Sheep And Goat Marketing: Panacea To Poverty Alleviation In Akinyele Local Government Area of Oyo StateNigeria

*[1]Oyewo, I.O, Afolabi, R.T, Ademuwagun, A.A, Owolola, O.I

[1] Federal College of Forestry (FRIN), P.M.B. 5087 Jericho, Ibadan.

Corresponding Author: [1]Oyewo, I.O,

Abstract: *The study investigated the economic analysis of sheep and goats marketing in Akinyele Local Government Area of Oyo State. The study used primary data through a well-structured questionnaire administered to 55 marketers using descriptive and gross margin analysis to analyse the data. The result showed that 100% of the sheep and goat marketer's were male and 54.6% are between the ages 20-30 years, 80.0% of the marketers were married. Majority (80%) had one form of formal education. About 50.9% had between 11 and 20 years of marketing experience. It is confirmed that the marketers sold more during the festival period, the total sales of ₦33, 570,000.00k on sheep and ₦102, 515,000.00k on goat per season, making total revenue of ₦136, 085,000.00k, total variable cost was ₦116, 507,700.00k and gross margin was ₦19, 577,300.00k with BCR of 1:18 and marketing efficiency of 84.8% which shows that sheep and goat marketing was a profitable agribusiness in the study. However, it was found out that high cost of transportation, lack of security, lack of credit facilities and social infrastructure were the major constraint to sheep and goat marketing in the study area.*

Keywords: *Akinyele, Economic, Marketing, Oyo State, Profitability, Sheep and Goat*

I.   Introduction

Domestic sheep *(Ovisaries)* and goat (*caprahircus*) form an important part of the economy in term of income generation, feed intake and ecological niche in the agricultural system across the developing countries. This is because they make a very valuable contribution to household income, especially to the poor in rural areas. The small size of sheep and goat has distinct economic, managerial and biological advantages among all the livestock that makes up the farm animals in Nigeria; ruminant comprising sheep, goats and cattle, constitute the farm animals largely reared by farm families in the countries agricultural system and according to Lawal, (2012) Nigeria has a population of 3.4 million goats, 22.1million sheep and 13.9million cattle

Economically, low individual values mean a small initial investment and corresponding to small risk of lost by individual death. Managerially, they are conveniently cared for and occupy little housing space, have lower feed requirements and supply both meat and milk in quantities suitable for immediate family consumption (Jabo, 2004). This attribute may partly be due to their lower feed requirements compared to cattle, because of their body size (Okunlola *et al*., 2010). Sheep and goat are reared for various reasons such as income generation, religious purpose, household consumption, game and as security against crop failure. Sheep and goats are biologically more advantageous than larger ruminants, for instance, sheep and goats appear to withstand drought better than cattle their short reproductive cycle allow them to quickly recover from rapid resumption of breeding following a drought of devastating disease infestation. Thus, rearing of sheep and goats provide the easiest and a readily accessible source of finance to meet immediate social and financial obligation (Isaac and Titilayo, 2012). Idachaba, (2000) claims that it is not sufficient for policy makers to concentrate on solving production problems without references to their marketing problems because even though actual production may be adequate, marketable surplus may be inadequate and unreliable.

Poor efficiency in marketing has serious consequences for both marketers and consumers. This situation may virtually increase the market price of agricultural businesses and eventually reducing the marketing margins allocated to the farmers. However, this study addressed the following objectives: to describe the socio- economic characteristics of the respondents, determine the profitability and marketing efficiency of sheep and goat in the study and examine the problem associated with sheep and goat marketing in the study area.

II. Methodology

The study was carried out in Akinyele Local Government Area of Oyo State which is located in the South Western part of the State. The Akinyele local government headquarters is at Moniya and was established

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1976. Its shares it boundaries with Afijio Local Government, Lagelu Local Government Area to the east, Ido Local Government to the west and Ibadan North Local government area to the south. It occupies a land area of 464.892 Km^{2}with a population density of 516 people Km^2(based on a 3.2% growth rate from the 2006 National Population census), the 2010 estimated population for the local government is 239,745. The local government area which is sub-divided into twelve (12) wards : Ikereku (ward 1), Labode , Oba, Olanla (ward 2), Arulogun (ward 3), Onidundun, Amosun (ward 4), Moniya (ward 5), Akinyele (ward 6), Iwokoto, Amosun (ward 7), Ojoo, Ajibode, Laniba, Orogun, Sasa, Owe, Iwokoko, Amosun (ward 8), Ijaye (ward 9), Alabata (ward 10), Okegbemi, Mele (ward 11) and Iroko (ward 12). The study was carried out in Elewure Market in ward 5 of Akinyele, this Market was selected based on the high concentration of sheep and goat marketers in the area where 110 sheep and goat marketers were identified and 55 of them were randomly selected for this study, with well-structured questionnaire which was administered to the respondent in English language and translated in Hausa language which they understood by the assistance of an interpreter because majority of the respondents were Hausas.

III. Data Analysis
The data were analysed using descriptive statistics such as frequency, percentage and gross margin analysis. Gross margin was used to determine profitability of the sale of sheep and goat while 4 points Likert Scale was used to analyse the constraint to sheep and goat among the marketers in the study.
Gross Margin (GM) = TR-TVC
Where
TR = Total Revenue
TVC =Total Variable Cost (Cost of purchase (sheep + goat), transport cost, water cost, feeding cost, vaccination cost)
Benefit Cost Ratio (the ratio of total revenue to total cost)
BCR =TR/TC
TR = p x q (p= price, q= quantity)
TR = Price per unit of sheep and goat x quantity of sheep and goat sold

IV. Results And Discussion
Table 1: Socio-economic characteristic of the respondents

Variables	(N=55)	Frequency	Percentage
Gender			
Male		55	100.0
Female		-	-
Age			
20-40		30	54.6
41-50		10	18.2
51-60		11	20.0
60 above		4	7.2
Marital Status			
Single		10	18.2
Married		44	80.0
Divorced		1	1.8
Educational Level			
Informal education		11	20.0
Primary education		19	34.5
Secondary education		22	40.0
Post-secondary		3	5.5
Years of marketing experience			
1-10		12	21.8
11-20		28	50.9
21-30		14	25.5
30 above		1	1.8
Nativity			
Yoruba		11	20.0
Hausa		44	80.0
Household Size			
1-5		32	58.2
6-9		20	36.4

10 above	3	5.4
Religion		
Christianity	2	3.6
Islam	53	96.4
Measurement of Price		
Body size or weight	50	90.9
Market price	5	9.1
Best Time of sale		
Raining season	8	14.5
Dry season	4	7.3
Festival season	43	78.2
Source of finance		
Personal savings	36	65.5
Friends	6	10.9
Contribution	13	23.6
Sources of purchase		
North central	55	100.0
Price determination		
Cost of Transportation	12	21.7
Age of the animal	3	5.5
Sizes	36	65.5
Cost of Procurement	4	7.3

Table 1 revealed that all the respondents (100%) were male, 56.4% were between the ages of 20-30 years which indicate that most sheep and goats marketers were male and are in their active working age, majority (80.0%) of them were married and had one form of formal education, 50.9% had between 11-20 years of marketing experience. This finding has therefore reflected the importance of education and substantial marketing experience in agricultural businesses; the more an individual is exposed to any form of education the more likely he will have a better understanding of his environment and the business, 20.0% of the respondents are Yoruba and 80.0% are Hausas while 58.2% had household size between 1-5 persons while 96.4% of sheep and goat marketers are Islam and 3.6% of them are Christians in the study. The table further revealed that 90.9% of the respondents use the animal's body size or weight as a measurement of their price per unit of the sales, 78.2% of the respondents makes best sale during festival period, 65.5% source their credit through personal savings. All (100%) of the marketers sources of purchase of their animal was from the Northern part of the country especially North central and 65.5% also use the cost of transporting of the animal as a source of price determination before sales.

Table 2: Profitability of Sheep and Goat Marketing

Variables	Amount (₦) Sheep	Goat
Total Revenue	₦33, 570.000.00k	₦102, 515,000.00k
Total marketing cost	₦ 29,001,000.00k	₦86, 410,000.00k
Transportation	₦ 489,400.00k	
Cost of water	₦ 154,800.00k	
Cost of feeding	₦ 396,000.00k	
Cost of vaccination	₦ 56,500.00k	
TVC	=Total variable cost	
TR	= Total revenue (sheep + goat)	
TMC	= Total marketing cost (sheep+ goat)	
Gross Margin	= TR-TVC	
TVC	(₦115, 411,000 + ₦1, 096,700) = ₦116, 507,700	
TR	₦136, 085,000.00k (sheep + goat)	
TMC	₦115, 411,000.00k (sheep + goat)	
GM	(₦136, 085,000 - ₦116, 507,700)	
GM	₦ 19,577,300.00k	
Benefit cost ratio (BCR)	Total revenue	
	Total marketing cost	
BCR	₦ 136,085,000	
	₦ 115,411,000	

BCR	1:18

Note: (Transportation cost, cost of water, cost of feeding and cost of vaccination are for both sheep and goat)

Marketing Efficiency (ME)

$$ME = \frac{TMC}{TR} \times \frac{100}{1}$$

Therefore $ME = \frac{₦ 115,411,000}{₦ 136,085,000} \times \frac{100}{1}$

ME = 84.8%

From the result on profitability, it was revealed that total revenue was ₦136, 085,000.00k, total cost was ₦115, 411,000.00k, gross margin was ₦19, 577,300.00k and the Benefit cost ratio was 1:18. This result reveals that for every ₦1.00k invested in sheep and goat marketing, the marketer will make a return of ₦1.18k with a marketing efficiency of 84.8% in the study area.

Table 3: Constraints to Sheep and Goats marketing in the study area

Variable	(N=55)	Frequency	Percentage
Infrastructure			
Strongly Agreed	45		81.8
Disagree	10		18.2
Transportation			
Strongly Agreed	55		100.0
Security			
Strongly Agreed	42		76.4
Disagree	13		23.6
Social Amenities			
Strongly Agree	48		87.3
Disagree	7		12.7
Credit Facilities			
Agreed	48		87.3
Disagree	7		12.7

Table 3 shows that 81.8%,100.0%,76.4% and 87.3% of the respondents strongly agreed that infrastructure, Transportation, Security, Social amenities and credit facilities were the major constraint to sheep and goat marketing in the study area.

V. Conclusion

From the findings, it was therefore concluded that sheep and goat marketing was a profitable agribusiness in the study area, this could however be practice among the foresters as an agro forest farming or integration of the Forest, most especially, those within the Southern part of the country with animal husbandry production system instead of sourcing the animal from the Northern part of the country which could in turn reduce or solve the problem of transportation, security and also availability of micro credit and interest free loan could also be made available for the marketers. Infrastructure, Transportation, Security, Social amenities and Credit facilities were found to be the major constraint to sheep and goat marketing in the study area.

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