"THE MARKETING OF AGRICULTURAL PRODUCTS: PROBLEMS AND PROSPECTS; A CASE STUDY OF SOME SELECTED LOCAL GOVERNMENTS IN KATSINA STATE" (FUNTUA, FASKARI & DANDUME)

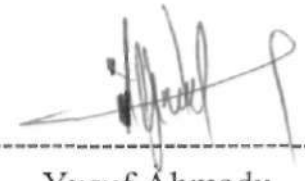
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DECLARATION

I, Yusuf Ahmadu, with registration number G97BAP7140, hereby declare that this research study is original and a product of my research findings and that I am responsible for any error of commission or omission.



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CERTIFICATION

This project entitled "The Marketing of Agricultural Products: Problems and Prospects; A case study of Funtua, Faskari and Dandume Local Government Areas of Katsina State, by Yusuf Ahmadu meet the regulations governing the award of Masters degree in Business Administration of Ahmadu Bello University Zaria, has been carefully read, certified and approved for its contribution to knowledge by the undersigned on behalf of the Department of Business Administration.

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DEDICATION

This research study is dedicated to my **father Mal. Ahmadu Ammani Mani** and my mother **Malama Halimatu Liman** whose hardworking, determination and advice has enable me to attain this level of my educational career in life.

ACKNOWLEDGEMENT

I give thanks and Praises to Allah (SWT) for His blessings and mercies on my life, especially during the trying moments of my academic pursuits. My journey through the academic environment has been indeed an experience. Towards this end, I would like to appreciate the contribution of certain individual who made my stay at the University a memorable one.

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ABSTRACT

The success or otherwise of the Marketing of Agricultural Products depends to a large extent on the performance of the marketing systems. This research study will therefore evoked much concern about the efficiency and effectiveness of Agricultural Products marketing systems in Katsina State with particular reference to some selected Local Government (Viz, Funtua, Faskari and Dandume).

The study therefore, evaluated the performance of the marketing systems for food crops in the three Local Government Areas above. An evaluation of the efficiency of the marketing system as it affects the producers is examined objectively through studying the producer marketing activities i.e. his disposal, storage activities, sales outlets and conditions etc.

Similarly, the efficiencies as a result of poor market information, absence of standardization, poor transportation and input distribution facilities are also examined. Furthermore, a correlation analyses on the farm level prices of food crops among the three Local Government areas and their villages has been examined.

Finally, in this research we will see the extent to which, Lack of Access Roads, Storage facilities, Actions of Intermediaries or Middlemen, Improved dissemination of market information etc have direct impact on the prices of Agricultural Products not only in the three area of the study but the entire state in particular and to the nation in general.

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+CHAPTER ONE

GENERAL INTRODUCTION

1.1 INTRODUCTION

This research project is an attempt to examine the marketing of Agricultural Products; problems and prospects with particular references to three selected Local Government Areas in Katsina State viz: Funtua, Faskari and Dandume.

Accordingly, the business of directing the flow of goods and services from producers to the point of ultimate consumption or use is very vital to the economic development of any nation. However, the marketing of agricultural products involved technical aspects of transport, storage and processing as well as economic functions whereby the value of the product is determined from stage to stage and ownership transferred from one person to another.

The marketing sub-sector is very important in the overall process of the agricultural and economic development of the country because it is capable of being used to integrate the vast rural community of the country into a modern sector spreading development to both traditional rural areas and urban centers alike. An efficient and expanding marketing system

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provides opportunities for increased employment and further the development of economic activities.

In Nigeria, the bulk of the agricultural production is made possible by small peasant farmers who also constitute the majority of the population in the country. The total environment in which these small peasant farmers operate can be divided into two elements: technical and human elements.

The technical element determines the type and physical potential of their economic activities. While the human element is characterized by structural factors such as community norms and belief and by institutional factors on the input and output side. The input side covers distribution systems, extension, credit etc. managed by government agencies where as the output side covers the area of marketing which influence the income and welfare of the farmers.

In another development, the success of any agricultural development programme depends to a large extent, on the performance of the marketing systems for the products. The performance of the agricultural marketing system becomes increasingly important as a nation moves from an agricultural to more industrialized economy. The increased demands made on the marketing system to feed an expanding urban population will also

require changes in the system. The nature of these changes can greatly affect long-run economic development in the country. In attempting to determine what type of changes may be needed, it is necessary to conduct economic analyses to examine the degree of efficiency in the present system and its potential for improvement.

In Nigeria, the agricultural marketing system for food crops, some would say, has performed fairly well. The system functions entirely in the hands of private traders and individuals. For quite a long period it has been able to supply large urban populations with stable foods. Yet the system has been subjected to many of the conventional criticisms generally considered characteristic of poorly functioning marketing systems in less developed countries.

In a nutshell, in this research work, attempt is made to provide the results of studies on the Marketing of Agricultural Product; Problems and Prospects; a case study of some selected Local Government in Katsina State and in the end make some vital observation, suggestions, recommendation as well as draw some conclusions.

1.2 STATEMENT OF THE PROBLEMS

This research work was initiated as a result of the present situation of continuous hike or increased in the prices of Agricultural products occasioned by a number of factors. The scarcity of agricultural products due to the fact that production takes place in small quantities and is scattered over large areas. As such the marketing system is required to assemble these small quantities and transport them to markets and urban areas. This however involves a number of intermediaries. The customary belief is that the low level of efficiency in the system is due primarily to the monopolistic nature of the trade involved which inturn leads to the reaping of excessive profits by the intermediaries. There is also another problem of inadequate response to inter-market price differentials among others.

Further to the above, and with problems that at both rural and urban market level, there are relatively large number of buyers and sellers whose independent action and number seemed too large to permit monopolistic practices. Farmers received less of the retail price of grain and income of marketing intermediates were low relative to their services. Similarly, an insight into the inter-market price differentials, as obtained from an

examination of prices in the markets in the selected local government areas of Funtua, Faskari and Dandume reveals that there is a low degree of interrelationships among the markets in the area of the study. Also there were instances of price spreads in excess of transfer costs, implying a departure from competitive conditions.

These problems coupled with other associated problems of an erratic nature of supply which tend to increase risks on the part of traders, an inadequate dissemination of information on prices and supply in the various markets and the non-specialization of traders involved in the trade as well as other problems not stated have necessitated or gave birth to this research work.

The problem of the marketing of agricultural products can therefore be greatly alleviated if there exists a good policy towards improving performance of present marketing system through the replacement with alternative, marketing arrangement such as market intelligence, instituting uniform weights and measures in grain marketing, physical marketing facilities in rural and urban markets etc.

It was in the light of all the above background problems that this study attempt to examine the marketing of agricultural products, problems

and prospects in Katsina State with emphasis on Funtua, Faskari and Dandume with a view to finding the solutions to the associated problems.

1.3 OBJECTIVES OF THE STUDY

The objective of this study is to conduct a detailed investigation into the extent and nature of the marketing of Agricultural Products its Problems and Prospects in Katsina State.

The general objectives of this study are to describe the traditional market organization for grain like sorghum, millet, maize rice, wheat, cowpea, groundnut cotton etc. and to examine the pattern of market structure, the types and forms of market conduct of sellers and buyers and some measures of actual performance with a view of formulating suggestions and recommendations for improving operational and pricing efficiency.

1.4 SIGNIFICANCE OF THE STUDY

The study examines in detail the marketing channels in an attempt to determine the operational efficiency of the major rural-urban marketing link in Katsina State. The pricing efficiency of the marketing system is examined by studying prices in some selected Local Government of Funtua, Faskari and Dandume.

Specifically, the manifest significance of the study include

1. A description of the traditional marketing system for maize, millet, sorghum, rice etc. including market channels, institutions, intermediaries and other functionaries involved in the marketing process.
2. A detailed evaluation of the marketing costs in terms of the marketing services provided at the various stages of the marketing chain.
3. The consideration of the degree of market integration through examining inter-market price differentials in relation to transport and other cost.
4. An examination of the significance of storage costs as a factor in explaining seasonal price raises.

1.5 SCOPE/LIMITAION OF THE STUDY

Ideally an evaluation of the marketing of Agricultural Products should include wide spread coverage of the marketing system of all agricultural product as well as an analysis of changes overtime. But for practical reasons it was necessary to limit this study upon a small segment of food grain in selected Local Government in Katsina State viz: Funtua,

Faskari and Dandume, they are selected in view of some constraint among which include time, financial and other constraint.

Therefore, the study cannot be considered a comprehensive analysis of the marketing of agricultural product system. In addition the analysis itself is limited in statistical significance, as much of the data did not allow for statistical tests. Thus, the extent to which research findings can be generalized will be limited to only within the scope of coverage of the some selected Local Government of Funtua, Faskari and Dandume, who are considered among the major producers of agricultural products in Katsina State.

1.6 HYPOTHESIS OF THE STUDY

A hypothesis can be defined as an idea or suggestion put forward as a standing point for reasoning or explanation. For the purpose of this research work, the following hypothesis has been developed and are going to be interpreted or tested empirically.

1.6.1 An evaluation of the efficiency of the marketing structure of agricultural products reveals that seasonal price increase was in many cases cause by storage and transportation cost.

1.6.2 Lack of access to roads, storage facilities, uniform weights and measures are the main causes of variation in the prices of agricultural products between the rural village market and the urban market.

1.6.3 The continuous increase in the cost of agricultural production input have vastly increased the prices of agricultural products both in the rural and urban markets thereby impeded the agricultural development process.

1.6.4 Improved dissemination of market information would not significantly reduce marketing risks of agricultural products in the rural village markets but only in the urban market.

1.6.5 The marketing margins of intermediaries or licenced buying agents or middlemen who have direct consequences on prices were not greatly in excess of the cost of the services they rendered to the actual peasant farmers.

Accordingly, all the above developed hypothesis are going to be analysed, tested or interpreted empirically in chapter four in order to give the study a proper meaning and understanding.

1.7 A BRIEF HISTORY ON KATSINA STATE AND SOME SELECTED LOCAL GOVERNMENTS OF THE STUDY

The selected Local Government Areas i.e Funtua, Faskari and Dandume are located in Katsina State, one of the Nigeria's 36 States. The State is boardered in the North – West by Republic of Niger and Jigawa State; it is boardered to the Kano State in the east, Kaduna State in the south and Zamfara State in the North.

The State has an estimated population of about 3,753,133 and lies between Latitudes 9 – 13° north and 6 – 9° east. Rainfall in the State varies from over 1,250 millimeters to less than 750 millimeters; most of the rainfall is concentrated in the months of June to September, with a high coefficient of variation in its distribution within and between seasons. There is a long dry season between October and May during which little farm work is done and there is an unemployment and underemployment problem within the dry season. The selected Local Government i.e. Funtua, Faskari and Dandume has a population of about 750,000 out of the population of Katsina State. They are all covered within Funtua Agricultural Development Project (FADP). The average farm size in the area was less than four hectares but there are many large farms in the area. A survey carried out for the period of 1979/80 revealed that 36% of the

farms in the area were less than 2 hectares, 74% were less than 4 hectares and 93% less than 6 hectares. An average farm family size in the area was six persons per household, but this fluctuates from period to period due to sudden arrivals or departures of relatives.

Crops grown in the areas include maize, sorghum, millet, cowpea, cotton, groundnuts, rice and vegetables. Funtua, Faskari and Dandume, served as the markets of Agricultural products of the area. Grains marketing which involves the movement of the products from producers to the consumers is being practiced in those areas. They have neighbouring village around them that supply the products.

Funtua, Faskari and Dandume served as the exchange points and intermediaries in carrying out the marketing functions of assembly, storage, transportation and bulk breaking from the villages around them.

Accordingly, the process of grains marketing starts from simple exchange between households at the village level to the movement of grains to rural and urban markets like those in Dandume, Funtua and Faskari. The garins are grown by numerous farmers, scattered over large areas each cultivating small hectares as specified above. There are some large scale farmers in the area particularly in Funtua and Dandume, large

scale farmers include Garba Ammani (Sai Kagani Farm), Yar'adua (Sambo Farm), and a renowned farmer in Dandume Alhaji Hassan Gora to mentioned just a few.

As mentioned earlier, each village or cluster of small villages has a market which assembles once or twice a week. A survey on the market days in the study area reveals that people assembles twice a week in Funtua i.e. the market day in Funtua is Monday and Thursday. Dandume, which served as, the most popular grains market in the country, people assembles each Sunday but the activities of the market start from Friday and Saturday. While at Faskari market people assembled on Friday/Tuesday. The characteristics of the grain marketing process in these markets are highly despendent upon the structure of production.

The marketing of the grains involves a large number of transactions and participants. The marketing system is required to assemble and transport the grain to the nearest market which serves as an outlet either to the Local Community or outside urban areas.

Results of the field research on the prices of grains in the area of the study indicated that prices of grain during "KAKA" season are lower than those at "RANI" season. Where a bag or sack of maize is sold at

=N=800.00 to =N=900.00 at Dandume in Kaka season, it is about =N=1,200 in the "Rani" season, sorghum, millet and Rice also have the same effect. While prices are mostly higher in cities like Kano, Kaduna, Jigawa because of transportation and other cost.

CHAPTER TWO

LITERATURE REVIEW

2.1 INTRODUCTION

The main purpose of this chapter is to examine the views of different writers and scholars concerning the marketing of Agricultural Products. In essence, a review of the similar works done by scholars regarding the problems and prospects of marketing of Agricultural products is going to be discuss with particular emphasis to the marketing of agricultural products in Katsina State in general Funtua, Faskari and Dandume in particular and the country as a whole.

It is important to ascertain that the marketing of Agricultural product has been facing some problems over the years. However, many scholars or writers have done a lot of write-off on the issue of grains marketing which involves the movement of products from producers to the consumers or users for quite along period of time since before introduction of marketing board. It is however the works of these scholars that are aggregated together in this literature review in order to give a proper meaning and clear understanding of the subject matter for the benefit of others.

2.2 AN OVERVIEW OF THE MARKETING OF AGRIC. PRODUCT IN NIGERIA

An overview of the marketing of Agricultural products in Nigeria revealed that the very first formal marketing arrangements in Nigeria were commodity specific and centred around the country's key cash crops. Later, on these formal marketing arrangements took the form of regional Multi-crop Marketing Boards. In 1977 these boards were abolished and specific commodity boards re-introduced. A major aspect of the 1977 changes the fact that traditional food crops were included among those covered by the new board in addition to the creation of two government parastatals for food production and marketing.

The creation of these boards achieved very little success. The farmers continued to be offered low prices and the boards supply targets were hardly met. Furthermore, the much talked about malpractices of the infamous licenced Buying Agencies continued unabated. These were all occurring in the face of considerable confusion concerning the role and functions of the boards. For example, by vesting the power to fix producer prices in a price fixing Authority, the boards were not permitted to perform an active pricing function. It was therefore, not clear to farmers, processors and final consumers alike whether the boards were meant to be

active participants in the marketing and processing of the scheduled commodities or whether they were to be passive buyers of last resort.

Furthermore, it was not clear whether or not the boards created to deal with the traditional food crops were meant to maintain price stability by operating a buffer stock or whether their primary function was to operate a strategic grains reserve system.

These confusions coupled with the fact that the several boards were received keen competition from parallel markets and their activities were not properly integrated with other components of the farming system rendered them, at best ineffective. Hence, they were all scraped.

The scrapping of these boards has had a very negligible effect on the overall marketing arrangement in the country because the most important marketing arrangement in the country is an informal one serving millions of small Nigerian peasant farmers. This indigenous marketing system comprises many participants and is characterized by long distribution channels and chains.

A typical marketing channel and chain for the indigenous marketing system are presented in the figures below. It is obvious that these figures

Figure 2: Marketing Chain for Food Crops

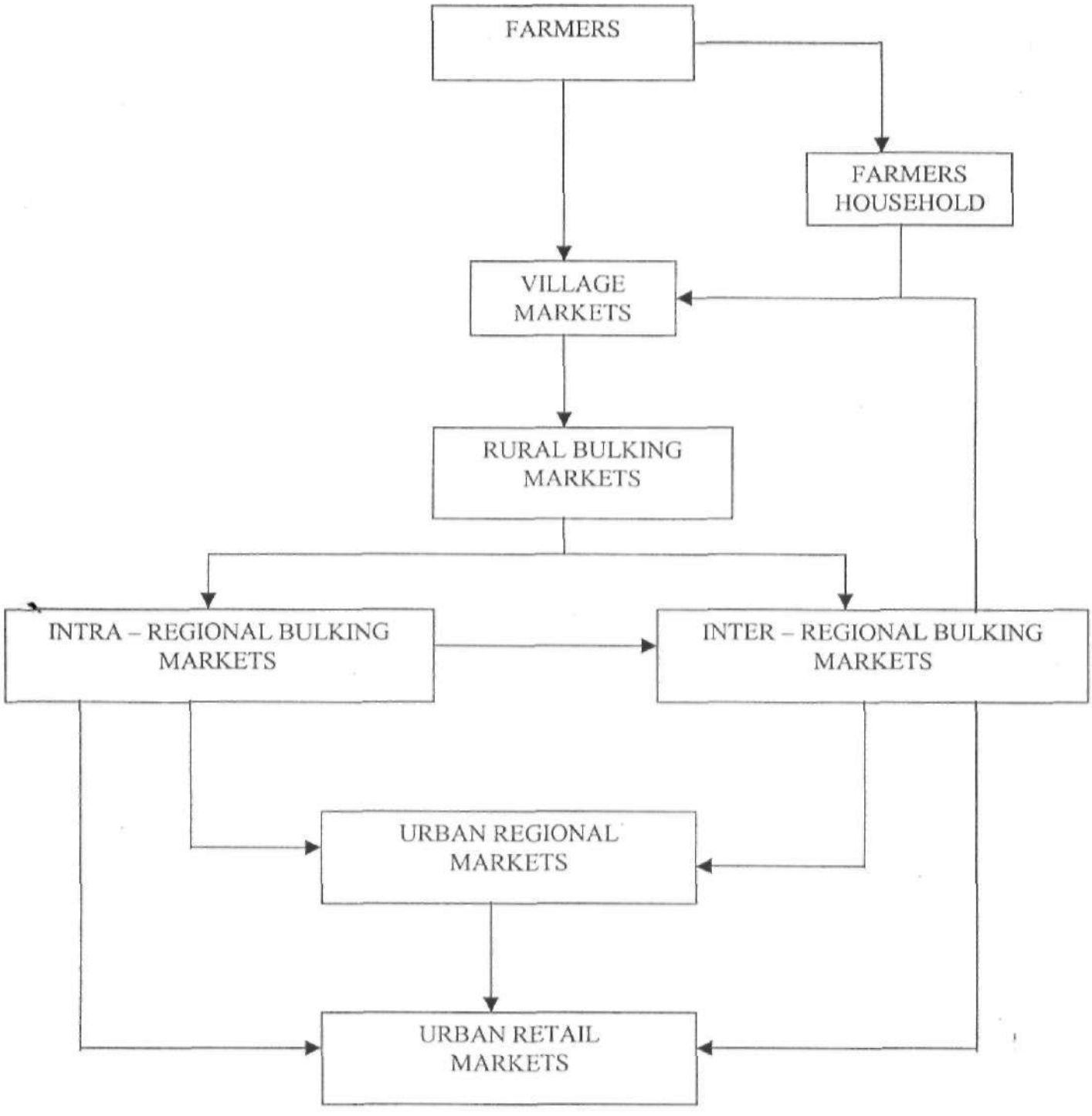
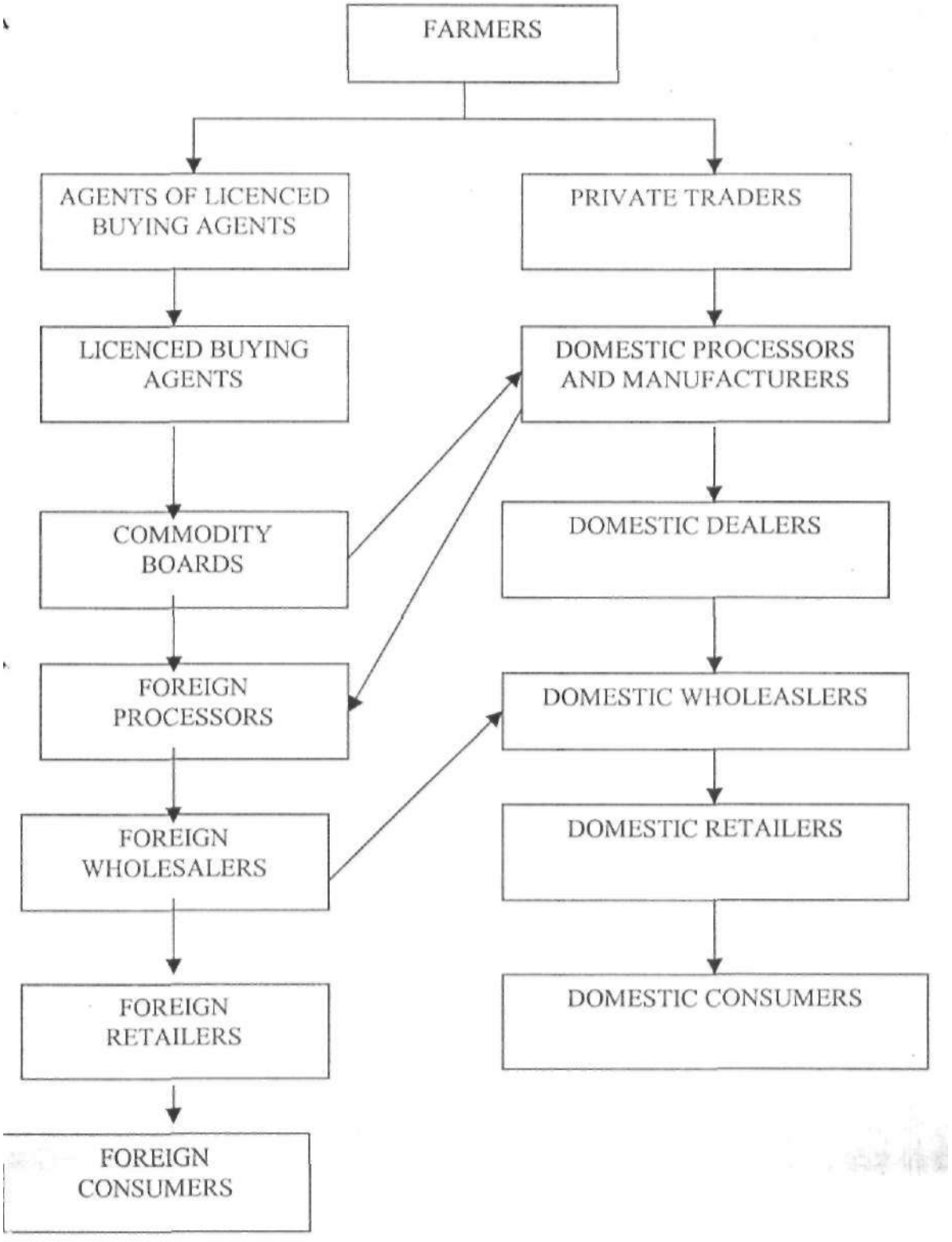


Figure 3: Marketing Channels for Scheduled Commodities



2.3 THE RELEVANCE OF MARKETING TO THE ECONOMIC DEVELOPMENT

According to J. W. Mellor, in his Journal of agricultural Economics; the function of the agricultural marketing system is to ensure an adequate supply and efficient distribution of farm produce. This means the system must get food to the consumer at the proper place, at the proper time, in the desired form and at the lowest cost possible given the services performed. The nature of these services and their costs will vary depending upon the socially and economically accepted norms of the specific country.

In a private enterprise economy the price system and competition provide the co-ordinating mechanism to determine the flow of resources into production and the flow of goods and services into use. It is within the marketing system that these prices are generated and the allocation of resources, income distribution, and capital formation determined.

Therefore, the structure and performance of the marketing system may have significant effects on the total production of a given commodity, on consumer prices, on adoption of improved production and marketing methods and in fact upon the growth and development of the entire economy of a country.

2.4 THE EMPIRICAL AND TRADITIONAL STUDIES OF MARKETING SYSTEM.

The traditional nature of the marketing system in less developed countries is often depicted as a major barrier to agricultural development. It is a commonly accepted belief that markets for agricultural products do not operate efficiently. Large spreads between prices paid by consumers and those received by producers, over both time and space, are often cited to illustrate the point. Wide price spreads presumably are caused by monopolistic elements of trade and result in a poorly functioning marketing system which adversely affect both producer and consumer welfare and in addition, result in a misallocation of society's resources.

Prior to traditional studies are generally of two types. One type is a general descriptive study which attempts to draw conclusions from direct observation of marketing practices and informal discussions with the market functionaries. The other type of the study, in addition to the descriptive analysis is based on statistical evidence from field work which allows a more quantitative method of analysis. Needless to say there have been fewer of the letter type simply because of the lack of adequate data. The traditional studies of marketing revealed that there are large number of

people involved in the traditional marketing system in the country, with many middlemen as illustrated in the chain of distribution.

2.5 THE APPROCHES TO THE STUDY OF FOOD MARKETING

There are many ways of studying food marketing but for the purpose of this study, we employ the three main categories used by Kohls and Uhl (1980). These categories are:

i. The Functional Approach.

ii. The Institutional Approach

iii. The Behavioral System Approach

i) The Functional Approach emphasizes the various functions performed by the marketing system, such as the exchange functions of buying and selling; the physical functions of storage, transportation, packaging, processing and the facilitative functions like risk-bearing, financing, grading and the provision of market intelligence.

ii). The Institutional Approach, on the other hand emphasizes the institutions and institutional arrangements that are involved in the marketing process. It endeavors to understand operating procedures, scales of operations, costs and returns etc. It is useful in analyzing attitudes towards change and improvement of the marketing system.

iii). The behavioral system stipulates that food marketing should be looked at as a number of behavioral systems involved in various kinds decision making. It emphasizes the multi-disciplinary nature of a meaningful study of such a system aggregate.

2.6 TYPES OF MARKETS

According to G. S. Shepherd in his book titled "Marketing Farm Products – Economic Analysis, he defines a market as "a group of buyers and sellers with facilities for trading with each other. In this sense the simplest form of marketing takes place between households at the village level and is referred to as house trading. House trading consists of trade between the producer and residents of his village and other close villages. This form of exchange plays a large role in the everyday life of the rural household. However, it does not usually result in a significant amount of grain reaching the outside community.

The next form of marketing occurs where people meet in some organized manner periodically to buy and sell goods to satisfy their needs. This has resulted in the rural village market, which is widely known. Beyond the rural market is the urban market which, meets daily and is found in all urban areas.

These markets can be classified according to their physical locations as rural or urban. The rural markets can be divided according to their accessibility by lorry transport into isolated and non-isolated rural markets. The urban markets can be divided according to their geographical location in relation to the production of the crops into regional urban markets and non-regional urban markets

2.6.1 ISOLATED RURAL VILLAGE MARKETS

The isolated rural markets serve mostly village and local community needs. They are completely isolated from the outside community by not being close to a motorable road. The only mode of transport to those markets is by foot, bicycle or donkeys. Occasionally a local trader will purchase grain in these markets and take it to a non-isolated market or another isolated market. However, in general very little grain is moved from these markets to the urban community.

2.6.2 NON-ISOLATED RURAL VILLAGE MARKET

These are those markets, which again serve the village and local community but in addition are located on or near a road that is motorable by lorry eg. Dandume market. This type of rural market serves as the focal point for assembling grain to be transported to the urban areas. It is through

these markets that the major part of the grain must move to the urban population. This type of market usually meets only once, or at most twice a week and draws farmers and local traders, in many cases for up to 15 to 20Km or more.

In addition to accessibility by lorry these markets are distinguished from the isolated market by larger attendance, and a large number of buyers and sellers. This type of market serves to link the producer and the isolated rural market to the outside world.

Once the grains reaches the rural market it is sold through a village retailer who receives a commission for his services of bringing buyer and seller together. He sells to local consumers of the community and to assemblers who hire transporters at the rural market to convey the grain to some larger urban market or community centre.

2.6.3 REGIONAL AND NON-REGIONAL URBAN MARKETS

The regional urban markets are those markets in relatively large cities, which are located in the immediate geographical regions producing the grain crops. Non-regional urban markets are those located in areas of the country, which are not producers of grain or are out of a region's immediate area of production. Other than this geographical distribution the

functioning and characteristics of these markets are similar. The importance of this distribution is that movement of grain from regional to non-regional urban markets often involves at least one more marketing intermediary.

These urban markets are the major source of grains for the urban consumers. They operate daily. In these markets there are a large number of sellers than would be found in most rural markets. Once the grain reaches the urban market, it is sold by wholesalers and retailers.

2.7 AN EVALUATION THE EFFICIENCY OF MARKETING STRUCTURE

Market structure refers to all the characteristics, which determine the relations of sellers in the market to each other, of buyers in the market to each other, of sellers to buyers, and of existing sellers to new sellers wishing to enter the market.

There are many ways of evaluating the efficiency of the market structure; Viz.

2.7.1 STRUCTURE – CONDUCT - PERFORMANCE

This was developed in United State as a means of analyzing the market organization of the industrial sector. It was later applied to the agricultural sectors. The application of this method has not been successful

in developing countries like Nigeria because the produce markets are in their early stages of development and production technology is most unsophisticated, market services are few and crude and characterized by quantitatively biased consumer needs which cannot be subjected to sophisticated tools of analysis, hence it application is largely irrelevant and useless.

It is for these reasons that our evaluation of the structure of the marketing system in the country is centred on an analysis of the efficiency of the marketing structure in contributing to the overall agricultural and economic development process in the country. In other words, we attempt to gain useful insights as to how the agricultural exchange system is related to the system of production.

An analysis of the marketable surplus of the principal commodities, an examination of the nature of the variation of seasonal price movements, and an evaluation of the role of the middleman in the marketing system of agricultural produce represent three phenomena tat are capable of providing these insights.

2.7.2 MARKETABLE SURPLUS

The marketable surplus of any commodity refers to how much of the commodity is available for sale. It is an indication of how much is produced in excess of the farmers' own consumption requirements. An indication of marketable surplus of some of the key crops in Northern Nigeria is presented in Table 2.

These figures are quite significant in that they reveal a very sizeable quantity of marketable surplus for all of the principal crops. When the marketable surplus is converted to a per-hectare basis, a striking figure of 62% of the total value of production was marketed by the average farmer.

It is likely that these values would vary from area to area and from year to year. What is interesting to note is the fact that the marketed proportion of almost all the crops show a marked increase from earlier results, suggesting an increased level of monetization of the peasant economy.

Table 2: Percentage of Crop Production Marketed in Four Village in Katsina State, 1985

Crop	% Marketed Quantity of Output	% Marketed Value of Output
Millet	11.0	13.2
Sorghum	32.0	35.9
Maize	58.5	59.9
Cotton	99.4	98.0
Groundnut	69.4	84.0
Cowpea	16.2	14.5
Other Crops	-	97.4

Source: Farming Systems Research Programme Data, 1985

The timing of sale by farmers provides a useful indication of how the activities of the marketing system may constrain production. Clough's (1977) study of the marketing system in the area suggests that up to 30 percent of the farmers could not produce enough to meet their food needs and, as such, had to sell grains required for subsistence immediately after harvest at low prices in order to meet the cost of taxes, debt repayment, household repairs, educational costs, ceremonies, and the purchase of manufactured goods. The results of another study carried out in Katsina and Kano areas would appear to support Clough's findings (Table 3).

2.7.3. Season Price Movements:

Another important way of evaluation the efficiency of the marketing structure in the country is by assessing the patterns of the movements of the prices of the principal commodities over time.

Table 4 provides an analysis of the seasonal price variation of the principal crops for 1984 and 1985. the ranges of the variability of the price indices suggest considerable variation for all the crops during the season. The instantaneous nature of this variability is confirmed by the results presented in Table 5 of the regression of price against time stated in months for the crops. These high seasonal variations have had adverse affects on the incomes of farmers as well as the welfare of the poorest of our urban dwellers. The impact of this effect on the development process would be discussed later on this section.

Table 3: Distribution of Sales by Farmers

Percentage of Farmers Selling	Sorghum	Millet	Cowpea	Rice
Some or all six months prior to harvest	53	47	42	15
All immediately after harvest	24	29	53	66
Some or all within three months after harvest	80	88	84	86
Some or all within six months after harvest	87	94	88	91

Source: Gilbert

2.7.4 The Role of Middlemen

The role of the middlemen in the indigenous marketing system in the country has always been a target of attack by the majority of Nigerians. The problem however is that despite all the criticisms by academicians, government functionaries, and the Nigerian public at large, not very much has been done to change the way their activities impact on the agricultural development process.

Table 4. Analysis of Seasonal Price Indices of Stable Food Crops, Zaria, 1984 and 1985

Crop and Year	Index Low Value	Index Low Month	Index High Value	Index High Month	Range of Index	Range % of Low
Maize						
1984	59.40	Jan	166.71	July	107.31	180.66
1985	55.54	Oct.	133.06	April	77.52	139.58
Sorghum						
1984	54.65	Jan.	143.57	July	88.92	162.80
1985	69.92	Nov.	130.25	July	60.52	88.28
Millet						
1984	57.13	Jan	140.90	July	83.77	146.63
1985	57.05	Oct	145.83	May	88.78	155.62
Cowpea						
1984	63.65	Jan	146.13	Aug	82.48	129.58
1985	73.25	Nov	31.66	July	58.41	79.74

Source: Isitor and Ingawa (1986)

Table 5: Regression Equation for Seasonal Price Increase Estimate in Wholesale Price for the Crops 1984 – 1985

Food Crop	Year	Intercept	Trend	Adjusted R^2	T - Ratio
Maize	1984	78.85	12.16	0.83	5.54**
	1985	81.95	5.29	0.7	2.85
Sorghum	1984	82.81	12.10	0.88	6.7**
	1985	92.69	3.97	0.74	4.22**
Millet	1984	79.37	10.79	0.84	5.6**
	1985	115.97	6.96	0.57	2.51
Cowpea	1984	200.57	21.91	0.97	13.63**
	1985	211.96	15.62	0.86	6.05**

** Significant at 1%

Source: Isitor and Ingawa (1986)

True they perform a service. Our farming system is such that the production of the individual farmer and the purchase of the final retail buyer are not average, very small. At one end of the distribution channel, middlemen are needed to bulk the small average production of farmers. At the other end of the chain middlemen are also needed to break the bulk in order to cater for the small purchases of the scattered final consumers.

Because seasonality is an inherent characteristic of our food production system leading to down – ward price trends immediately after harvest and upward price trend a few months later, the middlemen becomes the "king of the jungle" and trading in food products becomes his instrument for getting rich at the expenses of the development of the productive capacity of the peasant farmers. What we end up with is acute shortage of food and raw materials and a gradual deterioration of the agricultural and hence, economic development process of the country. The situation is bound to get worse with the introduction of a new type of farmer into the farming business of the country. A sizeable number of these new entrants comprise ex- and existing; government officials, army officials, academicians etc. who have acquired access (legally or illegally) to considerable wealth and feel the agricultural sector is the place safely manouver and enlarge this wealth.

Unfortunately, for them, the type of farming they are now operating or contemplating (large scale mechanized plantation type farming) is largely unprofitable for a variety of reasons but principally because it depends on large scale mechanization. Most of these large scale mechanized farms have stayed a float simply because they have benefited

from highly subsidized inputs requiring foreign exchange, import concessions for farm machinery and an over-valued naira which made imported machinery "spare parts, and fuel relatively cheap is real terms".

As soon as SFEM takes effect and subsidies are effectively removed, this new farmer would have to look for new avenues for making quick and easy money. Given the huge returns to capital that are possible in the marketing arena, it is likely that most of these "new era" farmers, would take to trading and become monopoly middlemen. If they succeed in doing this we will never get out of the present economic crisis in the country because the domestic marketing system would become too powerful to be controlled by anyone or anything except the interest of the monopoly middlemen.

2.7.5 The Impact on Agricultural Development

It is obvious from the analysis of the market structure above that the marketing system in the country is operating rather inefficiently. Our concern is not so much on the performance impacts on the agricultural and economic development process in the country.

The level of and timing of the marketed surplus coupled with the adverse effects from seasonal variation in prices and the negative influence

of the activities of the middlemen all suggest a dysfunctional marketing system.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 INTRODUCTION

The main purpose of this chapter is to discuss the method employed in conducting the research work. Accordingly, this research project will use the data available at our disposal to analyze the marketing of Agricultural Products; its problems and prospects with particular reference to the some selected local governments in Katsina State. However, Data has been collected both from primary and secondary sources. Also theoretical and empirical impact of the study was discussed objectively by making used of the literature available from both published and unpublished work of scholars and other distinguished researchers.

Furthermore, for ease of reference and analysis, data has been collected on both primary and secondary sources. The methodology employed in this research work are mainly through collection of data personally from the respondent of this research. Most of the data have been collected through personal investigation and interviews a part from the distribution of some questionnaires to the few relevant organizations or authority that are engaged directly or indirectly in the marketing of

Agricultural products in the study area. i.e Funtua, Faskari and Dandume. Data has been collected from the respondent particularly those resides in Funtua and Dandume.

3.2 POPULATION OF THE STUDY

The population size of four hundred (400) people was covered grossly represented by the Funtua Agricultural Development Project (FADP), large scale farmers in Funtua, Faskari and Dandume, peasant farmers, village retailers or middlemen, grains market at Dandume and some Government official, village market, urban market and urban wholesalers. Also large scale mechanized farmers like those at Sambo Farm, were contacted in order to evaluate the efficiency of the marketing of Agricultural product properly

3.3 SAMPLE SIZE

The sample unit was to cover the above mentioned market places and individual as well as wholesalers, retailers and large scale farmers. A total sample size of fifty (50) was derived from a population size of four hundred people. The table below shows the sample size employed for the purpose of this research work. The areas categories and the sample size of

the distribution in relation to its percentages are all indicated in the table below.

AREA COVERED	POPULATION SIZE	SAMPLE SIZE	(%)
FADP	10	2	4%
LARGE SCALE FARMERS	20	4	8%
VILLAGE RETAILERS	140	14	28%
URBAN WHOLESALERS	30	6	12%
PEASANT FARMERS	100	12	24%
DANDUME GRAINS MKT	100	12	24%
	400	**50**	**100%**

3.4 SAMPLING TECHNIQUES

The sampling techniques employed for the purpose of this research work is the simple random sampling techniques. This is because it involves chosen selected units at random. The main reason for using this technique is because of the practical impossibility of every unit to have an equal chance of being selected.

Furthermore, the technique is quite simple in comparison with other sampling techniques like cluster and stratified sampling.

From the above table in 3.3, sampling are calculated using simple average method as follows:-

FADP	2/50 x 100	=	4% of the respondents
LARGE SCALE FARMERS	4/50 x 100	=	8% of the respondents

VILLAGE RETAILERS	14/50 x 100=	28% of the respondents
URBAN WHOLESALERS	6/50 x 100 =	12% of the respondents
PEASANT FARMERS	12/50 x 100=	24% of the respondents
DANDUME GRAINS MKT	12/50 x 100=	24% of the respondents

3.5 INSTRUMENT FOR DATA COLLECTION

As earlier stated in conducting this research work, both primary and secondary source of data collection were employed. However, the primary data collection was achieved via the use of the interview administration. The personal interview contain structured questions (both close ended and open ended) and were administered to the respondents included in the sample. The questions featured in the interview were intended to collect useful responses relevant to the objectives of this study. Also the secondary data was used to evaluate other research similar to this study in order to get wider understanding and through more light.

3.6 DESIGN OF QUESTIONNAIRE SCHEDULE

The questionnaire was designed based on the topic of the study and was personally administered, multi choice and close ended questions with multiple options were used. In order to achieve the objective of the research, three set of questionnaires were issued, one for the staff of the Funtua Agricultural Development Projects and Large Scale Farmers like

those in "SAMBO FARM" and "SAI KAGANI" FARMS, another for the middlemen (village retailers) and urban wholesalers and the third to the peasant farmers and the common pool who are mostly the consumers.

From the first category the questionnaire where administered to find out the extent to which marketing of Agricultural products are appreciated and adopted in their operations. On the part of the retailers and wholesalers, the questionnaires issued is to find the main causes of the variation in the prices of grains between the rural village market and the urban markets. Where as on the third category i.e. peasant farmers and consumers the questionnaires are specifically administered in order to find the extent of the actual cause of the seasonal variations in prices i.e. Rani and Kaka seasons; and how it affect both the peasant farmers and the consumers. Similarly, the extent to which the peasant farmers and consumers are satisfied or dissatisfied with the activities of middlemen are also administered in designing these questionnaires.

3.7 EDITING, RECORDING AND TABULATION

For the purpose of this research work, the method used in editing, recording and tabulation of the data collected is by making used of simple percentage method for easy analysis and interpretation. This is very

necessary and ideal considering the nature of this research and for convenience purposes. For the purpose of records, past survey papers, journals, textbooks etc were consulted for extraction and review of related literature.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF HYPOTHESIS

4.1 INTRODUCTION

The essence of this chapter is to discuss data collected, analyse the data and interpret it to test the hypothesis developed in order to make clear understanding of the subject matter i.e. Marketing of agricultural Product Problems and Prospects. The focus of this chapter is therefore to present the data collected from the respondents of the study and thereafter make some analysis and interpretation on the result of the data collected from the respondents of this research.

Accordingly, in the course of this research study, the use of questionnaire answers are presented and sampled in a tabular form for easier analysis and interpretation. Similarly, based on the data analysis and interpretation, the developed hypothesis of the research could easily be tested emphirically in order to give proper meaning and make clear understanding.

4.2 DATA ANALYSIS AND INTERPRETATION

This simply relates to the analysis concerning the data collected from the investigations and questionnaires on the views of the respondents put

together on the subject matter. The analysis on the responses received from the respondents on the five hypothesis developed for the purpose of this research work is as follows

4.2.1 ANALYSIS OF HYPOTHESIS ONE

An evaluation of the efficiency of the marketing structure of Agricultural Product reveals that seasonal price increase were in many cases caused by storage and transportation costs; Do agree with the above statement or disagree.

To analyse the above hypothesis; 50 respondents were drawn from Grains Markets at Dandume, Faskari and Funtua comprising retailers, wholesalers, peasant farmers and large scale farmers. Accordingly, the answer received from the respondents on whether they agree or disagree is shown below in the tabular percentage analysis expressed by the respondents

Table I.

Acceptability	No. of Respondents	Percentage (%)
Strongly Agree	35	70
Agree	10	20
Disagree	5	10
Total	50	100

From above table we can observe that storage and transportation costs are the main causes of the seasonal price increase in the marketing of agricultural Products. This is because 70% of the respondents strongly agree with the statement while only 10% disagree. Therefore we can deduce that seasonal price increase in the marketing of Agricultural Products were in many cases caused by storage and transportation cost

4.2.2 ANALYSIS OF HYPOTHESIS TWO

Lack of access to roads, storage facilities, uniform weights and measures are the main causes of variation in the prices of Agricultural Products between the rural village market and the urban market.

The emphasis here is to try to find out how significant lack of the above facilities causes variation in the price of grains between the market in rural areas and the urban markets.

To analyse the results, three positions were used very significant, significant and insignificant. Very significant denotes that lack of access roads, storage facilities, uniform weights and measures are the major cause of variation in the prices of Agricultural products between rural and urban markets. Significant means it contributed but it is not the major cause i.e. there are other causes that might share equal placement. While

insignificant denotes that other factors that cause the variation in prices are more formidable than lack of the above facilities. e.g. lack of market information, marketing margins of intermediaries or licenced buying agents cost of production inputs etc. The table below summarizes the analysis

Table 2

Position	No. of Respondents	Percentage (%)
Very Significant	30	60
Significant	15	30
Insignificant	5	10
Total	50	100

Source: Grain Market Survey at Dandume

From the above table we can observed that lack of access to good roads, storage facilities, uniform weight and measures are the major causes of variation in the prices of Agricultural Products between the rural village markets and the urban markets. This is because 60% of the respondent accepted the statement by indicating very significant. Hence it denotes that lack of these facilities plays very significant role in causing the variation in prices of Agricultural product; while only 30% indicate significant and 10% indicate insignificant.

4.2.3 ANALYSIS OF HYPOTHESIS THREE

The continuous increase in the cost of Agricultural production input have vastly increased the prices of Agricultural products thereby impeded the Agricultural development process; Do you agree or disagree?

The emphasis here is to try to find out to what extent it is agreed that increased in cost of Agricultural input such as fertilizer, farming implement etc causes increase in prices of Agricultural product thereby impeded Agricultural developments.

To analyse the result, three options were also being used; strongly agree, agree and disagree; Strongly agree denotes continuous increase in cost of Agricultural input have vastly increased the prices of Agricultural development process; Agree means it contributed a lot but it is not the major reasons for the increased in prices. While disagree denotes that there are other factors that cause increase in prices of Agricultural products as well as other factors that impeded Agricultural development rather than cost of input.

The table below expressed the views of the respondents

Acceptability	No. of Respondents	Percentage (%)
Strongly Agree	28	56
Agree	18	36
Disagree	4	8
Total	50	100

Source: Market Survey at Funtua

From the above table we can observed that the continuous increase in the cost of production input have vastly increased the prices of Agricultural products thereby impeded Agricultural development process to some extent. This is because 56% of the respondents strongly agree while 36% agree with the statement. Hence we can deduce that the continuous increased in the cost of production input have some extent increased prices of the products as well as impeded agricultural development process because only 8% disagree with the statement.

4.2.4 ANALYSIS OF HYPOTHESIS FOUR

Improved dissemination of market information would not significantly reduce marketing risks of Agricultural products in the rural village markets but only in the urban market. How relevant is the statement?

The emphasis here is to find out how relevant or to what extent improved dissemination of market information would reduce marketing risk and whether it is significant or not significant in the rural village markets; but significant or most relevant to the urban market.

Similar, in order to analyse the result three positions were used; very relevant, relevant, not relevant. Very relevant denotes that improved dissemination of information would not significantly reduce marketing risks of Agricultural products in the rural village market but only in the urban market. Relevant denotes that it would significantly reduces the risks in urban markets, while not relevant denotes that other factors like storage facilities, lack of good roads etc are the main factors that increase marketing risk of grains in both the village and urban markets.

The table below summarizes the analysis

Position	No. of Respondents	Percentage (%)
Very relevant	25	50
Relevant	15	30
Not relevant	10	20
Total	50	100

Source: Grains Market Survey at Funtua, Faskari & Dandume

From the above table we can observed that improve dissemination of market information would not significantly reduce marketing risks of Agricultural products in the rural markets, it would to some extent significantly reduces; the risks in urban markets. This is because 80% accept that information dissemination is relevant in reducing marketing risks of agricultural products where only 20% indicated that information dissemination is not relevant in reducing marketing risks of Agricultural products both in the urban and village markets.

4.2.5 ANALYSIS OF HYPOTHESIS FIVE

The marketing margins of Licenced Buying Agents who have direct consequences on prices were not greatly in excess of the cost of the services they rendered to the actual peasant farmers.

The emphasis here is to find out how important is the services of Licenced Buying Agent to the actual farmers. Also do the Licenced Buying Agent deserves the margins they used to get on selling the Agricultural products? Do they need to actually have influence on prices? Does the cost of the services they rendered to farmers greatly or not greatly in excess? All the above questions were post to the respondent in order to assess the

importance of Licenced Buying Agent. The result are analysed from the responses received.

To make the analysis as usual, three positions were used; i.e. Not greatly in excess, greatly in excess; not sure; Not greatly in excess denotes that the marketing margins of intermediaries or licenced buying agents were services they rendered to the peasant farmers. Greatly in excess denotes that the margins of intermediaries were greatly in excess of the cost of their services. While not sure denotes that there is no idea on the margins the intermediaries received on their services.

The table below summarizes the analysis

Position	No. of Respondents	Percentage (%)
Not Greatly in Excess	26	52
Greatly in Excess	20	40
Not Sure	4	8
Total	50	100

Source: Market Survey at Dandume

From the table we can observed that the marketing margins of intermediaries or Licenced Buying Agent who have greater in influence on prices were not greatly in excess of the cost of the services they actually

rendered to the farmers. This is because 52% accepted the statement that the margins is not greatly in excess even though about 40% indicated that the margins is greatly in excess. While only 8% are indifferent because the are not sure.

4.3 TEST OF HYPOTHESIS

From the above five main hypothesis developed for the purpose of this research work, and based on the data collected which are presented on the five tables above, all the hypothesis developed were accepted. In table I, the first hypothesis holds true as respondents strongly agreed that seasonal price increases were in many cases caused by storage and transportation cost, about 70% responses were recorded in testing this hypothesis where as only 10% disagree. Hence, the Null hypothesis tested is accepted as against the alternative hypothesis, which is clearly rejected.

In table 2 the acceptability of the statement recorded about 60% of the respondent as against the 10% that disagree as such the Null hypothesis is also accepted as against the alternative hypothesis. Thus, variation in prices of agricultural products between rural and urban markets are mainly caused by lack of access roads, storage facilities, uniform weights and measures.

Furthermore, in table 3, about 92% of the respondents accepted that' continuous increase in the cost of Agricultural products input have vastly caused increase in the prices of agricultural products thereby impeded the development of Agricultural process. Also, here it is clearly that, the Null hypothesis is strongly accepted as against the alternative hypothesis which scored only 8% as such it is rejected.

Similarly, in table 4, about 80% of the respondents accepted that improved dissemination of market information is relevant in reducing marketing risks of Agricultural products. Hence, the Null hypothesis is also accepted as against the Alternative hypothesis which indicates that only 20% consider market information is not relevant in reducing marketing risk.

Also, the last hypothesis too, holds as 52% of the respondents accepted that marketing margins of intermediaries or Licenced Buying Agents were not greatly in excess of the cost of the services they rendered to the peasant farmers. Here also the Null hypothesis is accepted as against the Alternative hypothesis which is rejected.

Finally, from the analysis of the five hypothesis and based on the data collected which are presented on the five tables above, all the

hypothesis were accepted because an average of about 60% of the respondents indicated their strong acceptability of the five statement raised. Hence, all the five alternative hypothesis were clearly rejected.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 SUMMARY

This research work on the Marketing of agricultural Products, Problems and Prospects finds it way in consideration of the following factors among others; persistent raises in the prices of Agricultural product inputs, monopolistic practices of intermediaries or Licenced Buying Agents, Reaping of excessive profits by retailers and wholesalres, inter-market prices differentials etc.

The objective of the research as earlier stated was to highlight among other things the problems and prospects associated with the traditional market organization for grains such as maize, sorghum, millet, rice, wheat, cowpea, etc as well as to examine the pattern of their marketing structure, the types and forms of markets conduct or behavioural habit of sellers and buyers of Agricultural Products in Katsina State, with particular emphasis on Funtua, Faskari and Dandume Local Government.

To achieve the above objectives of the research, five chapters were developed. The first chapter which is the general introduction discussed the

problems, objectives, significant, scope, brief history of the selected Local Government and Hypothesis developed for the purpose of the research.

Chapter two of the research focuses attention on the general overview of Marketing of Agricultural Products in Nigeria, Marketing Channels, Relevance of marketing economic development, emphirical and traditional marketing system, Approaches to the study of food marketing, Types of markets and the marketing efficiency were all analyzed objectively by making used of the literature available.

Chapter three on the other hand outlines the methodology employed in conducting the research work. The method of data collection, which was mainly by personal investigation and interviews, as well as distribution of questionnaires where necessary has been employed to make the study a huge success.

While chapter four of the research work examined Data Presentation, Analysis and Interpretation subjects to the five developed Hypothesis, which are tested by the aid of tables and percentages. Chapter five conclude the research by enumerating the summary of findings, conclusions and finally came up with some recommendation in order to put the study in a proper perspective.

5.2 CONCLISION

In this research work, I have highlighted the importance of marketing as a dynamic force for the country's agricultural and economic development. A dynamic marketing system serves as a major channel for capital formation and movements resulting in appropriate industrialization and reciprocal improvements in the productive capacity of the agricultural sector. Hence, marketing is an important sub-sector of the economy in its win right and can serve as a major tool for integrating the country's rural community into a network of modern, social and economic activities.

My analysis of the country's marketing structure reveals a mechanism which allows for very little or no surplus money in the hands of the millions of peasant farmers in the country who now produce and will continue to produce the bulk of the nation's agricultural resources in the future. This in turn leads to little investment in new technology by the farmers in view of it raises in prices. The social relations of production and exchange force these farmers to sell their crops when prices are low or obtain loans to be repaid at harvest.

This research will not be concluded with out stating that despite innovations in the organization of the grains marketing system, especially

the statutory marketing component, inefficiencies still exist. Evidence from the research work indicated that these inefficiencies result more from absence of facilitating marketing services, than from exploitation by middlemen or intermediaries. Hence these services should be provided to enable the grains marketing system play its role of inducing increased grain production.

5.3 RECOMMENDATIONS

In the light of the above findings, the following recommendations are considered necessary for the improvement of the marketing systems of Agricultural Products not only in the three selected Local Government in particular, Katsina State in general but the nation as a whole.

i. Improved collection and dissemination of information concerning crop prospects, market supplies and prices in order to improve the relationship between prices in different markets, and between storage costs and seasonal price increases. Improved dissemination of market information would reduce marketing risks. Radios, Newspapers and other mass media can be used for this purpose.

ii. Uniform weights and measures should be introduced and enforced by market officials. Use of standardizes measure would ease the collection, analysis and dissemination of accurate price data.

iii. Physical marketing facilities such as stores, stalls, market space and lorry parking space need to be improved. As this will facilitate the marketing process and reduce marketing costs by reducing losses and handling expenses.

iv. Feeder roads leading to isolated rural areas need to be increasingly developed. This will ensure easy distribution of inputs and evacuation of crops; give the farmers better opportunity to market his produce, and lower transportation costs.

v. Agricultural production input distribution needs to be vastly improved to allow increased productivity and a larger marketable surplus.

vi. Need for a small farmer marketing policy; there is an urgent need for the government to articulate a coherent small farmer marketing policy consistent with the felt needs and aspirations of the millions of small farmers who now feed us and will continue

to feed us and supply raw materials for a dynamic industrial sector.

vii. Building of market infrastructure. The term market infrastructure used here is meant to cover such areas as the provision of credit facilities, extension input delivery system, Agricultural research. The education, Health and transportation. The provision of all of these determine the conditions of access of farmers to the various agricultural markets in the country.

viii. Creating a Network of Rural Food Processing Industries; This is very essential as the much needed access to past – harvest markets by the country's peasant farmers can also be assured by the creation of a network of rural food processing industries. Doing this, will ensure that agricultural products are conserved for regular distribution through out the post-harvest season.

ix. Operating an optimum pricing policy for peasant farmers; it is now very widely accepted that peasant families should be regarded as full utility maximizes who allocate their time optimally among several competing uses. The most important of these uses include production for own consumption; production

for marketing, and leisure. The time and resources farmers devote to production may be shifted either by influencing prices they receives for their products or by changing the prices they pay for their inputs or other items they purchase from the non-agricultural sector.

x. Finally, the prospects in the marketing of agricultural products could only be possible if and only if the above recommendations were effectively and efficiently adhered. Otherwise the problems will continue to remain forever.

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APPENDIX

5.5 QUESTIONNAIRE

INTRODUCTION

This questionnaire is meant to get some information pertaining the Marketing of Agricultural Products Problems and Prospects; A case study of some selected Local Government in Katsina State; i.e. Funtua, Faskari and Dandume. The information is required from the following FADP, SAMBO FARM, SAI KAGANI FARM, Wholesales and Retailers at Dandume, Funtua & Faskari and Peasant Farmers around the areas as well as some individual consumers. Accordingly, all information provided will be treated confidentially and for the purposes of this research work only.

Please tick (~) the option(s) most closely reflecting your onw views; you are to comment freely on the space provided if any.

1. Please tick your educational qualification below as appropriately and if any?

a. Primary school leaver ( )

b. Secondary School Certificate ( )

c. Degree in Agric. Science ( )

d. Post Graduate ( )

e. None of the above ( )

2. Which of the following organization do you work?

a. FADP ( )

b. SAMBO FARM ( )

c. SAI KAGANI FARM ( )

d. Peasant Farmer ( )

3. Do you produce your grains for consumption alone or you sale?

a. Consumption purpose ( )

b. Consumption and Sale few ( )

c. For Sale alone ( )

4. Which among of these grains do you produce in your farm?

a. Maize and Rice ( )

b. Sorghum and Millet ( )

c. Maize alone ( )

d. All of the above ( )

5. What is the price of your grains e.g. Maize per bag during KAKA season?

a. N800.00 per bag ( )

b. N500.00 per bag ( )

c. Less than 1000 per bag ( )

d. None of the above ( )

6. What is the price of Maize during RANI Season?

a. More than N1,200.00 per bag ( )

b. Just above N1,000.00 per bag ( )

c. Average N1,200.00 per bag ( )

7. Which among the following is mostly produce in your area in large quantity?

a. Maize alone ( ) b. Sorghum and Millet ( )

c. Rice alone ( ) d. All of the above ( )

8. An evaluation of the efficiency of the marketing structure of Agric. Product reveals that seasonal price increase were caused by storage and transportation cost; Do you agree or disagree?

a. Strongly Agree ( )

b. Agree ( )

c. Disagree ( )

9. Lack of access to roads, storage facilities, uniform weights and measures are the main causes of variation in prices between rural market and urban market; How significant is the above statement?

a. Very significant ( )

b. Significant ( )

c. In-significant ( )

10. Increase in the cost of Agric. Production input have vastly increased. Prices of Agric. Products; thereby impeded Agric. Development process; Do you agree or disagree?

a. Strongly Agree ( )

b. Agree ( )

c. Disagree ( )

11. How relevant is improved dissemination of market information reducing marketing risk of Agricultural products in rural market and in urban market. Is it only relevant to urban market alone?

a. Very relevant ( )

b. Relevant ( )

c. Not relevant ( )

d. Both relevant ( )