

Problems Affecting Small Scale Farmers in Marketing Agricultural Produces in Rural Area

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Abstract. Agriculture production remains the major source of livelihoods for most rural families in developing countries, including Nigeria. Agriculture's positive contributions to the economy were instrumental in sustaining economic growth and stability before and after the discovery of oil in the late 50s. The bulk of agricultural products demand was satisfied from domestic output, thereby removing the need to utilize scarce foreign exchange resources on agricultural imports. The voices of small-scale farmers are not adequately represented within international institutions that relate to food security, genetic resources, innovation, intellectual property, trade and sustainable development. Hence, this study investigated the problems affecting small scale farmers in marketing their agricultural produce in rural area. The study was descriptive in nature and adopted the use of simple random sampling techniques to select fifty (50) small scale farmers for the study. A close ended questionnaire was used to gather information from the respondents. The data collected were analyzed using simple frequencies, percentage and mean statistics. The results show that the prominent marketing problem confronting the women marketers is that of inadequate credit facilities. This is closely followed by transportation problems and inadequate market infrastructures respectively. Lack of adequate agricultural marketing information was also reported in the study area. Some of the major agricultural marketing information needed by the farmers includes information on sources of credit, storage information, packaging information, and market information. Based on the findings of the study, it was hereby recommended that governments should provide clear marketing guidelines on farm produce to protect farmers against undue exploitation or loss by incorporating crop insurance as they do in developed countries where farmers are guaranteed minimum returns. Governments should also provide and revive the infrastructure including road networks, telecommunication, electricity; especially in the rural areas.

Keywords: small scale; farmers; marketing, agriculture, produce

Introduction

In many developing countries, the majority of poor people resides in rural areas are dependent on agriculture, especially crop agriculture, for their livelihood. These agriculturalists confront climatic and price risks, seasonality demands and surpluses of labor and capital and often live in areas that are hard to address with financial services (Abdulraheem, 2016; Abdulraheem, et al., 2017). It is a well-known fact that agriculture has always been a key and steady sector that ensures raw materials for food and feed industries, where the success of each sector primarily depends on their accomplishments and activities (Food and Agricultural Organization of United Nations (FAO, 2017). Agricultural produce from small-scale farmers is often lost after production due to so many marketing challenges which make it difficult for small-scale farmers to explore full market potentials and they also reduce incentives of participation in formal (commercial) or high-value markets (Matsane & Oyekale, 2014). In recent year, there has been considerable research related to the agricultural

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marketing. These studies, however, mostly deal with problems, challenges and development of and the government initiatives towards agriculture marketing (Vijayakumar, 2019).

Marketing of agricultural products begins on the farm with planning of production to meet specific demand and market prospects (Bothloko & Oladele, 2013). Marketing information and market prices guide the farmer in making informed decisions (Uchezuba et al., 2009), and also assist farmers for planning at pre-planting stage and to sell the surpluses that have been produced. In the absence of marketing information, the retail end of the industry does not respond to supply and demand and the pricing is artificially static or unchanged (Xaba & Masuku, 2012).

Agricultural sector as the most crucial sector of Nigeria's economy which holds a lot of potentials for the future economic development of the nation as it had done in the past (Oyetoro et al., 2020). Notwithstanding, the enviable position of the oil sector in the Nigerian economy over the past three decades, the agricultural sector is arguably the most crucial sector of the economy (Abdulraheem & Iderawumi, 2019). Essentially, agricultural produce marketing forms an integral component of any given successful and economically viable farm business. However, in spite of the importance of agricultural produce marketing in agricultural development, it has remained largely neglected by government. Abdulraheem (2015) also revealed that agricultural produce in the market were mainly food crops and this supports the opinion of in his classification of the country's rural area which serve immediate hinter lands that produce food crops for her urban market and the distribution of manufactured goods from urban center.

Marketing constraints or challenges arise due to many factors such as limited knowledge and use of market information, lack of access to high-value reliable markets, high transactional costs, distance from the markets, poor quality of products, lack of storage facilities, low educational levels of small-scale farmers, poor agricultural extension services, lack of financial support (Antwi & Seahlodi, 2011), inadequate property rights (Matungul et al., 2002), inadequate and inaccessible market infrastructure, lack of adequate access to finance, socio-economic factors of the farmer, for example: training, farming experience, age, level of education and household size, lack of access to decent roads, price risk and uncertainty, electricity, poor communication (Senyolo et al., 2009), information regarding prices, inadequate local markets, lack of bargaining power, excess of intermediaries (Xaba & Masuku, 2012).

In order to avoid isolation of small scale famers from the benefits of agricultural produce they need to be integrated and informed with the market knowledge like fluctuation, demand and supply concepts with are the core of economy. The poor performance of agriculture in Nigeria has been attributed to a number of factors which include frequent changes in incentives to farmers, changes in agricultural policies/reforms, deteriorating quality of the soil etc. In view of this, increased agricultural productivity has become increasingly more difficult to achieve (Walkenhorst, 2007; Ogwumike & Ozughalu, 2014). Food marketing is a very important but neglected aspect of agricultural development. He noted that more emphasis is usually placed by government on policies to increase food production with little or no consideration on how to distribute the food produced efficiently and in a manner that will enhance increased productivity. The activities of production and marketing of leafy vegetables in the study area are achieved mainly during the rainy seasons when most farmers and grower engage in the usual rain-fed production of tropical vegetables despite the fact that dry season vegetable production yield more income (Abdulraheem, 2013).

Marketing-related expenditures account for the majority of retail food expenditures for nearly every major commodity. Thus the performance of the food marketing sector is a major determinant in both food costs and farmer income.

Small-scale agriculture is the production of crops and livestock on a small-piece of land without using advanced and expensive technologies. Though the definition of size of these farms is a source of debate, it can be argued that farming on family pieces of land, on traditional lands and smallholdings on the periphery of urban areas fall in this category.

Most periodic market in most rural communities are based on traditional agricultural marketing system which encourages the participation on a large numbers of individuals at the various types to markets and exchange point where the marketing services of assembly, storage, transportation, and break of bulk are performed (Abdulraheem, 2015). The process is highly dependent upon the structure of production, which is characterized by many widely scattered small farmers who brought small quantities to the market.

Despite this importance, small-scale farming is slowly being less practiced due to a number of factors; such as reliance on limited technical and financial support, indifference among the youth to farming, government policies that are in most cases not area-specific, and reliance on other livelihood sources such as formal employment and social grants. The other problem is that agricultural technological institutions have been sidelined in the agrarian agenda and are therefore not making a meaningful impact in the sector.

Farmers participation in agricultural produce marketing is not a new phenomenon. In Nigeria, farmers constitute an overwhelming population of those who are involved in agricultural produce marketing against other workers who focus more on artisan, subsistent farming and civil service occupations. A sizeable number of farmers in Nigeria state are actively engaged in agricultural produce marketing as their primary source of livelihood. They market farm produce such as rice, cassava, maize, vegetables etc. in order to earn a living.

The challenge brought about by millennium development goals and the need to provide reliable and adequate food for the world population has led many people to embark into small scale farming (Eskola, 2005). The concept of small scale farming is further influenced by the fact that many agricultural lands have been sub-divided among family members who opt to plant different varieties of crops. In order to increase their income and improve their livelihoods, rural small scale farmers engage in business by selling their agricultural produce. Rao (2007) showed that agricultural growth is the principle direction to reducing poverty in developing countries, especially in rural areas. Marketing of these agricultural produce plays an important role in attaining the overall goal of food security, poverty reduction and sustainable agriculture, mostly among smallholder farmers in developing countries (Altshul, 1998). Makhura (2001) found that the market of small scale farmers is constrained by poor infrastructure, distance from the market, lack of own transportation means, middlemen involvement, and inadequate market information. Despite Nigeria identifying agriculture as one of key sector to deliver sustainable economic growth and improved livelihoods for the poor in rural areas in the strategic plan of Vision 2030, the sector continues to face several constraints at the global, regional and national level that require special attention.

Objectives of the Study

The main aim of this study is to access the problems affecting the marketing of agricultural produce in Ibarapa East local Government Area of Oyo State. Specifically to;

- i. Describe the Socio-economic characteristics of the small scale agricultural marketers;
- ii. Investigate the produce marketed by small scale marketers in the study area;
- iii. Identify the agricultural marketing information needs of the small scale agricultural marketers;
- iv. Identify the marketing problems facing the small scale agricultural marketers.

Materials and Methods

The study was carried out in Ibarapa East Local Government Area of Oyo State. East Local Government has an area of 838km² and a population of one hundred and eighteen thousand, two hundred and twenty six people (National Population Commissions, NPC, 2008). The major occupation of the people in the area is farming, some people engage in other occupation like trading, teaching and civil service as well as artisan. Ibarapa East Local Government is bounded in the south by Ibarapa Central Local Government, in the west by Ibarapa North Local Government, in the East by Ido Local Government and Odeda Local Government, Ogun State and in the north by Iseyin Local Government. The population of this study is all small scale farmers in Ibarapa East Local Government. There are five major markets in the local government namely: Maya, Bolorunpelu, Okolo, Temidire and Oja-Oba market. Due to time and financial constraints of the researcher the study was limited to small scale marketers in three selected markets in the local government. The selected markets include Bolorunpelu Market, Maya and Okolo Markets respectively. Random sampling technique was used to select fifty small scale farmers who are into marketing as a means of livelihood. The data gathered from the respondents were analyzed using simple percentage, frequency table and mean statistics analysis.

Results and Discussion

It is shown from the result of this study (Table 1) on the bio data of the respondents that 50% of the respondents were below 20 years of age, 24% of the respondents were 20-29 years, 16% were 30-39 years of age. Also, majority of the respondents (62%) were female while 38% of the respondents were male. The table also shows that 54% of the respondents were single, 32% were married, 6% of the respondents were widow, 4% of the respondents were divorced and 4% of the respondents were separated; 26% of the respondents were of no-formal education, 16% were with primary school certificate, 44% were with secondary school certificate and 14% were with tertiary school certificate and that 50% of the respondents were less than 5 in their family, 38% of the respondents were 6-10 in family size, 12% were 11-15 in family size.

Table 1. Personal characteristics of respondents

Criterion	Frequency	Percentage
Age		
<20 years	25	50
20-29 years	12	24
30-39 years	8	16
41-49 years	5	10
Gender		
Male	19	38
Female	31	62
Marital Status		
Single	27	54
Married	16	32
Widow	3	6
Divorced	2	4
Separated	2	4
Highest Level of Education		
No formal Education	13	26
Primary	8	16
Secondary	22	44
Tertiary	7	14

Family Size		
Less than 5	25	50
6-10	19	38
11-15	6	12
16 and above	0	0

Table 2 shows the respondents opinion on produce market by the respondents, from the data obtained in the table, 94% of the respondents produces cassava, 92% of the respondents produces maize, 58% of the respondents produces melon, 38% of the respondents produces cowpea, 32% of the respondents produce groundnut, 44% of them produces sorghum, 62% of the respondents produce vegetable while 40% of the respondents produces other farm products.

Table 2. Respondents opinion on produce market by the respondents

S/N	Produce	Yes	%	No	%
1.	Cassava	47	94	3	6
2.	Maize	46	92	4	8
3.	Melon	29	58	21	42
4.	Cowpea	19	38	31	62
5.	Groundnut	16	32	34	68
6.	Sorghum	22	44	28	56
7.	Vegetable	31	62	19	58
8.	Others (specify)	20	40	30	60

From Table 3, the marketing information needed by the respondents: among the information needed are: information on current market price (82%), access to source of credit (76%), information on record keeping (44%), information on budgeting (36%)

Table 3. Marketing information needed by the respondents

S/n	Statements	Highly needed	%	Moderately needed	%	Not needed	%
1.	Information on current market price	41	82	8	16	1	2
2.	Access to source of credit	38	76	10	20	2	4
3.	Information on record keeping	22	44	20	40	8	16
4.	Information on profit maximization	23	46	24	48	3	6
5.	Information on budgeting	5	10	31	62	14	28
6.	Information on credit management	10	20	18	36	22	44

From the responses of the respondents, some of the problems identified by the farmers include: poor transport facilities (74%), poor quality of products (64%). Also the respondents agree that the following problems mildly affect marketing of agricultural produce: long chain of middlemen (54%), lack of storage facilities (46%), unstable measurement system (32%), inadequate information on current price (46%), change in demand and supply (42%) and Lack of processing facilities 38%.

Table 4. Problems affecting marketing of produce among small scale farmers

S/n	Statements	Severe	%	Mild	%	Not at all	%
1.	Poor transport facilities	37	74	10	20	3	6
2.	Poor quality of product	32	64	13	26	5	10
3.	Long chain of middlemen	15	30	27	54	8	16
4.	Lack of storage facilities	17	34	23	46	10	20
5.	Unstable measurement system	14	28	16	32	20	40
6.	Inadequate information in current price	12	24	23	46	15	30
7.	Change in demand and supply	16	32	21	42	13	26
8.	Lack of processing facilities	15	30	19	38	16	32

Conclusion

Agriculture has been the major source of livelihood in Nigeria, primarily because the environment is favorable for Agricultural practice. On the basis of climate, topography and vegetation the country is divided into five agricultural zones, namely Dry sub humid, Sub-humid, very humid and swamp/flood. In most cases, farming is a household business, involving men, women and children task allocation according to gender and age (Onifade & Abdulraheem, 2019). Agricultural development is a planned process of transforming a subsistence, poverty ridden, over-populated and technological hackwork Agricultural sector into a modern concern. Agricultural development is said to have taken place when there are enough food for people, enough raw materials for industries and reasonable income for the farmer. In a monetized economy, Agricultural development may mean increase in the production of export crops with an improvement in the quality of grades of such exports crops so as to ensure adequate foreign exchange earnings. Marketing plays a critical role in meeting the overall goals of sustainable agriculture, food security and poverty alleviation, particularly among small-scale farmers in rural areas. Prominent constraints of marketing among the small-scale farmers were: lack of access to credit, lack of access to storage facilities, lack of market information, lack of finance for farming, poorly developed village markets, poor producer prices, high perishability of produce, low patronage, inadequate access roads, small size of transport and high transportation costs. Significant determinants gender; farm size in cultivation; number of employees; access to storage facilities; grading of products and access to extension services. In view of the results, it is therefore recommended that, the formation of marketing cooperatives would enable the farmers to market their products together to address individual small marketing output constraints, small size of transport and high transportation costs in order to attract and penetrate high value-markets.

Based on the findings of the study, the following recommendations were made:

- Governments should provide clear marketing guidelines on farm produce to protect farmers against undue exploitation or loss by incorporating crop insurance as they do in developed countries where farmers are guaranteed minimum returns.
- Governments should also provide and revive the infrastructure including road networks, telecommunication, electricity; especially in the rural areas.
- Governments should facilitate availability of reliable and timely market information for farmers' use during crop harvest and planting forecast.
- There is also an urgent need to introduce agricultural marketing education both at tertiary and farmer levels.
- There is need to develop and promote irrigation of horticultural crops to benefit from higher yields per unit area under irrigation and reduce pressure on arable land.
- Farmers should form or revive the dormant cooperative societies to coordinate marketing of farm produce, provide farm inputs and render other marketing services.

- There is need to conduct an in-depth research covering specific marketing problems of small scale crop farmers which could also include live stock.

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