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## ECONOMIC ANALYSIS OF PALM OIL MARKETING IN DEKINA LOCAL GOVERNMENT AREA OF KOGI STATE, NIGERIA

**Ibitoye, Stephen Jimoh**

Department of Agricultural Economics and Extension

Kogi State University Anyigba, Nigeria

Email: [drsorbitoye@yahoo.com](mailto:drsorbitoye@yahoo.com)

### ABSTRACT

The study examined the economic analysis of palm oil marketing in Dekina Local Government Area of Kogi State, Nigeria. A total of one hundred and twenty five (125) palm oil sellers were randomly selected from a purposively selected five major markets for the study. The data for the study were collected with the aid of a questionnaire. Statistical tools such as simple descriptive statistics (table, mean, frequency, and percentages). Shepherd Futrel model, Bivariate correlation, gross margin, and a five point Likert type of scale were used for data analysis. The study indicates that female form the greater proportion of palm oil sellers in the study area (96%). From the findings the palm oil market was highly integrated. A gross margin of ₦568000.00 per 20,000 liters of palm oil was recorded. Thus, the business was profitable. Furthermore, the market showed a low marketing efficiency of 18.73 percent, this is due to high marketing cost associated with palm oil marketing. It is therefore recommended that policy that improves rural infrastructure and marketing incentives be encouraged by government to reduce the costs associated with the business. It was also recommended that financial institutions should be strengthened by government to give loan to mitigate the problem of inadequate capital and price stabilization policy to bring about perfect market performance.

**Keywords:** Palm oil, Production, Marketing, Oil palm, Processing.