

PROBLEMS OF DISTRIBUTION AND MARKETING OF  
AGRICULTURAL PRODUCE; A STUDY OF THE ROLE OF WOMEN IN  
THE KUMASI CENTRAL MARKET

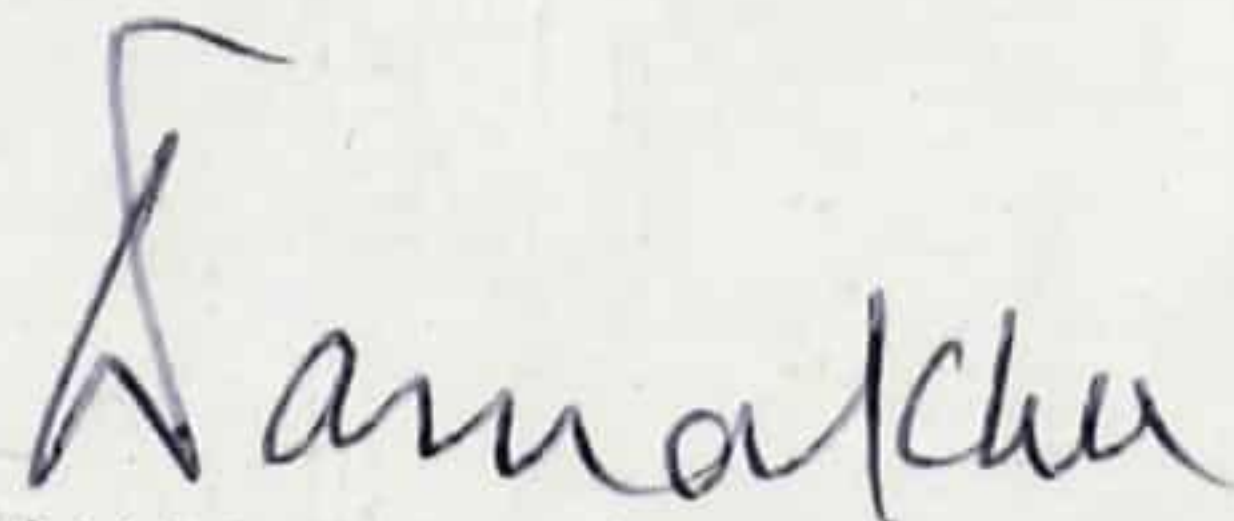
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By

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July, 1998

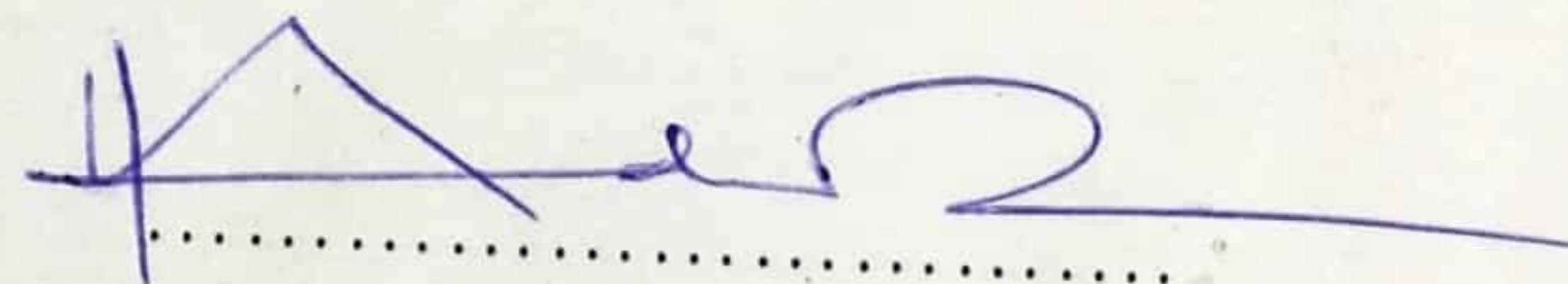
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## ABSTRACT

Agriculture is the prime mover of the Ghanaian economy, contributing 49 percent of the total GNP. It is the main source of income for about 60 percent of the population and the government recognises its importance. The government's strategies for increasing agricultural production take account of marketing. Nevertheless it appears, little account is taken of the marketing intermediaries and the role they play in the distribution and marketing of agricultural produce.

Ghanaian women dominate marketing of agricultural produce. They face problems in transporting the commodities from the producing areas to the markets. There is poor linkage between rural producing areas and the markets, poor road conditions, unreliable and costly transportation; inadequate market facilities and operational capital. All these constraints put excessive pressure on women's ability to supply and meet the demands of the consumers.

The aim of the study is to identify problems of distribution and marketing of agricultural produce by women as well as suggest possible solutions to the identified problems. To attain this aim, field surveys were carried out by interviewing traders (both wholesalers and retailers), as well as farmers to verify the scale of the problems.

The study established that some producing areas are inaccessible by light duty vehicles and this forces traders to request timber drivers to bring their commodities from these areas. There is also a problem of delays during transportation due to regular breakdowns and absence of all weather roads in some rural areas. The roads are impassable during the rainy season. This delays transportation of produce leading to deterioration of the produce before it reaches the market. Additionally, there is lack of access to formal credit, inadequate market facilities as poor sanitation, inadequate covered stalls, limited space for selling, loading and unloading, leading to chronic congestion in the market.

Discussions with some of the farmers whose produce is on offer in Kumasi confirmed that women pre-finance their production activities. This is because the farmers also face a problem of inadequate credit and this forces them to sell their produce at low prices to their pre-financiers. This seems to contribute to the distortion of prices of agricultural produce. It gives the women monopoly over the sale of agricultural produce as well as deny the farmers the opportunity to eliminate intermediaries in cases where they are unnecessary.

Farmers and traders are considered to be equally important in the general framework of enhanced agricultural productivity. As a result, the study recognises that marketing problems can only be solved by addressing the distinct problems of these two groups. The recommendations made cannot be implemented solely by the Kumasi Metropolitan Assembly, they call for combined efforts of various development actors. They include maintenance of feeder roads, formation of cooperatives, improvement of the market, introduction of scales and promotion of their use, provision of market information as well as basic training in simple processing methods.

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## CHAPTER ONE

### INTRODUCTORY CHAPTER

#### 1.0 Introduction

Agriculture still dominates the economy of most African countries today. The overall national development of most African countries heavily relies on the development of agriculture. Even though a majority of governments are focusing their attention on manufacturing industries in national planning, the agricultural sector still receives a significant amount of weight. It is now increasingly becoming accepted that Africa's economic development will for a long time remain tied to the development of agriculture and the rural areas.

An efficiently and accurately responsive market machinery to agricultural production is of utmost importance for invigorating farmers to increase output and for promotion of low cost supplies of foodstuffs and raw material to agro-based industries. Therefore there is a need to ensure an efficient agricultural marketing system. To do this, marketing has to be incorporated into the planning of the agricultural sector.

The importance of agriculture in Africa including Ghana needs not be overemphasised. Agriculture is the prime mover of the Ghanaian economy. The agricultural sector, which includes fishing and forestry contributes 40 percent of the total GNP and is the main source of income for about 60 percent of the population (Ghana Vision 2020, 1997). The government of Ghana recognises that agriculture will continue to be an important vehicle for accelerating economic growth during the first medium-term of the plan period of the vision 2020. Although the strategies aimed at increasing agricultural production take marketing into account, they are only directed at the producers. This does not take account of the marketing intermediaries and the role they play in the distribution and marketing of agricultural produce. Even though the intermediaries are often blamed for high food prices at the market and low prices to the farmer, they are necessary in some

stages of the marketing process. In developing countries, women dominate these intermediaries. The importance of the small farmer has been demonstrated from time immemorial. Similarly, there is a need to give more recognition to the traders and give their problems due consideration.

Women in developing countries, Ghana being no exception, carry out most of the farming tasks and are responsible for processing of agricultural produce. They are not only involved in producing and processing of agricultural products, they are also responsible for marketing them.

In West Africa, the Caribbean and South East Asia, between 70 and 90 percent of all farming and fishing produce is bought and sold by women (Mohlouoa, 1994). However, the income levels of most of these women remain low due to the fact that they operate in an inefficient marketing system. This is a reality that stems from poor roads, unreliable and costly transportation, poor storage facilities, inadequate marketing facilities and perishability of most of the products as well as unfavourable prices.

Besides high rates of population growth, there is massive migration into urban areas including Kumasi with its problems of unemployment due to an increase in the supply side of the labour markets in these cities. The demand side is said not to be commensurate with the supply side. The gap in the demand and supply boosts up self-employment since people have to struggle for a livelihood and cannot afford to be unemployed. Women seem to dominate this type of employment and in Ghana 87 percent of trading enterprises is run by women (GLSS, 1995). In Kumasi marketing of agricultural produce is dominated by women. An efficient marketing machinery is crucial for the optimal performance of these women carrying out their marketing functions. However, the women in the Kumasi central market appear to operate within an inefficient marketing machinery.

In a regional capital like Kumasi where there is a heavy influx of excess labour from rural areas in search of better employment; the goal is to reduce poverty and increase

opportunities for sustained income generation. Nonetheless, income levels for women marketing agricultural produce will not be improved under the present marketing situation within which they operate.

**1.1 Problem Statement**

The women face problems in transporting the commodities from their suppliers to the market centres. In most cases there is poor linkage between these farms and the markets. This is exacerbated by poor road conditions, unreliable and costly transportation. In addition, the women are faced with a problem of inadequate market facilities as well as operational capital. All these problems put high pressure on their ability to supply and meet the demands of the consumers.

**1.2 Objectives**

The overall objective is to analyse problems of marketing of agricultural produce by women in the Kumasi central market. The specific objectives are stated as follows:

- 1. analyse aspects of the Kumasi central market that inhibit efficient marketing of agricultural produce;
- 2. analyse existing distribution chain of agricultural products destined in Kumasi from their origins, and establish the existing producer-trader links;
- 3. identify factors inhibiting efficient marketing of agricultural produce by women; and
- 4. recommend possible strategies for alleviating problems of distribution and marketing of agricultural produce.

**1.3 Justification of the Study**

Even though middlemen are said to be responsible for the increase in the costs of agricultural products, it is generally conceded that they perform essential services at some

stages in the marketing process since the producers cannot always sell their produce directly to the consumer. Therefore, measures aimed at alleviating problems facing women marketing agricultural produce will benefit not only the trader but the producer as well.

A study of this nature will be useful in drawing the attention of the policy makers to the need to incorporate women traders in agricultural policy formulation and implementation. It will also help achieve greater awareness and appreciation of the role of women in marketing agricultural produce.

#### **1.4 Research Methodology**

The study was carried out through the use of both secondary and primary data. The secondary sources of information included both published and unpublished literature related to the topic. Primary data was collected through direct observation and field survey on problems of marketing agricultural produce by women in the Kumasi central market. Questionnaires were designed for data collection. Stratified, purposive and random sampling techniques were employed to determine the sample size of the women interviewed.

The survey covered both wholesalers and retailers operating from fixed locations in the central market. The samples were drawn from a classification of agricultural products. Due to limited time and resources, only five products were selected. These included yam, cassava, plantain, tomatoes and onions. The criteria used for selection were potential for further processing, perishability, handling, and storage.

A rough estimate of the total number of traders was made based on the information supplied by commodity "queens". Based on this, the sample size was determined and 118 traders were interviewed. This represents 4 percent of the total number of traders. Table 1.1 indicates the number of both wholesale and retail traders interviewed. These

respondents were selected by random sampling. Group discussions were also held with farmers in Nkawie in Atwima District to ascertain some of the issues raised by the traders.

**Table 1.1** Number of Respondents

	Yam	Cassava	Plantain	Tomatoes	Onions	Total
Wholesalers	12	2	10	3	2	29
Retailers	28	9	24	18	10	89
Total	40	11	34	21	12	118

Source: Author's Field Survey May, 1998

## 1.5 Description of the Study area

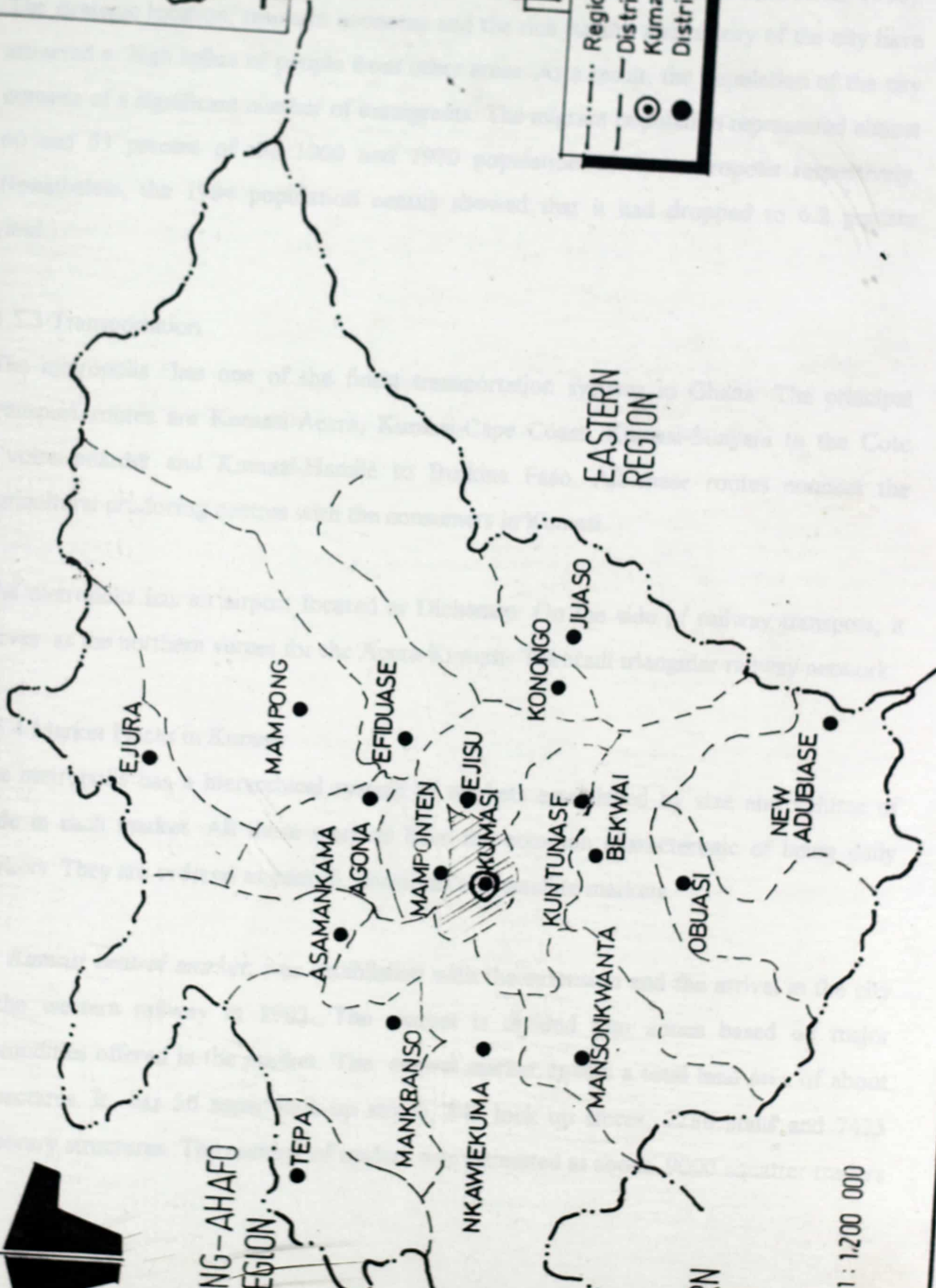
### 1.5.1 Location and Climate

The central market is situated in the Kumasi metropolis, the second largest city in Ghana as well as the administrative capital of the Ashanti Region (see figures 1.1 and 1.2). The metropolis is situated between latitudes  $6.58^{\circ}$  and  $6.75^{\circ}$ N and longitudes  $1.5^{\circ}$  and  $1.75^{\circ}$ W. It has gross total land area of approximately 256 square kilometres. It shares borders with Afigya (north), Bosomtwe Atwima Kwanwoma (south) Atwima (west) and Ejisu Juabeng (east) districts in the Ashanti region. The topography is generally a low lying dissected plateau (206-306 metres) which is a watershed for the streams (Dechem, Sisan, Aboabo, Kontintronu, Wiwi, Kwadasu and Danyami) that drain in the area.

The mean monthly temperature is about  $25.5^{\circ}$  (standard deviation  $1^{\circ}$ C) and rainfall is 88.6mm (standard deviation 85mm) with a mean of 9 rainy days per month. This typical tropical rainforest climate promotes farming activities in the periphery. However, the rain brings about floods particularly at Kejetia parking and central market area. The floods impede economic activities, specially those of women trading in the market.

STUDY AREA (KUMASI METROPOLIS) IN REGIONAL AND NATIONAL CONTEXT

# ASHANTI REGION



**LEGEND**

- ..... Regional boundary
- - - District boundary
- ⊙ Kumasi
- District capital



1 : 1,200 000

in 1995. These dimensions make it the largest single daily market in Ghana. It is estimated that an average of 25000 customers from Ghana and beyond visit the market daily.

This massive attraction of customers stems from both the strategic location of the city and the produce offered for sale from both the wholesalers and retailers. Simultaneously, the market satisfies the demand of household, commercial, rural and urban consumers. The buoyancy of the market is a major booster of agricultural production in the Ashanti region. While the variety of goods and services offered in the market exerts a strong pull on shoppers, it is also partly responsible for the chronic congestion in and around the market (K. D. Kessey, 1995).

*Divisional Markets;* in a strife to decongest the central market, two divisional markets were built. These are Asafo and Bantama markets. They were built in 1961 and 1971 respectively. The Asafo market has 665 stalls and is situated 2.5 kilometres away from the central market. The Bantama market has 241 temporary stalls. However, these divisional markets are under-utilised by traders. As a result of this reason, among others, the central market is still congested. Traders are said to prefer central market to the other markets because of its strategic location as well as easy access from the Kejetia lorry park.

*Satellite Markets;* These markets are Aboabo, Amakon, Asawasi, Asuoyeba, Ayigya, Ahensan, Antonsu-Agogo, Bomso, Breman, Kwadaso, New Tafo, Old Tafo, Oforikrom, Santasi, Suame and Tarkwa. They are in all respects retail outlets except for Aboabo and Asawasi that are wholesale markets for kola and maize respectively.



## 1.6 Scope of the Study

Although Agricultural marketing also includes the selling to farmers of supplies needed for production as fertiliser, pesticides, other agricultural chemicals, livestock feed, farm machinery, tools and equipment, the study is focused on the marketing of the produce itself.

## 1.7 Limitations of the Study

The major constraint the researcher was faced with resulted from the inability to speak the local language. Although the researcher employed assistants, communication with the women was not very effective. This is because the whole process became time consuming and the traders only had limited time to spare for the interviews. Most of them got bored when the interviews dragged on and expressed a desire to attend to their trading activities. Consequently, further probing was inhibited. This means that certain issues could not adequately be clarified.

The women seemed to have very little information about the value added tax (VAT) which the government is introducing. As a result, they associated the study with VAT and suspected that it would result in the imposition of more taxes on them. They were very reluctant to answer the interview questions. They only agreed to participate after a series of long discussions with their commodity queens. However, attempts to erase their suspicions did not bear any fruit. They refused to divulge any information on their marketing costs. As a result it was not possible to analyse marketing costs versus market prices for all the commodities under investigation. This means it was not possible to assess market efficiency. The only information the women disclosed is the amount of money they have to pay night watchmen to secure their wares at night.

## 1.8 Organisation of the Report

The rest of the report is organised as follows;

Chapter two reviews literature on women in development in areas such as women's economic role, women and education, the formal sector, agriculture, the informal sector and women's groups.

Chapter three defines concepts and indicates the framework for analysing agricultural marketing.

Chapter four presents the analysis and discussion of problems of women in marketing and distribution of agricultural produce in the Kumasi central market.

Chapter five is the final chapter and it is based on conclusions derived from the analysis of field data and findings from the study. Recommendations on alternative solutions to problems of marketing agricultural produce by women in Kumasi Central Market are also presented in this chapter.

## CHAPTER TWO

### WOMEN IN DEVELOPMENT

#### 2.0 Introduction

The United Nations decade for women was declared in 1976 with extremely high expectations for women emancipation. The declaration was followed by a series of conferences which have all been helpful in invigorating interest in the predicament of women. Dialogue and writings on topics related to women were instituted. The output of such work delineated the situation of women in different fields like discrimination against women, effects of women's work on child nutrition, changes in female patterns of employment and so on. These were instrumental in attracting the world's attention to women and what they are doing. Consequently women's status in society has been tremendously enhanced and gender issues are now considered central to any development effort.

Despite all these developments, the emancipation of women is far from full realisation. In Africa, the African woman has forever been on the "front line" of the socio-economic planes of African societies, everywhere and at all times. However, her role is not very much appreciated or rewarded. Not only are her needs being denied (which is nothing new), but her undeniable achievements, her accomplishments as the provider of subsistence and security in the physical, emotional and social sense, proceed to be ignored. In actual fact, the more she copes, the more African economies, societies and environments decline, the more "invisible" she gets to the decision makers.

Inside and outside Africa, of what is known as the "development process", it is only men who talk and only to other men. Meanwhile, inside Africa, as economic growth decreases, as agricultural production declines, as the physical environment becomes depleted, as health, educational and public services crumble, and disease and malnutrition increase all over rural Africa (where the majority of African women, men and children live); the

African woman continues to struggle for her society's survival and continues to be invisible in this endeavour (Suliman M. 1991).

Sen et al in Kate young 1993 argue that : "We are now more aware of the need to question in a more fundamental way the underlying processes of development into which we have been attempting to integrate women." Throughout the decade it has been tacit that women's main problem in the Third World has been insufficient participation in an otherwise benevolent process of growth and development. Hence it is necessary to increase women's participation and improve their shares in resources, land, employment and income relative to their male counterparts. This is considered not only necessary but sufficient to effect dramatic changes in their economic and social position.

## 2.1 Women's Economic Role

The major economic roles which women are exclusively engaged in are the reproduction and maintenance of human resources. These include caring and cooking for children. However, these activities are often ignored as having any significant contribution to economic growth. For instance, it is assumed that reproduction and maintenance of human resources is undertaken for love and as a duty and not liable for payment. Feminist and Marxist literature emphasise the role of the production and daily maintenance of the labour force- a fundamental point being made that household production cheapens the costs of maintenance and reproduction (Beechy, 1977).

Consequently, Cicil Pogou, the pioneer of welfare economies in Mohlouoa (1994) had this to say; "If a woman employed by a bachelor were to marry him, national income would fall, since her previously paid work would be performed unpaid. But unpaid work goes far beyond housekeeping, and its omission leaves a major gap in national income accounting"

The labour of women at home, in agriculture and outside the household has contributed to economic growth, hence the economic history of Africa and Ghana in particular cannot be analysed without reference to the role of women in the agricultural sector.

The UNICEF 1994, World survey on the Role of Women in Development concludes that: *Economic development is closely related to the advancement of women. Where women have been advanced, economic growth has been steady. Where women have been restricted, there has been stagnation.*

## 2.2 Women and Education

Women in the Third World mostly have low levels of education, no skills and are almost invariably without any capital to set themselves up in the formal sector business enterprise. In Ghana, traditional beliefs in the inefficacy of education are responsible for women's little or no education compared with their male counterparts. About 49.8 percent of Ghanaian females have never attended school and only 3 percent attain secondary or higher education (Ghana Vision 2020, 1997). Low educational and training qualifications render women incompetent in the job market and in elective office, and place them at the lower level positions in various institutions compared with men ((ISSER/DPPC, 1998). For women who fail to enter the formal sector, agriculture and the informal sector are their only chance of earning a living.

## 2.3 Women in the Formal Sector

Defined here are the activities using wage labour or labour outside of agriculture (UN, 1994). Women in Ghana are gaining ground in the formal sector as the role of agriculture declines and urbanisation progresses. Females are disproportionately represented in the sales and services occupations and are underrepresented in the professional, technical, administrative and managerial occupations which are occupations with high salaries.

A study conducted on women in public life in Ghana (ISSER/DPPC, 1998), came up with abundant evidence that the liberalisation of policies and laws affecting women, particularly their recruitment into public office has been extended to all formal institutions and spheres of work. Gender discrimination was made illegal by the Industrial Relations Act of 1965, and in 1967 equal pay for equal work was instituted. Women in public life were given paid maternity leave in 1971. What official barriers remain may be found in spheres of work taken to be special cases, for example within the military and the mining industry. As a demonstration of their commitment to gender equality, many institutions have adopted sporadic measures with regard to recruitment, task assignment and training to hoist female participation in their organisations.

However, traditions die hard, it has been described that unfavourable cultural attitudes among male colleagues continue to impede women's career advancement, as they come face-to-face with subtle but recurrent discrimination, often concealed in exclusionary practices in the organisations. The same culture seems to make women subservient rather than competitive alongside men (ISSER/DPPC, 1998).

#### **2.4 Women in Agriculture**

A major and formerly overlooked feature of the agrarian systems in developing countries is the crucial role played by women in agricultural production. Current literature provides ample evidence for the assertion that women in Africa play a major role in agricultural production. For instance, in her pioneer work on Women and Development; Esther Boserup (1970) noted the important role played by African women in agriculture and found that in nearly all the recorded cases, women did most of the agricultural work. In some cases they were doing around 70 percent and in other cases nearly 80 percent of work related to agricultural production and distribution.

In a country like Lesotho where subsistence farming is predominant, nearly all tasks associated with subsistence food production are performed by women. While men are

away in the mines or have migrated to the urban areas to look for jobs, women are responsible for all the subsequent operations which include weeding, harvesting and preparing the crops for storage or immediate consumption.

Women in Ghana, also dominate agricultural activities. However, the bias against women in access to land and credit continues despite this predominance and the increasing dependence of households on women's earnings (Ghana vision 2020, 1997).

Additionally, women in the agricultural sector in many developing countries bear a heavy burden due to the relative inefficiency within which they must perform their tasks. This is due to lack of capital and technology. Unfortunately little effort is being made to improve women's productivity. Most development programmes are targeted at improving the productivity of the male worker in the agricultural sector. Men are usually given access to credit and are taught modern methods of farming (Todaro, 1991).

For this, and other reasons, the differences in labour productivity between men and women are growing wider. Given the role played by women in agricultural production, whether at home or in the farm or market, crops or cash crops, it is imperative that women share in the improvements in labour productivity that arise as Third World agriculture undergoes a transition from subsistence to commercial and specialised economic activity.

After agriculture, the informal sector is an important form of occupation for both rural and urban women. For most African women today, the capability to secure a steady and independent source of cash income is very crucial. Providing household necessities is women's responsibility and for rural women the marketing of food and food products is virtually the only available way to raise the necessary cash (FAO, 1979).

## 2.5 Women in the Informal Sector

The informal sector is the type of economy based on independent activities of a set of highly competitive traders. According to Todaro (1977), it is that part of the economy of the less developed countries characterised by competitive individual or family firms. He goes further to describe it as petty retail trade and service characterised by low levels of health and education. It is often argued that the informal sector is a major source of urban employment and economic activity. As mentioned earlier, it is the most important occupation after agriculture for women.

Women in the informal sector in the Third World can be divided into three main categories; self-employed women whose main aim is to survive and who often operate the small-scale industries in the markets or at home; self-employed women who are in paid employment who often supplement incomes by the use of the informal income generating activities; and women in full-time small-scale enterprise which often consists of relatively formalised small-scale businesses often distinct from home (ILO, 1994).

The activities of women in the informal sector in Ghana include among others; palm oil extraction, knitwear and dressmaking, soap making handicrafts, fast food production, distribution and marketing of agricultural produce and so on.

Women traders handle from 60-90 per cent of domestic farm and marine produce consumed in west Africa. Most of them do this in addition to bringing up their children, growing subsistence crops and handling other domestic responsibilities. (FAO, 1977). Their services are taken for granted and their valuable contribution to economic development, as mentioned earlier has been undervalued by society.

West African women who trade in both small and large towns exercise considerable economic power. Ghanaian women handle both village and urban trade (ibid.). "But the reason women enter the market economy is not generally to enrich themselves. In virtually

every case, mothering women will justify their employment outside the domestic economy by saying that it is to feed their children." (Raczynski and Serrano in Friedman 1992).

## 2.5 Women Groups

Traditionally, women came together for a variety of reasons. They engaged in cooperative effort for the efficient cultivation and harvesting of their crops (Boserup, 1970). Women groups of perhaps a dozen women used to farm one member's farm and move on the following day to another member's. These groups normally served wider political and social functions providing women with organisational and affiliative bases for non agricultural pursuits (Lambert, 1956:67; Stamp 1975-76 in Audrey Wipper 1986).

The women came together to promote their common economic, political and social interests. Colonialism and urbanisation have however, undermined many of these associations, leaving women in a much less powerful position than men (Boserup, 1970:53-60). However, women's associations in Ghana, are such a powerful force to reckon with in Ghanaian politics.

In the modern context, these associations perform an important role of aiding women adjust to urban life. They regulate and promote trade, extend credit, teach new social skills, and provide monetary and psychological support (Little, 1972 in Audrey Wipper 1986).

Women have established associations which perform a variety of functions. These are instrumental in assisting their members in starting or expanding businesses through lending them the required capital. They train women new to the urban milieu and the trading occupation in business methods and facilitate their contact with potential customers. Additionally, they enforce rules concerning price and competition and can be politically influential.

For instance, in Ghana, each commodity has its own section. Each section has its own "market/commodity Queen." The market queen is the head of the association for traders of a particular commodity. Her roles include ensuring a peaceful environment for conducting business transactions. She is the one who settles disputes whenever traders have disagreements with one another. It is in this context that the role of women in marketing agricultural produce will be evaluated. However, the general framework for marketing agricultural produce is first examined in the next chapter.

## CHAPTER THREE

### FRAMEWORK FOR MARKETING AGRICULTURAL PRODUCE

#### 3.1 The Marketing Concept

Agricultural marketing has been defined by numerous authors in different contexts. For example, marketing is defined as the business activities associated with flow of goods and services from production to consumption. The marketing of agricultural produce begins at the farm with the planning of production to meet specific demand and marketing prospects. Marketing is completed with the sale of fresh or processed products to consumers, or the manufacturers in case of raw materials for industry. Agricultural marketing also includes the supply to farmers of fertilisers and other inputs for production (J. C. Abbott, 1987).

Kohls (1968) defines agricultural marketing as the performance of all business activities involved in the flow of food products and services from the point of initial agricultural production until they are in the hands of the consumers. The definition suggests a mutual interdependence between the farmers and food marketing middlemen and retailers. The food production process does not end at the farm gate. It is argued that the food marketing activities supplement the agricultural production process.

Dieter Elz (1989) defined marketing as the creation of place, form, time and possession utilities while in actual practice, it is the provision of essential services as assembling, processing, sorting, packing, transporting, financing, risk bearing and selling.

The American Marketing Association has defined marketing as the performance of business activities that direct the flow of goods and services from the producer to consumers or final user (J. G. Beierleinetal 1991).

There is no universally accepted definition of marketing. However, whichever definition is taken into consideration, it is apparent that marketing is primarily concerned with production and consumption related activities.

### 3.2 The Four Utilities of Marketing

The four utilities of marketing are time, place, form, and possession utilities. *Time utility* involves storing the product within the time desired by the consumers. This is particularly important for commodities that are harvested once yearly. *Place utility* involves transporting the product to a location desired by the consumer. *Form utility* involves processing the product into a form desired by the consumer. *Possession utility* involves letting consumers gain ownership of the product so they can legally make use of it.

### 3.3 Marketing Approaches

#### 3.3.1 Functional Approach

One mode of categorizing the activities that take place in the marketing process is to break them down into functions. A marketing function is defined as a major specialized activity performed in completing the marketing process (Kohls, 1968). A fairly accepted classification of marketing functions is as follows;

#### 3.3.1 Exchange functions

Exchange functions are comprised of buying (assembling) and selling. These are activities concerned with the transfer of title of goods. They include consumers looking for supplies of products and sellers for buyers. Here the main objective is for the exchange to occur under the most favourable terms possible.

### 3.3.2 Physical Functions

Physical functions entail storage, transportation, processing. These functions involve handling, movement, and physical exchange of the actual commodity itself. They add time, place and form utility to a product.

### 3.3.3 Facilitating Functions

These functions include standardization, financing, risk bearing and market intelligence. They provide an enabling environment for the efficient performance of the exchange and physical functions. These functions are not directly involved in both the exchange of title and physical handling of products. Nonetheless, the modern marketing system would be impossible without them.

## 3.4 The Institutional Approach

The institutional approach examines the various activities of business organisations or people involved in marketing. It considers the nature and character of the various middlemen and related agencies and also the arrangement and organization of the marketing machinery (ibid.). Great emphasis is placed on the human component. Those involved can be referred to as middlemen of marketing and can be classified as follows;

#### (i) Merchant middlemen

- a. retailers
- b. wholesalers

#### (ii) Agent middlemen

- a. commission men
- b. brokers

#### (iii) Speculative middlemen

#### (iv) Processors and manufacturers

#### (v) Facilitating organizations

*Merchant middlemen* take title to, and consequently own, the products they handle. They are involved in buying and selling of products for their own gain (ibid.). The middleman acts as an intermediary between the producer and the consumer. *The wholesaler* sells to retailers, other wholesalers, and industrial users. He also sells to final consumers insignificant quantities.

*Agent middlemen* buy produce as representatives of merchant wholesalers or retailers and earn a fee or commission. Their services are normally retained by a buyer or seller of goods who feels that he does not have the knowledge or the opportunity to bargain effectively for himself (ibid.). An agent middlemen can be classified as either commission man or broker.

*Speculative middlemen* are involved in buying and selling products with the major aim of profiting from price movements. Unlike wholesalers and retailers who avoid risks as much as possible, they look out for and specialise in taking risks. They normally do a minimum of handling and merchandising. Various names are given to these middlemen, such as traders, scalpers and spreaders (ibid.).

*Processors and manufacturers* are mainly responsible for transforming products. In addition to their main processing activities, food processors actively participate in other institutional elements of marketing. Some processors are not only involved in processing but also perform the task of buying in the producing areas. In addition, they carry out wholesaling of finished products to retailers.

### 3.5 The Marketing Channels

The marketing system is comprised of alternative product paths referred to as marketing channels. Marketing channels represent the organisations involved in marketing and the marketing functions that facilitate the movement of agricultural produce from the

producer to the ultimate consumer. They define the path that food products follow from the farm gate to the consumers (J. G. Beierleinetal, 1991).

In developing countries the marketing channels are usually long. Traders frequently have little capital and are unable to buy directly from many producers for sale directly to consumers. So they tend to form a link in a long chain of intermediaries making only a small profit, but utilising relatively little capital. This state of affairs has been condemned as inefficient and harmful to the producer and consumer. However, it allows for the substitution of plentiful labour for scarce capital and gives employment to a large sector of the population that might otherwise be unemployed. Eventually, however, the chain is shortened by increasing demand and bulk transport (E. Gormsen, 1985).

Even though it is true that there would be no food without farmers, it is also true that consumers rely on the agricultural marketing systems to complete the food production process begun on the farm. The relationship between the marketing women traders and farmers is at the same time competitive and complementary.

### 3.6 Marketing Efficiency

Efficiency is a frequently used measure of market performance. Improved efficiency is a common goal of farmers, food marketing firms, consumers and society (Kohls 1968). Efficiency is measured as a ratio of output to input. Marketing input encompasses the resources required to carry out the marketing functions. Marketing output comprises time, form, place and the possession utilities that purvey satisfaction to consumers. Consequently, resources are the cost and utilities are the benefits of the marketing efficiency ratio. Efficient marketing can be attained by maximising the output- input ratio.

An efficient marketing sector does not merely link sellers and buyers and react to current situations on supply and demand. It also has a dynamic role to play in stimulating output and consumption; the essentials of economic development. On the one hand, it creates and

activates new demand by improving and transforming farm products and by seeking and stimulating new customers and new needs. On the other hand, it directs farmers towards new production opportunities and encourages innovation and improvement in response to demand and prices. Its dynamic functions are thus of primary importance in promoting economic activity and for this reason, an efficient marketing sector has been described as the most important multiplier of economic development. (Drucker, P.J. in Abbott 1987)

### 3.6.1 Operational Efficiency

Operational efficiency refers to costs of marketing. It is frequently measured in terms of labour productivity or output per man hour. Reducing the marketing costs without necessarily altering the output side of the efficiency is a requisite for improved efficiency. Costs of marketing influence consumer's satisfaction and efforts to increase the marketing utilities normally affect marketing costs (ibid.). On that account, a comparison between costs and benefits must be made. There is need to attain a certain compromise between consumer satisfaction and operational efficiency.

### 3.6.2 Pricing Efficiency

Pricing efficiency is another form of marketing efficiency whose goal is efficient resource allocation and maximization of economic output. It is concerned with the capability of the marketing system to efficiently allocate resources and co-ordinate the entire food production and marketing process in accordance with consumer directives (ibid.). The creditability of this measure of efficiency is governed by three factors; (i) provision of options from which consumers can select. (ii) the price of these alternatives must sufficiently affect the cost of providing the various alternatives. (iii) business entities ought to be relatively free to pursue or abandon a particular line of activity in response to profits or losses that have a direct bearing on the price. Pricing efficiency is taken not to be perfect when prices are unable to; completely represent consumer preferences, direct resources from lower to more valued uses or co-ordinate the buying and selling activities of farmers, marketing firms and consumers.

### 3.7 The Functions of the Pricing System

The pricing system plays a number of important functions. Due to limited resources; time money, land, labour and so on, it is unfeasible to produce and consume everything that consumers want. Price plays the role of a cost effective information system in assisting consumers and producers to allocate scarce resources.

The system can effect changes in demand and supply and bring about differences in profits, accruing from a particular line of business. As a result, resources can be diverted from stagnant or declining sectors and invested in progressive sectors. This role of the pricing system allows for concentration on the easiest and the most rewarding lines of endeavour.

Consumer's consumption levels are among other things, dependent on prices. The pricing system plays the rationing role to the consumers. When the price of a scarce commodity is increased, the quantity purchased is restricted. Therefore, the consumers will consume less of the same commodity than they did before the price was increased.

Lastly, the pricing system can perform the role of mobilising resources through stimulating the supply of a particular commodity. For instance, if there is an export market for plantain, plantain would become scarce locally and prices would be increased to restrict consumption. However, the developing countries have been criticised with regard to the function of pricing system as a mobilise of resource ( Anthonio in Audrey, 1996). It has been argued that, due to an inefficient marketing system. The distribution chains are normally long and all exchanges require transport, storage or bulking activities, all these affect the exchange price. As a result, increased prices at the retail level fail to be reflected at the producers' level. Therefore, increased production is not stimulated.

### 3.8 Types and Functions of Markets

#### 3.8.1 The Concept of Market Places

A market can be defined as an area in which an exchange can take place. It also means the people living there who have the means and desire to buy a product (J. C. Abbott, 1987). Alternatively, a market place may be defined as an authorised public gathering of buyers and sellers of commodities meeting at an appointed place at regular intervals (Hodder, in Polisa B. 1995).

Other than being sources of revenue for district/metropolitan assemblies, market places perform three basic functions; (i) the import of goods to the local region and their retail distribution; (ii) bulking and export of goods from the local region; (iii) the exchange of goods within the local region.

#### 3.8.2 Types of Market Places

There are several common types of markets each filling a specific role<sup>1</sup>. *Farmers' markets*, these are markets whereby farmers sell their produce directly to the consumers. By selling directly to consumers, farmers can get higher prices than they would by selling to traders. However dealing with retail customers takes time and only small quantities of produce are sold. As a result farmers may prefer to spend the time more profitably elsewhere.

*Assembly markets* are almost like farmers' markets except that farmers deal with traders instead of consumers directly. It is a farmer market on a wholesale level. Assembly markets are convenient to traders as they save them time and expenses of travelling to the farms to collect produce.

<sup>1</sup> This section is based on FAO: A Training Manual, Prevention of post harvest food losses; fruits vegetables and root crops, Rome 1989.

*Wholesale markets* provide a convenient point of gathering large quantities of produce from different sources and for its divisions into small assortments to meet the needs of the retailers. In developing countries incoming produce is ordinarily owned by a trader or maybe consigned by a large farmer or co-operative, whereas in developed countries it is consigned by farmers. The influence of a wholesale market extends beyond its location. It supplies produce to surrounding districts and to other wholesalers in more distant places.

*Public markets* have varying degrees of importance ranging from being the major sources of produce for consumers to being a minor supplement to its sale in shops. Prices are usually low in these markets reflecting low overhead and operational costs, however the confinement of produce retailing to central market means that customers have to travel some distance to the markets. The emergence of fixed shops will ultimately direct customers away from the central market even if they pay higher prices.

*Retail shops* have prices that reflect a greater variety of goods with a higher standard of quality than those found in public markets. Competition between traders is mainly by attracting customers, concentration on shop decoration, presentation of produce and personal contact between staff and customers. Such shops are likely to be situated in or near neighbourhoods.

*Supermarkets* can quickly and efficiently turn over large quantities of produce. With their greater financial resources, supermarkets can move into produce selling at a relatively small increase in overhead costs. They tend to negotiate directly with the producers of fresh produce thus eliminating the middlemen cost entirely and selling produce at prices comparable to those of farmers. In developing countries, however, produce is generally more expensive in supermarkets than in public markets due to packaging, high quality produce and the attraction for the usually affluent customer for easy parking and one-stop shopping.

### 3.8.3 Markets in Ghana

In Ghana marketing centres have actually been in existence as far back as the early 18<sup>th</sup> century and their activities have grown enormously since then. The initial markets developed in the principal centres mainly towns and villages that were traditional headquarters. Classification of Ghanaian markets is as shown in table 3.1.

In practice, all the aforementioned types of markets have a mixture of the identified function, but there are some differences regarding the proportion that contributes to their distinction. The time frame can bring about another classification, in Ghana, agricultural markets in rural producing areas are usually held periodically. The periodic nature emanates from the fact that the per capita income demand for goods sold in the market is so small, that the total commercial business operations are insufficient to support permanent shops. Hence periodic markets have the attribute of focusing demand in specific places on given days (ibid.).

Table 3.1: Types of Ghanaian Markets

Criteria for classification	Type of market
Volume of trade	wholesale retail
location	urban rural
commodity	yam fish maize
time of day	night
frequency	daily weekly
day of the week	Monday Sunday

Source: PPMED Report, Agricultural Marketing Situation Problems And Research Issues, NARP Committee, in Dorway 1996.

These markets enable traders to amass sufficient demand to ensure their survival in business. Farmers can also trade on the specified market days and spend other days in

production. One identified disadvantage of periodic markets is that at the end of the market day the producers are forced to sell at any price irrespective of the production cost. This is partly because of inadequate storage facilities at the markets and the alternative of moving the produce back to their homesteads which may be a long distance from the market leading to additional transport costs (ibid.). For highly perishable commodities like tomatoes, they are forced to sell at low prices because if they use the option of going back home with their produce because of unsatisfactory prices, they run the danger of being left with an over-ripen consignment of produce worth virtually nothing.

### 3.9 Theories of Spatial Organisation of Markets

#### 3.9.1 Von Thunen's "Isolated State Theory"

The isolated state theory attempts to assess the effect of distance on systems of production and distribution. The underlying assumption of the theory is the existence of an isolated state where there is only one market (central city) surrounded by an extensive isotropic plain of arable land. Thunen assumed there was no variability in transport cost except that brought about by distance. He assumed one market centre where prices are determined by the normal performance of demand and supply; no barriers to trade or production apart from those determined by price and cost, no tariffs, no price fixing, no labour immobility, no farmer irrationality, and so forth (C. A. Smith, 1976).

Under these conditions, transportation costs increase with increasing distance from the centre and volume of goods decreased. Von Thunen assumed that farmers would react to changes in the market situation. A rise in transport costs has the effect of reducing the farm gate prices of goods produced far away from the market centre, lowering the return to extra (marginal) inputs of labour and capital in its production. Consequently, production will be intensified near the inner zone. As the distance increases, production becomes less intensive and forms a pattern of land use characterised by concentric zones of

production intensity. This is due to increase in transport costs as distance increases, and the rise in farmer's input costs whereas the land per unit area is cheap.

The model is helpful in giving an insight into how spatial land use within the area serving a market reflects the types of crops produced relative to the distance from the market. changes in supply and demand relative to cost and price disparities. Another model about market or service centres is the central place.

### 3.9.2 The central-place Theory

The central place theory was expounded by Christaller, Losch and others. One of the assumptions of the theory is that the location of market centres will be determined by the competitive nature of the market economy. The theory considers the range of a good or service and the threshold value. The range is defined as the circular area beyond which buyers would not be willing to travel to get a good or service, considering the need, cost and frequency of use. The threshold value is the circular area containing sufficient consumer demand of a good to meet the supplier's requirements for survival in business (ibid.).

The two principles bring about spatial patterns referred to as central-place systems. These are defined as places whose principal function is to supply the surrounding areas with goods and services. Christaller developed a hierarchy of central places where higher order centres that provide goods whose demand is so low or infrequent that they need many customers are the first to be established and when demand for goods is highly frequent, smaller ones are created for basic necessities (lower order goods). It is said that higher level-centres provide both high- and low-order goods, and low level centres provide low-order goods and nest in the trade areas of high level centres (ibid.).

### 3.9.3 Periodic Markets within the central place theory

Conditions prevalent in rural areas prevent establishment of permanent central places since populations tend to be dispersed and a single fixed location for the trader fails to get

sufficient demand to support his business. However, according to Stine in (C. A. Smith 1976), this situation can be remedied by the trader moving from one place to another so as to enlarge the physical area that contains his threshold. In this way sufficient demand is amassed to meet the trader's threshold requirements. The trader mobility gives rise to a pattern of periodic markets. These markets take place at particular locations at fixed times and remain periodic for as long as there is insufficient demand to support permanent traders.

Market studies carried out by Brain Schimmer in southern Ghana also identified three hierarchical levels; *Central market* which performs wholesale and higher order retailing functions; *Retail markets* which are at the intermediate level and have assembling and retailing of produce acquired locally from central markets as their main functions. *Assembly markets* which are at the lowest level and are bulking points and places for sale of foodstuffs to a small group of customers. This framework of hierarchy of market centres and functions of distribution of goods and services serves as the backdrop for analysing the marketing system of the study area.

#### 4.1 Geographic Characteristics of the Traders

##### 4.1.1 Place of Origin

The place of origin of traders was considered to find out whether the women are migrants or not. For this analysis, the places of origin within Ghana have been categorized in accordance with the different regions of the country, namely Ashanti, Brong Ahafo, Western, Central, Greater Accra, Volta, Northern, Upper Volta, and Upper West Region. However, even though Kumasi falls within the Ashanti region, it has been left out of the analysis as it is not clearly how many women engaged in agricultural marketing in the central market actually come from the Kumasi Metropolis. This is necessary for establishing whether or not agricultural marketing provides employment for the women in the labour market coming from outside the metropolis.

## CHAPTER FOUR

### ANALYSIS OF THE MARKETING SYSTEM OF THE STUDY AREA

#### 4.0 Introduction

This chapter is concerned with assessing the marketing system in which women trading in the Kumasi central market operate. It analyses the characteristics of the agricultural marketing trade, the process of marketing of agricultural commodities in the market, the spatial linkages between the central market and the producing centres. Then it identifies the marketing activities as well as assesses their performance. These include the different business organisations, people or agencies and channels involved in the movement of agricultural produce from the producer to the final consumer. It then goes on to the marketing functions as the conditions of the market itself so as to evaluate its adequacy for marketing agricultural produce. The findings from this analysis serve as a basis for making recommendations to address the problems that have been identified.

#### 4.1 Demographic Characteristics of the Traders

##### 4.1.1 Place of Origin

The place of origin of traders was considered to find out whether the women are migrants or not. For this analysis, the places of origin within Ghana have been categorised in accordance with the different regions of the country, namely Ashanti, Brong-Ahafo, Western, Central, Greater Accra, Volta, Northern, Upper, Eastern, and Upper West Region. However, even though Kumasi falls within the Ashanti region, it has been left to stand on its own so as to see clearly how many women engaged in agricultural marketing in the central market actually come from the Kumasi Metropolis. This is necessary for establishing whether or not agricultural marketing provides employment for the new entrants in the labour market coming from outside the metropolis.

establishing whether or not agricultural marketing provides employment for the new entrants in the labour market coming from outside the metropolis.

Only 20 percent of the respondents comes from the Kumasi metropolis. The remainder comes from the rest of Ghana and outside the country. The figures for Ghana are such that a majority of migrants come from within the Ashanti Region as well as from Regions closer to Kumasi. This is probably attributable to the proximity of their areas of origin to the metropolis. Only 8 percent of the respondents come from all other countries put together. They came from Mali, Togo, and Burkina Faso. The numbers of women coming from each area are as shown in table 4.1.

Table 4.1 Place of origin

ORIGIN	FREQUENCY	PERCENTAGE
Kumasi	24	20
Ashanti Region	35	30
Brong-Ahafo Region	14	12
Western Region	8	7
Central Region	5	4
Greater Accra Region	4	3
Volta Region	7	6
Northern Region	5	4
Upper East Region	2	2
Eastern Region	3	3
Upper West Region	1	1
Togo	5	4
Mali	1	1
Burkina Faso	4	3
Total	118	100

Source: Author's Field Survey, May 1998

The figures support the argument that agricultural marketing provides livelihood for the immigrants who come to Kumasi looking for jobs and fail to get them in the other sectors of the economy. This exhibits the strong linkage that exists between the Kumasi metropolitan area and other sectors of the Ghanaian economy and those of other countries in the sub-region.

#### 4.1.2 Age Distribution

Agricultural marketing at the central market is carried out by women of different age groups. Table 4.2 shows the age of the respondents. These ranked between 20 and 80 years with a mean age of 41 years.

Table 4.2: Age distribution of traders by type of trade

AGE	RETAILERS	WHOLESALE	TOTAL
20-29	37	0	37
30-39	28	0	28
40-49	11	10	21
50-59	8	7	15
60-69	4	8	12
70-80	1	4	5
Total	89	29	118

Source: Author's field survey, May 1998.

Young women aged between 20-29 dominate the marketing of agricultural produce. The trend shows a decline as the age increases, which implies that women leave this form of occupation as they grow older. Young women are mostly concentrated in retail trading operations, while the large scale wholesale traders are older women at the age of 40 and above who have been trading for quite a number of years. The reasons for this might be that young women are unable to undertake large scale wholesale trading on account of child rearing as well as inadequate funds since their businesses are not yet well established.

#### 4.1.3 Marital Status

The respondents are either single, married, widowed or separated. Table 4.3 shows their marital statuses and the fact that 50 percent of these women is married. The husbands of 77 percent of the women have a means of earning some income. They are engaged in various occupations as farmers, taxi drivers, office messengers, businessmen and teachers. The husbands' incomes are insufficient to support the whole family and women's trading activities supplement these incomes. All the women who have children reported that they are working to feed and educate their children. These arguments tie well with those of

Raczynski and Sarrano in Friedman (1992). They argued that the reason women enter the cash economy is not mainly to enrich themselves and that in virtually every case, mothering women will justify their employment outside the domestic economy by saying that it is to feed their children.

Table 4.3: Marital Status

MARITAL STATUS	FREQUENCY	PERCENTAGE
Single	30	25
Married	59	50
Widowed	11	9
Separated	18	15
Total	118	100

Source: Author's field survey, May 1998.

#### 4.1.4 Number of Children per Trader

Table 4.4 indicates the number of children per trader. The number of children per woman ranges from one child to twelve children.

Table: 4.4 Number of children per trader

NUMBER OF CHILDREN	FREQUENCY	PERCENTAGE
0	12	10
1	7	6
2	10	8
3	8	7
4	15	13
5	12	10
6	20	17
7	15	13
8	10	8
9	6	5
10	2	2
11	0	0
12	1	1

Source: Author's Field Survey May, 1998

Forty percent of the traders who have children have small children aged 5 years and below, and they all reported leaving them with relatives or going to work with them

because they cannot afford child minders let alone nursery school fees. Only an insignificant proportion sends their kids to a nursery school (only 2 percent). The rest rely heavily on informal childcare arrangements or taking the kids to work with them.

In the light of the above mentioned problems, the women expressed a desire to have affordable child care services near the market. They do not only carry out their trading activities along side taking care of their children but also take care of their families. They wake up very early every morning, clean their homes, get children ready for school (bathing and feeding) as well as prepare meals for the whole family before going to the market.

#### 4.2 Educational Levels of the Women

According to Ghana vision 2020, 49.8 percent of Ghanaian females have never attended school. However, the situation in the central market is slightly better because only 30 percent of the women have never been to school. Notwithstanding, their educational levels are very low. Most of them did not manage to go beyond primary level and basic trading skills like book-keeping, stock management and time management have never been acquired systematically. Table 4.5 indicates the educational levels of the respondents by age.

Table 4.5 Educational levels by age

AGE	NEVER	PRIMARY	MIDDLE	O'LEVEL	TOTAL
20-29	0	30	2	5	37
30-39	0	20	6	2	28
40-49	8	11	2	0	21
50-59	10	3	2	0	15
60-69	12	0	0	0	12
70+	5	0	0	0	5
Total	35	64	12	7	118

Source: Author's field survey, May 1998.

Complete illiteracy is only found among women aged 40 and above. This is probably due to the fact that in the past, education of the girl-child was not considered crucial. Hence most girls were never sent to school. This perhaps explains why in the central market it is the older women who have never been to school.

### 4.3 Characteristics of the Enterprises

#### 4.3.1 Ownership

The enterprises of marketing agricultural produce enterprises in the Kumasi market are owned by self-employed women who run them. Most of these women run their enterprises single handedly with occasional assistance from other members of their families. There are some who have employed others to help them. But, the employed ones do it with the aim of setting up own businesses when they have amassed enough capital to do so. However, mention need be made that the women who employed others constituted a very small proportion of the traders (4 percent). This might be due to the fact that one does not really need astronomical amounts of capital to engage in small scale agricultural marketing. Most of the women who work for others do it mostly for relatives who are willing to afford them a chance of setting up own businesses as well as teach them "marketing skills." Most of the women traders reported having acquired such skills from early childhood; having been in the market since then helping their mothers everyday or after school for those who went to school.

#### 4.3.2 Start-up Capital

Even though trading is characterised by ease of entry, this cannot be achieved without capital. The study revealed that most of the enterprises (80 percent) were started with individual savings by the women. The women's ability to save implies that they have a high potential of repaying loans if given access to loans. Notwithstanding, there is a need to carry out an assessment study on women's credit worthiness before giving them loans. For the rest of the women the start up capital came from money lenders, their children, husbands or and other relatives.

### 4.3.3 Returns to Traders

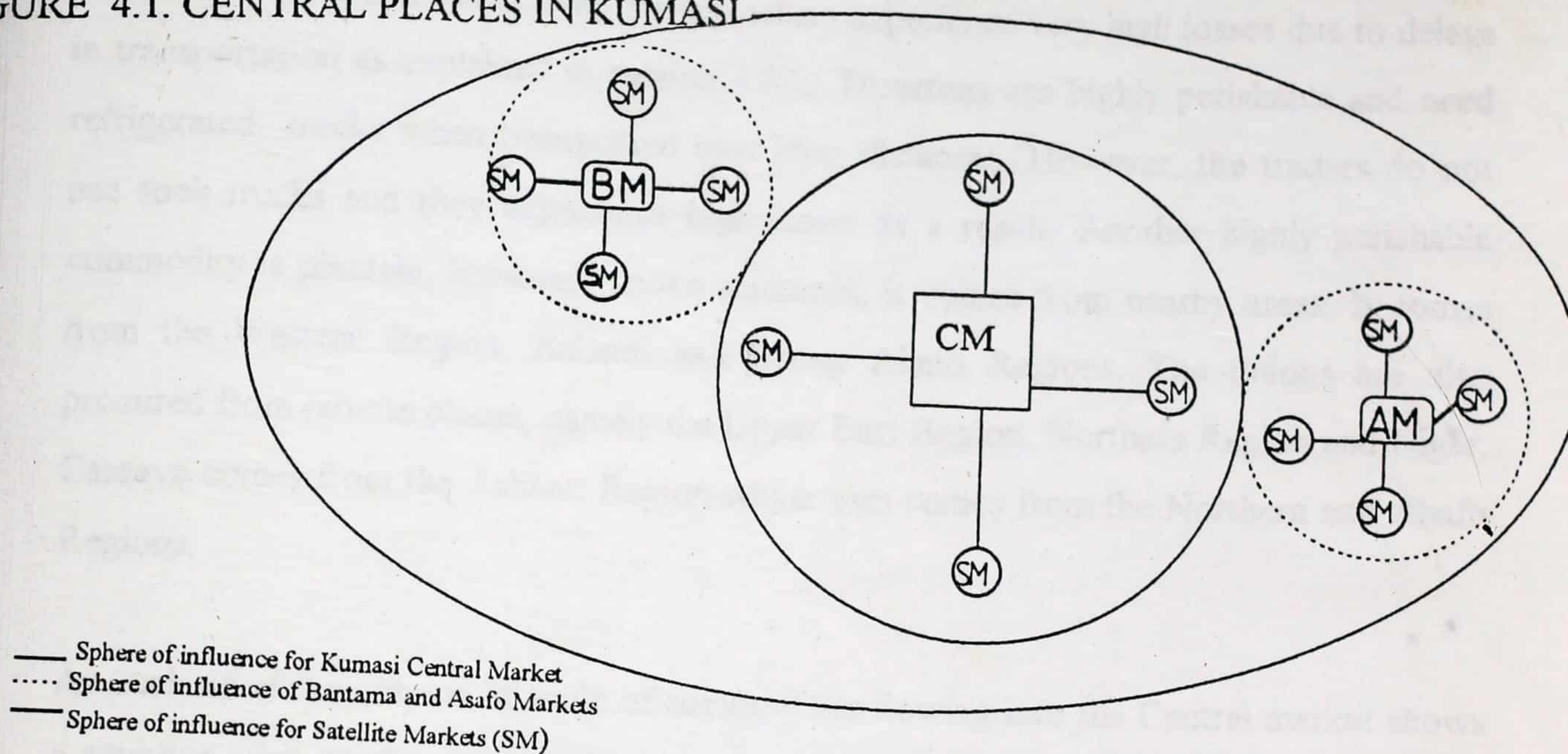
This section is supposed to deal with the income received by the traders vis-à-vis marketing costs. However, calculation of the returns was not possible. As mentioned in section 1.7, the women were not willing to divulge information regarding their finances due to fear of tax. However 80 percent of them are able to save some money from their proceeds. The women did not disclose the amount of money they save. None of them saves with a formal financial institution. They all save with an informal saving scheme called susu. All of them reported that the arrangement is suitable for their needs and very flexible. This is probably the reason why they are oblivious to the risks of saving with informal saving schemes.

### 4.4 The Market system of the study area

The central market imports commodities from the producing areas and facilitates their retail and or wholesale distribution for consumption within the metropolis. Additionally, it sees to the bulking of these produce to be conveyed to other parts of the country and even outside the country. It has two different sections for agricultural produce, the retail and the wholesale market for unprocessed agricultural produce. It is linked with the division and satellite markets in the metropolis. This structure forms central places in the metropolis. The central place theory stipulates that markets act as "central places" in providing the surrounding population with goods and services. The catchment area of markets is delineated by the range for economically providing goods and services. The catchment area is usually presented as a series of nesting hexagons despite the fact that it is circular. Figure 4.1 shows the hierarchical levels or spheres of influence of the different markets in the Kumasi metropolis (the central market, the divisional markets and satellite markets). The central market offers goods and services whose demand is so low or infrequent that they require many customers; the divisional markets (Bantam and Asafo) offer goods whose demand is more frequent than that of the goods and services offered by the central market, thus they require less customers. The satellite markets except for

Aboabo and Asawasi (wholesale markets) are retail outlets offering goods and services whose demand can be satisfied by their immediate environs.

FIGURE 4.1. CENTRAL PLACES IN KUMASI



The market gets commodities from all over the country and from other countries. Table 4.6 indicates the origins of the five commodities under investigation. The spatial distribution of these areas as shown in figure 4.7.

Table 4.6: Origins of Commodities

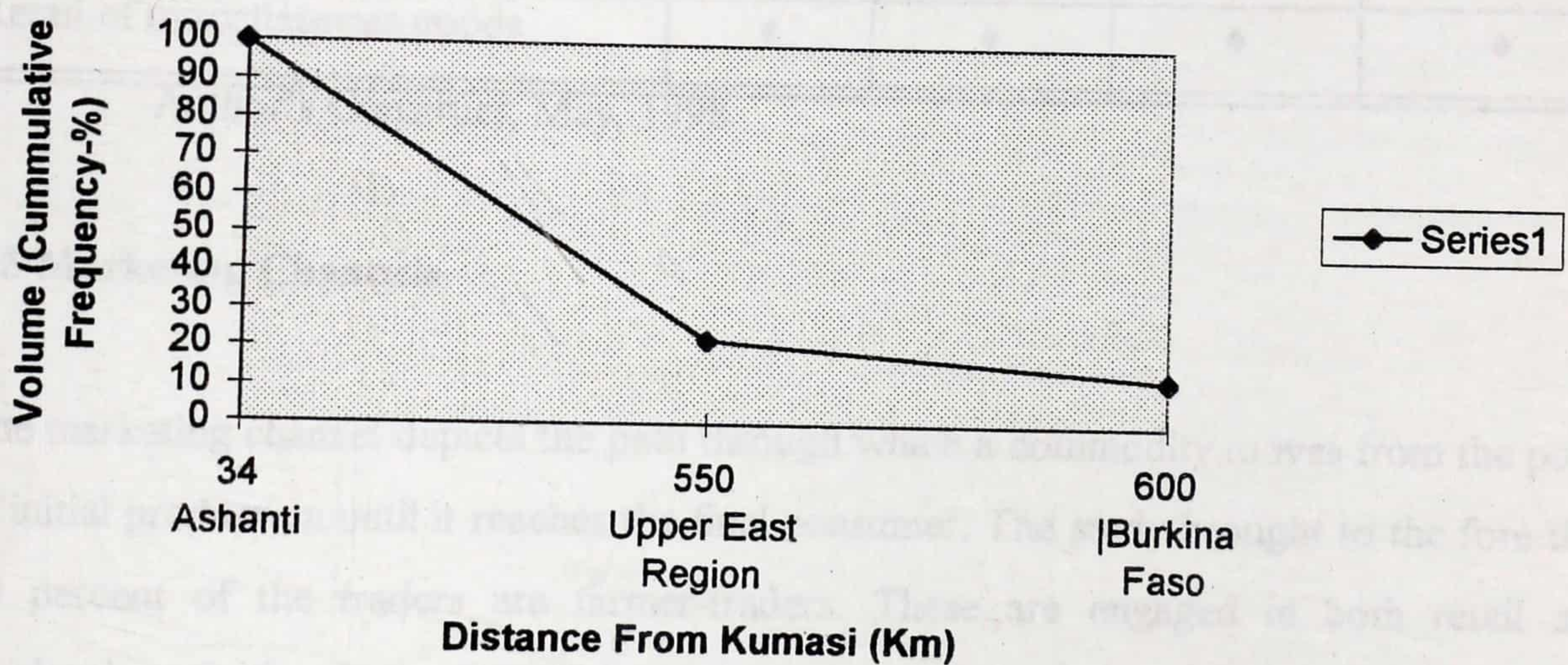
COMMODITY	SOURCE
Tomatoes	<ul style="list-style-type: none"> <li>• Novrongo, Bolgatanga-Upper East Region</li> <li>• Akomada- Ashanti Region</li> <li>• Burkina Faso</li> </ul>
Onions	<ul style="list-style-type: none"> <li>• Bawku, Novrongo- Upper East Region</li> <li>• Tamale- Northern Region</li> <li>• Galamy- Niger</li> </ul>
Plantains	<ul style="list-style-type: none"> <li>• Asafo- Western Region</li> <li>• Thechimantia, Gaosa - Brong Ahafo Region</li> <li>• Mpasaso, Abesoa, Tapa, Nyinahin and Pechi- Ashanti Region</li> </ul>
Yams	<ul style="list-style-type: none"> <li>• Tamale, Zabzugu and Salaga- Northern Region</li> <li>• Atebubu, Kintampo, Nkoranza- Brong Ahafo Region</li> </ul>
Cassava	<ul style="list-style-type: none"> <li>• Kwaman, Akomadan, Pechi, Nkawie, Offinso- Ashanti Region</li> </ul>

Source: Author's Field Survey May, 1998.

The table indicates that apart from Akomadan in Ashanti Region, the tomatoes come from very far places. This explains why tomato sellers experience very high losses due to delays in transportation as explained in section 4.8.2. Tomatoes are highly perishable and need refrigerated trucks when transported over long distances. However, the traders do not use such trucks and they experience high losses as a result. Another highly perishable commodity is plantain, however, unlike tomatoes, it comes from nearby areas. It comes from the Western Region, Ashanti and Brong Ahafo Regions. The onions are also procured from remote places, namely the Upper East Region, Northern Region and Niger. Cassava comes from the Ashanti Region whilst yam comes from the Northern and Ahafo Regions.

An analysis of the volume of trade of commodities flowing into the Central market shows a situation that conforms to the basic principles of the isolated state theory. The volume of goods offered in the market decreases with increasing distance from the centre. Figures 4.2, 4.2, 4.2 and 4.5 illustrate the relationship between volume of trade and distance for tomatoes, onions, yam and plantains.

**Relationship between Volume of Trade and Distance for Tomatoes**



Due to limited time and resources it was not possible to visit all the markets that supply the central market. However, a review of the distribution of commodities from Brong Ahofo Region identified three hierarchical levels as identified by studies of markets in Southern Ghana by Brian Schimmer. The Kumasi central market is at the highest level. It performs wholesale and higher order retail functions; It performs the same functions as the Techiman market. The central market performs these functions daily whereas Techiman performs them periodically (from Wednesday to Friday). Nkoranza market is at the intermediate level performing assembly and retail functions; Dromankese market acts as a bulking point for produce acquired from the surrounding areas and performs retail of foodstuffs for its environs. It is at the lowest level of the hierarchy. The hierarchical levels of these markets based on their functions are as shown in table 4.7.

Table 4.7 market Hierarchies based on Functions

Market Function	High <span style="float: right;">→</span> Low			
	Kumasi	Techiman	Nkoranza	Dromankese
Wholesale of manufactured good	◆	◆		
Retail of manufactured goods	◆	◆	◆	
Wholesale of agricultural produce	◆	◆	◆	◆
Retail of agricultural produce	◆	◆	◆	◆
Retail of miscellaneous goods	◆	◆	◆	◆

Author's Construct, May, 1998

#### 4.5 Marketing Channels

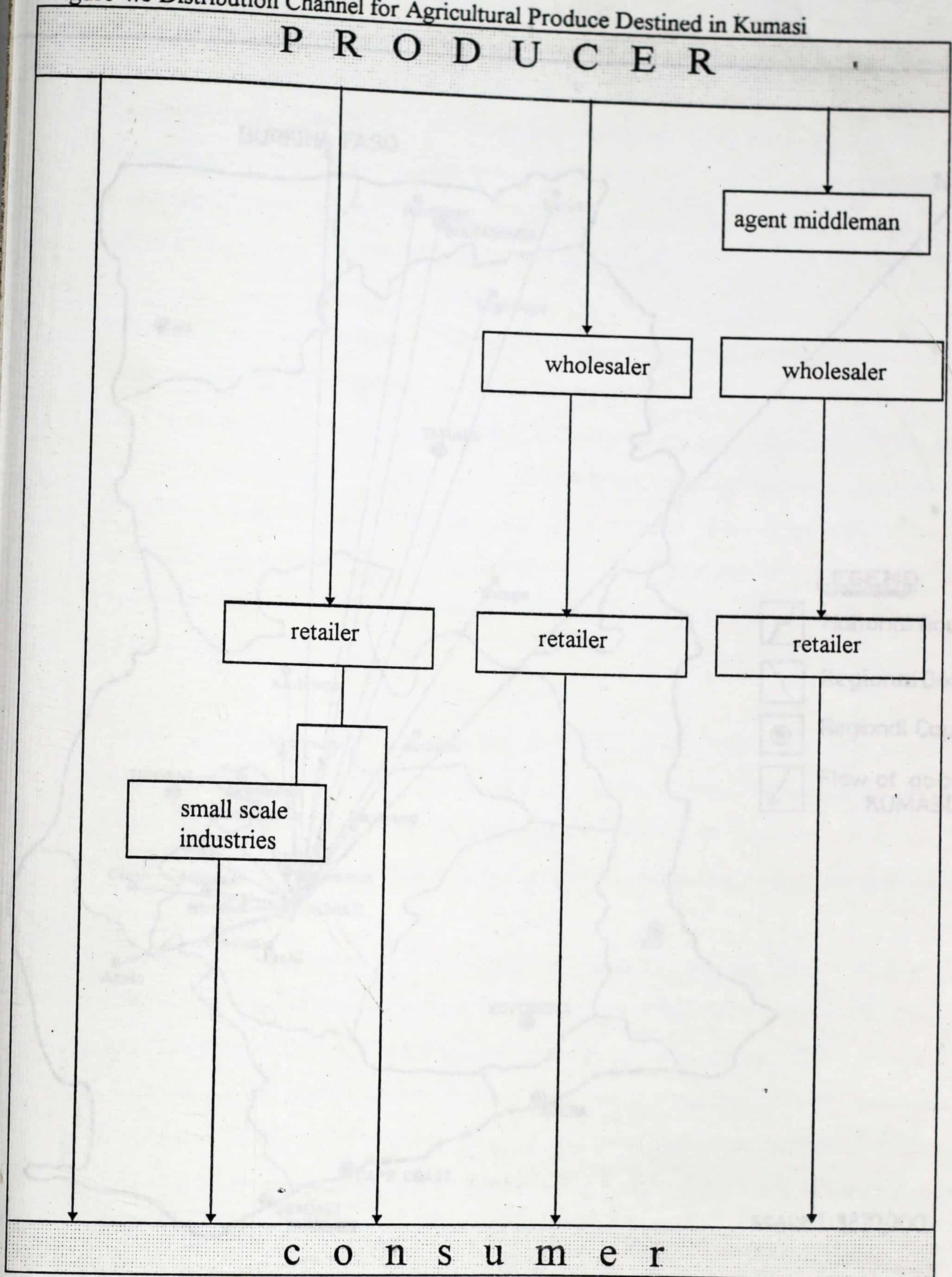
The marketing channel depicts the path through which a commodity moves from the point of initial production until it reaches the final consumer. The study brought to the fore that 30 percent of the traders are farmer-traders. These are engaged in both retail and wholesale activities. It was interesting that seven women out of the proportion of farmer-traders are not directly involved in the actual farming themselves. They reported that their husbands are the ones responsible for it and they are responsible for marketing the output.

A classification of the traders involved in the movement of commodities destined in Kumasi is as follows;

(i) Merchant middlemen (wholesalers and retailers); (a) *Wholesalers*; these are traders operating in the Kumasi central market. They travel to producing areas, purchase commodities and see to their transportation to the central market for sale. 100 percent of them reported that they make use of commission agents from time to time; (b) *Local traders* are engaged in buying produce around the producing villages, and sell it in local markets in those areas. They normally use their own capital for these operations. However, some of the wholesalers reported employing them to buy the commodities on their behalf from the producers for a commission; (c) *Retailers* are the traders who deal with small quantities of produce. They rarely travel to the producing areas to procure the commodities themselves. They normally get them from the central market or other markets around the metropolis; (ii) Agent middlemen, these are the people who buy the produce from the villages for the wholesalers. (iv) Processors and manufacturers (*Small scale industries*). These are traders who operate chop bars and those involved in processing cassava into gari. They get their supplies from both the retailers and the wholesalers. There are no speculative middlemen in the central market. Figure 4.6 illustrates the many different paths by which agricultural produce destined in Kumasi travels from producer to consumer. The illustration traces major channels for distributing agricultural produce from the hinterland to the Kumasi metropolitan. Due to lack of data on prices of commodities, it was not possible to determine the influence of the marketing chains on the commodity price.

Figure 4.6 Distribution Channel for Agricultural Produce Destined in Kumasi

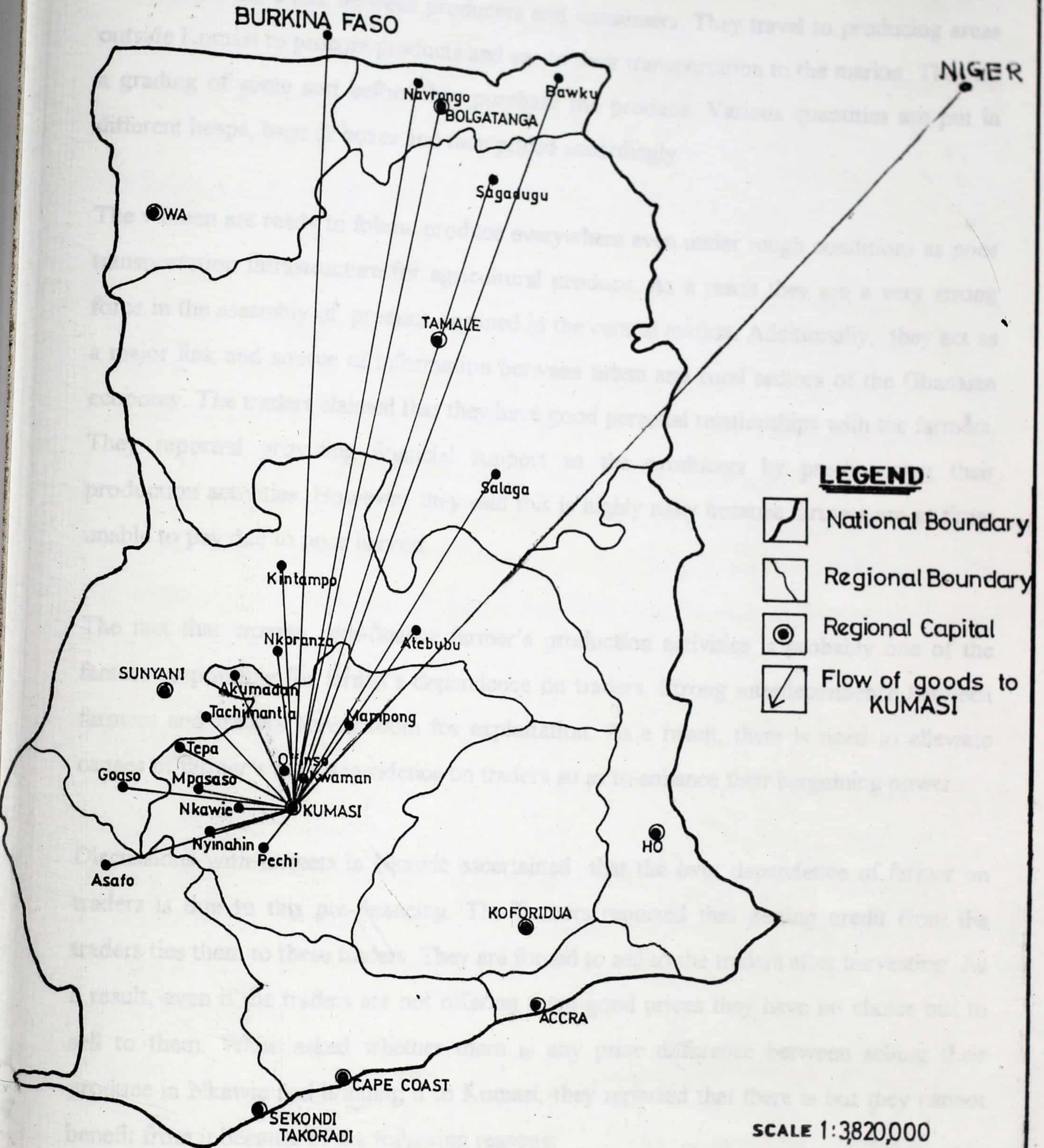
P R O D U C E R



c o n s u m e r

Source: field survey 1998

4.7 ORIGIN OF AGRICULTURAL PRODUCE DESTINED IN KUMASI



**FIG 4.7** ORIGIN OF AGRICULTURAL PRODUCE DESTINED IN KUMASI

#### 4.6 Marketing Role of the Women

The women are a link between producers and consumers. They travel to producing areas outside Kumasi to procure products and see to their transportation to the market. They do a grading of some sort before they purchase the produce. Various quantities are put in different heaps, bags or boxes and then priced accordingly.

The women are ready to follow produce everywhere even under rough conditions as poor transportation infrastructure for agricultural produce. As a result they are a very strong force in the assembly of produce destined in the central market. Additionally, they act as a major link and source of information between urban and rural sectors of the Ghanaian economy. The traders claimed that they have good personal relationships with the farmers. They reported providing financial support to the producers by pre-financing their production activities. However, they said this is highly risky because farmers are at times unable to pay due to poor harvest.

The fact that women pre-finance farmer's production activities is probably one of the factors responsible for farmer's dependence on traders. Strong interdependence between farmers and traders leaves room for exploitation. As a result, there is need to alleviate causes of farmer's over dependence on traders so as to enhance their bargaining power.

Discussions with farmers in Nkawie ascertained that the over dependence of farmer on traders is due to this pre-financing. The farmers reported that getting credit from the traders ties them to these traders. They are forced to sell to the traders after harvesting. As a result, even if the traders are not offering them good prices they have no choice but to sell to them. When asked whether there is any price difference between selling their produce in Nkawie and bringing it to Kumasi, they reported that there is but they cannot benefit from it because of the following reasons;

- (i) obligation to sell to their pre-financiers
- (ii) they normally do not have any money after the harvest and they cannot afford to transport the wares to Kumasi as well as pay market tolls
- (iii) the traders buy their cassava when it is still in the ground and that helps them evade losses from the perishability of the produce.

#### **4.7 Traders Associations**

The women are organised into trade associations for different commodities. There is a "market queen" for each commodity. The queens are reported to be mostly women who are either the most successful or the most experienced traders. The objectives of these associations include among others informing the Metropolitan Assembly of the traders' grievances, settling of disputes among traders as well as setting prices unilaterally. This pricing system gives them stronger bargaining power with both producers and consumers. However, individual traders still retain the right to alter prices anyway they see fit. The associations do not provide credit for the members, but offer financial assistance in times of need as illness or death.

#### **4.8 Marketing Functions**

##### **4.8.1 Exchange Functions**

These refer to activities concerned with buying and selling. Here sellers and buyers have to agree on a price before title of the goods is transferred to the buyer. The pricing system at the central market is such that prices are set unilaterally by traders through their various commodity associations.

However, the prices paid when a transaction is carried out rest on an individual trader's own discretion on the basis of cost of purchase, expected profit and general condition of supply and demand. The consumers also influence the actual exchange price by bargaining with the traders.

On the side of trader to trader transactions, small retail traders are normally at a distinct disadvantage. They reported that in times of low supply, the wholesalers sell to those who offer them the best price. As a result those who cannot pay high prices reported having to spent days without anything to sell.

#### 4.8.2 Physical Functions

Discussion of the physical functions encompasses all the components under physical functions of the marketing machinery. These activities include storage, transportation and processing activities, and the situation regarding them is as discussed in the subsequent paragraphs.

*Storage* facilities are essential at all levels of the marketing process. They help cut down food losses. Agricultural production is generally seasonal, while consumption is regular and continuous throughout the year. Thus storage is required to adjust supply to demand. Additionally, availability of adequate storage facilities can also facilitate producers and traders to hold on to their produce over time and this in turn can help moderate seasonal price fluctuations.

The central market has deficient storage facilities for commodities (in terms of size and quality and suitability for different commodities). The retailers are normally forced to choose between leaving the commodities with the watchmen (who have to be paid), taking the commodities back home or selling at very low prices to avoid double transportation costs and or losses resulting from lack of suitable storage facilities for highly perishable commodities. This tremendously reduces their profit and majority of them reported that they at times run at a loss. As a result they are at times forced to get supplies on credit. Getting stock on credit increases their losses because the wholesalers charge them a higher price. This is also a problem to the wholesalers because they mentioned that at times the retailers fail to pay them on time.

Leaving commodities under the care of the night watchman is not only expensive for the traders but risky as well. They reported that they leave the wares in the open and the watchman watches over them. However, they at times lose all their consignments due to theft. They said that at times robbers steal their wares in the night and the watchman fails to stop them for fear of his life.

The problem of storage is most significant for the retailers. The wholesalers reported that they rarely face storage problems. This is because they normally manage to sell their commodities within a short period. Thus they rarely have to provide storage for what they sell. In cases where there is surplus, most of them have access to the limited storage facilities in the market. Thus, only a few of them face this problem. Whereas all the retailers reported having no access to the available market storage facilities. They leave their commodities in the care of the night watchmen and these charge them 800 Cedis per bag. This means that if a trader leaves one bag with the watchmen every evening, she loses a minimum of 5600 Cedis per week.

*Transportation* helps move passengers and commodities from one place to another. It serves to narrow the gap between the distance in time perspective. Agricultural produce, when it is harvested is valueless without reaching the consumer. Thus transport is required to bring products to the right place to make them accessible to the consumers. It is critical for the smooth running of the marketing machinery.

The traders use various modes of transportation when bringing the produce to the market. They use trucks, trotros, taxis, head porters and push carts depending on the origin of the supplies. They reported that taxis are very expensive but they are forced to use them where there are no trotro links to small settlements. This problem was mentioned by yam traders who get their supplies from Nkoranza. Plantain traders mentioned that they are at times forced to ask timber truck drivers to bring their wares from highly inaccessible areas. This is because plantain is very heavy and difficult to transport.

Transportation is one of the major problems facing agricultural trade in Ghana. This problem directly affects the wholesalers because the retailers reported procuring their wares from within the market. The transportation problems emanate from lack of efficient access routes to producing areas. The roads are poorly maintained and some of them have pot holes which make communication difficult as well as costly.

During the rainy season, the porters normally slip and fall. This results in losses because the commodities get spoiled, especially tomatoes. The rainy season also renders some of the roads to the producing areas impassable and the women reported having spent days en route at times, awaiting improvement. The vehicles are also normally in poor condition and therefore break down frequently. Due to the bad condition of roads and vehicles, and delays as mentioned above, the traders incur very high losses during transportation. The quality of the commodities deteriorates during transportation. This is most noticeable for highly perishable commodities. This means that the retailers' operations also come to a standstill whilst waiting for supplies.

The breakdown of the vehicles exposes the women to health risks because they normally sleep in the trucks. This is because their commodities might get stolen if they leave them and it is also a way of avoiding additional accommodation costs. They do this despite the fact that they might be attacked while sleeping in the vehicles. In addition, they reported that they at times spent days without a shower due to these breakdowns. These show that they perform their function under harsh conditions.

Additionally, the vehicles are at times involved in accidents. At the time of the survey, one of the yam sellers had just met with an accident. She was so depressed that she was even reluctant to be interviewed because her yams were destroyed when a lorry carrying her wares overturned on the way from Nkoranza. As a result, the yams were broken into small pieces and the lady was left with a consignment worth virtually nothing. However, nobody sustained any serious injuries.

*Processing* is an activity that changes the form of a product and adds value to it. It is also essential for prolonging product life of perishables as well as adjust supply to demand for seasonal products. The women do not undertake any processing activities. The wholesalers indicated no desire to pursue this line of business, whereas the retailers expressed a desire to do so. They mentioned that they are unable to do so due to lack of skills as well as capital.

Processing is essential because the traders basically sell agricultural commodities without processing them. This makes them bulky and susceptible to deterioration. Processing is likely to improve storage and handling and reduce losses, thereby reducing marketing costs. To cut on the losses brought about by absence of storage the women can engage in processing produce like tomatoes, onions, plantain and cassava. The tomatoes and onions can be canned. Whereas plantain can be processed into crisps and cassava into flour, gari and tapioca.

## **4.9 Facilitating Functions**

### **4.9.1 Standardisation**

Standardisation is fundamental for an efficient pricing system. It refers to activities concerned with maintenance of uniform weights and measures. Commodity trade in the market lacks uniform grades and standards. The study revealed that the women use no scales. They perform a grading of some sort whereby they put different quality of produce in different heaps and price it accordingly. This supports the present haggling pricing system whereby the produce is examined with the eye and a lot of bargaining goes on before transactions are made. It allows for cheating, for instance, onions are sold in bags and are priced according to size. The retailers reported that at times the onion wholesalers cheat them. They said they put big onions at the bottom, small ones in the middle and big ones at the top of the bag. Then they sell them at the price of big onions only for the retailers to find they are mixed. They reported that the associations have not been able to eliminate this problem because the wholesalers always claim they buy the onions when

already packed, so they have also been cheated. Lastly, the absence of standards also makes collection, analysis and dissemination of accurate data very difficult.

#### 4.9.2 Financing

Financing involves making loans available to support as well as keep the marketing process going. Women in the central market have no access to formal credit. They tend to rely on informal credit markets (money lenders) which normally charge exorbitant interests. However, most of the women borrow from family members or get stocks from their suppliers on credit. The main obstacle imposed by lack of access to formal credit occurs when the traders try to expand their businesses. The quantities bought and sold, the amounts stored and transported and the ability to exploit economies of scale are all restricted by poor access to credit.

#### 4.9.3 Risk bearing

As it is the case in developing countries, entrepreneurs bear the risks involved in the marketing by themselves. The women traders have no insurance and bear the risks without any security for times of trouble. The yam seller whose yams were destroyed in an accident had no insurance. As a result she lost all the money she had invested in the yams and had to start from scratch. This is a big problem because it means when something like that happens that might mean the end of the trading occupation of the woman concerned. As a result there is a need to evolve strategies for coping with such emergencies.

#### 4.9.4 Market information

Market information is an important instrument for enhancing market performance. It equips market participants with knowledge on parameters relevant to their marketing decisions. Thus it is indispensable for production, marketing and consumption decisions. The women have no access to public market information on prices in other markets as well as information on government policies. Regarding information on prices in other markets they have adopted a coping strategy of visiting nearby markets to gather this information themselves. They said "if we don't go out and study prices in e.g. Asafo

market, our prices may be too high and customers will prefer to buy from there." More over, the women are very knowledgeable about supply sources, seasonality of produce, present road conditions, transport availability and charges. They get most of the information from other traders, especially from those involved in bringing the commodities from the producing areas.

However, the information is normally spread by word of mouth. As a result it is liable to delay and distortion by individuals for personal gain. This poor circulation of market information can impede trading between Kumasi and surplus areas as well as put small producers, traders and consumers at a distinct disadvantage. This has far reaching implications not only on the incomes of those operating in the central market, but on the vast majority of Ghanaians who almost entirely rely on agriculture.

#### **4.10 The Conditions of the Market Place**

Despite its large size, the central market facilities are quite poor. The market has inadequate covered stalls. Seventy percent of the respondents has no stalls. Those who have lock up stores constitute 18 percent and the rest operates from temporary structures (uncovered). This contributes to rapid deterioration of the commodities as well as serious discomfort for buyers and sellers. During the rainy season, commodities are soaked leading to heavy losses as well as suspension of economic activities, thereby increasing losses. Additionally, there is bad flooring and drainage in the market, insufficient garbage disposal and no toilet facilities, no water supply, and limited space for trading. The absence of proper drainage, water supply, toilets and garbage disposal renders the market an extremely unhygienic place to be. It exposes all market participants (customers and traders alike) to the health hazards that normally are a result of such conditions. Especially endangered are the children taken to the market by their mothers.

Just like the rest of the country, the market suffers from regular hydro-electric power cut. This results in high losses for the cassava traders whose main customers are the small scale industries. The women reported that the gari processors buy larger quantities of cassava

than chop bar operators. As a result, whenever there is no power, most of the cassava gets spoiled. They reported that they normally keep it in cold water overnight as a way of preserving it. They said this helps maintain freshness of their unsold commodities for some time. However, this preservation method can work for a few days only, so if the stock is not bought in a short time deterioration sets in and losses are inevitable.

Due to limited space the market is highly congested. This hinders movement and limits means of moving the commodities around the market. Even though head porters normally slip and fall, resulting in spoilage of goods, they are more convenient to use than push carts because of this congestion. Although there are loading and unloading parks for different commodities at the market, these are small and therefore highly congested. Consequently, loading and unloading of commodities turns out to be a difficult and slow process because only a few lorries can be unloaded at a time. The foregoing point to the aspects of the market that inhibit efficient marketing of agricultural produce in the central market.

## CHAPTER FIVE

### SUMMARY OF FINDINGS, RECOMMENDATIONS AND CONCLUSION

#### 5.1 Demographic Characteristics of the Traders

##### 5.1.1 Origin

Kumasi has a strong linkage with the other sectors of the local economy and economies outside the country. Only 50 percent of the respondents comes from the Ashanti Region. The rest come from other parts of Ghana and countries like Burkina Faso, Togo and Mali. The traders are aged between 20 and 80 years. Women aged 20-29 years dominate trading activities. They are mostly concentrated in retail trading, while the large scale wholesale traders are older women at the age of 40 and above.

##### 5.1.2 Marital Status

Fifty nine percent of the women are married and the rest are either single (25 percent), widowed (9 percent) or separated (15 percent). The husbands of 33 percent of the married women are not working and their wives are the sole income earners for their families.

##### 5.1.3 Number of Children

The women (90 percent) have one child to twelve children. Forty percent have small children aged 5 years and below. Only 2 percent of them can afford to send their children to a nursery school. The rest either leave them in the care of relatives or takes them along to work.

##### 5.1.4 Women's Education

Thirty percent of the respondents have no formal education. However, most of the literate ones have not gone beyond primary level and basic trading skills like accounting and cash management, the notion of interest rates, stock management and time management have never been acquired systematically.

## 5.2 Characteristics of the enterprises

The enterprises are self-owned by the women. Eighty percent were started with individual savings by the women. Most of them are run single handedly by the owners with occasional assistance from family members. Only 4 percent have employed assistants. The traders refused to disclose the information necessary for assessing the operational efficiency.

## 5.3 Agricultural Marketing in the Central Market

The market has two sections for agricultural produce; the retail and the wholesale market for unprocessed agricultural produce. It is linked with satellite markets in the metropolis. It imports commodities from the producing areas and facilitates their retail and or wholesale for consumption in Kumasi. Additionally, it facilitates bulking of commodities for conveyance to demand areas in and outside the country.

### 5.3.1 Flow of commodities to the market

The produce comes from different parts of the country and outside. Tomatoes come from the Northern, Upper East and Ashanti Regions and Burkina Faso; onions from Upper East and Northern Regions as well as from Niger; Plantain from Western, Ahafo and Ashanti Regions; Yam from Northern and Ahafo Regions and lastly cassava from the Ashanti Region. A review of these commodities shows that the volume of flows decrease with increasing distance from the central market.

### 5.3.2 Marketing channels

The distribution channel for the agricultural produce on sale in the central market moves from the producer directly to the consumer or through agent middlemen, wholesalers, retailers, and small scale industries.

## 5.4 Marketing Role of the Women

The women have been identified as a dominant link between producers and consumers. Thirty percent of them are farmer-traders in both wholesale and retail functions. Retail and wholesale of yam, cassava, tomatoes and plantain is dominated by women whereas men dominate wholesale of onions. The women procure produce, grade and transport it to the market. They are a very strong force in the assembly of the produce. Additionally, they act as a major link and source of information between urban and rural sectors of the economy. They pre-finance farmers' production activities. This has been confirmed by Cassava farmers in Nkawie as one of the main factors preventing them from bypassing the middleman.

## 5.5 Trader's Associations

The women are organised into trade associations for different commodities. Each commodity has a "market queen." The functions of the associations do not include giving out loans to their members. They only offer financial assistance in times of need as illness or death.

## 5.6 Functional Approach to Marketing

### 5.6.1 Exchange Functions

the pricing system at the central market is such that prices are set unilaterally by traders' associations. However, these are not strictly followed. The actual exchange price rests on a trader's own discretion on the basis of cost, expected profit and general supply and demand conditions. The consumers also influence the price by bargaining with the traders. This pricing system puts small retail traders at a distinct disadvantage during the lean season because wholesalers only sell to those who offer best price.

### 5.6.2 Physical Functions

- (i) Storage; the central market has deficient storage facilities for commodities (in terms of size and quality). The traders especially the retailers incur high losses because of lack of storage. As a result they are compelled to get goods on credit and this increases their loss because the wholesalers charge them higher prices for goods bought on credit.
- (ii) Transportation; the traders use various modes of transportation as trucks, trotros, taxis, head porters and push carts depending on the origin of the supplies. Though taxis are very expensive, they are useful where there are no trotro links. Timber truck drivers help bring the wares for the traders from inaccessible areas. During the rainy season, the head porters normally slip and fall and spoil the commodities, especially tomatoes. Some roads to the producing areas are impassable during the rainy season. The vehicles also break down frequently, delaying transportation of the produce. They are also involved in accidents at times, leading to spoilage of commodities and high losses thereof.
- (iii) Processing; the women do not undertake any processing activities. However, they practice simple preservation methods like keeping cassava in cold water overnight to maintain its freshness. The retailers who wish to process some of their commodities fail to do so due to lack of skills and capital.

### 5.6.3 Facilitating Functions

- (i) Standardisation; the women use no scales. The produce is graded by putting different qualities in different heaps to be priced accordingly. This perpetuates the present pricing system of haggling as well as encourages cheating among market actors.
- (ii) Financing; the women in the central market have no access to formal credit. They rely on informal credit markets (money lenders) which charge exorbitant interests. However,

most of them borrow from family members or get stocks from their suppliers on credit. Poor access to credit deters them from exploiting economies of scale in business.

(iii) Risk Bearing; the traders have no insurance cover. They carry out the marketing functions at their own risk. For instance the yam seller whose yams were destroyed in an accident lost all the money she invested because of having no insurance cover.

(iv) Market Information; the women have no access to public market information on prices in other markets as well as information on government policies. They visit nearby markets to gather the information themselves or get it from other traders, especially from those involved in bringing the commodities from the producing areas.

#### **5.6.4 Condition of the Market**

The market has inadequate covered stalls. Seventy percent of the respondents has no stalls. The women who have lock up stores constitute 18 percent and the rest operates from temporary structures (uncovered). This contributes to rapid deterioration of the commodities as well as serious This contributes to rapid deterioration of the commodities and causes serious discomfort for buyers and sellers. During the rainy season, commodities are soaked leading to heavy losses as well as suspension of economic activities. There is bad flooring and drainage in the market, insufficient garbage disposal and no toilet facilities, no water supply, irregular power supply, limited space for trading, loading and unloading activities.

### **5.7 RECOMMENDATIONS**

#### **5.7.1 Introduction**

Tapping into women's knowledge is a prerequisite for a meaningful change. This avoids undermining women's endogenous knowledge and experience. Efforts have to be made to discover instead of assume the aspirations and goals of the women. Meaning, plans will

be beneficial to the women because they will be based on their experiences, potentials, constraints and expressed needs.

Factors militating against efficient marketing of agricultural produce call not only for the Kumasi Metropolitan Assembly's (KMA) efforts but also for other district/metropolitan assemblies' and national efforts to effect positive change. There is a need to bear in mind that dealing with women's problems in isolation from the mainstream of development is neither a cost-effective nor sustainable approach. Thus emphasis should be placed on achieving a successful integration of women while allowing specially targeted development programmes to tackle specific problems and constraints of women.

Solving some of the problems facing women traders requires some huge capital investment. As a result the Assembly cannot afford to undertake this exercise alone. Consequently, there is a need for other development actors to come together in this endeavour (e.g., the Assembly, Central Government, NGOs, and the community).

#### 5.7.2 Transport

The Ministry of feeder roads should improve linkage between farms and markets. The first step can be to cut tracks and trails in the rural producing areas where getting produce from farms is a problem. Then there has to be identification of feeder roads that need rehabilitation as well as rehabilitate them. Feeder roads should be constructed where there are none. Maintenance of these roads calls for the involvement of all the district/metropolitan assemblies in the country. The assembly members in each district/metropolitan area should call meetings to inform the communities of the need to maintain roads in their areas and set a time for doing it (e.g., once a month). Then the Feeder Roads Department should be informed of this plan and asked to provide field officers to guide the communities on how to go about it. The Assemblies should provide working tools as pick axes, shovels and wheelbarrows.

### 5.7.3 Credit facilities

Lack of access to formal credit militate against both the producer and the trader. In the light of this, there is a need to design ways of addressing the two parties' distinct constraints of access to credit. The market women should be given access to Micro-enterprise Financing and the farmers Inventory Credit. These two types of credit can be obtained from organisations like Sinapi Aba Trust and Techno-serve Organisation respectively. The inventory credit is essential for breaking women's monopoly over the sale of agricultural produce. This is because it is given at the end of the farming season and can help farmers avoid selling their produce immediately irrespective of the price.

The problem of credit can be solved through the formation of co-operatives. This can be done by KMA, Ministry of Agriculture in collaboration with the Department of Co-operatives and one or two well established co-operatives in the metropolis. The co-operatives can be invited to share their experiences with the women so that the women can learn from their strengths and weaknesses.

KMA should mobilise women and teach them the advantages of saving with formal financial institutions as well as help them form co-operatives. The existing commodity associations can be used for the formation of these co-operatives. The functions of a co-operative should be clearly defined and made known to all traders and encourage them to form their own. The co-operatives can be used to set up revolving credit schemes as well as act as guarantors for loans from other credit institutions. They can also be useful for articulating the needs of the traders and present them to the policy makers.

There is also a need for KMA to liaise with rural banks to hold meetings with the traders to answer their questions about saving with them as well as inform them of the procedures involved in taking loans from banks.

#### 5.7.4 Market information

Presently there exists an information system for agriculture in the country. Prices of agricultural commodities are collected from various markets and compiled. These are disseminated to the public over the Radio Ghana on Fridays after the 6 o'clock news. However, the programme is conducted in the English language, meaning it is not beneficial to traders who cannot understand the language. Therefore, there is a need to ensure that this information extends to all marketing actors. This means that the programme should also be conducted in the local languages. This should be done despite the inherent constraints associated with dissemination of information in a multi-lingual society like the Ghanaian society. The Department of Agriculture should also assign officers to go to the markets and disseminate this information through the use of loudspeakers.

#### 5.7.5 Processing

Traders who wish to diversify their businesses and process their commodities should be assisted to do so. The Metropolitan Assembly has to organise a short course on simple processing techniques for the traders. Processing is likely to improve storage and handling of commodities as well as reduce losses. The co-operatives will be useful in organising training courses for members and this can be done in collaboration with the existing vocational training institutions in the Ashanti region.

#### 5.7.6 Market facilities

The assembly should improve the central market. This should include provision of adequate and suitable storage facilities for different commodities, proper sanitation, adequate space for loading and unloading activities and more sheltered stalls. The chronic congestion in the market can be addressed by building multi-storey stores for non-food commodities. This can be useful in freeing space for the sale of foodstuffs. It will also allow for the expansion of the lorry parks as well as leave room for the construction of the daycare centre.

Markets contribute 36.42 percent of KMA's revenue and the central market is considered to be a major revenue earner in the metropolis (Development plan for KMA, 1996). The

assembly should set aside a certain percentage of this money for the urgently needed improvement and maintenance of the market.

#### 5.7.7 Grading and standards

Weighing scales and other measuring devices should be introduced. The department of Agriculture should provide officers to educate the women on the importance of the use of scales and teach them how to use them. The Assembly should buy a few scales for demonstration purposes. The co-operatives will then buy the scales for the members and the members will pay later.

The use of grades and standards will help strengthen the collection, analysis and dissemination of accurate market information as well as eliminate cheating amongst market participants. Consequently, women traders will have access to information that is directly relevant and useful for their marketing activities.

To address the problem of lack of affordable child care facilities near the market, the assembly should build one at the market. Community (communal labour) can be used to construct the day care centre. The women can be linked up with organisations such as the Ghana Council for Women in Development and the 31<sup>st</sup> December Women's Movement. Linking up these women with the above mentioned organisations can help in setting up the day-care centre. The organisations can provide financial support and training of pre-school teachers. The National service personnel can also be asked to help attend to the nursery.

#### 5.7.8 Improvement of the market system

To improve the whole marketing system in the Ghana, there is a need for functions of markets to be studied in order to identify factors that inhibit their efficient performance as well as develop strategies for improving the situation.

## 5.8 Conclusion

Agricultural marketing is considered to be an essential element of socio-economic development. The study showed that women traders perform essential marketing functions, they do not only transport produce from the producing areas, but see to their storage and grading to meet the demands and preferences of the consumers. In spite of these essential functions, the women lack credit and other marketing facilities.

The study ascertained that the traders are not the only ones facing marketing problems. The producers face similar problems, especially in the finance field. They get loans from the traders and are in turn forced to sell their produce to them. This limits their bargaining power and it has negative implications on their income levels as well as agricultural production levels. This seems to contribute to the distortion of prices of agricultural produce. It gives the women monopoly over the sale of agricultural produce as well as deny the farmers the opportunity to eliminate intermediaries in cases where they are unnecessary.

Consequently, concentrating on only one component (traders or producers) of the marketing machinery is inadequate for the elimination of the inefficiencies of the present marketing system. Therefore, there is need to provide a general enabling environment that extends to all marketing participants whilst at the same time solving their distinct problems. The solutions recommended include maintenance of feeder roads, formation of co-operatives, improvement of the market, introduction of scales and promotion of their use, provision of market information as well as training in simple processing methods.

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## APPENDIX

## Market Questionnaire For Women Traders (Retailers and Wholesalers)

Name of interviewee.....

Date of interview.....

1. Origin:.....

2. Age:-----

3. Marital status:  Single  Married  Divorced  Separated  Widowed4. If married, what is your husband's occupation?  farmer  trader  others, please specify.....

5. How many children do you have?-----

6. Do you have children below five years?  yes  no  $\Rightarrow$  Q. 9

7. If yes, how many?-----

8. Who takes care of them for you while you are trading?  myself  a relative  an elder child  others, please specify.....9. What is your level of Education  Primary School  JSS  Others, please specify.....

10. Why do you trade?

 to supplement family income there are no other jobs others, specify-----

11. Which year did you start your operations in this market?.....

12. Did you produce or purchase the foodstuffs you are selling?

 Purchased Produced  $\Rightarrow$  Q.15

13. Where do you get your products?

Products		Cassava	Yams	Plantains	Onions	Tomatoes
	Farmgate					
	Market(specify)					
	Others, please specify					
From	Farmers					
	Wholesalers					
	Other middlemen, please specify					
In	Name: Village					
	Town					
	District					
	Unit of measure					
	Buying price					
	Selling price					

14. Who decides the price of the produce where you buy it?  myself  the person selling the produce  Others, please specify.....

15. How do you transport the produce to this market?  
 Tro Tro  lorry  tractor  push cart  others, please specify.....

Freight charges

From	To	Mode of transportation	commodity	quantity	cost

16. How do you travel to the market?

- Tro Tro     On foot     tractor     Others, please specify.....

17. What problems do you face with regard to the following;

Trading

---

Financing

---

Transport

---

Market infrastructure

---

Others, please specify

---

18. Do you know prices of the produce you are selling in other markets in and outside Kumasi?

- YES:  (Kumasi only)     Kumasi and outside     no

19. How do you get this information?     Newspaper     Traders' Association     Radio

- Others, please specify

20. Do these prices influence your own prices?     yes     no

21. Have you ever considered processing the foodstuffs you are selling?     yes     no ⇒ Q.24

22. If yes, what prevents you from doing it?

- finances  
 lack of skills  
 others, please specify

23. Do you carry out the retail/wholesale activities for yourself or for somebody else?

- myself     somebody ⇒ Q.27

24. If for yourself, how do you organise your business?

- together with family     on your own     co-operative

25. SOURCE OF START-UP CAPITAL

- own capital
- relatives
- friends
- cooperative
- money lender
- bank
- supplier
- others

26. In the case of credit, were you able to repay it on time?  yes  no

27. Where do you store the produce in the evenings?.....

28. If you use storage facilities in the market are they suitable for your needs?  yes  no

29. Do you belong to any association in the market ?  yes  no

30. If so, please give the name and of the association.....

31. What are the two main functions of the association?.....

33. Do you have banking facilities at the market?  yes  no

34. If yes, do you make use of these facilities?  yes  no

35. If no, why is it that you are not utilizing these facilities?.....

.....

