

Economics of Milled Rice Marketing in Gombe Metropolis, Gombe State, Nigeria

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Abstract : Marketing involves all the legal, physical, and economic services which are necessary in moving products from producer to consumers. The more efficient the marketing functions are performed the better the marketing system for the farmers, marketing agents, and the society at large. Rice marketing ensures the flow of product from producers to consumers in the form, time and place of need. Therefore, this study examined profitability of milled rice marketing in Gombe metropolis, Gombe State. Data were collected using structured questionnaires from ninety randomly selected rice marketers in Gombe metropolis. The data were analyzed using descriptive statistics, farm budget technique and regression analysis. The study revealed the total rice marketing cost incurred by rice marketers to be N6, 610,214.70. This gave an average of N73, 446.83 per marketer and N37.30 per Kilogram of rice. The Gross Income for rice marketers in Gombe metropolis was N15, 064,600.00. This value gave an average of N167, 384.44 per rice marketer or N85.00 per kilogram of rice. The study also revealed net income for all rice marketers to be N8, 454,385.30. This gave an average of N93, 937.61 per rice marketer or N47.70 per Kilogram of rice. The study further revealed a marketing margin, marketing efficiency and return per naira invested on rice marketing to be 39.30%, 150.16% and N0.56, respectively. The result of regression analysis shows that age, sex and cost of transportation are positive and significantly affect marketing margin of rice marketers in Gombe Metropolis. However, the main constraints to rice marketing in Gombe metropolis include inadequate electricity, capital, high transportation cost, instability of prices and low patronage among others. The study recommends provision of adequate electrical power supply in the State especially the State capital and also encouraging rice marketers in Gombe metropolis to form cooperative societies so as to have easy access to credit facilities especially from the formal sources.

Keywords : rice marketers, milled rice, cost and return, marketing margin, efficiency, profitability

Conference Title : ICAEB 2023 : International Conference on Agricultural Economics and Business

Conference Location : Bali, Indonesia

Conference Dates : October 23-24, 2023