

PROMOTING PRODUCT BRANDING FOR RICE IN SRI LANKA

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Rice is the staple food of Sri Lanka and the annual per capita consumption is about 100 kg. Average person spend 28 % of his total expenditure for rice, which also accounts approximately one - fifth of their total income. Paddy crop occupy 34 % of the total cultivated area in Sri Lanka. Three major stakeholder groups involved in rice market are farmers, millers and the consumers. Farmers bargaining power is very low and marketing of paddy is a big problem to them. Millers now engage in rice branding and there is a growing trend of buying branded rice among consumers though they charge a premium price.

The broad objective of the study is to promote product branding for rice. The specific objectives are to analyze the present situation for rice branding through SWOT analysis for all major stakeholder groups, to suggest an appropriate branding strategy for rice and to find out the benefits that farmers could gain through branding.

The research was conducted using both primary and secondary data. A questionnaire survey was carried out among major stakeholders consisting 45 farmers, 10 millers and 45 consumers. Survey was carried out in two geographical areas, farmers from Anuradhapura district, consumers from Gampaha district and millers from both districts. Collected data was analyzed using the SPSS software package.

Results indicated that there is a huge potential for rice branding in Sri Lanka. Consumers were willing to pay higher price for quality rice although they consider price as the major factor in buying. Consumers have used to demand quality rice by the brand name. All three stakeholders have their strengths and opportunities which could be capitalized and threats that should be minimized. Stakeholder weaknesses should avoid or convert into strengths in the future. Market conditions could be improved and farmers could also be benefited through implementation of a suitable branding strategy.

Key words: Rice, Branding, Strengths, Weaknesses, Opportunities, Threats