

The trend of agriculture tractor market and utilization in Sri Lanka

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Purpose of the study was, to investigate the past and current behavior of tractor market, to examine the present and future utilization of tractors by farmers, and find out factors affecting the utilization with special reference to marketing promotions and to analyze the future trends and make suggestions to improve the tractor market.

In the process of data collection: Primary data was collected in three strata; Tractor importers' level, Tractor dealers' level, and Farmers' level by using field survey. To investigate the past and current behavior of tractor market, secondary data and information were collected from various publications and reports.

Data revealed that 48% of tractor owners have bought their tractors using their own savings while 29% of them have borrowings from banks. 6% of tractor owners have received money from other sources.

Tractors are hired by 96% of non-owners. Reason for still not buying a tractor for 38% of farmers, is lack of capital, and 31% of farm families do not have family members to engage with tractors. Out of tractor non owners, 57% wished to buy a new tractor for any purpose. 54% of tractor owners are willing to buy another new tractor.

From year 2002 to year 2007, the two wheel tractor demand will be increased & it can be calculated an increase of 11809 units, (in year 2003) to 14028 units (year 2007). While four wheel tractor demand will remain in 794 units. More than 54 % (3,579,024) of farm families are willing to buy a new tractor.

There is growing market for two wheel tractors while it is decreasing for four wheel tractors. Also there is good market potential for the innovative utilization. More than 80% of tractor buyers mainly consider the price, at the buying a tractor rather than brand, after sale service, or characteristics of the tractor. More than 76% of buyers' main purpose of buying is ploughing, then threshing and transportation.

Best media for sales promotion is interpersonal communication method, but no one used it in proper manner. Effectiveness of disseminating of information among farmers has reduced television, radio to newspaper.

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