A Study On Challenges Faced by Coffee Exports with Reference to NILGIRI District, Tamil Nadu

Dr.V.Saranya: Assistant Professor, Department of International Business, Dr.N.G.P Arts and Science college, Coimbatore, India , saranya.v@drngpasc.ac.in

Mr. J.Sankar: M.com (IB), Department of International Business, Dr.N.G.P Arts and Science college, Coimbatore, India, sankjothi@gmail.com

ABSTRACT - This study investigates the challenges encountered by coffee exports in Nilgiri District, Tamil Nadu. Nilgiri District holds a significant position in the coffee industry, yet faces unique hurdles that affect its export operations. Through a combination of quantitative and qualitative analysis, this research aims to delineate these challenges and their impact on the local coffee export landscape. Drawing upon data sourced from relevant literature, market reports, and governmental documents, the study examines factors such as infrastructural limitations, market dynamics, regulatory frameworks, and environmental sustainability issues. By elucidating these challenges, the study offers insights into potential strategies and interventions to overcome them, fostering a more conducive environment for coffee exports from Nilgiri District. This research contributes to a deeper understanding of the complexities surrounding coffee exports in the region and provides actionable recommendations for stakeholders to enhance the resilience and competitiveness of Nilgiri District's coffee export sector.

Key words: Challenges, Quantitative analysis, Qualitative analysis, Infrastructural limitations, Market dynamics, Market reports, Strategies

I. INTRODUCTION

Coffee cultivation and export play a pivotal role in the economic landscape of Nilgiri District, Tamil Nadu, contributing significantly to the region's agricultural output and livelihoods. As one of the renowned coffee-producing areas in India, Nilgiri District has historically been a hub for coffee cultivation, with its unique geographical features providing an ideal environment for the growth of high-quality Arabica and Robusta beans.(1)

However, despite its prominence in the coffee industry, Nilgiri District faces a myriad of challenges that impede the smooth flow of coffee exports. These challenges range from infrastructural bottlenecks and market dynamics to regulatory intricacies and environmental considerations. Understanding and addressing these challenges are crucial for sustaining and enhancing the growth of the local coffee export sector.

This study delves into a comprehensive examination of the challenges faced by coffee exports in Nilgiri District, aiming to shed light on the intricacies that impact the industry's efficiency and competitiveness. By exploring these challenges in-depth, we seek to contribute valuable insights for policymakers, industry stakeholders, and exporters to develop targeted strategies that mitigate obstacles and foster a more resilient and sustainable coffee export environment in Nilgiri District. Through this research, we aim to not only identify the challenges but also provide actionable recommendations that can positively influence the future trajectory of coffee exports from this region, ensuring continued economic prosperity and growth.

I. OBJECTIVES OF THE STUDY:

1. To identify the key challenges faced by coffee exports in the Nilgiri district.
2. To analyze the impact of these challenges on the coffee industry and the local economy.

II. RESEARCH METHODOLOGY:

- **Research design:** Descriptive Research and Analytical Research designs.
- **Area of the study:** nilgiri district.
- **Sampling technique:** Simple Random sampling.
- **Data collection:** Primary and secondary data.
- **Sample size**: 50
- **Tools used for analysis:** Simple Percentage analysis, Chi-Square, ANOVA
- **Simple Percentage Analysis**: Simple percentage analysis is a fundamental tool used to understand the proportion or distribution of a particular category within a dataset.
- **Chi-Square Test:** Chi-square test is a statistical method used to determine whether there is a significant association between two categorical variables.

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- **Analysis of Variance (ANOVA):** ANOVA is a statistical technique used to compare means among three or more groups to determine if there are statistically significant differences between them.

III. REVIEW OF LITERATURE:

- **Sarkar (2019):** Has provided a broad overview of the global coffee business, including trade agreements, plantation size distribution, coffee consumption trends, supply and demand, and supply response. According to his research, even though China has far larger coffee plantations than Japan or Taiwan, per capita consumption has not increased significantly in proportion to plantation size. Because the coffee plantation sector is focused on exports, the producing nations only use a small portion of their output. Additionally, he noted that the coffee eaten in these nations is of lower quality and has little market value. Coffee supply is inelastic, according to the supply and demand study. The calculated price elasticity.
- **Sarkar (2020):** Arranged a group discussion on some of the key concerns regarding the future of the Indian coffee plantation sector. The coffee plantation sector in India requires a lot of labour, especially when it comes to picking greenbeans.Different recommendations came out of the group discussion; some advocated in favour of mechanization, while others voiced concern over the significant amount of displacement that mechanization would cause. Low productivity is a significant issue for the Indian coffee plantation sector. The presence of aged, unproductive shrubs is one of the causes of this. There is no dispute that replanting is the only way to solve this. The question remains, though, who would pay for this. The group recommended that the State Finance Corporation, the Government, the Agricultural Refinance Corporation.

V DATA ANALYSIS AND INTERPRETATION

Table No.: 1 (Simple Percentage Analysis)

What was the main difficulties was faced in export			
1.	Payment risk cultural and language differences others	1	2.2%
2.	Logistical challenges climatic changes	2	4.4%
3.	Cultural and language differences climatic changes	4	8.9%
4.	Cultural and language differences others	5	11.1%
5.	Cultural and language difference climatic changes others	1	2.2%
6.	Logistical challenges others	1	2.2%
7.	Climatic changes others	2	4.4%
8.	Payment risk others	1	2.2%
9.	Payment risk climatic changes	2	4.4%
10.	Payment risk cultural and language difference	1	2.2%
11.	others	3	6.7%
12.	Culture and language difference	6	13.3%
13.	Payment risk	4	8.9%
14.	Climatic changes	11	24.4%
15.	Logistical challenges	1	2.2%
Which country did you export			
1.	United state, others	4	8.9%
2.	Germany, united states	7	15.6%
3.	Russia,unitedstates,others	2	4.4%
4.	Russia.others	1	2.2%
5.	Germany, others	1	2.2%
6.	Italy	3	6.7%
7.	Russia	1	2.2%
8.	Germany	3	6.7%
9.	united states	4	8.9%
10.	others	5	11.1%
11.	Russia, united states, others	4	8.9%
12.	Italy Germany	2	4.4%
13.	Russia, Germany	2	4.4%
14.	Italy, others	1	2.2%
15.	Italy,unitedstates	1	2.2%
16.	Russia,germany,unitedstates	1	2.2%
17.	Russia,germany,others	2	4.4%
18.	Italy,germany,others	1	2.2%
Workers in the organization			
1.	below 29	19	42.2%
2.	30-50	25	55.6%
3.	51-71	1	2.2%
Main diffulties faced in pandemic period			
1.	health concerns supply chain distributions	2	4.4%

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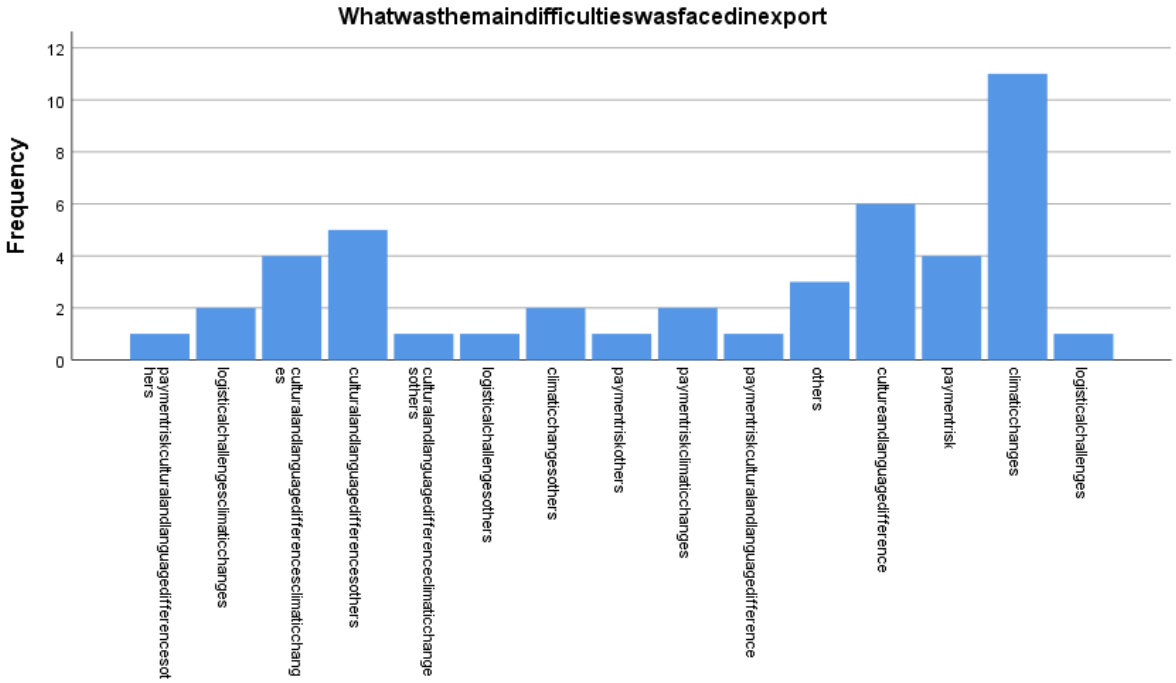
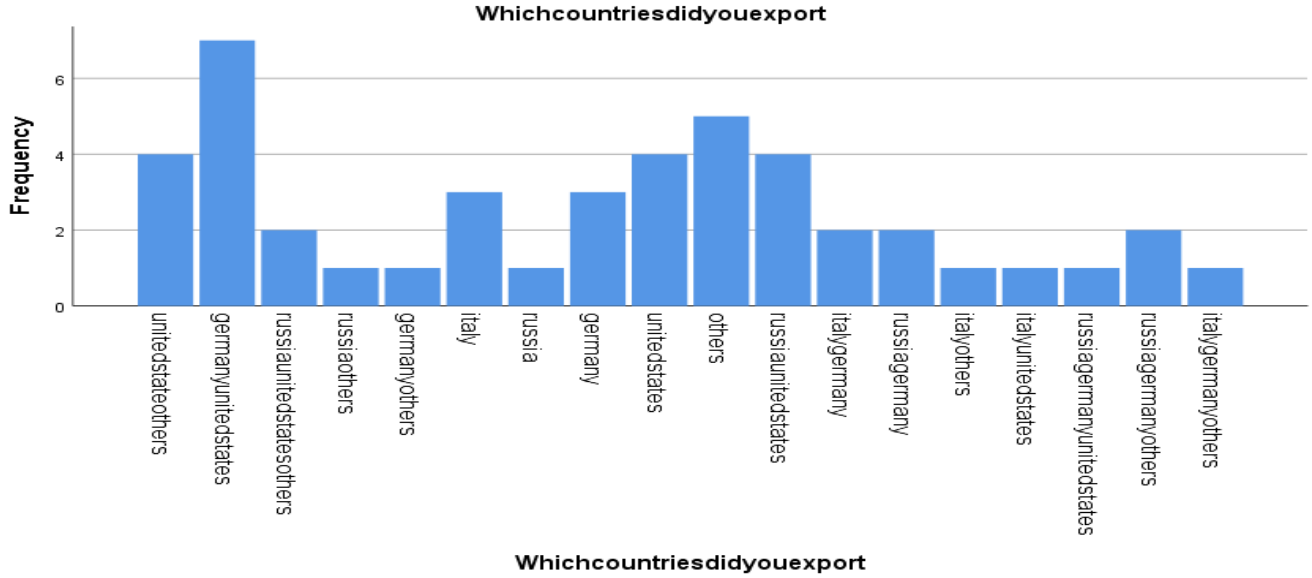
2.	supplychaindistributions economic strain	3	6.7%
3.	supplychaindistributions others	5	11.1%
4.	health concerns	8	17.8%
5.	economic strain	8	17.8%
6.	supplychaindistributions	13	28.9%
7.	others	5	11.1%
8.	economic strain others	1	2.2%
TOTAL		**45**	**100**

TABLE (4.1.1)



TABLE(4.1.2):



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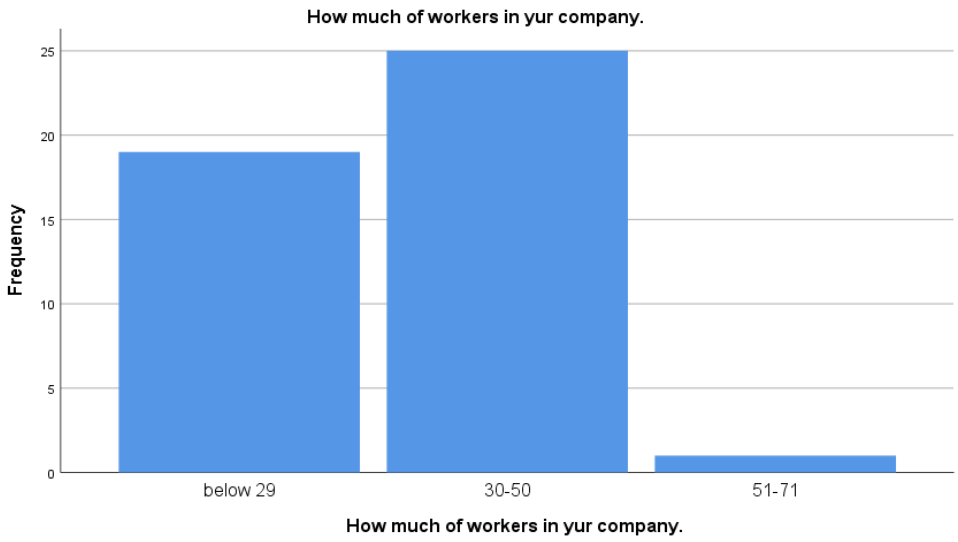
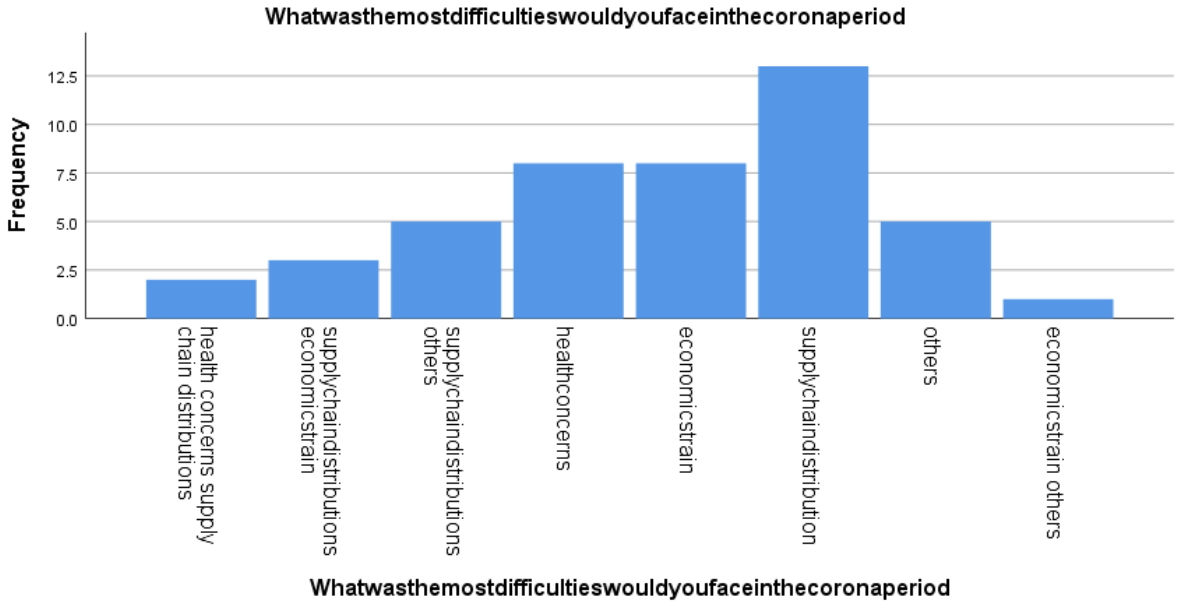
TABLE(4.1.3):



TABLE(4.1.4)



- From the above table it is inferred that majority of the respondents 24.4% are climatic changes, 15.6% are exporting Germany and United states,55.6% of the respondents are having 30-50 employees work in the organization and 28.9% of the respondents are affected in supply chain distributions.

Table No.: 2 (Chi - Square)

ASSOCIATION BETWEEN YEARS OF EXPERIENCE IN EXPORT & QUALITY CHECKING

TABLE(4.2.1):

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	36.898[a]	27	.097
Likelihood Ratio	37.666	27	.083
Linear-by-Linear Association	10.846	1	.001
N of Valid Cases	45		

INTERPERTATION:

The above table shows that, P Value (0.01) is less than the Alpha Value (0.05), so null hypothesis is accepted.

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ASSOCIATION BETWEEN Pandamamic Period & Market Research.

TABLE(4.2.2)

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	82.869[a]	77	.303
Likelihood Ratio	62.198	77	.890
Linear-by-Linear Association	3.270	1	.071
N of Valid Cases	45		

INTERPERTATION:

The above table shows that, P Value (0.01) is less than the Alpha Value (0.05), so null hypothesis is rejected.

Table No.: 3 (ANOVA)

Consumer satisfaction and financial management.

H0 : There is no difference between quality checking & customer satisfaction and financial management.

H1: There is a difference between quality checking & customer satisfaction and financial management.

Descriptives								
Implementation								
					95% Confidence Interval for Mean			
	N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
7.00	2	9.0000	2.82843	2.00000	-16.4124	34.4124	7.00	11.00
8.00	4	9.5000	2.51661	1.25831	5.4955	13.5045	7.00	13.00
9.00	3	10.0000	1.73205	1.00000	5.6973	14.3027	9.00	12.00
10.00	5	9.4000	2.50998	1.12250	6.2834	12.5166	6.00	13.00
11.00	13	10.4615	1.98391	.55024	9.2627	11.6604	7.00	14.00
12.00	5	9.4000	2.60768	1.16619	6.1621	12.6379	7.00	13.00
13.00	6	12.1667	2.71416	1.10805	9.3183	15.0150	7.00	14.00
14.00	3	13.3333	.57735	.33333	11.8991	14.7676	13.00	14.00
15.00	4	13.7500	2.62996	1.31498	9.5652	17.9348	11.00	16.00
Total	45	10.7556	2.57749	.38423	9.9812	11.5299	6.00	16.00

TABLE(4.3.1):

ANOVA					
Implementation					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	101.430	9	12.679	2.391	.035
Within Groups	190.881	36	5.302		
Total	292.311	45			

INTERPERTATION:

The above table depicts that the table value is greater than 0.05. Hence, we accept null hypothesis.

H0: There is no difference between annual turnover of the company & Strategy planning to go in the success path.

H1: There is a difference between annual turnover of the company & Strategic planning to go in the success path.

Descriptives								
					95% Confidence Interval for Mean			
	N	Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	Minimum	Maximum
7.00	1	1.00	.	.	.	.	1	1
8.00	2	2.50	.707	.500	-3.85	8.85	2	3

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9.00	3	1.67	.577	.333	.23	3.10	1	2
10.00	7	2.29	.756	.286	1.59	2.98	1	3
11.00	9	2.00	.500	.167	1.62	2.38	1	3
12.00	7	2.29	.488	.184	1.83	2.74	2	3
13.00	12	1.92	.515	.149	1.59	2.24	1	3
14.00	4	1.75	.957	.479	.23	3.27	1	3
Total	45	2.02	.621	.093	1.84	2.21	1	3

TABLE(4.3.2):

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3.287	7	.470	1.269	.292
Within Groups	13.690	37	.370		
Total	16.978	44			

INTERPERTATION:

The above table depicts that the table value is greater than 0.05. Hence, we accept null hypothesis.

VI FINDINGS

Findings of Simple percentage analysis:

- It is found that the majority of the respondents 24.4% are climatic changes, 15.6% are exporting Germany and United states,55.6% of the respondents are having 30-50 employees work in the organization and 28.9% of the respondents are affected in supply chain distributions.

Findings of Chi - Square:

- It is found that there is no significant association between the years of experience in export & quality checking.
- It is found that there is an significant association between Pandamamic Period & Market Research.

Findings of ANOVA:

- It is found that there is no significant difference between quality checking & customer satisfaction and financial management.
- It is found that there is no significant difference between annual turnover of the company & Strategy planning to go in the success path.

VII SUGGESTIONS

- Recommendation: Given the significant percentage of respondents citing climatic changes as a concern, it's advisable for organizations to prioritize sustainability initiatives. This might include adopting eco-friendly practices, investing in renewable energy sources, and implementing measures to reduce carbon footprint. Additionally, companies should consider resilience planning to mitigate the potential impacts of extreme weather events
- Recommendation: With a notable percentage of respondents involved in exporting to Germany and the United States, businesses should focus on strengthening their international trade strategies. This could involve exploring market diversification, enhancing product localization efforts, and staying updated with relevant trade regulations and policies in these target markets. Developing robust partnerships and distribution channels can also help in expanding market reach.
- Recommendation: Since a majority of respondents come from organizations with 30-50 employees, it's crucial for such businesses to focus on scalability and operational efficiency. Implementing streamlined processes, fostering a culture of innovation, and investing in employee training and development can help optimize performance and support growth. Additionally, fostering strong internal communication channels and teamwork can facilitate smoother operations within the organization.
- Recommendation: Considering that nearly a third of respondents are affected by supply chain distribution issues, it's essential for businesses to prioritize supply chain resilience and agility.
- This could involve diversifying suppliers, creating contingency plans for disruptions, leveraging technology for real-time visibility and tracking, and collaborating closely with partners to address bottlenecks. Investing in robust risk management strategies and fostering transparent communication

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across the supply chain can also help mitigate potential disruptions effectively.

VIII CONCLUSION

In conclusion, the findings highlight several key areas of concern and opportunity for businesses based on the percentages obtained from the survey. Firstly, the significant percentage of respondents citing climatic changes underscores the urgent need for organizations to prioritize sustainability initiatives and resilience planning to mitigate potential environmental impacts. Secondly, with a notable portion of respondents engaged in exporting to Germany and the United States, businesses should focus on strengthening international trade strategies, market diversification, and compliance with relevant regulations. Additionally, the dominance of organizations with 30-50 employees emphasizes the importance of scalability, operational efficiency, and fostering a culture of innovation to support growth. Lastly, the considerable number of respondents affected by supply chain distribution issues underscores the criticality of prioritizing supply chain resilience, diversification, and leveraging technology for enhanced visibility and collaboration.

In response to these findings, businesses are encouraged to take proactive measures to address these challenges and capitalize on opportunities. By implementing the suggested recommendations, organizations can enhance their competitiveness, sustainability, and adaptability in an increasingly dynamic and interconnected global landscape. Through strategic planning, innovation, and collaboration, businesses can navigate uncertainties, mitigate risks, and seize growth opportunities to thrive in the evolving marketplace.

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