

Original Research Article

Determination of Socio-economic Characteristics of Sugarcane Marketers in Ganye and Jada Local Government Areas of Adamawa State, Nigeria

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Abstract

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This study basically determined the socio-economic characteristics of sugarcane marketers in Ganye and Jada Local Government Areas of Adamawa State, Nigeria. The investigation the socio-economic variables in agriculture is very important as it helps the pattern of activities to be carried out based on the revelations of the social and economic variables of the respondents. Data was collected using structured questionnaires that were administered on 100 sugarcane marketers that were randomly selected. Descriptive statistics which include frequency, mean and percentages were used for the analysis. The result reveals that 68% of the respondents were married 99% of the marketers were male with 86% of them as non-educated. The result also shows that the average of the respondents was 33 years. The study also unveils that poor infrastructure, weak capital base, poor transportation system, weak membership of cooperative organization were some of the concerns observed which if addressed will improve the marketers social and cultural situation of the marketers and will help in improving their wellbeing.

Keywords: Characteristics, Determination, Marketers, Socio-Economic, Sugarcane

INTRODUCTION

The socio-economic analysis and development of Nigeria is to a large extent related to its agricultural sector as reported by Egbuna (2008). The country is blessed with different climatic zones as well as enormous resources that is capable of producing, processing, marketing and possibly with high potentials of exporting some of the products including sugarcane and its by-products. Before the advent of oil, agriculture has been the main stay of the Nigeria economy but overtime, its contribution to the GDP has been declining. The contribution of agriculture to the GDP as reported by the recent rebasing of the Nigeria economy was estimated at 23% with crops contributing larger percentage followed by livestock, fisheries and forestry.

This trend of agricultural contribution to GDP is not consistent with the expected role of agriculture as the economy develops Central Bank of Nigeria (CBN, 2006).

Thus, the study area is naturally endowed with both material and human resources and has a great potential to produce, locally market and export various agricultural products, sugarcane inclusive. It is therefore unfortunate that the opportunities available in the agricultural sector remain untapped because most available land is uncultivated and lack of standard grading and pricing system for the regulation of the market activities.

Sugar cane (*Saccharum officinarum*) is a large, strong growing species of grass in the genus *saccharum*. It originated in south East Asia and is now cultivated in tropical and subtropical countries worldwide for the production of sugar and other related products and by-products. It is a major cash crop produced in Ganye and Jada local Government Areas. The production however is at subsistence level and limited to few places, where the rainfall requirement of 1500 mm is obtainable. All the

sugar cane produced is also consumed locally within and around the local communities and exported to the neighbouring states like Taraba, Gombe as well as to the Cameroun Republic.

Ganye has been named food basket of Adamawa State because of varieties of food and cash crops that the area used to produce. Sugar cane is one of the major cash crops that the area produced. Sugar cane has formed a major cash crop in the study area.

Furthermore, lack of investors in sugarcane business has formed a setback for sugarcane cultivators in this part of the state. The price of sugarcane is never in favour of the farmers because of lack of standard price of the produce compared to sugarcane producing areas like Brazil, China, India America Canada etc where there is subsidy in order to take care of price fluctuation (Whelan, 2004) . For this reason there is need for investors to invest in sugarcane marketing.

METHODOLOGY

Study Area

This study was conducted in Ganye and Jada LGA of Adamawa State, Nigeria. The area is located in the southern part of the state between latitude $8^{\circ} 45'$ and $8^{\circ} 26'$ E, and longitude $12^{\circ} 09'$ and $12^{\circ} 03'$ N. It has land mass of 14,561,120 km². The area is bounded in the south east by Cameroun Republic and in the west by Taraba State. The climate of the area is the tropical south-humid type with marked dry and rainy seasons. Rainy season commences in April with highest rainfall mostly being recorded in September. The area has a good rainfall pattern with some areas having as high as 1,400mm (Adebayo, 1999). And moderately hot temperature estimated at 28°C which is normally being experienced between March and April.

The area is well noted for its agricultural potentiality which earned it the name food basket of Adamawa State due to the varieties of food and cash crops being cultivated and marketed in the area. Sugar cane is one of the major cash crops that the area produced. It is located within the Guinea Savannah vegetation belt, and has rich agricultural land suitable for growing all types of crops, vegetables, fruits, cereals, cash crop such as sugarcane, cashew among others. Domestic animals such as cattle, goat, and sheep are also being reared to supplement the farmers/marketers income. It was estimated that about 300,000 heads of cattle and 400,000 sheep and goats are being reared as either solitary or through mixed farming.

Sources of data and sampling procedure

Data for the study was derived mainly from primary

source. The primary data was collected with the use of well-structured questionnaire. Multi-stage and purposive sampling techniques were adopted for the study. First stage sampling involved the purposive selection of seven out of the thirteen districts in Ganye and Jada that are noted for sugarcane marketing. Within the selected districts one major sugarcane market was sampled at random. And finally, a total of 100 sugarcane marketers were randomly selected in proportion to the concentration of marketers in each of the markets. .

Analytic Tools for the Study

The tool employed for the study is the descriptive statistics which include frequency, mean and percentages

RESULTS AND DISCUSSIONS

Sugarcane is a staple food in the study area and serves as a cash crop to many households that facilitate income generation for the families within and outside the communities.

The study on socio-economic variables of the respondents is as important as the existence of man in the society. Socio-economic status is an economic and sociological combination of total measure of a person's work experience and of an individual or families economic and social position relative to others, based on income, education, land ownership, household size, etc. Socio-economic variables of the farmers influence their ability to adopt and utilize new and improved technology in their various business enterprises. The study of the socio-economic characteristics of the sugarcane marketers is very important especially in agriculture. The socio-economic or personal characteristics of the respondents that have been considered in this study include, age, gender, marital status, household size, educational level attained, farm size, access to extension services, quantity of inputs used, farming experience, etc. These farmers attributes tends to affect their performance in one way or the other. Most of these variables constitute the factors affecting respondent's conduct of any desired business. Therefore, the socio-economic characteristics are vital to gaining insight into the kind of person's involved in sugarcane enterprise activities.

Distribution of Respondents by Age, Gender and Marital Status

Age has been found to be an important variable in agricultural production (Coelli and Battese, 1996). The age distribution of respondents as presented in Table 1 shows that majority of the sugarcane marketers were

Table 1. Socio-economic Characteristics of the Respondents

Variable	Frequency	Percentage
Age (years)		
<25	26	26
26-35	38	38
36-45	24	24
46-55	9	9
56-65	3	3
Total	100	100
Mean Age: 33		
Gender		
Male	99	99
Female	1	1
Total	100	100
Marital status		
Married	68	68
Single	27	27
Widow/Widower	5	5
Total	100	100

Source: Field Survey, 2014

between the ages of 26 and 35 years and constituted 38 percent of the respondents. This followed by those under 25 years and represented 26% of the marketers. Respondents within the age range of 36 – 45 years made up 24% while the remaining accounting for 11% with ages above 45 years. The average mean age of the respondents was 33 years and this reveals that sugarcane marketing is dominated by young people and they are considered to be in their active age and may be capable of undertaking economic activities including sugarcane marketing to adequately cater for their families and possibly others. According to Balogun *et al.* (2012), active age refers to period when farmers can carry out the physical rigor required of farm activities. This has implication for agricultural production because farm work requires physical energy and strength.

Gender refers to either been male or female and it is an important variable in determining to some extent the type and nature of job to be carried out at a given time and in a given society. It is an important variable to be reckoned with especially as it affects both social and economic activities viz-a-viz, farming/marketing. Table 1 also captured the distribution of respondent by gender. The results revealed that majority of the respondents were male representing 99% of the total respondents while 1% goes to the female. These shows only a female was involved in sugarcane marketing with the rest of the marketers are male. Low participation of women was not because of managerial incapability as observed by Adebayo *et al.* (2010) but that women are often neglected in many economic and extension activities and has weak capital base, high family engagements among others.

As reported by Girei (2015) marital status is a social

attribute which refers to the disposition of the respondents, either single, married, divorced or widow (has an opposite sex partner and vice versa). If married, it means that there is a voluntary partnership or association between the two dominant sexes (male and female) who come together for a mutual relationship which may be jointly defined by the relevant members of the concerned families and after fulfilling all the contractual conditions before the commencement of the union or partnership. The thinking, attitude or behaviours of the individual may vary depending on his marital status. For instance, a married, widow or divorced individual might exhibit reservation in decision taking on issues that may be brought before him/her. This might be due to the fact that they advanced in age and have many years of different experiences in handling different matters and may not be hasty in decision taking. The distribution as also indicated in Table 1 above shows that 68% of the respondents were married with 27% represented un-married (singles), while the remaining 5% constituted the widows. Similarly, the higher percentage of married respondents may mean more income is required to meet up with family social and economic needs. National Bureau of Statistics (NBS, 2009) gave the statistics of Marital Status in Nigerian families with those that are married people constituted 68% of the adult population in the country.

Distribution of Respondents by Household Size, Level of Education and Occupation

The household size of a respondent is associated with

Table 2. Household Size Distribution of the Respondents

Variable	Frequency	Percentage
Household Size		
<5	50	50
6-10	29	29
11-15	15	15
16-20	4	4
21-25	1	1
26-30	1	1
Total	100	100
Mean =7		
Level of educational		
Primary School	7	7
Secondary	5	5
Tertiary	2	2
No formal education	86	86
Total	100	100
Occupation		
Farming	44	44
Civil Servant	38	38
Business	16	16
Tailoring	2	2
Total	100	100

Source: Field Survey, 2014.

the number of people living in his/her house and it relates to immediate members of the family as well as other dependants living together in the same household. Table 2 above shows that 50% of the respondents had household size of less than 5 members, while 29% had house size of between 6 and 10. Those with household size ranging between 11 and 15 accounted for 15%. Similarly, respondents with household sizes of 16-20, 21-25 and 26-30 represented by 4%, 1% and 1% respectfully.

The analysis of the family size is also discussed in Table 2 above. The larger household size may constitute the bulk of labour in the sugarcane marketing (Ojo *et al.*, 2004). The mean household size was found to be 7 which is higher than the national average of 5 persons as reported by National Bureau of Statistics (2007).

Education in agriculture plays a vital role in the improvement of a country's human resource capacity for productivity in all aspect as it is a pre-requisite for social and economic development, in agriculture, both formal and non-education are important for the improvement of food security, rural employment and poverty reduction. Formal agricultural education is needed for the production of skilled and semi-skilled manpower to serve the agricultural sector through extension, research, entrepreneurship and improved commerce. Non-formal agricultural education, often provided by both public and private extension services is needed for training of farmers, farm families and workers and for capacity-building in a wide range of rural organizations and groups (Lindley *et al.*, 1996). Table 2 above shows the distribution of respondents based on their educational levels. It reveals that 86% of the sample population as

literate having attained one form of education or the other while the remaining 14% are not. The high non-literacy level will constitute a stumbling block in getting the respondents organize and possibly their formation into cooperatives that may help in re-orienting their capacity and in enlightening them on any government policy and programmes concerning modern marketing as well as effective record keeping and possibly the need for acquiring modern education that will help in shaping their understanding of general business Girei (2012). The result is in line to the study conducted by Onyukunu *et al.* (2010) who reported that most of those involved in sugarcane business are of low literacy level hence may not auger well for sugarcane marketing. According to Quisumbing and Meinzen-Dick (2001) many poor countries notably in Sub-Saharan Africa have low level of education and that improving their education would probably increase agricultural productivity, reduce poverty and improve livelihood.

The occupation of the respondents was also captured in Table 2 and its further identified that majority of the respondents as farmers who represented 44% while the civil servants accounted for 38%. Those that are under the business and tailoring categories as their occupation took 16% and 2%.

Distribution of Respondents According to Experience, Cooperative Membership, and Nature of Market

Respondents marketing experience generally refers to the number of years put into marketing activities and the

Table 3. Distribution of Respondents' According to Years of Experience/Credit Accessibility and Nature of Market

Variable	Frequency	Percentage
Year of Experience		
<5	46	46
6-10	20	20
11-15	12	12
16-20	13	13
>21	9	9
Total	100	100
Mean years =10		
Cooperative Membership		
Yes	25	25
No	75	75
Total	100	100
Nature of Market		
Whole sale	41	41
Retail	59	59
Total	100	100

Source: Field Survey, 2014

more the number of years put into practicing one activity over a long period of time, the more experienced the person will gain from that particular practice. In this regards, the distribution of respondents according to the marketing experience has shown that on the average, the respondents had 10 years' experience in sugarcane marketing. Majority of them attracted 46% had marketing experience of less than 5 years with those between 6 and 10 years accounted for 20%. Also those within experience category of between 11 and 15 years attracted 12% of the total sampled marketers. Similarly, marketers with experience of 16 and 20 years represented 13% and the remaining accounted for 9% with various experiences of above 21 years. Over all, the result clearly shows that the respondents are not new entrants in sugarcane marketing.

It is also seen in Table 3 which captured the membership or otherwise of the respondents to a cooperative organization. The analysis of the study shows that majority of the respondents accounting for 75% of the sugarcane marketers do not belong to any cooperative society, signifying lack of knowledge about it existence, lack of confidence or they are not aware of the benefit to be derived from being a member. They therefore need enlightenment through sensitization and mobilization. The remaining 25% belongs to one cooperative or the other.

The Table 3 also contains information on the nature of sugarcane marketing in the study area which reveals that majority representing 59% of the respondents engaged in retail marketing of their sugarcane while the remaining 41% of the respondents were whole sellers.

Distribution of Respondents by Mode of Sugarcane Sales, Information about Buyers/Sellers, Competition and Existence of Restriction

The mode of sugarcane marketing in the study area is presented in Table 4 below. The result of the analysis reveals that 44% of the respondents sell their sugarcane under local or thatched shades normally and continuously being erected by the marketers themselves. This is carried out due to the inability for the government to provide the needed support that can facilitate the standardization of the general marketing of agricultural products in almost all the local markets in the developing countries, Nigeria inclusive. The weak financial base of the marketers also tends to greatly affects them. About 38% of the marketers sales their sugarcane using mobile wheel barrows, moving the commodity from one location to another. The remaining category who constituted 18% make their sales either carrying it on their heads or shoulders and moving round where required by consumers during market days.

The same Table 4 also contained information about buyers, sellers and availability among others. Analysis reveals that 97% of the respondents are aware of the present of sugarcane buyers with 3% as not aware. Therefore, with this majority it should be expected that this marketers should be able to come together to form a formidable force that will exert influence from not only the government but private entrepreneurs so as to develop the industry that will help in creating sustainable employment and guarantee improved livelihood. Similarly, the table also revealed that 95% of the respondents are fully knowledgeable about the availability of sugarcane sellers and the product in the market. This implies that so many people come to buy

Table 4. Distribution of Respondents According to Mode of Sales, Availability of Sellers/Buyers, Competition.

Variable	Frequency	Percentage
Mode of Sugarcane sales		
Under shade	44	44
Wheel barrow	38	38
Others	18	18
Total	100	100
Information about buyers		
Yes	97	97
No	3	3
Total	100	100
Availability of sellers		
Yes	95	95
No	5	5
Total	100	100
Create competition		
Yes	96	96
No	4	4
Total	100	100
Existence of restriction		
Yes	89	89
No	11	11
Total	100	100

Source: Field Survey, 2014

sugarcane from the sellers and this creates more demand. The remaining 5% of the respondents reported inadequate knowledge on the availability sugarcane sellers in the markets. Majority of the respondents representing 96% reported that sugarcane marketing creates competition due largely to their different qualities, varieties, among others. The high quality of sugarcane attracts more money and that will likely lead to higher turnover. The remaining 4% had opposing opinion that sugarcane marketing does not create competition.

Table 4 went further to report that about 89% are of the opinion that they sale their sugarcane freely without encountering problems from the market leaders while the remaining 11% had an opposite view probably because of their several encounters with the market management at a particular market and at a given time.

Distribution of Respondents Based on Type of Transportation, Loading/Offloading, Marketing Process and Price Fixing

The mode of transportation of sugarcane to the markets as reveals by the analysis as presented in Table 5 indicates that 94% of the respondents convey their sugarcane to the market by public transportation system which possibly might be due to the lack of private vehicles, while the remaining 6% uses their personal transport, as this method of transportation reduces stress associated with employing the services of commercial transport..

Table 5 further indicated that the price of loading and off-loading of the product varies; possibly due to location, type of vehicle used, availability at a particular time, etc. The analysis indicated that 55% of the respondents pay ₦20/bundle, 11% pays above ₦20, with 14% pays above ₦30, and 16% pays above ₦40 while the remaining 2% pays above ₦70.

In addition, Table 5 further indicates that the nature of sugarcane sales by the marketers revealed that 7% of the respondents deal with whole sale marketing as a means of disposing their sugarcane, while those under the retail category constituted the majority with about 85% of the marketers. While the remaining 8% disposes their product through credit means. The retail majority could possibly be due to high returns being received and affordability by all buyers since the sugarcane are cuts into smaller pieces and sole based on the interest of the buyers. This mode of selling attracts higher patronage than the other categories and the risk of selling on credits is often minimized and eliminated.

The above Table 5 has also shown that 88% of the respondents reported that the price of sugarcane in the market is being fixed through bargaining, while others are of the opinion that price of sugarcane is being determined by the middlemen operating in the markets and this category of marketers constituted about 12%.. This analysis clearly shows that government has no role in sugarcane marketing in the study area. Therefore this means that, price fixing depends largely on their bargaining capacity.

Table 5. Distribution of Respondent Based on Type of Transportation, Marketing Process, Price Fixing, Amount Paid for Loading/off-loading in ₦/bundle of 10kg Sugarcane.

Loading/Off-loading	Frequency	Percentage
Transportation Type		
Personal	6	6
Public	94	4
Total	100	100
Loading/Off-loading (₦)		
<20	55	55
21-30	11	11
31-40	14	14
41-50	16	16
51-60	1	1
61-70	1	1
>71	2	2
Total	100	100
Marketing Process		
Whole Sale	7	7
Retail	85	85
Others	8	8
Total	100	
Price fixing		
Bargaining	88	88
Middlemen	12	12
Total	100	100

Source: Field Survey, 2014

Table 6. Distribution of Respondents According to their Sources of Capital, Name of Bank and Capital Outlay

Variable	Frequency	Percentage
Source of capital		
Personal saving	71	71
Loan from the bank	13	13
Loan from friends	16	16
Total	100	100
Name of Institution		
First Bank	2	2
Unity Bank	6	6
Microfinance	5	5
Personal Savings	71	71
Others (Friends, relatives)	16	16
Total	100	100
Capital outlay		
<10,000	82	82
10,001-20,000	15	15
20,001-30,000	2	2
30,001-40,000	0	0
40,001-50,000	1	1
Total	100	100

Source: Field Survey, 2014

Distribution of Respondents by Source of Capital, Name of Institution, and Capital Outlay

The source of capital used in the sugarcane marketing by the respondents is presented in Table 6 above. The

sources revealed that majority representing 71% of the respondents generated their capital through personal savings while 13% of them obtained their capital through loans received from the financial institutions such as Banks with the remaining 16% got theirs from the

support received from friends and relatives

The above Table 6 indicated majority of the respondents sourced their capital from private outfits and this accounted for about 71%, followed by those that received capital for their marketing activities from friends and relatives and this category of respondent represented 16% and those from Banks accounted for 13% only.

The result of the distribution of the respondents according to their capital outlay is captured in Table 6. The analysis reveals that most of the marketers attracting 82% had capital outlay of less than ₦ 10,000, this depicts that the marketers are small scale entrepreneur with weak capital base and hence the business is termed as micro scale., while 15% had capital outlay of between ₦ 10,001 and ₦ 20,000. Marketers with capital outlay of ₦ 20,001 to ₦ 30,000 and between ₦ 40,000 and ₦ 55,000 accounted for 2% and 1%.

CONCLUSION

The study revealed that all the respondents are small scale marketers with weak capital based. The level of literacy of the marketers is very low. The marketers are middle aged with average household size of 5 persons and farming experience of about 10 years. The study revealed that price for sugarcane is directly being determined by the marketers with government having no role. The markets are characterized by no infrastructure and security to promote commercial sugarcane marketing. The marketers also lack credit facilities and majority does not belong to any cooperative organization. The study also exposed high potential and opportunity for improvement in the sugarcane marketing enterprise. As the marketers are young and hence with good prospect of acquiring one form of education or the other that will help in shaping their participation and advancing the business, The marketers are expected to form more cooperative and also to acquire education of any form. Government should facilitate the provision of basic infrastructure needed in the markets such as market shades, warehouses, access roads and improve transportation system. If all these are provided, small scale marketing will improve and possibly graduate to

large scale and will be more organized. These will eventually lead to sustainable income generation and improved livelihood. Similarly it will help in boosting more economic activities and result to improved internally generated revenue of the government.

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