off season all parties are face some problem to maintain their livelihood except stockists. Stockist face the problem when wholesaler face the problem because stockists are sometimes sales fish on account. For variation of fish demand, wholesaler faces loss. Socio-economic condition of retailers are very poor as they earn small profit from their business in fishing season but in off season they need to switch another profession.

RECOMMENDATIONS

Primary markets should be free from the control of stockists to make the market competitive so that fishermen could receive fair price to increase their sales revenue. Fishermen association should be established to get proper price of their fish. Loan system should be reduced and percentage of loan also be reduced. Interest free/low interest loan should be provided to the fishermen. Policy should be aimed at rationalizing or eliminating stockist's

commission through state monitored restructure of the marketing arrangement. It would help to reduce the market price of fish where commissioning system is involved. Only hilsa as a popular fish is available all over Bangladesh. However, hilsa fish marketing system should be developed to make it available with other coastal and marine fish at each of the district markets and if possible, at some village markets so that people from all corners can consume coastal and marine fish which are cheap but nutritionally rich and good for health.

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