

CHICKEN EGG MARKETER'S CHARACTERISTICS AND MARKET SHARE IN ABIA STATE, NIGERIA.

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ABSTRACT

The objective of this study was to describe the socio-economic characteristics of chicken egg marketers (wholesalers and retailers) in Abia State. Multi-stage random sampling technique was used in three Agricultural zonal markets to select both markets and egg marketing operators in the state. Primary data was collected in survey that used structured questionnaire that addressed market share attributes of chicken egg marketers. Descriptive statistics such as mean, frequency tables and percentages were used in capturing the socioeconomic characteristics of the respondents. The results showed a responsive chicken egg consumption market consisting of more male chicken egg wholesalers than female chicken egg wholesalers. Amongst the retailers, more women were involved than men in the area. Wholesalers had 67.2% market share with retailers controlling 32.8% share of the market. Chicken egg marketing showing both gender and scale sensitivity in the area requires structure and financial alignment that should allocate resources recognizing such attributes. To activate the marketing functions performed at all levels by these operators in the area and ensure that consumers enjoy value for their spending on eggs I recommended unhindered access to chicken egg wholesalers and retailers in the state.

Keywords: Chicken Egg, Market Share, Marketers, Abia State.

INTRODUCTION

Marketing of Agricultural products such as chicken eggs involve performance of all activities in the flow of eggs from the farms until they are in the hands of ultimate consumers (Adesiyani *et al* 2007; Adekanye, 1988). Chicken egg marketing start from farms where farmers pack the eggs in trays and crates after sorting and grading and from where egg marketers pay and take delivery of their purchases to owned or rented stalls. Aduku (2002) observed that the eggs are packaged in crates of 30 pieces and sold to middlemen (retailers and wholesalers) and some other consumers especially households, fast food centres' and schools.

Yusuf and Malomo (2007) had noted that protein intake in foods by Nigerians was below universal recommendation. They noted that persons in urban areas in Nigeria took an average of 28 grammes of animal protein per caput per day, with those in rural areas taking an average of 17 grammes of protein per caput per day. These are below the Food and

Agriculture Organization (FAO) recommended 35 grammes of animal protein intake per caput per day. Chicken eggs sales provide revenue and business profits to both the farmers and the marketers (wholesalers and retailers). The livestock sub-sector including egg sales have contributed 10.36% of the agricultural component of the Gross Domestic Product (GDP) (Central Bank of Nigeria CBN, 2010); and possess great potentials in providing more lucrative employments to Nigerians. However, farm product sale activities in Nigeria have been hampered by problems including small localized markets, price fluctuations, product glut, inadequacy and poor transportation. (Mohammed *et al* 2013).

Consumers buy chicken eggs to help themselves solve problem of protein and caloric deficiencies in diets and by doing so mitigate incidencies of serious diseases in developing communities (Nurudeen, 2012). Demand for eggs in Abia State has been high among confectionaries, hoteliers, supermarkets and households (Ogbonna, 2017). Market share refers to that portion of the market controlled by a particular product or participants in the product market. Chicken egg market share empirically gives idea of the proportion of revenue realized from egg sales by particular categories of marketers in relation to total realized from egg sales by all over a period. This is important to determine who controls the market and helps to give in an index of marketing structure of a product in an area. In the bid to determine this, the following specific objectives have been addressed by this study: (i) describing marketing characteristics of chicken egg marketers; and (ii) determining market share to market participants in Abia State, Nigeria.

MATERIALS AND METHOD

This Study was carried out in Abia State Nigeria. The state is located in the south eastern zone of Nigeria between longitudes 7° 5'E and 7° 3'E of the Greenwich Meridian and Latitudes 4° 5'N and 6° 7'N of the Equator. Abia state has a population of 2.83million persons (NPC, 2006) living in 17 of 774 Local Government Areas (LGAs) in Nigeria. Agriculturally, Abia is clustered in three (3) zones namely Aba, Ohafia and Umuahia Agricultural zones. The constituent LGAs of the zones are Arochukwu, Ohafia, Bende, Isuikwuato, and Umunneochi in Ohafia zone; Umuahia North, Umuahia South, Ikwuano, Isiala Ngwa North and Isiala Ngwa South in Umuahia zone; and Osisioma Ngwa, Obingwa, Aba North, Aba South,

Ugwunagbo, Ukwa West and Ukwa East in Aba Agricultural zone.

Multi-stage random and purposive sampling methods were used in selecting locations and respondents for this study. First, two Local Government Areas (LGAs) were randomly chosen from each of the three (3) agricultural zones. This gave a sample of six local Government areas. Second, two chicken egg markets (one major- urban and one minor- rural market) were randomly selected from each of LGA's, and this gave twelve markets (six major and six minor egg markets) used for this study. The chosen markets are Ohafia urban market, Uzuakoli from Ohafia zone; Ubani market, Orié Ntigha from Umuahia zone; and Ariaria market, Obehie market from Aba agricultural zone.

Data for this study were obtained from primary source (the chicken egg marketers-buying and selling in bulk(wholesalers) and persons buying and selling eggs in few crates and in pieces (retailers)) using structured questionnaire which addressed quantity of chicken eggs bought and sold and the spread of consumers in the area. Data were collected on socio-economic characteristics of Chicken egg wholesalers and retailers. The collected data were presented descriptively in frequency Tables and further analysed with market share model. The market share was estimated with a model adapted from model update by Hartman, in 2017:

$$M.S = \frac{R \text{ or } W}{R + W} \times 100$$

Annual Revenue / Total Revenue of Both R and W in the year.

Where:

R= Retailers;

W= Wholesalers and

M.S= Market Share.

RESULTS AND DISCUSSION

Distribution of Chicken Egg Marketers By Socioeconomic Characteristics in Abia State.

The distribution of chicken egg marketers in Abia State by age (Table 1.0) showed that 50% of wholesalers and 41.7% of retailers were within the age bracket of 36 – 45 years. The mean age of wholesalers and retailers of chicken egg marketers was 46.13 and 40.8 years respectively. This indicates that the wholesalers and retailers were adults, matured enough to understand the rudiments of involving in risk of fragile product(chicken eggs). These findings conform to the observation of Adaigbo *et al.* (2012) that youths especially university graduates are currently dominating the poultry product sales in rural Nigeria.

Table 1.0 further showed that 70.0% of wholesalers of chicken eggs in Abia State were male and 30.0% were females. This implies that males dominated the wholesale chicken egg marketing business in Abia State. The Table showed that 80.0% of retailers of chicken egg in the State were females while 20.0% were males. This finding is consistent with Igwe (2014) in her study on the marketing of poultry and fish products by wholesalers and retailers in Abia State which indicated female dominance in retail poultry and fish products.

The distribution of chicken egg marketers in Abia State by marital status is presented in Table 1.0. The Table showed that 63.3% of wholesalers and 70.0% of retailers were married. This finding is consistent with Afolabi (2010) who in his study argued that marriage makes most individuals to be responsible to engage more in jobs that help them cater for the needs of their family members.

The distribution of chicken egg marketers in Abia state by years of schooling is presented in Table 1.0. The Table revealed that 73.3% of wholesalers and 53.3% of the retailers of the chicken egg marketing in Abia State had secondary education. This supports the findings of Onubuogu *et al.*, (2014) who asserted that individuals with higher educational attainment usually adopt improved farm-based technologies.

The distribution of chicken egg marketers in Abia state by membership of cooperative society in the Table showed that 66.7% of chicken egg wholesalers in Abia state were members of cooperative societies while 33.3% of them do not belong to any of such societies or associations. Membership of cooperative society affords marketers opportunity of sharing information on modern production techniques, purchasing inputs in bulk as well as exchanging labour . The result supports the findings of Esiobu *et al.*, (2014) who reported that membership of cooperatives help agribusiness entrepreneurs to have information and project a collective demand.

The distribution of chicken egg marketers in Abia state by access to credit is presented in Table 1.0. The Table showed that 60.0% of wholesalers and 78.3% of retailers had no access to credit. Increased access to trade credit predisposes a business owner to use better marketing resources that increase business output and hence lead to higher revenue generation. This is in line with the findings of Onu and Iliyasu, (2008), that access to credit is important to farmers to enable them acquire improved technology which promotes financial performance and efficiency.

Table 1.0: Distribution of Chicken Egg Marketers By Socioeconomic Characteristics in Abia State, Nigeria (wholesalers = 60; retailers = 60) (n = 120).

Socioeconomic characteristics	Category	Wholesalers		Retailers	
		Freq.	%	Freq.	%
Age of Chicken egg marketers	26 – 35	25	41.7	8	13.3
	36 – 45	30	50.0	25	41.7
	46 – 55	3	5.0	17	28.3
	56 – 65	2	3.3	10	16.7
	Mean	46.13		40.8	
Gender	Male	42	70.0	12	20.0
	Female	18	30.0	48	80.0
Marital status	Married	38	63.3	42	70.0
	Single	11	18.3	10	16.6
	Divorced	1	1.7	4	6.7
	Widowed	9	15.0	3	5.0
	Separated	1	1.7	1	1.7
Years of schooling	No schooling	4	6.7	2	3.3
	Primary	6	10.0	12	20.1
	Secondary	44	73.3	32	53.3
	Tertiary	6	10.0	14	23.3
Cooperative Societies membership	No	20	33.3	32	53.3
	Yes	40	66.7	28	46.7
Access to credit	No	36	60.0	47	78.3
	Yes	22	36.7	13	21.7

Source: Field survey data, 2018.

Distribution of Marketing Characteristics of Chicken Egg Farms

Table 2.0 showed that the location of egg markets and the distribution of marketing characteristics of chicken egg farms revealed that 65.0% of the chicken egg farms sold their eggs at the urban markets with 31.7% of such farms selling their eggs at the semi-urban markets and 3.3% of them selling chicken eggs in rural markets. Ibeagwa *et al.*, (2012) and Nnamerenwa, (2012) had noted that most producing agricultural enterprises target the urban markets for sell of their products where demand for their products is high. This attracts the establishment of agricultural enterprises like the chicken egg to the urban and semi-urban areas to cut down on transportation cost in order to enhance their profits.

In terms of the mode of sales of chicken egg to customers, Table 2.0 showed that 90% of the marketing of eggs by egg farms in Abia state were done by packing eggs in crates. However 10.0% of the eggs were retailed by counting. The monthly average crate of eggs marketed by these enterprises was 1200 crates. This shows that there is a responsive market for egg consumption in the study area. A large proportion (74.2%) of the chicken egg farms sold their eggs on a daily basis while 25.8% of the chicken egg farms sold their eggs on weekly basis. This implies that most of the chicken egg marketing farms make monthly turnovers expected to boost their profits. According to Igwe (2014), the frequency of sales of poultry products enhance the profitability of the business enterprises.

Table 2: Distribution of Marketing Characteristics of Chicken Egg Farms As Marketing Units in Abia state, Nigeria.

Marketing characteristics	Category	Frequency	Percentage
Location of egg market	Urban area	78	65.0
	Rural area	4	3.3
	Semi- urban area	38	31.7
	Total	120	100.0
	Mean	3.5	
Mode of sales of chicken egg to customers	Mean	9,000.17	
	By counting	12	10.0
	In egg crates	108	90.0
	Total	120	100.0

Monthly average crates of egg sold	1-100	22	18.3
	101- 200	1	0.8
	201 -300	2	1.7
	301 -400	25	20.8
	401 – 500	30	25.0
	1101- 1200	40	33.3

Source: Field survey data, 2018

Market share of Wholesalers and Retailers of Chicken Egg in Abia State, Nigeria.

Table 3.0 showed that 67.25% of the wholesalers of chicken eggs in Abia state controlled the market and 32.8% of the market share were the retailers of chicken eggs in the State. This is a show of disproportionate control of the chicken egg market. When there is equal share or normal distribution of product sales operators it suggests a perfectly competitive market with no particular group dominating the sales of the particular product, but if otherwise, it means that the product market is

imperfect (Njoku, 2006). Table 3.0 therefore, depicts market imperfection and could be attributed to financial limitations of the retailers that hinder expansion of their business. This difference can also be attributed to difference in better access to market information on price and supply, better bargaining powers and difference in the degree of risk in overall business between wholesalers and retailers (Njoku (2006); Anuebunwa (2006); and Anyaegbunam (2010)) who noted higher inequality among retailers than wholesalers.

Table 3: Market share of Wholesalers and Retailers of Chicken Egg in Abia State, Nigeria.

Marketer category	Revenue (₦)	Market share	Percentage (%)
Wholesalers	131,665,000	0.672	67.2
Retailers	64,126,500	0.328	32.8
Grand Total	195,791,500		100.0

Source: Field survey, 2018.

CONCLUSION AND RECOMMENDATIONS

We concluded from this study that the business of egg marketing is gender sensitive with more males getting involved in wholesale of eggs than the female. The retail component of the business involved more females than males. Chicken eggs by their nature are very fragile and men have the resources and ability to absorb the associated high risk in the marketing of eggs. This lopsided involvement of more males in wholesale and more females in egg retail marketing, suggests that egg marketing in the state is imperfect in structure and operation. Chicken egg marketing showing both gender and scale sensitivity in the area requires structure and financial realignment that should allocate resources recognizing such attributes. Chicken egg marketing in the state was really responsive to consumer demand and serves as a major source of income to all the stakeholders in the marketing sphere in Abia state.

We recommended unhindered access of males and females involved in wholesale and retail egg business in the state. This will activate at all levels the marketing functions performed by these operators in the area and ensure that consumers enjoy value for their spendings on eggs.

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