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REVIEW ARTICLE

Promoting the Marketing of Agricultural Products as a Means of Boosting the Nigerian Economy

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Abstract: The agricultural sector in Nigeria is a sector of the Nigerian economy that has the potentials of boosting the country's economy, create employment and earn the country massive foreign exchange. But due to the country's over dependence on the oil sector, the agricultural sector has been neglected or not given the attention it deserves. This work tends to highlight how the marketing of agricultural products could boost the Nigerian economy if properly harnessed. It also exposed some problems facing the sector and proffered some possible solutions to these problems.

Keywords: agricultural Products, boosting the country's economy, Nigerian economy, marketing

1. Introduction

To all the economies of the world, agriculture is the main food producing component of their economic activities and without food, no man can survive let alone thinking of other forms of economic activities such as production, manufacturing, banking technological innovations etc. aside food production, agriculture is also an important sector in the production, agriculture is also an important sector in the production of raw materials required for the manufacturing of most economic goods and products found in the world market today. From cloths to shoes, books, plastics, furniture's, car manufacturing, building materials etc. are all by products of agriculture. Agricultural products could be a means to an end or the end itself. As a means to an end, we talk about the cash crops like rubber, cocoa, cotton, etc. that we further processed to manufacture other products like beverages, clothes, plastic, roofing woods, furniture's etc. while as an end itself we talk about food crops like beans, rice, cassava, vegetables, meats fish etc that 0are consumed directly by either the farmers and his/her family members or sold to the market to other household for direct consumption.

Agriculture also regarded as primary products also consist of non food components such as natural products that are like zinc, lead, iron, coal, crude oil, gold, copper etc. these products are of high industrial requirement in order to produce items that ensures simplicity and continuity of man's life. The advancement in technology has helped made more and more non-food agricultural products of high demand in both.

For many African countries especially in the West African sub-regions, agriculture has been the main stay of their economies as most of them operates at the primary products level. These countries have mostly been sustained by exporting agricultural produce to the international market since their independence. With the poor state of economic technical know-how to operate of the secondary and tertiary production level, these countries have continued to harness their comparative advantage to primary products to the world market. According to Mckinsey.com (2021) over 60 percent of the African population are small farmer and agriculture constitute about 23 person of Africa's GDP.





Before the discovery and dependency on crude oil in large quantity in Nigerian agriculture has been the main stay of the Nigerian economy right rom Nigeria's independence in 1960. According to the central bank of Nigeria, the agricultural sector contributed 85% of Nigerian foreign exchange earnings, 80% of the GDP and 90% of total employment in the country in the 1960's (irglobal.com, 2021). Nigeria has abundance of available land and agriculturally friendly weather that is needed for agricultural success, Nigeria produces foods crops such as cocoyam, beans, potatoes, cow-peas, plantain, bananas, rice, millet, maize and vegetables. The country is also rich in the production of exportable crops such like palm fruits, palm kernel cotton, cocoa, groundnuts rubber. Theses cash crops were Nigeria's major export till the oil boom era of the 1970's. Nigeria supplied agricultural products to countries like the Great Britain, Canada, United States of America, France and Germany. By the beginning of the 1980 the percentage of the GDP had already reduced to 41 percent. Form the time of the country independence until the oil boom era of the 1970's the Nigerian government at that time made concerted effort to improve the agricultural sector in the country as it was the main foreign exchange earner of the country as it was the main foreign exchange earner of the period. Since the shift to crude oil as the country as it is the main foreign exchange earner there has been neglect of the agricultural sector in Nigeria. The effort of previous governments that saw the irritation of agricultural programmes such as operation feed the Nation, River Basin-Development authorities (RBDAS), Green revolution, national Accelerated food production programmes (NAFPP), farm settlements scheme (FSS) was sustained and all efforts went down the drain.

Today, Nigeria is experiencing economic downtime as a result of the dwindling crude oil prices in the international market. Also as a result of the Covid 19 global pandemic, the sales of the Nigerian crude oil have reduced drastically plunging the country's economy into further hardship and the government of the day have seen enough reason to go back to agriculture.

Nigeria imports most of her food from other countries which has shown the terrible state of agriculture in the present day. According to the international trade administration (ITA), Nigeria requires 1 \$10 billion worn of import to meet its agricultural and food short fall, (trade.gov, 2021).

This study takes a look at the agricultural sector in Nigeria, the challenges facing it and the way forward for the country's agricultural sector especially in the area of promoting the marketing of the country's agricultural products.

2. Literature Review

Aside mass production of agricultural products, Nigeria like many other African countries have made little effort in the aspect of marketing of agricultural products. Due to the perishable nature of agricultural products, there should be critical marketing plans made before these products are harvested especially on how they get to the end uses.

Inyanya (1998) sees agricultural marketing as the performance of business activities that ensures the sequential flow of agricultural products from point of production to the places were these products are used up by the end users.

Agbonifoh et al (1998) posits that despite the oil boom, agriculture is the basic life in Nigeria upon which the country's economy is founded. Agricultural marketing involves all the activities that transfers primary products from farms and other places of production to the final users which can be final consumers or industrial users. Just like agricultural products differ in shape, sizes, nature and uses, so are their users different. Some users buy these products with the intention of consuming them in their raw state, especially the food crops and livestocks while other users or the industrial buyers purchase these products for industrial purpose especially the cash crops like cocoa, groundnut, cotton, rubber etc.



According to Cubbon and Ponte (2005), agricultural marketing involves the management elements of planning, organizing, directing and distribution of agricultural products in a way that satisfies not just the consumers, but also the intermediaries and farmers. Many a times, agricultural have suffered neglect in Nigeria and this has made it unattractive to most Nigerian youth, (Inegbedion et al 2021). The decade of neglect of agriculture in Nigeria has significantly reduced the contribution of the sector to the Nigerian economy. According to the food and agriculture organization of the United Nations (FAO), over 70 percent of the Nigerian population engage in agriculture at a subsistence level, (Fao.org, 2021). Agriculture practiced at the subsistence level is majorly for local food production and consumption and does not significantly contribute to economic development of the nation. In the wake of the importance of agriculture to the economy especially in the post Covid 19 era, the Nigerian Government have tried to intensity effort toward reviving the agricultural sector in Nigeria especially as the country is battling dwindling revenue from the oil sector. In the era of oil boom in Nigeria the agricultural sector in Nigeria faced a doom, now in the era of oil doom, one of the options available to the Nigerian economy is to engineer an agricultural boom. In 2020, the Nigerian minister of agriculture tasked farmers association in the country to support the federal government's mechanized agricultural drive in order to sustain food security, create jobs and boost the economy. Mechanized farming is the only form of agriculture that will ensure massive production of agricultural products in a exporting scale. Exporting of surplus agricultural products helps boost the country's economy and also helps the country to earn foreign exchange. As at May, 2021, the federal government through the central bank of Nigeria disbursed \$\frac{1}{2}\$300 billion to southern farmers in the Federal government's Anchor Borrowers' Programme (ABP) to boost agricultural products production in the country, (premiumtimesng.com, 2021). According to the report, a total of 3,107,890 farmers benefitted from the scheme.

3. Agricultural Marketing Models

3.1. Distribution model

For any product to be successful in the market place regardless of its form, it must be able to reach it target market or end users. Distribution plays a major role in bridging the gap between producers and consumers and also between production and consumption/usage. Depending on the nature of the product, different distrusting strategy could be employed. There basically 2 channels of distribution in marketing, they include;

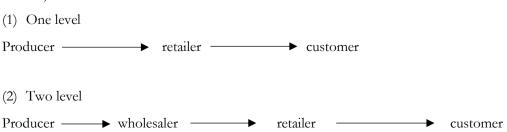
1) Direct channel

In this channel of distribution, the producer/farmer sells to the end users without the use of intermediaries

Producer/farmers — final consumers/industrial buyers

2) Indirect channel

In this form of distribution, according to Anyanwu et al (2011) intermediaries are used the value transfer process. In this channel there exist 3 level of channel distributions, they include;









For agricultural products, due to it perishable nature, the best distribution strategy remains the direct channel to eliminate delay and time caused by the intermediaries.

3.2. Problems and challenges of Agricultural Marketing in Nigeria.

Nigeria as a developing Nation, farmers are faced with a lot of challenges that hinders the maximization of the country's potentials in agriculture. Nigeria has large population, with over 70% of the country's current population falling in to labor force bracket. The country also boast of about 34 million hectares of land, making the country a viable spot for agriculture. The South Western of Nigeria has a comparative advantage in the production of cash crops such as cocoa, cotton while the South eastern part of the country in rich in the production of palm fruits, palm oil and palm kernel. The Northern part of the country specializes in the production of livestock especially cows and goats. The South Southern part which is a predominantly riverine area specializes in the production of fish and sea foods. Aside the food crops, cash crops and livestock, Nigeria also have in large deposits some natural or primary production in different parts of the country, these primary products includes, crude oil, gold, iron ore, zinc, lead, coal, tin etc. deposit the huge potential of the primary and agricultural sector under-explored. These challenges according to Anyanwu et al (2011), includes;

- a) Poverty
- b) Lack of basic amenities
- c) Pest and diseases
- d) Lack of machines and suitable tools
- e) Poor implementation of government policies and programmes.

In addition to the afore listed problems facing agriculture in Nigeria, illiteracy on the part of the farmer is another factor hindering the development of the sector. Agriculture in Nigeria is seen as an occupation for only illiterates, less privileged and less educated. More than 60% of Nigerian farmers are poor illiterates with little or no form of education and this makes it difficult for them to understand modern trend and processes in the modernized agriculture of today driven by technology. Lack of proper's funding is another challenges, most farmers in Nigeria are poor and cannot afford modern farm implements that could boost large scale mechanized farming. Due to lack of fund, many farmers in Nigeria operates the subsistence level just to feed their families and immediate environment corruption, financial misappropriation and lack of financial accountable is another challenge of the agricultural sector in Nigeria. Inequitable access to fertilizers by real farmers is problem too that needs be addressed. Poor storage and processing facilities across the country for perishable farm produce is a problem that causes scarcity of food even in the midst of abundant harvest. According to the Nigerian Minister of Agriculture in 2018, 30% - 40% of food produced in Nigeria is wasted. These should be critically looked into by the relevant authorities in Nigeria.

In recent time, insecurity in most part of the country has forced farmer off their farms. Most farmers get kidnapped right in their farmers, while others are to pay ransom before they could harvest their farm produce. This is disheartening and has also led to food shortage in the country. Chief among the problem of agriculture in Nigeria today is the farmers/herders crises that has claimed the lives of many farmers. According to vanguard news, Nigeria has lost over 8,343 persons to 0farmers /herders crises, (vanguardngr.com, 2021). The fear of being killed on the farm or have their crops destroyed by harder have sent many farmers to early retirement hereby reducing the number of farmers in the country. Poor distribution network is aspect of agricultural marketing in Nigeria.

Possible solutions to agriculture marketing in Nigeria. If the problems affecting agriculture and the marketing of its products are effectively solved, the fortunes of the agricultural sector in the country could be positively turned to overly contribute to the GDP and economic growth of the country. Solution to the problems of agriculture in Nigeria includes;

- (1) Provision of Basic Infrastructure by Government and other Relevant Stakeholders in the Industry: Amenities such good roads, worker, rail ways, electricity etc. should be made available, accessible and strategically located for the enhancement of farming activities.
- (2) Proper Implementation of Good Government Programmes and Policies: There should be proper's monitoring of all government programmes mapped out to boost agriculture and feedback mechanism should be created to ensure the direct farmer gives and appraised of the programmes.
- (3) **Funding:** Mechanized or large scale agriculture is a capital intensive venture that most farmers in Nigeria today cannot afford. The government and relevant stakeholders should provide grants or soft loans for farmers to buy this large farming equipment needed to increase farming capacity. These funds should be properly monitored to avoid embezzlement.
- (4) Farmers Education and Enlightenment Programmes: Formal or informal seminars, symposium, training should be given to farmers periodically to update them on the unfolding trends in the agricultural sector worldwide and agricultural innovation in which they could leverage on.
- (5) Adequate Security for Farmers: Due to the rise in the insecurity level of country, there should be increased protection for farmers both on and off their farms. The government should make sure that adequate security is provided for farmers.
- (6) **Storage and Processing Facilities:** Agricultural products are perishable in nature, therefore the need for storage equipment's cannot be overemphasized.
- (7) A lasting Solution to Farmers/Herder Crises: The government, religion bodies ruler must intervene to find a lasting solution for peace between farmer and herder in Nigeria. The herder in Nigeria. Herder should be encouraged to adopt ranching as against their current nomadic pasturing being adopted. Another solution to the perennial crises is total boycott of cow meat in the crises prone areas. Absence of demand for a product will in a long run kill the supply of that product.

3.3. Contribution of Agriculture to the Nigerian Economy

Agriculture is a major contributor to the economy of Nigeria, but since the oil boom era of the 1970s oil as the major foreign exchange earner for the country contribution of agriculture, forestry and fishery to the Nigerian economy from the year 2000 to the year 2020 as expressed in percentage.

Year	GDP Percentage
2000	21.357%
2001	21.357%
2002	24.475%
2003	36.395%
2004	33.827%
2005	27.23%
2006	26.089%
2007	24.735%
2008	25.28%



Year	GDP Percentage
2009	26.749%
2010	23.894%
2011	22.235%
2012	21.86%
2013	20.759%
2014	19.99%
2015	20.6327%
2016	20.983%
2017	20.847%
2018	21.204%
2019	21.906%
2020	24.143%

Data source (www.data.worldbank.org)

From the table above, it will be imperative to state that the contribution of agriculture to the nation's GDP is declining flaunting. The highest contribution was recorded in the year 2002 which is almost 2 decades ago. If a favorable contribution to the nations GDP must be attained concerted effort from both the government and all relevant stake holders including the farmers must be made with that goal as the yardstick.

In the early 1960s, agriculture contributed over 80% to the country's employment rate but since the neglect of the sector for the oil economy, the sector has been seen as being unattractive for most population of the country. Most people do not want to be associated with farming their main target is to engage in clean office or better still "white collar" jobs.

3.4. The 4ps of Agricultural Marketing/Agricultural Marketing Mix Element

The marketing mix element consist of how an agricultural marketer uses the element of products, pricing, promotion and placing/distribution to achieve his/her marketing objectives.

Product: Agriculture products in their characteristics are bulking, perishable and in their natural state. This products have no shelf life longevity therefore there is pressure on the marketer to sell off there is pressure on marketer to sell off these products almost immediately. It is harvested to avoid spoilage. Though in recent time, the advancement in technology has help introduced storage facilities that could preserve a product for longer period of time. Consequently, a farmer could decide to process his/her product in other to meet the demand of the market. So as to enhance his/her chances of sales for example a cassava farmer who harvests a large plot of cassava farm could convert the cassava into garri that has more demand and longer shelf life. Product modification and innovation could help an agricultural market or farmer to make maximize profit from it while still satisfying either the local or international market or the both.

Pricing: A price is the monetary value attached to a product the essence of pricing in agricultural marketing is to ensure that agricultural products are optimally valued. A farmers or an agricultural marketer could use any pricing strategy to achieve his/her marketing objective. A producer might decide to off his/her marketing objective. A producer might decide to off his/her products directly to the end users without the use of intermediaries, therefore the actual cost of the product is charged and the buyer will have to bear the cost of transportation from the farm to his/her destination from the farm to his/her destined. The best pricing strategy for agricultural products is the cost plus pricing. This is a pricing



method that involves the cost plus pricing. This is a pricing method that involves the adding up of direct materials cost, direct labour cost, overhead cost of a product and a markup percentage (profit percentage).

Promotional Strategy: The general aim of promotion in marketing is to induce quick market response. Due to the perishable nature of agricultural products, careful promotion strategy must be adopted so as to ensure that no time is wasted to reach the products so as to ensure that no time is wasted to reach the products end users. A combination of advertising, personal selling, sales promotion and publicity/public relations depending on how the marketer decides is best to reach their target market placing/physical distribution: agricultural products are delicate in nature hence the products must get to the end users as fast as possible. The place factor in the marketing mix element talks about getting these products where it is needed by the users. For these kind of products where it is needed by the users. For these kind of products-industrial user form of distraction is the best. This process is called selling through direct channel.

4. Conclusion

Nigeria has a comparative advantage in agriculture than many nations of the world but this advantage is not been harnessed because of the country dependency on crude oil as its primary source of foreign exchange. If given attention, agriculture has shown that it can contribute immensely to the GDP of the country and also help reduce the high rate of unemployment that the country is experiencing as it has done in the 1960's. the Nigerian government and the stakeholder needs to put in concerted efforts towards helping the farmers in the areas that have been discovered to be far their shortcoming so as to ensure more exploration of the agricultural sector in the country. Nigeria has the huge population needed for agricultural sector to make it more attractive to the youth to venture into.

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