

**ECONOMICS OF GROUNDNUT MARKETING IN
OREDO LOCAL GOVERNMENT AREA, EDO STATE**

BY

**Angela Tega ERIFETA (Miss)
AGR1800024**

**DEPARTMENT OF AGRICULTURAL ECONOMICS
AND EXTENSION SERVICES
FACULTY OF AGRICULTURE
UNIVERSITY OF BENIN
BENIN CITY, NIGERIA**

MAY, 2024

**ECONOMICS OF GROUNDNUT MARKETING IN
OREDO LOCAL GOVERNMENT AREA, EDO STATE**

BY

**Angela Tega ERIFETA (Miss)
AGR1800024**

**A PROJECT SUBMITTED TO THE DEPARTMENT OF
AGRICULTURAL ECONOMICS AND EXTENSION
SERVICES, FACULTY OF AGRICULTURE IN PARTIAL
FULFILMENT FOR THE AWARD OF THE DEGREE OF
BACHELOR OF AGRICULTURE (B. AGRIC) ANIMAL
SCIENCE, UNIVERSITY OF BENIN, BENIN CITY**

MAY, 2024

CERTIFICATION

This is to certify that this research work titled, **ECONOMICS OF GROUNDNUT MARKETING IN OREDO LOCAL GOVERNMENT AREA, EDO STATE, NIGERIA** was carried out by **Angela Tega ERIFETA** with matriculation number **AGR1800024** in the Department of Agricultural Economics and Extension Service, Faculty of Agriculture, University of Benin, and that the research project was adequate in scope and quantity for the partial fulfillment of the award of Bachelor of Agriculture (B. Agric).

Dr.O. OJOGHO
(Project Supervisor)

Date

Prof. (Mrs).M. J. KOYENIKAN
(Head of Department)

Date

DEDICATION

This project work is dedicated to God Almighty for his immense love, protection and provision throughout my stay in the University of Benin, also to my Beloved Brother and his wife Engr. & Dr Mrs K.G. Erifeta for their financial assistance and unwavering support.

ACKNOWLEDGMENTS

Special thanks to God for provision, protection, strength, ability and availability of resources in carrying out this research.

My candid appreciation goes to my supervisor, Dr. O. Ojogho for his continuous support, guidance, patience and motivation from the choice of topic through to the completion of the project. God will continually reward and uplift you in all your endeavors.

I also wish to declare my sincere gratitude to the Head of Department, Agricultural Economics and Extension Services, Faculty of Agriculture, University OF Benin, Prof. (Mrs). M. J. Koyenikan. And also to my Course Adviser Mr A. Ehigie.

Remarkable appreciation goes to Prof. C. O. Emokaro, Prof. Omoregbe, Prof. C. I. Ada-Okungbowa, Prof. K.O. Ilavbarhe, Prof (Mrs.) C. O. Egonmwan, Prof. J. Amadu, Prof. D. U. Okoedo-Okojie, Dr. J. I. Osabohien, Dr. J. I. Egbodion,, Dr. Egbodeon, Dr. Konkwo Dr. Kenneth Dr. (Mrs.) O. B. Izekor, Dr. O. Igbinidu, Mrs O Anozie, Mr. O. Uwana, (Mrs) E. S. Okundaye. Miss. Emokpae and the non -academic staffs for their encouragement and suggestions towards the completion of this research

My profound and exceptional gratitude goes to my parent Mr Peter & Mrs Ogheneovo Erifeta. I am forever grateful for your prayers and support all through my academic journey.

To my siblings, Pastor Kingsley Erifeta, Bishop Blessing Erifeta, Mr. Charles Erifeta, Rev Pascal Erifeta, Mrs Racheal Okpa, Mrs Ufuoma Kpokpo and Mrs Doris Okotete, I am forever grateful for all your love and financial support throughout my academic pursuit. I also want to thank my cousins Mrs Josephine Anayo and her husband, Maxwell, Jane and Christopher for their contributions in one way or the other.

I will not fail to appreciate some very special friends who came through for me in many ways. Celestine, Kelvin, Destiny and Godwin. I also want to thank the family God gave me in UNIBN (CASOR), and my wonderful course mates that made learning and doing business easy for me. May God continually bless and uphold each and every one of you.

TABLE OF CONTENTS

| CONTENT | PAGE |
|---------------------------------|----------|
| Cover page | i |
| Certification page | iii |
| Dedication | iv |
| Acknowledgement | v |
| Table of contents | vii |
| List of tables | xi |
| Abstract | xii |
| CHAPTER ONE | 1 |
| 1.0 Introduction | 1 |
| 1.1 Background of study | 1 |
| 1.2 Statement of Problem | 2 |

| | | | | | | | | |
|------------|-----------------------------------|---|---|---|---|---|---|----------|
| 1.3 | Objectives of the Study | - | - | - | - | - | - | 3 |
| 1.4 | Justification of the Study | - | - | - | - | - | - | 4 |

TABLE OF CONTENTS CON'D

| CONTENT | | | | | | | | PAGE |
|--------------------|---|---|---|---|---|---|---|-------------|
| CHAPTER TWO | | | | | | | | 6 |
| 2.0 | Literature Review | - | - | - | - | - | - | 6 |
| 2.1 | Economic Importance of Groundnut Marketing | | | | | | - | 6 |
| 2.2 | Review of Relevant Literature | - | - | - | - | - | - | 7 |
| 2.3 | Definition of terms | - | - | - | - | - | - | 9 |
| 2.3.1 | Marketing | - | - | - | - | - | - | 9 |
| 2.3.2 | Agricultural Marketing | - | - | - | - | - | - | 10 |
| 2.3.3 | Cost | - | - | - | - | - | - | 10 |
| 2.3.4 | Return | - | - | - | - | - | - | 12 |
| 2.3.5 | Price Variation | - | - | - | - | | | 12 |
| 2.3.6 | Wholesaler | - | - | - | | | | 12 |

| | |
|-----------------------|-----------|
| 2.3.7 Retailer | 13 |
|-----------------------|-----------|

| | |
|----------------------|-----------|
| CHAPTER THREE | 14 |
|----------------------|-----------|

TABLE OF CONTENTS CON'D

| CONTENT | PAGE |
|---|-------------|
| 3.0 Research Methodology | 14 |
| 3.1 Study Area and Scope | 14 |
| 3.2 Data Collection and Sampling Techniques | 15 |
| 3.3 Measurement/ Descriptive variables | 16 |
| 3.4 Analytical Techniques | 17 |
| CHAPTER FOUR | 20 |
| 4.0 Result and Discussions | 20 |
| 4.1 Socio-economic Characteristics of marketers | 20 |
| 4.2 Marketing Cost and Returns of Groundnut marketers | 25 |
| 4.3 Price Variation between Markets in the Study Area | 29 |
| 4.4 OLS Parameter Estimate of Groundnut Selling Price across Markets | 31 |
| 4.5 Constraints Faced by Groundnut Marketers | -33 |

| | |
|---------------------|-----------|
| CHAPTER FIVE | 35 |
|---------------------|-----------|

| | |
|--|-----------|
| 5.0 Summary, Conclusion and Recommendation- - | 35 |
|--|-----------|

TABLE OF CONTENTS CON'D

| CONTENT | PAGE |
|---|-------------|
| 5.1 Summary - - - - - | 35 |
| 5.2 Conclusion - - - - - | 37 |
| 5.3 Recommendation | 37 |
| REFERENCE - - - - - | 39 |
| APPENDIX (QUESTIONNAIRE) - - - - - | 43 |

LIST OF TABLES

| Table | Title | Page |
|--------------|--|-------------|
| 4.1: | Socio-economic characteristics Distribution of Groundnut Marketers | 20 |
| 4.2: | Marketing Cost and Return Structure of Groundnut Marketers - | 25 |
| 4.3: | Price Variation between Marketers in the Study Area | 29 |
| 4.4: | OLS Parameter Estimate of Groundnut Selling Price Across the Markets - | 31 |
| 4.5: | Constraints faced by Groundnut Marketers in the Study Area | 33 |

ABSTRACT

The marketing of groundnut is carried out by people of different background, trait, and communication skill and income level. The prices of groundnut, also dependent on the various markets, could vary due to several factors such as seasonality, market demand, quality, storage that could act as determinant of how price is fixed by the marketers. In regard to this, this study aimed at examining the economics of groundnut marketing in Oredo Local Government Area of Edo State, Nigeria. It examined the socio-economic characteristics of groundnut marketers, the cost and return of marketing groundnut, the variation in price between the markets and the constraints affecting the marketing of groundnut in Oredo Local Government. Both primary and secondary data were used, the data were obtained through structured questionnaires. The secondary data were obtained from journal articles, textbooks and interviews. A-three (3) stage sampling procedure was used in selecting groundnut marketers for the study. In the third stage, a simple random sampling technique was used to select the groundnut marketers from the target population of the sampled markets based on their percentage contribution to total groundnut marketers. With a sample size of 60 groundnut marketers, 24, 22 and 14 groundnut marketers respectively were selected from Oba, New Benin and Ekiosa market. Both descriptive statistics and inferential statistics were used including mean, frequency counts and standard deviation was used to describe the socio economic characteristics, inferential statistics such as multiple

regression was used to examine the price difference among the markets while gross margin analysis was used for the cost and return structure.

The results of the descriptive statistics show that 57.89% of groundnut marketers were female, 73.68% were married, and about half (50.88%) of them fell within the age bracket of 41-60, while majority of the marketers had small household size (78.95%). The result also showed that the marketers are both wholesalers and retailers (56.18%). The result shows that the cost per unit of groundnut is ₦1356.12 but a profit of ₦715.85 is gotten. The regression analysis revealed the differences in price between the markets in the study area, having a price difference of ₦21.40 between Oba market and New Benin market and a difference of ₦59.47 in Oba and Ekiosa market. The study further identified the constraints facing marketers of groundnut in the study area, which include, high cost of purchase, high cost of transportation, poor credit facilities, and insufficient capital.

It is concluded that groundnut marketing is a profitable business in Oredo Local Government Area, but its major constraints are high cost of purchase, high cost of transportation and insufficient capital.

CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Groundnut is the 13th most important food crop of the world after wheat, maize, potatoes, barley sorghum, millet, sugarcane, soybeans, cassava, sweet potatoes and palm oil. It is the world's 4th most important source of edible oil after palm oil, soil bean oil and sunflower oil and the 3rd most important source of vegetable protein next to soya bean and other legumes like lentils (Taru *et al*, 2010). Groundnut (*Arachis hypogea*) provides raw materials for edible and industrial vegetable oils and cake for livestock feed. The seed contains about 27% protein, 45% oil and 10% carbohydrate. It is eaten raw, boiled, roasted or made into paste for soup stews and is extensively used in West Africa as a cooking oil as well as in industries for making margarine (Nwanosike, 2011). These various uses of groundnut make it an excellent cash crop for domestic markets as well as for foreign trade in many developing and developed countries (Taphee *et al*, 2015.)

Globally, 50% of groundnut product is used for oil extraction, 37% for confectionary use and 12% for seed purposes, (National Agricultural Extension Research and Liaisons Service, NAERL, 2011). The haulm is used to feed livestock. The cake is an essential source of vitamins and protein in chicken feed (Ibrahim *et al*, 2012). Groundnut is consumed directly due to its high food value, it plays an important role in the diets of

rural populace particularly children because of its high contents of protein and carbohydrate (Aboki *et al*, 2018). Confectionary products like sauce, snacks nuts, peanut butter, flour, and cookies are made from high quality nuts of the crop (Ibrahim *et al.*, 2013).

Before independence, groundnut accounted for about 70% of the country's foreign exchange (Girei *et al*, 2016) and the sub-sector of groundnut provided opportunity for the agro-industrial development of the country (Audu *et al*, 2017). The marketing and trade of groundnut served as a major source of employment, income and foreign exchange especially before Nigeria became independent. It also provides a basis for agro-allied industry development (Taphee and Jongur, 2014) exports if given the required attention.

1.2 Problem Statement

The marketing of groundnut is carried out by people of different background, trait, and communication skill and income level. It is mostly marketed by the northerners residing in the Local Government. The marketing of groundnut in Oredo Local Government has taken a shape that its current economic stand cannot be determined by an outward view of the marketing activities. The prices of groundnut in the various markets could vary due to several factors such as seasonality, market demand, quality, storage that could act as determinant of how price is fixed by the marketers.

Nigeria ranks as the 63rd largest exporter in 2021 (FAO, 2022; OEC, 2022). This is an indication that there are yet abounding potentials for Nigeria to exceed its current levels

of export if given required attention. The marketing of groundnut might not be very efficient due to several constraints faced by the marketers such as low capital to purchase in bulk. Also there might not be proper knowledge on the cost spent on marketing and this will in turn affect the profit, and revenue. Groundnut is not always readily available for purchase in the local markets due to seasonality, bad roads, high cost of transportation, and other constraints. In consideration with the above, this study will attempt to answer the following research questions:

- (1) What are the socio-economic characteristics of groundnut marketers in Oredo Local Government?
- (2) What is the costs and return of marketing groundnut in Oredo Local Government?
- (3) Are there price differences in groundnut marketing among the markets in Oredo Local Government?
- (4) Are there constraints in the marketing of groundnuts in Oredo Local Government?

1.3 Objectives of the study

The main objective of the study is to examine the economics of groundnut marketing in Oredo Local Government Edo State, Nigeria.

The specific objectives are to:

- (i) describe the socio-economic characteristics of groundnut marketers in Oredo Local Government;

- (ii) examine cost and return of marketing groundnut in Oredo Local Government;
- (iii) examine the price differences of groundnut marketing between markets in Oredo Local Government;
- (iv) Describe the constraints faced in marketing of groundnut in Oredo Local Government.

1.4 Justification of the study

The marketing of groundnut in Oredo Local Government does not seem to have gained much recognition and attention. Several research works have been carried out across different Local Governments in Nigeria on the marketing of groundnut. Such work includes Profitability of Groundnut Marketing in Katagum Local Government Area, Bauchi State, Bello *et al*, (2019), the study focused on marketing channels, concentration and costs and return of groundnut marketing without looking at the possible difference in price across markets. Previous research works done concerning groundnut in Edo State were based on the determinant for consumers preference on value added groundnut (Mohammed *et al*, (2017), and social-economic determinant of output of groundnut production by Ekunwe, Emokaro, and Aigba, (2013). There was no recent research that looked at the possible difference in price of groundnut among markets on the marketing of groundnut in Oredo Local Government. These researches were focused on groundnut consumer's preference and basically on output obtained from the production of groundnut. The result from this research will be beneficiary to those who intend on going into

the marketing of groundnut by creating possible awareness on costs and returns in marketing groundnut as well as the constraints in marketing, it will also be of help to the government and stakeholders to develop strategies for mitigating the possible challenges

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Economic Importance of Groundnut

Groundnut seeds are a nutritional source of vitamin E, niacin, manganese, folacin, calcium, phosphorus, iron, zinc, riboflavin, amino acids and potassium (Gerei *et al*, 2013). Groundnut plays a vital role in global food security as a source of protein, healthy fat and minerals. It is a staple food for millions of people especially in developing countries where protein deficiency is prevalent (Singh *et al*, 2019). Nutrients from groundnut play several roles in brain health and blood flow (Whiteley *et al*, 2011). Groundnut oil, a product from groundnut, is widely used in food processing industries for cooking, frying and manufacture of various food products, by-products from groundnut like the haul are used to feed animals thereby contributing to the agricultural and industrial sector (Janila *et al*, 2016). The marketing of groundnut contributes to rural development by improving infrastructure, providing access to markets and fostering economic activities in rural areas (FAO, 2019). Due to its diverse economic importance and uses, groundnut can be described as an economic crop.

There are employment opportunities provided by the marketing of groundnuts across various stages of the value chain, such opportunities include distribution. This contributes to rural livelihood and economic development (Rathord, 2016). Another useful by-

product from groundnut is the shell which occupies 20–24% of the rough groundnut harvested, although the ratio differs by varieties, its application in some parts of human life will enhance sustainability of the environment and economic development especially in the developing countries like Nigeria. (Usman et al, 2019). Groundnuts are traded domestically and internationally, contributing to foreign exchange earnings for producing countries. Exporting groundnuts enhances trade balances and stimulates economic growth. (ITC, 2022)

2.2 Review of Relevant Literatures

Gender is a multifaceted concept encompassing societal expectations, roles, behaviors and identities associated with being male or female. It plays a crucial role in agricultural marketing as it influences access to market, control over marketing decisions, and participation in the value chain. Understanding gender dynamics in agricultural marketing is essential for designing effective marketing strategies and policies that promote inclusive and equitable market access for both men and women (Quisumbing *et al*, 2017). Differentiating gender goes beyond just signifying one's sex; instead it is culturally prescribed as roles assigned to individuals based on societal and cultural norms, as stated by Oguniyi *et al*, (2012).

Bello, Ibrahim, Tahir and Usman (2019) on Profitability of Groundnut Marketing in Katagum Local Government Area, Bauchi State, Nigeria, using descriptive statistics as

the analytical tool, it was discovered that marketing of groundnut was majorly carried out by people between the age of 21-40. It was also discovered that men are mostly involved in marketing of groundnut than women, and it clearly shows that males had greater ability, capability and strength in marketing of groundnut than females.

A study carried out by Bako *et al*, (2021) on Analysis of Structure and Performance of Groundnut Marketing in Niger State, Nigeria, with the use of analytical statistics revealed that more than half of groundnut marketers were women (54.3%). The result also shows the average mean age of marketers was 35 years. With the use of descriptive statistics as the analytical method revealed that the study it was also seen that the average mean age of marketers was 35 years.

Adinya (2019) on Analysis of Cost>Returns Profitability in Groundnut Marketing in Bekwara Local Government Area Cross River State, Nigeria, it was discovered that although single, married and widowed are involved in marketing of groundnut, but there was a high percentage of married people.

Ajegena *et al*, (2021), on the Marketing Efficiency of groundnut in Nasarawa State, Nigeria, using gross margin analysis, it was discovered that the Unit cost of acquiring groundnut per 100kg is ₦10,800.4. At the point of sale, a 100kg bag of groundnut was sold for ₦19,813.95 which was the total revenue from the sale of the 100kg bag in the study area. The gross margin which is the difference between the total revenue and the

total variable cost was ₦2016.618 per 100kg. This shows that the marketing of groundnut is profitable in the study area with the marketers making a profit of ₦2016.618 from every 100kg bag of groundnut sold. A research carried out by Umar *et al* (2018) on Economics of Groundnut Marketing Margins and Efficiency in Damboa Local Government Area of Borno State, Nigeria. He used gross margin analysis to examine the cost and return of marketing groundnut and the result revealed that the mean total cost of marketing groundnut is ₦18026.36 (fixed and variable costs inclusive). The average rate of return on investing in the marketing of a 50 kg bag of groundnut was 1:27.

Ibrahim *et al*, (2019) on Profitability of Groundnut Marketing in Katagum Local Government Area, Bauchi State, Nigeria, using gross margin analysis, it was discovered that the average acquisition cost of a 100kg bag of groundnut was ₦12, 873. Other variable costs (transport, packaging, loading/offloading) incurred on the 100kg bag of groundnut was ₦13,311 in total.

2.3 Definition of Terms

2.3.1 Marketing

Marketing: in simple terms marketing involves all the activities in transferring commodities or services from the point of production to the final consumer. Setiawan *et al*, (2016) defined marketing as the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled

needs and desires. It defines measures and quantifies the size of the identified market and the profit potential. Marketing pinpoints the segment of a business capable of serving best and begins to promote the appropriate products and service.

2.3.2 Agricultural Marketing

Agricultural marketing according to Sharma (2018), is the sum total of all activities and processes involved in the distribution and exchange of agricultural products, including buying, selling, transportation, storage and promotion. Agricultural marketing helps to connect consumers to producers and ensure efficient distribution of agricultural products. It can be achieved by the creation and delivering of goods to meet consumers' needs and satisfaction, ensuring that the goals of the business, consumer and the society are met. (conje *et al*, 2007).

2.3.3 Cost

Cost refers to resources, typically measured in monetary terms that are sacrificed or forgone to achieve a specific objective or produce a goods or service. In the aspect of business, cost is the assessment of labor, material, resources, management, time, equipment and overhead expenses financially. In business, cost also considers the risks involved in production and distribution processes.

Fixed cost (FC): fixed costs are expenses incurred on factors of production or sales that remain constant regardless of the amount or fluctuation in production or sales. The cost of Rent, table, measuring tool and property tax are good examples of fixed cost.

Variable cost: variable costs are those costs of acquiring items of production or sales which can fluctuate in response with the quantity of goods produced or sold. Variable and fixed cost sum up to give total cost

Total cost: total cost is the summation of all the expenses (fixed and variable) incurred in production and selling process of a commodity or service.

It is there for the summation of fixed and variable cost

$$TC = TVC + TFC$$

Some aspect of groundnut marketing where cost can be incurred include;

- 1 Rent/storage: these are costs paid by marketers for where they market their goods and also for storing of their goods.
- 2 Transportation: marketers spend money to transport their goods to the market where it is sold, this entails the money spent to transport this good to the market and also the cost of coming to the market daily.

- 3 Packaging: there are packaging expenses in the marketing of groundnut. Money is spent on various packaging materials like nylon and sack which are used to package the goods for the consumer.
- 4 Security: these are expenses incurred to ensure the safety of the goods in the

2.3.4 Return

Return: Return in business/marketing refers to the benefit or profit gained from an investment or expenditure. It evaluates the effectiveness of marketing campaigns in generating revenue or achieving specific goals. It is the positive outcome obtained from an investment.

$$\text{Return} = \text{TR} - \text{TC}$$

2.3.5 Price Variation

Variation: variation refers to the degree of change or difference within a set of data or among various elements. It signifies the range or variability observed in particular context, in statistics or any other field where differences exist among entities or observations.

2.3.6 Wholesaler

Wholesaler: A Wholesaler is a business entity that purchases large quantities of goods from manufacturers or distributors and then sells them in smaller quantities to retailers and other businesses or directly to consumers. Wholesalers act as intermediaries in the supply chain, facilitating distribution of goods to smaller businesses.

2.3.7 Retailer

Retailer: Retailers are small business owners that sell their goods or services directly to consumers in small quantities and at marked up prices compared to wholesale prices. Retailers operate through various channels such as physical stores, online platforms, or catalogs, and they play a crucial role in making products accessible to end-users.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Study Area and Scope

This study was conducted in Oredo Local Government Area of Edo State, Nigeria. The State is located in the southern part of Nigeria and it lies within the geographical coordinates of longitude 05°04' East and 06°43' East and Latitude 05°44 North and 07°34' North of Greenwich. It is bounded in the North by Kogi State, in the South by Delta State, in the West by Ondo State and in the East by Kogi and Anambra States. Edo State has a land area of 17802km² and a population of 3.2 million at the 2006 census (Nigeria Population Commission, NPC, 2006). Oredo is one of the eighteen local government areas that make up Edo State, Nigeria It is located in the southern part of the state and has its administrative headquarters in Benin City, it coordinates are between latitude 5°44' North and 7°77' North and longitude 5°44" East and 6'43' East with an area mass of 249 km² and a population of 374,515 at the 2006 census (Nigeria Population Commission, NPC, 2006). It experiences two distinct conditions of wet and dry season; the wet season is usually from April – October with a break in august while the dry season is from November – March. Some communities in Oredo Local Government include Benin City, GRA, Etete, Ibiwe, Iwegie, Ugbague, Ihogbe, Isekhere, Oreoghene,

Ikpema, Eguadase, New Benin. Oredo Local Government is predominantly occupied by the Bini people. The economy of Oredo local government is driven by many commercial activities, services and Agriculture activities. Some markets in the local government include New Benin, Santana, Oba, Ekiosa, Agbado, New market, Oliha,

The scope of the Study was specifically based on Groundnut marketers in Oredo Local Government Area of Edo State, Nigeria, with a period between February to April, 2024.

3.2 Data collection and Sampling Techniques

The study was conducted using primary and secondary data. Primary data were collected through the administration of questionnaires and personal interviews. The questionnaire structured for the survey consisted of information on the socio-economic characteristics of the respondent such as age, gender, education status, and years of experience and source of funding. Others are information on marketing costs and prices as well as main problems associated with groundnut marketing. The secondary data were sourced from journals, textbooks and the internet.

A-three (3) stage sampling procedure was used in selecting groundnut marketers needed for the study. In the first stage, five markets were selected using purposive sampling due to the fact that they are the major groundnut market. The sampled markets were Oba, Ekiosa, Newbenin, Santana and New market. In the second stage, snowballing techniques were used to establish the target population size of the markets. The sizes of the target population were respectively 37, 22, 31, 17 and 12 in Oba, Ekiosa, New Benin, Santana

and New market amounting to a total of 119 groundnut marketers. Oba market, New Benin market and Ekiosa market were then purposely selected due to their larger proportion of groundnut marketers.

In the third stage, a simple random sampling technique was used to select the groundnut marketers from the target population of the sampled markets based on their percentage contribution to total groundnut marketers. With a sample size of 60 groundnut marketers, 24, 22 and 14 groundnut marketers respectively were selected from Oba, New Benin and Ekiosa market.

3.3 Measurement/ Descriptive Variable

Marketers socio-economic characteristics is described as follows

1. Sex: male or female
2. Age: will be collected in years by asking respondents to state their age in years
3. Household size of respondent: Respondents will be asked to state the number of persons currently feeding under them
4. Marital Status: single = A, married =B, divorced = C, Widow = D and Widower = E
5. Category of marketers: wholesaler, Retailer and Wholesaler/ Retailer).
6. Category of Buyers: Consumers, Retailers/ Consumers

3.4 Analytical Techniques

Objective 1: Describe the socio economic characteristics of groundnut marketers in the study area. This objective was analyzed using descriptive statistics such as mean, percentage and frequency counts.

Objective 2: examine cost and return of marketing groundnut. This was analyzed using gross margin analysis. Gross margin analysis was expressed as

$$TC = TVC + TFC$$

$$TVC = TC - TFC$$

$$TVC = \sum P_v X$$

$$TFC = \sum P_f X$$

$$TR = P_y Q$$

TR = Total Revenue

P_y = Price per unit

P_v = unit price of i^{th} variable cost

Q = Quantity

X_v = unit price of i^{th} variable cost

$$GM = TR - TVC$$

Where:

GM = Gross Margin

TR = Total Revenue

TVC = Total Variable Cost

$\pi = Gm - TFC$

Where:

$\pi = \text{Profit}$

Objective 3: Examine the price differences of groundnut marketing between the markets.

Multiple linear regression model was used to analyze this objective using the market as dummy variables, and Oba market being the base market. It is expressed as

$$P_i = \beta_0 + \beta_1 D_1 + \beta_2 D_2 + \varepsilon$$

Where:

P_i = price of groundnut in the i^{th} market

β_0 = price of groundnut in the base market (Oba market)

β_i = difference in price between i^{th} market and base

$$D_1 = \begin{cases} 1 & \text{if New Benin} \\ 0 & \text{otherwise} \end{cases}$$

$$D_2 = \begin{cases} 1 & \text{if Ekiosa} \\ 0 & \text{otherwise} \end{cases}$$

Objective 4: Describe the constraints faced in the marketing of groundnut. A five point Likert-scale such as mean and standard deviation was used to analyze this objective. Likert-scale is easier and simpler to understand.

$$\text{Percentages} = \frac{X_i}{\sum X_i}$$

$X_i = i^{\text{th}}$ Likert point scale

The average score for each constraint will be accompanied with a bench mark of three (3). Any constraint above three (3) will signify a serious constraint while those below three (3) will be considered not serious.

CHAPTER FOUR

RESULT AND DISCUSSION

Table 4.1: Socio- Economic Characteristics Distribution of Groundnut Marketers

Table 4.1 shows the socio economic characteristics of groundnut marketers in Oredo Local Government. Sex, age, marital status, household size category of markers and category of buyers of groundnut marketers are seen in the table

| Variables | Pooled | | | Oba market | | | New Benin market | | | Ekiosa market | | |
|------------------------------|--------|-------|-------|------------|-------|-------|------------------|-------|-------|---------------|-------|-------|
| | Freq. | % | mean | Freq. | % | mean | Freq. | % | mean | Freq. | % | mean |
| Sex | | | | | | | | | | | | |
| Female | 33 | 57.89 | | 10 | 43.48 | | 14 | 66.67 | | 9 | 69.23 | |
| Male | 24 | 42.11 | | 13 | 56.52 | | 7 | 33.33 | | 4 | 30.77 | |
| Age | | | 43.47 | | | 41.34 | | | 44.71 | | | 45.23 |
| 21 – 40 | 27 | 47.37 | | 13 | 56.52 | | 8 | 38.1 | | 6 | 46.15 | |
| 41-60 | 29 | 50.88 | | 10 | 43.48 | | 13 | 61.9 | | 6 | 46.15 | |
| 61 – 80 | 1 | 1.75 | | - | - | | - | - | | 1 | 7.69 | |
| Household size | | | 4.71 | | | 4.39 | | | 4.95 | | | 4.92 |
| small(1 – 5) | 45 | 78.95 | | 20 | 86.96 | | 15 | 71.43 | | 10 | 76.92 | |
| medium(6 – 10) | 12 | 21.05 | | 3 | 13.04 | | 6 | 28.57 | | 3 | 23.08 | |
| Marital status | | | | | | | | | | | | |
| Single | 7 | 12.28 | | 4 | 17.39 | | 1 | 4.76 | | 2 | 15.38 | |
| Married | 42 | 73.68 | | 18 | 78.26 | | 16 | 76.19 | | 8 | 61.54 | |
| Widowed | 8 | 14.04 | | 1 | 4.35 | | 4 | 19.05 | | 3 | 28.08 | |
| Category of marketers | | | | | | | | | | | | |
| Retailer | 24 | 42.11 | | 10 | 43.48 | | 8 | 38.1 | | 6 | 46.15 | |
| Wholesaler | 1 | 1.75 | | 1 | 4.35 | | | | | 7 | | |
| retailer/wholesaler | 32 | 56.14 | | 12 | 42.17 | | 13 | 61.9 | | | 53.85 | |
| Category of buyers | | 59.65 | | | | | | | | | | |
| retailer/consumer | 34 | 59.65 | | 17 | 73.91 | | 13 | 61.9 | | 4 | 30.77 | |
| Consumer | 23 | 43.35 | | 6 | 26.09 | | 8 | 38.1 | | 9 | 69.23 | |

Source: computed from field survey, 2024

Sex

Results from Table 4.1 showed that more than half of the marketers are female 33 (57.89%), while 24 (42.11) of them were male. Considering each market, the proportion of females is higher in New Benin (66.67%) and Ekiosa (69.23%) than in Oba market. However, Oba market has a higher proportion of male (56.52%). This result indicates that females are more involved in the marketing of groundnuts in the study area. This finding is in line with the result of Boka *et al*, (2021) on Analysis of Structure and Performance of Groundnut Marketing in Niger State, Nigeria, which found more than half of marketers of groundnut as women.

Age Group

The results in table 4.1 also be showed that more than half (58.88%) of marketers of groundnut were in the age group of 41-60 years, followed by 21-40 years (47.37) and is 58.88% and 61-80 (1.75%) with an average mean age of 43. In Oba market 56.52% are within the age group of 21-40 years, 43.48% are within the age group of 41-60 years with an average mean age of 41. In New Benin market, 38.1% are within the age group of 21-40 years, 61.9% are within the age group of 41-60 years with an average mean age of 44. In Ekiosa market 46.15% are within the age bracket of 21-40 and 41-60 years, 7.69% are within the age bracket of 61-60 years with a mean age of 45. It can be concluded from the pooled result with an average mean of 43 that marketers of groundnut in the study area are in their middle age (41-60 years). This shows that groundnut marketers are energetic

and fit to carry out the marketing activities effectively. These findings are synonymous with the findings of Umezurike (2015) who found the same result and submitted that this may be due to the energy requirement involved in the marketing of raw groundnut.

Household Size

The distribution of household size is also presented in table 4.1. The result showed that 78.95% of marketers, which is more than half, had a small household size (1-5) and 21.05% were medium household. Which indicates that in every 100 marketers of groundnut 79 had small household size and 21 had medium household size. The result from the three markets agrees with the pooled result of the majority of the marketers having a small household. This result suggests that a higher proportion of the marketers of groundnut in the study area has small household size. This result is in alignment with the finding of Ibe *et al*, (2022) on Profitability Analysis of Bambara Groundnut Marketing in Enugu Metropolis, Enugu State, Nigeria, which indicates that the marketers have moderate household size, which might not put financial pressures on their enterprises.

Marital Status

Table 4.1 also contains results for marital status of groundnut marketers. From the results, it shows that more than half of the total population of the marketers are married (73.68%), while 12.28% are single and 14.04% are widowed. In response to this result it means that

in every 100 of groundnut marketers, 12 were single, 74 were married and 14 were widowed. It is in agreement with the findings of Alfred *et al*, (2019) on the Profitability Analysis of Groundnut (*Arachis hypogaea* L.) Marketing in Yola North Local Government Area of Adamawa State, Nigeria. In New Benin market (76.19%) as well as Oba (17.39%) and Ekiosa market, majority of the marketers were married. Considering the whole result, it shows that there are more married people engaging in marketing activities of groundnut than single and the widowed. The marketing of groundnuts could serve as a means of income to cater for their household.

Category of Marketers

Table 4.1 showed the distribution of the category of marketers, of which 56.14% of the marketers are involved in wholesale, 42.17% are involved in both wholesale and retail while 1.75% engage in retail marketing alone. New Benin 61.9% and Ekiosa 53.85% market has a higher number of the marketers involved in both wholesale and retail marketing, but this is not so with Oba market that has almost the same percentage of retailers and wholesaler/retailer 42.17%, and a lower number of 4.35% retailers. This indicates that more marketers of groundnut carry out both wholesale and retail. Engaging in both wholesale and retail will tend to increase their number of customers and also increase their sales.

Category of Buyers

Table 4.1 showed the distribution of the category of buyers. A total of 59.65% of retailer/consumers and 40.35% of consumers, Oba market had 73.91% of retailer/consumers and 26.09 of consumers, New Benin market had 61.9% of retailer/consumer and 38.1% of consumers while Ekiosa had 30.77% of retailer/consumers and 69.23% of consumers. This shows that the majority of the marketers of groundnut in the study area sell to both retailers and consumers. Selling both retail and wholesale will increase the rate of sales.

Table 4.2: Marketing Costs and Return Structure per kg of Groundnut Marketers.

| Variables | Pooled | | Oba market | | New Benin market | | Ekiosa market | |
|----------------------------|-------------------|---------|-------------------|---------|--------------------|----------|-------------------|---------|
| | Mean | S.D | mean | S.D | Mean | S.D | mean | S.D |
| Rent | 31.58 | 44.46 | 16.95 | 39.69 | 36.95 | 45.66 | 48.82 | 45.61 |
| Packaging | 11.74 | 22.27 | 5.45 | 10.22 | 8.61 | 16.37 | 27.94 | 36.05 |
| Security | 15.16 | 24.33 | 6.34 | 15.16 | 16.71 | 25.09 | 28.24 | 30.78 |
| Cost of waste | 6.06 | 11.45 | 4.28 | 13.31 | 6.93 | 10.66 | 7.77 | 9.35 |
| cost of table | 7.74 | 18.16 | 5.14 | 18.06 | 9.03 | 16.76 | 10.05 | 21.23 |
| cost of bowl | 0.31 | 1.07 | 0.02 | 0.08 | 0.44 | 1.58 | 0.61 | 0.90 |
| cost of paint rubber - | | 0.02 | 0.01 | 0.03 | - | 0.01 | - | - |
| cost of rubber | - | 0.01 | - | - | - | 0.01 | 0.01 | 0.20 |
| cost of cup | 0.08 | 0.32 | 0.17s | 0.06 | 0.19 | 0.50 | 0.46 | 0.08 |
| Total fixed cost | 72.98 (0.04) | 100.69 | 37.47 (0.02) | 88.3 | 78.89 (0.06) | 91.56 | 123.53 (0.95) | 117.10 |
| Total variable cost | 1406.46 (0.95) | 1440.10 | 1706.76 (0.97) | 2248.19 | 1227.47 (0.93) | 181.4147 | 1164.29 (0.90) | 254.14 |
| Gross margin | 790.42 (0.35) | 2139.33 | 86.90 (0.02) | 2553.55 | 1336.506 (0.52) | 1774.47 | 1152.97 (0.49) | 1594.66 |
| Profit | 715.85 (0.32) | 171.24 | 13.41 (0.00) | 2604.16 | 1257.60 (0.49) | 1813.51 | 1029.44 (0.44) | 146.48 |

Source: Computed from Field Survey, 2024, values in Parenthesis are Proportions

Table 4.2 showed total costs incurred in the marketing of groundnut in Oredo Local Government Area of Edo State Nigeria. to market a kg of groundnut it will cost, ₦31.58 of rent, ₦11.74 of packaging, ₦15.16 of security, ₦6.06 of waste payment, ₦7.74 of table, ₦0.31 of bowl, ₦0.08 of cup, with their respective standard deviation of 44.6, 22.27, 24.33, 11.45, 18.16, 1.07, 0.01 and 0.32. This indicates that the total cost of marketing a kg of groundnut in the study area is ₦1479.98, suggesting that groundnut marketers in the area spend a higher percentage of their marketing cost on rent.

Total fixed cost: Table 4.2 showed the mean cost with ratio and standard deviation of the total fixed costs of marketing groundnut in the study area. The total fixed cost of ₦72.98 with a standard deviation of 100.69 and a ratio of 0.04. Ekiosa market has a total fixed cost of ₦123.53 with a standard deviation of 117.10 and a ratio of 0.95, Oba market has the lowest fixed cost of ₦37.47 with a standard deviation of 88.3 and a ratio of 2. A higher proportion of marketing cost in Ekiosa is spent on fixed costs. This result does not agree with the findings of Alfred *et al*, (2019) on the Profitability Analysis of Groundnut (*Arachis hypogaea* L.) Marketing in Yola North Local Government Area of Adamawa State, Nigeria, in which the fixed cost of marketing a kg of groundnut is ₦3.13. This could be as a result of the inflation in price of goods and commodities in Nigeria.

Total variable cost: Table 4.2 showed the mean cost with ratio and standard deviation of the total variable cost of marketing groundnut in the study area. A total variable cost of ₦1406.46 with a standard deviation of 1440.10 and a ratio of 0.95 was incurred in the

marketing per unit of groundnut. This indicates that more expenses are incurred on variable cost than fixed cost in the study area. Oba market had the highest variable cost of ₦1706.76 with a standard deviation of 2248.19 and a ratio of 0.97 of the total variable costs. Ekiosa market has the lowest variable cost of ₦116.29 with a standard deviation of 252.14 and a ratio of 0.95 of the total cost. Oba market spends a higher proportion of their marketing cost on variable items. It contradicts with the finding of Bello *et al* (2019) Profitability of Groundnut Marketing in Katagum Local Government Area, Bauchi State, Nigeria, that had a total of 133.11 spent on variable cost per kg of groundnut. This could be as a result of economic instability.

Gross margin

Table 4.2 showed the mean with ratio and the standard deviation of the gross margin of groundnut marketers in the study area. From the result, the marketing of groundnut in the study area has a gross margin of ₦790.42 with a standard deviation of 2139.33 and a ratio of 0.35. New Benin market had the highest gross margin of ₦1336.506 with standard deviation of 1774.47 and a ratio of 0.52, Oba market had the lowest gross margin with a mean of ₦86.90 with a standard deviation of 2553.55 and a ratio of 0.02. This result suggests that New Benin marketers are more efficient in maximizing their marketing functions than the other markets. the result is in contradiction with Ajegen *et al*, (2021), on the Marketing Efficiency of groundnut in Nasarawa State, Nigeria, who from his study found out that the gross margin of marketing a kg of groundnut is ₦201.60.

Profit

Table 4.2 showed the profit of marketing a kg of groundnut in the study area. The profit from the pooled result is ₦715.85 with a standard deviation of 2171.24 and a ratio of 0.32. This suggests that for every unit of groundnut sold the marketers make a profit of ₦715.85. New Benin had the highest profit of ₦1257.60 with a standard deviation of 1813.51 and a ratio of 0.49, Oba market had the lowest profit of ₦13.41 with a standard deviation of 2604.16 and a ratio of 0.2 It can be said that marketers in New Benin market are making more profit per kg of groundnut sold than the other two markets. The result of the study agrees with the earlier findings of Hamidu *et al*, (2006) on the Profitability analysis of groundnut (*Arachis Hypogae L*) processing among women entrepreneurs in Bauchi Metropolis who stressed that groundnut marketing is a profitable business.

4.3 Price Variation between Markets in the Study Area

| Variable | Pooled | Oba market | New Benin market | Ekiosa market |
|----------|---------|------------|------------------|---------------|
| Mean | 1356.12 | 1377.56 | 1356.16 | 1318.09 |
| S.D | 136.48 | 124.12 | 148.02 | 140.41 |
| C.V | 0.10 | 0.09 | 0.10 | 0.10 |
| C.V(%) | 10 | 9 | 10 | 10 |

Source: Computed from Field Survey, 2024

Table 4.3 showed the variation in price of groundnut between markets in the study area. The price of a kg of groundnut in the pooled result is ₦1356.12 with an inconsistency in price of 136.48 and a 10% variation in price. New Benin market has a similar result with the pooled, with a 10% variation in price, Oba market has a mean price of ₦1377.56 per kg of groundnut with an inconsistency of 124.12 and a 9% variation in price. Ekiosa market had a lower mean price of ₦1318.09 with an inconsistency of 140.41 and a variation of 11%. This result indicates the difference in price between the various markets. Since New Benin has a similar price with the general price of the study area, it can always be considered for the purchase of groundnut.

4.4 OLS Parameter Estimates of Groundnut Selling price across Markets

| variables | parameter | Coefficient | Margin | S.e | t-val | p> t |
|---------------------|-------------------|------------------------------|---------|-------|-------|------|
| Ekiosa market | (β_1) | -59.47 | | 47.54 | -1.25 | 0.21 |
| New Benin market | (β_2) | -21.40 | | 41.35 | -0.52 | 0.60 |
| Oba (base market) | (β_0) | 1377.56 | | 28.57 | 48.22 | 132 |
| | | | | | | 0.28 |
| | R-square | 0.028 | | | | |
| | Adjusted R-square | -0.008 | | | | |
| | | Pairwise comparison of price | | | | |
| Ekiosa | | | 1318.09 | 38.00 | | |
| New Benin | | | 1356.16 | 29.89 | | |
| Oba | | | 1377.56 | 28.57 | | |
| New Benin vs Ekiosa | | | | 48.35 | 0.79 | 0.43 |
| Oba vs Ekiosa | | | | 47.54 | 1.25 | 0.21 |
| Oba vs New Benin | | | | 41.35 | 0.52 | 0.60 |

Source: Computed from Field Survey, 2024

Table 4.4 represents the ordinary least square parameter of groundnut selling price across the markets. Simple regression model was used to analyze the comparison of price between the individual markets. Oba market was used as the base market. The result gave a multiple coefficient of determination (R^2) 0.028 (with an adjusted R^2 of -0.008). The result shows that 2.8% of the variation in price of groundnut was only explained, the adjusted R^2 of -0.008 further implies that the model has a very. Oba, New Benin and Ekiosa had selling prices of 1377.56, 1356.16 and 1377.56 respectively. The base market and New Benin market had a price difference of 21.40 at 60% level of significance. This result indicates that there is no significant variation in the price of groundnuts across the market. The above finding is supported by Maurya *et al*, (2017) on price spread and marketing efficiency of groundnut marketing in Gorakhpur districts of eastern U.P, whose result shows that there is no significant difference between the prices in the markets under study.

4.5 Constraints faced by Groundnut Marketers in the Study Area

| Variables | Pooled | | Oba market | | New Benin market | | Ekiosa market | |
|-----------------------------|--------|------|------------|------|------------------|------|---------------|------|
| | mean | S.D | mean | S.D | mean | S.D | mean | S.D |
| Insufficient Capital | 4.42 | 0.59 | 4.43 | 0.58 | 4.42 | 0.59 | 4.38 | 0.65 |
| Poor transportation | 4.17 | 0.68 | 4.26 | 0.68 | 4.23 | 0.62 | 3.92 | 0.75 |
| Poor credit facility | 3.33 | 0.85 | 3.56 | 0.89 | 2.90 | 0.62 | 3.61 | 0.86 |
| High cost of transportation | 4.43 | 0.68 | 4.47 | 0.66 | 4.61 | 0.74 | 4.07 | 0.49 |
| High cost of purchase | 4.66 | 0.57 | 4.69 | 0.47 | 4.57 | 0.67 | 4.76 | 0.59 |
| High market charges | 2.26 | 0.51 | 2.26 | 0.54 | 2.19 | 0.40 | 2.38 | 0.65 |

Source: Computed from Field Survey, 2024

Table 4.5 showed seven items ranked on a five-point Likert scale in order to estimate the variables that act as constraints on the marketing of groundnut in the study area. The pooled result shows the mean and standard deviation of each of the variables. Insufficient capital has a mean of 4.42 with a standard deviation of (0.59), poor transportation 4.47(0.68), poor credit facility 3.33(0.85), high cost of transportation 4.43 (0.68), high cost of purchase 4.46 (0.57) and high market charges 2.26(0.51). These were the identified constraints faced by the marketers. This indicates that insufficient capital, poor credit facility and high cost of transportation are serious constraints faced by the marketers. Poor credit facility was moderately serious, high market charges are less serious while high cost of purchase is very serious in the study area. This is in line with the findings of Adinya (2009) who find out that lack of capital is one of the major constraints facing marketers. The ranking of the constraints in Oba market was similar to that in the pooled result. In New Benin market insufficient capital and poor credit facilities were serious constraints, high cost of transportation and high cost of purchase were very serious constraints, poor credit facility and high market charges were less serious constraints. In Ekiosa market insufficient capital and high cost of transportation were serious constraints, poor transportation and poor credit facility were moderately serious, high cost of purchase was very serious and high market charges were less serious. High cost of purchase happens to be the highest constraints faced by the marketers. This could be as a result of an increase in the cost of transporting the commodity from the

point of production to the market and the current economic stand of the nation which has led to inflation of price of most commodities.

CHAPTER FIVE

5.0 SUMMARY. CONCLUSION AND RECOMMENDATION

5.1 Summary

The focus of this study was on groundnut marketing in Oredo Local Government Area, Edo State, Nigeria. Describing the social economic characteristics, examining the cost and return of marketing groundnut, examining the variation in price across the markets and identifying the constraints faced in groundnut marketing, were the specific objectives of the study. Both primary and secondary data were used, the data were obtained through structured questionnaires, the secondary data were obtained from journal articles, textbooks and interviews. A-three (3) stage sampling procedure was used in selecting groundnut marketers needed for the study. In the first stage, five markets were selected using purposive sampling due to their location in Oredo Local Government Area. They were also the major markets found in the study area that carry out groundnut marketing. The sampled markets were Oba, Ekiosa, Newbenin, Santana and New market. In the second stage, snowballing technique was used to establish the size target population of the market within the study area. The size of the target population was respectively 37, 22, 31, 17 and 12 in Oba, Ekiosa, New Benin, Santana and New market amounting to a total of 119 groundnut marketers. Oba market, New Benin market and Ekiosa market were then purposely selected due to their larger proportion of groundnut marketers. In the third

stage, a simple random sampling technique was used to select the groundnut marketers from the target population of the sampled markets based on their percentage contribution to total groundnut marketers. With a sample size of 60 groundnut marketers, 24, 22 and 14 groundnut marketers respectively were selected from Oba, New Benin and Ekiosa market.

Both descriptive and inferential statistics were used including mean, frequency counts and standard deviation was used to describe the socio economic characteristics, inferential statistics such as multiple regression was used to examine the price difference among the markets while gross margin analysis was used for the cost and return structure.

Findings

(57.89%) of groundnut marketers were female, about half of them were between the ages of 41-60 years (50.88%), majority of the marketers were married with a small household size of 1-5. A good number of them were also involved in both wholesale and retail marketing.

From the examination of cost and return it was observed that the cost of a unit kilogram of groundnut is ₦1356.12 with a profit of ₦715.83. Suggesting that the marketing of groundnut is profitable in the study area.

Examining the variation in price of groundnut across the markets, it was discovered that there is no significant difference in the price of groundnut between New Benin, Ekiosa and the base market (21% and 60 %). The various markets sell groundnuts at a very similar price.

Major constraints faced by groundnut marketers include high cost of purchase, poor transportation, insufficient capital, high cost of transportation and poor credit facility.

Conclusion

It can therefore be concluded from the study that women are more involved than men in marketing of groundnut in the study area. The gross margin of marketing groundnut in the study area is ₦790.42 and a profit of ₦1356.12 is obtained. Market with the highest gross margin is New Benin market when compared to the others. The study highlighted that marketers in the study area face synonymous problems of high cost of purchase, poor transportation and high cost of transportation. It can also be concluded from the study that there is no significant variation in price of groundnut in the various markets in the study area.

Recommendation

The following should be placed under consideration based on the findings:

1. From the study, the marketing of groundnut is a profitable business and women are more involved than men and are within the age group of 41- 60. It can be a

business opportunity for men and youths who are unemployed and become financially fit to generate income for themselves.

2. Cost management and optimization should be a priority for marketers in light of the identified issues of high cost of purchase and transportation. Strategies should aim to secure more favorable terms with suppliers, consider alternative transportation methods, and streamline logistics to minimize cost, thereby enhancing profitability. The marketers could also form marketer's cooperatives and put resources together which can also help to minimize cost.
3. Although there are no notable differences in price among markets, price stability can be achieved through effective supply chain management practices or agreements on pricing among markets. This approach will cultivate a sense of trust and reliability in the market, which will benefit both sellers and buyers alike.
4. On the basis of insufficient capital as one of the constraints faced by the marketers in the study, financial institutions and agricultural banks should provide funds and assistance to the marketers in forms of loans. This move will help to increase the individual capital base of groundnut marketers and also serve as a form of encouragement to others having interest in the business.

REFERENCES

- Aboki, E., Bashir, M. B., Nakwe, S. H. G., Ndaghu, A. A. and Abdulazeez, A.W. (2018). Resource Use Efficiency in Groundnut Production Gassol Local Government Area of Taraba State, Nigeria.
- Ajagena, E.P., Ezihe J.A.C, Ogah, M.O and Adekule, E.A. (2021) Marketing Efficiency of Groundnut in Nasarawa State, Nigeria. *International Journal of Agricultural Policy and Research* Vol.10(2), pp. 38-43, march 2022.
- Ajagena E.P, Ezihe J.A.C, Ogah M.O and Adekunle (2022) Marketing Efficiency of groundnut in Nasarawa State, Nigeria.
- Alfred, B. Onu, J.I., Tashkalma, A.K and Dia, Y.Z. (2019). Profitability Analysis of Groundnut (*Arachis hypogaea* L.) Marketing in Yola North Local Government Area of Adamawa State, Nigeria. *FUW Trends in Science & Technology Journal*, www.ftstjournal.com e-ISSN: 24085162; p-ISSN: 20485170; December, 2019: Vol. 4 No. 3 pp. 892 – 895.
- Audu, S. I., Girei, A. A., Onuk, E. G. and Onyenye, P. O. (2017). Productivity and Profitability of Groundnut Production (*Arachis hypogea* L.) in Lafia Local Government of Nasarawa State, Nigeria. *Asian Research Journal of Agriculture*, 4(3):1 – 11.
- Bako, R. U., Ibrahim, F. D., Ojo, A. O. and Mohammed, U. S. (2021). Analysis of Structure and Performance of Groundnut Marketing in Niger State, Nigeria. *Journal of Agripreneurship and Sustainable Development (JASD)* Volume 4, Number 1, March, 2021 ISSN (Print): 2651-6144; ISSN (Online): 2651-6365.
- Bello. M, Ibrahim. A, Tahir, A.D, Usman, M. A. (2019). Profitability of Goundnut Marketing in Katagum Local Government Area, Bauchi State, Nigeria. © *IJCIRAS* | ISSN (O) - 2581-5334 May 2019 | Vol. 1 Issue. 12.
- Cronje, GJ, Du Toit GS, Motlatla, & Marias, Ade K. (2007). *Introduction to business management*. 6th Edition.

Ekunwe P.A, Emokaro C.O, and Aigba G.A (2013). Social Economic determinant of output of groundnut production in Etsako West Local Government Area Edo State, Nigeria.

FAO. (2019). “Groundnut Market Value Chain Analyses in Nigerian”. Food and Agricultural organization of the United Nation.

FAOSTAT/FAO Statistical Databases (2022). Food and Agricultural Organization of the United Nations Database of Agricultural Production. <http://www.fao.org/faostat>.

Gerei, A. A.,Sauna, Y., & Dire, B. (2013). An Economic Analysis of Groundnut (Arachis Hypogea) in Hong Local Government Area of Adamawa state, Journal of Agriculture and Crop Research,1(6),84-89.

Girei, A. A., Audu, S., Onuk, E. G. and Ismail, Z. M. (2016). Why the Economics of Groundnut Processing in Akwanga Local Government Area, Nasarawa State, Nigeria. Scientific Papers Series Management, Economic Engineering in Agriculture and Rural Development, 16:224-226.

B. Adinya. (2009). Analysis of Cost>Returns Profitability in Groundnut Marketing in Bekwara Local Government Area Cross River State, Nigeria. The Journal of Animal & Plant Sciences 19(4): 2009, Pages: 212-216 ISSN: 1018-7081.

Ibrahim, M., Florkowski, J. W. and Kolavalli, S. (2012). The Determinants of Farmer Adoption of Improved Peanut Varieties and their Impact on Farm Income: Evidence from Northern Ghana.

Ibrahim, U., Ayinde, B.T., Dauda, H. and Muktar, A. A. (2013) Socio-Economic Factors Affecting Groundnut Production in Sabon Gari Local Government of Kaduna State, Nigeria. *International Journal of Food and Agricultural Economics*, 1(1):41 – 48.

Janila, P., Variatith, M. T., Pandey, P., and Radhakrishnam, T. (2016). Genetic Variability and Interrelationship of Nutrient Traits in Genotypes of Groundnut Germplasm Collection. *Peanut Science*, 43(2), 94-103.

Kotler, P., Kartajaya, H., & Setiawan, I. (2016). *Marketing 4.0: Moving from Traditional to digital*. John Wiley & Sons.

- Meinzen-Dick, R., Quisumbing, A., Doss, C., & Theis, S. (2017). Women's Land Right as a Pathway to poverty Reduction: A Framework and Review of Available Evidence. *Agricultural System*, 152,165-175.
- National Agricultural Extension Research and Liaisons Service (NAERLS) (2011). *Agricultural Survey for 2011 wet season*.
- Nwanosike, M. R. O. (2011). Economic Analysis of Groundnut Marketing in Rafi Local Government. *International Research Journal of Applied and Basic Sciences*, 2(4): 155- 162.
- Maurya, S.O., Kushwaha, R.R., Mourya K.K., and Sarvesh K. (2017). Price Spread and Marketing Efficiency of Groundnut Marketing in Gorakhpur District of Eastern U.P\.. *Journal of pharmacology and phytochemistry* 2017; 6(6): 712-715.
- Oguniyi, L.T., Ajao, O. A. (2012). *Global Journal of Science Frontier Research, Agriculture & Biology, Gender Comparison in Production and Productivity of Cocoa Farmers in Ile Oluji Local Government Area of Ondo State, Nigeria*.
- Sharma, K. L., & Rathord, P.K.(2016). Groundnut Production and Marketing in India: An Economic Analysis.” *Intenational Journal of Current Microbiology and Applied Sciences*, 5(4), 747-753.
- Sharma, R. (2018). *Agricultural marketing*. In R. (Ed.), *Agricultural Marketing: Perspective and Issues* (PP. 1-5) New Delhi: Springer.
- Singh, S., Basu, P. S., & Singh, A.(2019). Groundnut: A Perspective on Current Status and Future Potential. *Indian Journal of Genetics and Plant Breeding*, 79(3), 629-63.
- Taphee, G. B. and Jongur, A. A. U. (2014). Productivity Efficiency of Groundnut Farming in Northern Taraba State, Nigeria. *Journal of Agriculture and Sustainability*, 5(1):45 – 56.
- Taphee, G. B., Giroh, D. E., Jongur, A. A. U. and Jen, E. I. (2015). Analysis of Profitability of Groundnut Production in Northern Part of Taraba State, Nigeria. *International Journal of Computer Applications*, 125(1):34 – 39.

- Taru, V. B., Kyagal, I. Z. and Mshelia, S. I. (2010). Profitability of Groundnut Production in Michika Local Government Area of Adamawa State, Nigeria.
- Umar, A. S. S. , Adamu, H. D. and Yakubu, S. A. Economics of Groundnut Marketing Margins and Efficiency in Damboa Local Government Area of Borno State, Nigeria. *Journal of Agricultural Economics, Environment and Social Sciences* 4(1):40 – 47 June, 2018.
- Usman, J., Yahaya, N., & Mohammed Mazizah, E. (2019). Influence of groundnut shell ash on the properties of cement pastes. *IOP Conference Series: Materials Science and Engineering*, 601(1), 012015. <https://doi.org/10.1088/1757-899x/601/1/012015>.
- Whitley ML, Isleib TG, Hendrix KW, Sanders TH, Dean LO (2011) Environmental and varietal effects on nia-cin content of raw and roasted peanuts.
- Yu J, Ahmedna M, Goktepe I (2005) Effects of processing methods and extraction solvents on concentration and antioxidant activity of peanut skin phenolics. *Food Chem* 90:199–206

APPENDIX

RESEARCH QUESTIONNAIRE

DEPARTMENT OF AGRICULTURAL ECONOMICS AND EXTENSION SERVICES,
FACULTY OF AGRICULTURE, UNIVERSITY OF BENIN, BENIN CITY, NIGERIA

Dear Sir/Madam,

I am a 500 level student of the above-named school and department. This questionnaire is designed to obtain information on “**Economics of Marketing Groundnut in Oredo Local Government Area Edo State**”. The research is simply for academic purpose, and information provided will be treated with utmost discretion.

Your assistance is therefore sought for in providing answers to the following questions.

Thank you in advance for your cooperation.

Angela ERIFET
Researcher.

INSTRUCTIONS: Please tick (✓) or fill the necessary information as may be appropriate

SECTION A: SOCIO-ECONOMIC CHARACTERISTICS

- (1) Location of market: Latitude.....
Longitude.....
- (2) Category of groundnut marketer (a) wholesale [] (b) Retailer [] (c) Farmer []

(3) Market:.....
.....

(4) Sex _____ of _____ the
respondent:.....

(5) Age:..... years

(6) Marital status: (a) Single [] (b) Married [] (c) Divorced [] (d) Widowed []
(e) Separated []

(7) Household
size:.....

SECTION B: GROUNDNUT MARKETING INFORMATION

(8) Who do you buy your groundnut from? (a) farmers (b) wholesalers

(9) What quantity of groundnut do you buy and how much does it cost?

| Unit | Quantity | Cost (N) |
|----------------|-----------------|---------------------|
| Bag | | |
| Paint rubber | | |
| Other(specify) | | |

(10) How much do you sell your groundnut?

| Unit | Quantity | Cost (N) |
|------------------|-----------------|---------------------|
| Bag | | |
| Paint rubber | | |
| Cup | | |
| Others (specify) | | |

- (11) What quantity do you consume from your purchase?.....
- (12) Who do you sell to? (a) Retailer [] (b) Final consumer []
- (13) How much do you spend on the following marketing activities for the above quantities you sell?

| S/N | Marketing functions | Cost (₦) |
|-----|---------------------|----------|
| 1 | Loading | |
| 2 | Off Loading | |
| 3 | Transportation | |
| 4 | Marketing charges | |
| 5 | Packaging | |
| 6 | Storage | |
| 7 | Rent | |
| 8 | Packaging | |
| 9 | Security | |
| 10 | Others (specify) | |

- (14) What determine the price at which you sell your groundnut (a) Cost price [] (b) Negotiation of the buyer [] (c) Quantity available for sale [] (d) Quantity purchased per buyer [] (e) Market cost [] (f) All of the above []
- (15) What method do you use to attract customers? (a) Open display [] (b) Persuasive effort [] (c) Discount [] (d) Others (specify).....

SECTION C: CONSTRAINTS IN GROUNDNUT MARKETING

Please tick (✓) appropriately the problems you encounter during the marketing process.

VS = Very serious; S = Serious; MS =Moderately serious; LS = Least serious; NS = Not serious.

| S/N | Marketing problems | VS | S | MS | LS | NS |
|------------|-----------------------------|-----------|----------|-----------|-----------|-----------|
| 1 | Insufficient capital | | | | | |
| 2 | Poor Transportation System | | | | | |
| 3 | High Cost of Transportation | | | | | |
| 4 | Poor Credit Facilities | | | | | |
| 5 | High cost of purchase | | | | | |
| 7 | High market charges | | | | | |
| 8 | Others (specify) | | | | | |