

"A man is
great by
deeds, not by
birth"

-Chanakya

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Case Study

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Thingalnagar Periodic Market

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Thingalnagar Periodic Market

Thingalnagar Town Panchayat Executive Officer was reviewing the proposed notification for auction of lease holding rights for the Thingalnagar periodic market in early 2017. The local administration offered the periodic market on annual lease. The bid for the leasehold of the periodic market generally went at a low price as the rates charged from the sellers participating in the periodic markets was fixed by the town panchayat and these were fixed at low rates. The town panchayat officer had the option to recommend increasing the low rates but this would have affected the income of the small traders who participated in the market. Such a decision was also likely to influence the seller participation in the market. The revenue for the lease holder would be influenced by the rates and also the number of participants and volume of trade in the market. The sellers were usually small traders and possibly some producer farmers. The interest of small traders and small producer farmers were tied to the effective functioning of the periodic market. The increasing competition from other retailing institutions affected the footfalls in the market and this threatened the very existence of this traditional retailing institution. The Executive Officer considered exploring ways to strengthen the market. In the absence of any such efforts the Thingalnagar periodic market would cede business to the other retailing institutions and this was not in the interest of the small traders, small producer farmers and also the consumers seeking lower prices.

Thingalnagar periodic market

Thingalnagar periodic market was like many of the other traditional periodic markets in India. Like the other periodic markets this market had also evolved over time and faced competition from the newer retailing institutions like the small grocery stores, convenience stores, cooperative stores, public distribution outlets etc. all of which operated on all days of the week and from permanent shops. The newer retailing institutions were ubiquitous today in India and it was no different in Thingalnagar.

Periodic markets were characterized by periodicity, vendor mobility and vendor agglomeration. The rural periodic markets in India were places where traders bought and sold agricultural produce and retailed consumer goods. Periodic market was a traditional retailing institution and for some rural consumers the only market that was accessible to them. In India about one-half of the approximately 600,000 villages had a population of 500 or less and of these almost one-fourth had no retail shop in the village. The periodic markets were markets held on fixed days of the week. In India most of these markets operated once a week and was therefore called weekly market. The market served not only the village where the market was held but also the surrounding villages. The number of adjacent villages it served were between 20 and 50 villages. The producer farmers from the surrounding villages brought their produce to be sold in the market. In addition to the producer farmers there were traders who participated in the market. The products traded included vegetable, fruits, grocery items, handicrafts, fish, poultry, cattle, pottery, non-durable items like soaps etc and also utensils, and other utility items. In addition to these there were also service providers and this included those who offered tea and snacks, local medicines, fortune teller etc. The periodic markets were administered by the local government and they usually gave these markets on lease to contractors who then collected the notified charges from the selling participants and maintained the market during the lease period.

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