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Title of the Presentation

Training Needs for Small Producers to Minimize Agricultural Marketing Problems and Challenges: How Cooperative Extension Can Fill the Gap

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Training Needs for Small Producers to Minimize Agricultural Marketing Problems and Challenges: How Cooperative Extension Can Fill the Gap

Many small and limited resource farms in rural communities are technically, allocatively, and economically inefficient due to relatively high input costs, low output prices, lack of structured marketing networks, unaffordable credit, and associated constraints. These issues have been primary concerns for small and limited resources producers (SLRP) particularly while operating family-owned farms. Marketing options, specifically product marketing services, are either lacking or not easily accessible to small producers. Consequently, the fact of minimal or no profit has been displacing the vast majority of small-scale farms in Alabama. Over the last five-year period, the number of farms in Alabama decreased by 11 percent. The bulk of the losses were among smaller farms ranging from 10 to 49 acres. The objective of this study was to identify marketing problems and challenges encountered by these farmers and their mitigating factors from farmers' standpoint.

Research methodology and findings

In-person interviews were conducted with 75 small and limited resource farmers randomly. The data were analyzed using SPSS. The results of the study reveal that the mean land holding was 97 acres. Of the total, 55% and 75% of the farmers respectively owned less than 50 acres and 100 acres. These farmers were engaged in cultivating various commodities (commonly multiple): crops (14.7%), vegetables (50.7%), fruits (14.7%), and raising cattle (32%), goats (30.7%), sheep (10.7%), chickens (25.3%), pigs (2.7%), fisheries (1.3%), beekeeping (1.3%), timber (33.3%), and leasing forestland for hunting (1.3%).

The major marketing problems identified were, no easy access to vendors (35%), no direct consumer markets (29.3%), low output price to cover production cost (37.3%), brokers' controlled markets (12%), and high transportation costs (28%). While marketing the products, the most difficult product to sell was animals (38%) followed by vegetables (28%), honey (8%), timber (8%), crops (5%), and eggs (1%). The products were supplied to multiple markets based on their convenience rather than the output price due to a small volume of production. The common markets to which they supplied the products were the local market (29%), broker (24%), farmers market (25%), retail stores (7%), contact consumers (48%), stockyard (7%), and online (1%). The severity of the problem was evident as 53% indicated that marketing had been the most crucial problem in their lifetime. Correspondingly, 51% mentioned that marketing was one of the significant risk factors for their low or absent profitability for their commodities.

It was thought-provoking to note that 77% of the respondents did not maintain any records or only minimal records of their farm operations: inputs procured and outputs produced. Consequently, 35% of the producers had to take the price they were offered, while 53% fixed the produce price observing the competitors' price in the community and the market itself, and only 21% fixed the price based on their proximate production cost. Regarding the knowledge base of the respondents, almost 55% of them stated that they did not have any training (formal/informal) in agricultural marketing and marketing management. They listed peer group (39%) followed by specialists/extension professionals (36%), various social groups (31%), and parents (12%) as the major influencing factors while making marketing decisions. Of the total, 51% producers responded that small farmer agricultural marketing cooperatives could reduce the marketing problems and associated challenges if established and operated smoothly; however, 40% of them expressed ignorance over whether a cooperative could be a good fit. Regarding the willingness of the producers to take a risk while making production and marketing decisions, 31% were found

risk averse, whereas 8%, 12%, and 44% respectively stated that they were taking substantial, above the average, and an average level of risks. While confirming the delivery of educational contents to deal with such problems, the preferred methods of learning reported were a demonstration (53%), hands-on (41%), classroom (28%), and webinar (5%).

Apart from the frequency and descriptive analyses, Chi-Square Test was done to estimate the relationships between risk-taking behavior and training/knowledge base and keeping track of operations by maintaining records. The Chi-Square Test value demonstrated a significantly positive relationship between these desired variables ($p < 0.05$).

Discussion

The findings reveal that there are an enormous amount of services Extension can deliver to empower small and limited resource farmers in rural communities. The first and foremost task is to create and strengthen farmers' 'knowledge bank' as the findings revealed that 55% of the farmers never had any training in agricultural marketing and market management issues. Method of deliberation is a critical issue for making teaching and learning more effective. Extension professionals must consider introducing a preferred mode of learning delineated by the needy clientele (demonstration recommended by 53% and hands-on by 41%) rather than the so-called academicians' traditional approach. Correspondingly, Extension must always construct the 'problem tree' and assess primary needs, deviating from the traditional pathway of implementing anecdotal activities. The study revealed that 77% of the respondents did not maintain any records or if any, only minimal records of their farm operations. The extension professionals must go deeper by making the clientele technically, allocatively, and economically efficient rather than reiterating a traditional literacy approach alone. Such action and commitment are required to enable producers to make informed decisions while making production and marketing plans (e.g. choosing a profitable commodity, desired volume of production, and setting output price) that start with the basic step of 'introducing records keeping' since Chi-Square Test demonstrated significantly positive relationships between maintaining farm records, knowledge base, and risk-taking behavior. Following the Logic Model as a program planning and evaluation tool, Extension should design a curricula (to address agricultural marketing problems and challenges), implement the training package applying the recommended pedagogical approaches, employ continuous follow-up, monitor and review the progress, evaluate the impact, and plan accordingly to accomplish the goal 'tangible outcomes and changes in condition.'

Thus, need-based training about agricultural marketing: problems, prospects, and challenges following the mode of preferred methods of learning would encourage farmers to increase the level of production and supplement household income continually. Reaching out to the target farmers in a systematic calendar, keeping them aware of emerging marketing issues, and finding ways to sustain them in farming is where EXTENSION can make a difference in sustaining aging of small-scale family farms. Thus, effective education and training would help small and limited resource producers continue farming by mitigating agricultural production, processing, marketing risks, problems, and challenges.

Keywords: small producers, informed decisions, extension professionals, willingness to take production and marketing risks, training and education, and farm sustainability