

Promotion of coconut and its value added products- Marketing Strategies

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Over the years, Coconut Development Board (CDB) has been implementing several schemes for the Integrated Development of Coconut Industry in India since its establishment in 1981-82. As a result of the implementation of various programs of the Board, the production and productivity of coconut in the country has recorded manifold increase.

The total area under coconut cultivation in India is 2137 thousand hectares and annual production of coconut in the country is 22680 million nuts. India ranks first in coconut production and third in area under coconut in the world. Even though, India is the largest coconut producing country in the world, its contribution to international market remains insignificant. Due to the efforts made by the Board, ample growth is recorded in coconut processing. As a result, many value added coconut products complying with international standards are introduced in the Indian market. The thrust in product development

value addition, product diversification and quality improvement gradually resulted in diversification of coconut market.

Today the world-wide trend in value addition, product development and product diversification in several coconut producing countries is growing fast. As a result, there is an increase in demand for value added coconut products in the international market. Accordingly there is need to embark upon product diversification and by-product utilization through value addition. Ironically due to the increasing competition from other edible oils, the demand for coconut oil is coming down in the domestic market. Further, the misconception against coconut oil has resulted in decline in demand in the domestic market. Coconut is not only significant in socio cultural needs of our society, but also in the national economy as a potential source of rural employment and income generation to coconut farmers.

In view of the changing

scenario in coconut sector, it is most vital to develop marketing strategies for coconut and its products and make fresh appraisal of the changing pattern of coconut production, trade and its industries. This will help the genuine manufacturers of coconut products to capture the domestic market for coconut products particularly in nontraditional belts.

Marketing Practices

Marketing of coconuts differs from that of other fresh fruits due to its natural durability, which is sold as fresh tender nut, mature nuts and dry nuts. Now a days coconut is available in many value added forms that too in consumable packets. Marketing of coconut products like any other horticultural products, has two aspects i.e. marketing activities and market promotional activities. In marketing activities, sellers and buyers have mutual coordination in each other's activities, where goods and services from producers move through certain channels by conscious application of marketing

tools. Market promotional activities comprises of gathering information and passing it to consumers, farmers, traders, business organizations and other concerned agencies to facilitate marketing functions. The tools used for market promotional activities are marketing research, advertising and effective coordination between producers and consumers. Market promotional activities play the supporting and strengthening role in marketing activities which require professional and commercial skill.

A product basket can be made from coconut with an array of value added products. Some of the products that can be made from coconut is detailed below. Coconut farmers of our country through their farmer collectives need to venture into producing various products for realizing a fair, reasonable and steady price for coconut.

Packed Tender coconut water in pouches/ aluminium cans

The water of tender coconut, technically the liquid endosperm is the most nutritious wholesome beverage that the nature has provided for the people of the tropics to fight the sultry heat. It has caloric value of 17.4 per 100gm. Coconut Development Board in collaboration with Defence Food Research Laboratory, Mysore has developed the technology for packing tender coconut water in pouches/ aluminium cans with shelf life of more than six months under normal ambience condition and 12 months under refrigerated conditions.

Neera (Coconut Flower Sap)

Neera is the non-alcoholic and nutritious drink from the immature inflorescence of coconut tree. Neera is popular as a delicious health drink. It is good for digestion, facilitates clear urination and prevents jaundice. The nutrient-rich "sap" has low Glycemic Index (GI of only 35) and hence diabetic-friendly since very low amounts of the sugar is absorbed into the blood. It is an abundant source of minerals, 17 amino acids, vitamin C, broad-spectrum B vitamins and has a nearly neutral pH. Treated Neera can be preserved in cans upto two months at room temperature.

Coconut Palm Jaggery

Coconut Palm Jaggery is made from unfermented coconut sap. It is used as a sweetening agent for the preparation of dishes and is superior to cane jaggery.



Coconut Palm Sugar

The coconut palm syrup or jaggery can be crystallized to produce fine granules of sugar. Transition of coconut jaggery into ground granule sweetener is more accepted by global markets. The application of palm sugar offers



huge potential owing to its important health attributes, the low Glycemic index and its high nutrient content. It can be the most suited alternative sweetener, especially when agave sugar is being rejected owing to the high fructose

content. It is understood that in countries like Indonesia, around 6 lakh MT of coconut sugar is produced per year.



Ball Copra

Ball copra is an edible grade of copra consumed as a dry fruit and used in preparation of sweets and also used for religious purposes. Edible copra is also available in cups.

Coconut Oil



Coconut oil is used in the country as a cooking oil, hair oil, body oil and industrial oil. Coconut oil is made from fully dried copra having maximum moisture content of six per cent. Steam cooking of copra is also practiced

by some millers to enhance the quality and aroma of oil. Coconut oil is marketed in bulk as well as in packs ranging from sachets containing 5 ml. to 15kg tins. The branded coconut oil in small packs is mainly marketed as hair oil and body oil. There are several brands known for their superior grade oil which have export market throughout the world. India has unbeatable quality advantage in this sector. Refined coconut oil is also manufactured in the country for industrial uses. Refined coconut oil is mainly used in the manufacture of biscuits, chocolates and other confectionery items, ice cream, pharmaceutical products and costly paints. Generally, filtered coconut oil is used for cooking and toiletry purposes.

Virgin coconut oil

Virgin coconut oil is made from the milk extracted from raw kernel. Virgin coconut oil (VCO) is abundant in vitamins, minerals and anti-oxidants, thus making it the 'mother of all oils'. Extracted from fresh coconut kernel without any chemical processes, it is the purest form of coconut oil, water white in colour. Virgin coconut oil is a major source of Lauric Acid and Vitamin E. Virgin coconut oil is free from trans fatty acid, high in medium chain fats (MCFAs) or medium chain triglycerides (MCTs) known as lauric acid, which is identical to special group

of fats found in human breast milk. VCO is widely consumed as MCT oil for weight loss treatment, etc. It is an ideal massage oil for babies and also for skin and hair applications. It protects the skin from infections caused by bacteria, viruses and fungi, prevents dandruff and hair loss. It even eases muscular pain. Virgin coconut oil slows down the ageing process and it helps in the absorption of fat soluble vitamins A, D, E and K.

Desiccated coconut (DC)

Desiccated coconut is used as a substitute to grated raw coconut in various food preparations. Desiccated coconut is marketed in bulk as well as in small packs. Defatted desiccated coconut is also available in the country. It finds extensive use in confectioneries, puddings and many other food preparations as a substitute to raw grated coconut.

Coconut Cream, Coconut Milk

Coconut cream is the processed milk extracted from fresh matured coconuts. This is an instant product, which can either be used directly or diluted with water to make various preparations such as curries, sweets, desserts, puddings, etc. It can also be used in the manufacture of bakery products and for flavoring food stuffs. Processed and packed coconut cream has a shelf life of six months and once opened it should be stored in refrigerator for subsequent use.



Spray Dried Coconut Milk Powder

The spray dried coconut milk powder is available in convenient and ready to use packs with same

Table 1 Processing capacity of major coconut processing units (edible) in India

Name of the Coconut Product	Number of Units	Processing Capacity (Million nuts per year)	Volume of production
Tender Coconut Water	22	123.00	24,600 K. ltrs.
Desiccated Coconut Powder	70	723.75	72,375 MT
Virgin Coconut Oil	36	60.00	3,600 MT
Coconut Chips	4	00.36	36 MT
Vinegar Making Units using mature coconut water	6	210.00	21,000 ltrs.
Coconut Milk	1	6.00	300 MT
Spray Dried Coconut Milk Powder	1	10.50	525MT
Neera	2		3000 Kl/year
Other Traditional Products (Ball Copra, Copra, Coconut Oil)	109	1252.00	-
TOTAL	251.00	2051.36	

freshness of fresh coconut milk. It has a longer shelf life and is convenient to use. This can be used in place of fresh coconut milk for food preparations/beverages in households and food industries by dissolving it in water. Central Food Technological Research Institute, Mysore with the financial assistance of the Board has developed the technology for spray dried coconut milk powder which is available to entrepreneurs.

Coconut Vinegar

Coconut vinegar is made from fermented coconut water and is used extensively as a preservative and flavoring agent in pickles, salads, sauces and many other condiments. Coconut vinegar is also made from the sap of coconut tree and is similar to fresh coconut water. Naturally fermented coconut vinegar is rich in minerals and vitamins such as Beta carotene, calcium, iron, magnesium, phosphorous, potassium and sodium. Coconut vinegar helps in digestion and improves the quality



of cooked meat and fish. It is a healthier alternative to synthetic vinegar. Vinegar has extensive use as a preservative in pickle industry and flavoring agent in food processing sector. Now natural vinegar enjoys export market in place of synthetic vinegar.

Coconut Development Board under its Technology Mission on Coconut is extending financial assistance for setting up coconut processing units. This programme is formulated with a view to converge and synergize all the efforts through vertical and horizontal integration of existing programmes and to address the problems and bridge the gaps through appropriate programmes in mission mode to ensure adequate, appropriate, timely and concurrent action. The programme aims at increasing the productivity of coconut to generate higher income at farm level, creating opportunities for product diversification and value addition, improving marketing infrastructure and market promotion of coconut & its by-products both in national and international markets in order to cope up with the present era of change and to make coconut industry more competitive. Under

the mission focused attention is given for the development and adoption of new technologies and their promotion especially in respect of insect pest and disease management, product diversification and market research and promotion. Details of edible coconut processing units assisted by TMOc is given in Table 1.

The challenge

Developing a customer base is a major challenge in the marketing of coconut products. However, it can be made easy by developing a proper distribution network, supply chains and transportation hubs for simplifying the movement of products. Since coconut is mainly cultivated in Southern states viz., Kerala, Karnataka, Tamil Nadu and Andhra Pradesh and nominally in coastal areas of Maharashtra, Goa, Gujarat, Orissa and West Bengal and majority of the coconut processing units are situated in these states, the marketing of these products need to be targeted in non traditional areas.

The Approach

Awareness creation as well as campaigning for promotion of value added coconut products is the need of the hour. This can be made possible through continuous

Objectives

- Make available coconut and its value added products all over the country.
- Increase domestic consumption and develop new market opportunities for coconut based value added products by creating awareness on health benefits of coconut products.
- Disseminate information to the general public and canvas for use of coconut products.
- Ensure the availability of products to the consumer.
- Attract new consumers.
- Helping manufacturers to introduce / establish market for their produce and boost their sales.
- Helping manufacturers to identify the distributors / dealers and make agreement.
- Take effective steps in meeting the consumers in the markets and to know where, when, how and at what prices, the products may be made available in the consumer oriented markets.

campaigning to inform, inspire and motivate consumers through various product promotional campaigns. Prominent distributors and dealers need to be identified so that the commercialized coconut products are always available in the market. The product manufacturers have to ensure the uninterrupted supply of products. Product quality should be to the satisfaction of consumer and the packaging shall be attractive so that the customer will be impressed and will buy the product. Value Added Taxation or a unified taxation

system need to be followed and it shall be ensured that the tax-regimes same across the country for coconut and its products. For creating more awareness on value added coconut products it is felt necessary to participate in local fairs, festival melas, conducting entrepreneurs and B2B for creating maximum outreach of products. Engaging reputed management institutions for conducting market promotional activities for promoting coconut products will also ensure a high regime. ■

Neera products launched



Launching of Neera and its value added products held at Krishi Bhavan, New Delhi on 22nd June 2015. Shri. Sanjiv Chopra IAS, Joint Secretary, MIDH receiving Neera products from Shri. T.K. Jose IAS, Chairman, Coconut Deveopment Board. Smt. V. Usha Rani IAS, Horticulture Commissioner and Secretary, Andhra Pradesh, Dr. S.K. Malhotra, Horticulture Commissioner, Government of India, Shri. Rajesh Lakhoni IAS, Agriculture Production Commissioner, Tamilnadu, Shri. Rajiv Chawla IAS, Principal Secretary (Horti), Karnataka and Dr. K. Prathapan, Director, State Horticulture Mission, Kerala are seen.