

AGENCY FOR INTERNATIONAL DEVELOPMENT WASHINGTON, D. C. 20523 BIBLIOGRAPHIC INPUT SHEET	FOR AID USE ONLY <i>Batch 37</i>
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1. SUBJECT CLASSIFICATION	A. PRIMARY	Agriculture	AE70-0000-G100
	B. SECONDARY	Distribution and marketing--Africa	

2. TITLE AND SUBTITLE
 Marketing of staple foods in Africa, report on the training seminar and related activities

3. AUTHOR(S)
 (101) Stanford Research Institute

4. DOCUMENT DATE 1966	5. NUMBER OF PAGES 80p.	6. ARC NUMBER ARC
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7. REFERENCE ORGANIZATION NAME AND ADDRESS
 Stanford Res. Inst.

8. SUPPLEMENTARY NOTES (*Sponsoring Organization, Publisher, Availability*)

9. ABSTRACT

10. CONTROL NUMBER PN-AAC-275	11. PRICE OF DOCUMENT
12. DESCRIPTORS Africa Education Food crops Kenya Nigeria Sierra Leone	13. PROJECT NUMBER
	14. CONTRACT NUMBER CSD-801 Res.
	15. TYPE OF DOCUMENT

Agri. Stanford

Harold Olson

AFR 658.80963.S7856
PN-AAC-275

MARKETING OF STAPLE FOODS IN AFRICA

Report on the Training

Seminar and Related Activities

conducted by

The Food Research Institute
Stanford University

July 1966



STANFORD RESEARCH INSTITUTE
MENLO PARK, CALIFORNIA

INTRODUCTION

In late August and early September 1965 William O. Jones, Director, the Food Research Institute of Stanford University and Technical Director of the project, and Alfred S. Cleveland, Director, Economic Development Research, Stanford Research Institute began the project by visiting the countries and areas tentatively selected for the field work. Following very productive discussions at the United Nations Food and Agricultural Organization (FAO) in Rome, visits were made to Nairobi, Kenya; Kampala, Uganda; Ibadan and Enugu, Nigeria; and Freetown and Njala University College, Sierra Leone.

The purposes of this trip were to describe and explain the project to AID and local officials, the resident research personnel of the participating U.S. universities and officials of the cooperating African universities, to develop mechanisms for coordinating the research with related research projects and institutions, to assess, in general, the several research environments, and to make necessary administrative arrangements.

The results of these visits were most gratifying. Substantial interest in the project and appreciation of its importance were expressed at each location. Full cooperation was assured including active participation by the four cooperating African universities, Nairobi University College, Kenya; the University of Ife, Western Nigeria; the University of Nigeria, Nsukka and Enugu, Eastern Nigeria; and Njala University College,

Sierra Leone. Procedures for coordinating the work in Nigeria with the Nigerian Institute of Social and Economic Research were also developed.

The training seminar was convened on January 4, 1966 and terminated February 25, 1966. The project team members then proceeded to their respective posts in Africa.

In March, 1966 the full Coordinating Committee ^{1/} met in Chicago, Illinois. The agenda included a detailed report on the training seminar, discussion of the research design prepared during the seminar, and development of plans for the meeting of the Coordinating Committee and the research teams at the University of Ife in May.

1/ The following members of the Project Coordinating Committee attended the March, 1966 meeting in Chicago, Illinois:

Dr. Homer C. Evans, Chairman
Dept. of Agricultural Economics
& Rural Sociology
West Virginia University
Morgantown, West Virginia

Dr. William O. Jones, Director
Food Research Institute
Stanford University
Stanford, California 94305

Dr. Harold G. Halcrow, Head
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Dr. Harry Trelogan, Administrator
Statistical Reporting Service
U. S. Department of Agriculture
Washington, D. C. 20520

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Dept. of Agricultural Economics
Wells Hall
Michigan State University
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Stanford Research Institute
1000 Connecticut Avenue, N. W.
Washington, D. C. 20036

Mr. Vernon Johnson, Deputy Chief
Agricultural Division
Agency for International Development
Washington, D. C. 20523

From May 5 - 10, 1966 the research teams and the Coordinating Committee met at the University of Ife, Ibadan, Nigeria to review the research design prepared at the training seminar in light of field experience during March and April, and to develop reasonably uniform research methods and procedures.

The report which follows and the 15 attached exhibits indicate the nature and accomplishments of the training seminar, the intervening field work, and the meeting at Ibadan.

Beginning with the first month of field work the research teams have submitted monthly progress reports. Each research team has also prepared a detailed plan for the work to be accomplished by September, 1966 and a less detailed plan for the balance of the field work. In general, the research teams are expected to develop first approximate answers to each question in the research design, with principal emphasis upon Part II, Organization of the Marketing System and Part III, Forces Affecting the Operation of the Marketing System.

July 12, 1966

REPORT ON TRAINING SEMINAR ON MARKETING RESEARCH

conducted by

THE FOOD RESEARCH INSTITUTE OF STANFORD UNIVERSITY

from January 4 to February 26, 1966, under Subcontract Number B-81884-US
between Stanford Research Institute and the Board of Trustees of the
Leland Stanford Junior University

ARTICLE I, SECTION B, Paragraph 1, requires that "The Subcontractor will conduct a three-month seminar prior to the field work, for training the American farm marketing specialists and African agricultural economists (field teams) in the economics of African agriculture and in marketing research methodology appropriate to African societies. The seminar will also include work in the design of the research."

The objectives of the training seminar--or training program as it was called in the original submission--were threefold. (1) It was expected that the American farm marketing specialists would not be familiar with African economies and African societies, and that the African economists would not be well grounded in American concepts of marketing research. The period at Stanford therefore, was intended to partially remedy these inadequacies in the backgrounds of members of the field teams. (2) At the same time, it was recognized that the commitment of the members of the four teams to a research program emphasizing parallelism in procedures and objectives would be considerably heightened if they participated actively in the development of that design. The various skills and experiences the team members could bring to this task were also expected to sharpen objectives and procedures, as they did. (3) Finally, it was hoped that American and African counterparts would be able to work out their personal adjustments before being faced with the many problems of field research.

At the request of A.I.D. a general statement of research design (Exhibit A) had been prepared before the contract was awarded. This statement set forth the approach contemplated, but in terms sufficiently general to permit the teams considerable latitude during the period at Stanford to put their own stamp on the precise methods to be followed.

The Program at Stanford

As a basic provision for implementing the first objective, that of broadening the backgrounds of the field staff, a general set of readings (Exhibit B) was assembled, and personal copies of several more important works were presented to the team members.^{1/} In addition, all research material in the Food Research Institute Library about the agriculture of Kenya, Nigeria, and Sierra Leone, and about the staple foodcrops: maize, millet, sorghum, rice, yam, manioc, and palm oil was placed in the seminar room reserved for use of the teams.

Arrangements were also made for the field staff to attend lectures in Mr. Jones's regular course "Economic Development in Tropical Africa," and Mr. Wesley Johnson's course "History of Sub-Saharan Africa, 1885-1960." Most members availed themselves of this opportunity and participated freely in class discussions. They were also invited to the occasional seminars of the Committee on African Studies and other African events at Stanford of general interest. Most of the special seminars--there were ten in all (Exhibit C)--provided general information about African economies.^{2/} Finally, members of the teams learned from each other and from the Stanford staff in discussions that continued through the eight weeks of the seminar.

^{1/} Hunter, Jones (1960), McPherson and Johnston, Abbott, Smith, Bohannon and Dalton, Hill (1964), Martin.

^{2/} Johnston, Colson, Jensen, Miracle, Uchendu, McLoughlin, Kilby.

The second objective of the seminar, team preparation of a unified research design, emphasized the development of a basic research outline, consisting of a detailed set of questions all critical to the evaluation of causes of inefficiencies in the marketing system (Exhibit D). This outline is in the fullest sense the joint product of all members of the seminar. It was developed over a period of six weeks from a preliminary topical outline (Exhibit E) prepared at Stanford in December. The essential concepts employed in the original topic outline and underlying the final research outline were two: definition of the market in terms of levels of the system, i.e., the points at which title changes; and evaluation of its efficiency in terms of a perfectly competitive model.

The teams were asked first to develop the outline of December in topical form. This was done by small working groups that brought successive re-drafts of various sections to the full seminar for discussion. The final product of this phase was a much more detailed topic outline (Exhibit F).

The second phase of building the basic research outline was to transfer the topic outline into a detailed set of answerable questions (testable hypotheses). Again, the seminar was broken into working groups, each charged with responsibility for a particular section of the outline. The effort here concentrated on Parts II, III, and V; successive drafts resulted in the version shown in Exhibit G.

The Basic Research Outline

The objective of this study is to obtain by direct observation and enquiry an understanding of the extent to which existing market systems in tropical Africa afford an efficient and low-cost outlet for staple food products, to identify inefficiencies when they exist, and their causes, in

the expectation that such knowledge will provide a firmer basis for the formulation of policies to reduce these inefficiencies. Part V of the Basic Research Outline, "Evaluation of Marketing Performance," is therefore the heart of the research problem. In it five criteria for measuring market efficiency are employed, but because this is essentially an economic study rather than a technical or socio-cultural one, it is the second criterion that weighs most heavily. It is expressed here as an appraisal of how accurately prices reflect all information about supply and demand that is in the system (or that might be in the system), that is, the extent to which these systems approximate a perfect market in which prices reflect all such information instantly. It is expected that the criterion first listed in the outline, performance in the eyes of participants, may provide helpful insights into market imperfections; this criterion also reflects a basic concept about how the essential information is to be obtained--about which more will be said shortly.

The third and fourth criteria both have to do with technical efficiency, but are separated in order to isolate the question about new investment in physical facilities, which essentially lies outside the competence of the economists engaged in the study. But questions about new investment are also intended to provide a basis for governmental decisions to intervene in the market for increased efficiency.

The fifth criterion recognizes that in every state there may be extra-economic goals of a social or political character which prevent exclusive reliance on economic criteria when appraising the functioning of the market system.

Comparison of Parts II and III with Part V, especially Section B, reveals the objectives underlying the factual questions in these earlier sections.

Part II also sets forth the framework, primarily in Sections A, B, and C, within which the enquiry is to be conducted.

Part I of the outline, to be drawn primarily from secondary sources, also includes specification of the commodities and area to be studied. The terms of the contract called for study of those domestically produced commodities which are the major sources of food calories for the local population, i.e., the cereals, starchy roots and tubers, starchy fruits, and vegetable oils. For Southern Nigeria these could be identified at Stanford, but in Sierra Leone, where rice is overwhelmingly dominant in the diet, and in Kenya, where maize occupies a similar position, it was decided to postpone final selection of additional commodities until the teams had spent some time in Africa. It was also agreed that the decision about the number of commodities to be studied should await preliminary field experience.

The area that each team would study was defined in terms of a major city market--Nairobi, Enugu, Ibadan, and Freetown--and the supply hinterland of that market for each of the commodities to be studied. Within this area, trade in the specified commodities would be studied at each market level. Although the marketing system would be entered through the central city market, the enquiry would not be confined to supplies marketed through that market, but would include all trade in the specified commodities throughout the area. In fact, one of the important matters to be determined is the relative share of total trade that moves through city markets and the extent of direct arbitrage among secondary markets.

Research Procedures

Phase II of the training seminar was preparation of a basic set of questions to be asked by each team; Phase III was the consideration of how

answers to these questions might be obtained. Examination of this problem, however, began in the first week with B. F. Johnston's statement to the seminar about his own study in East Africa, and, in greater or lesser degree, it was the subject of each of the special seminars. It was the primary subject of the last two weeks. The guest speakers emphasized the importance of forming close relationships with well-informed participants in the marketing systems, the necessity of guarding against direct transfer of concepts and classifications derived from study of the American economy, the essential economic rationality of African buyers and sellers, the hazards of the administered questionnaire, and the impossibility of achieving levels of accuracy expected in similar research in the United States. Here the African members of the seminar were particularly helpful, for several of them had already engaged in economic surveys in their own countries and were keenly aware of what could and could not be done. It was agreed at the conclusion of the seminar that reliance would be placed first on direct observation, interviews in depth with informed persons, and sustained contact with informants. Only after the general character of the system was understood would administered questionnaires be used, when the kind of information they might be expected to yield was apparent, and when the nature of respondents' general attitudes was well enough understood.

In this connection, two specific topics received a great deal of attention at Stanford: the collection of retail price information; and the collection of information about quantities of the staple foodstuffs moving through each market. The African members of the seminar urged the desirability of collecting prices by directly observing sales in the markets, weighing some purchases to establish measures of the units. Advice of those who had

attempted to collect information on quantity traded, however, was that any attempt to make precise estimates would entail costs beyond the means of the project. It was agreed, therefore, that only rough estimates of quantities--with an emphasis on relative orders of magnitude--would be attempted, to be based on interviews, general observations, and indirect information.

The form in which answers to questions in the basic research outline would be reported was not discussed in detail at Stanford, but this was a principal topic of the five-day seminar-workshop at Ibadan in May.

Participants in the Seminar

Not all of the field staff were able to participate throughout the seminar (Exhibit H). It was particularly unfortunate that a replacement for the original American member of the Western Nigerian team, who was forced to resign, was not hired until after the seminar was over, and that the African member of the Eastern Nigerian team has not yet been hired. On the other hand, we were fortunate in having as active members of the seminar Mr. Elon Gilbert, who is conducting a similar study in Northern Nigeria; and Professor U. Ukwu and Mr. Q. O. Antonio, both of whom have studied Eastern Nigerian markets. We were also especially grateful for the generous contributions made by colleagues from other universities, some of whom spent the entire day of their visits in discussions and consultations with members of the teams.

Ibadan Meeting

The meeting of the marketing teams with the Coordinating Committee at the University of Ife from May 5 to 10, 1966 was in a sense a continuation of the seminar at Stanford. Objectives of this meeting were to reach further agreement on methods to be used in obtaining information, to establish parallelism in the collecting and reporting of price data, to develop uniform

procedures for reporting information in Parts II and III of the Basic Research Outline, to reach a final decision on commodities to be studied, to make changes in the outline that two-months' experience in the field suggested as desirable, and to develop schedules of work. The meeting was attended by all regular members of the Stanford Seminar except Messrs. Gray, Jamison, and Johnston, and all members of the Coordinating Committee except the representative of A.I.D. (Exhibit J). Mr. Thodey, who was hired after the Stanford Seminar; and Miss Ukatta, who is Dr. McMillan's research assistant, were also present.

The Ibadan meeting was devoted primarily to clarification of research concepts, to consideration of methods of collecting price data, and to developing standardized reporting forms for some sections of Parts II and III. Agreement was also reached about the commodities to be included in each study (Exhibit K). It was also agreed that each team would collect weekly price information in the principal retail market by observation and weighing, and weekly wholesale prices in the principal market by direct interrogation. The teams further agreed to prepare by June 1 a work schedule for the summer months.

Members of the teams had gained greatly in their understanding of the problems before them, and decisions made at Ibadan profited from this increased knowledge. The Ibadan meeting also afforded a valuable opportunity for the four teams to compare experiences of the first two months in the field and to learn from each other. Finally, it enabled members of the Coordinating Committee without previous African experience to obtain first-hand knowledge of the nature of tropical African markets and agricultural organization.

List of Exhibits

A - Tentative Research Design	Feb. 17, 1965
B - African Marketing Seminar: Suggested Readings	
C - Special Seminars	Jan. 12-Feb. 24, 1966
D - Basic Research Outline	Feb. 14, 1966
E - Tentative Research Outline	Dec. 22, 1965
F - Tentative Research Outline (Draft III)	Jan. 13, 1966
G - Tentative Research Outline, Phase II (Draft III), Parts II, III, and V	Jan. 31, 1966
H - African Marketing Seminar: Participants	Jan. 4-Feb. 24, 1966
I - Marketing Study Schedule of Meetings	Jan. 10-Feb. 24, 1966
J - Participants in the Meeting at the University of Ife	May 5-10, 1966
K - Commodities to be Included in Each Study	May 10, 1966
L - Table Design for Reporting Information in Part II, Section A of Basic Outline	May 10, 1966
M - Forms of Transfer	May 10, 1966
N - Identification of Intermediaries in Part II, Section B.1. of Basic Outline	May 10, 1966
O - Form for Reporting Information in Part II, Sections C and E of Basic Outline	May 10, 1966

FARM MARKETING FACILITIES AND PRACTICES IN TROPICAL AFRICA

Tentative Research Design

This tentative statement of research procedures for the study of marketing staple foodstuffs in selected countries of tropical Africa has been prepared at the request of Mr. Frank W. Parker of A.I.D. in a letter to Mr. William J. Platt of February 8, 1965. It is intended that detailed work plans be developed cooperatively by members of the research teams, aided by Stanford faculty and members of the inter-university coordinating committee, during the training seminar at Stanford. Procedures will, of course, have to be modified on the basis of experience in Africa, but in order to assure as high a degree of comparability among the studies as possible, it is essential that an overall design be agreed to while members of the project can be in close, day-to-day communication.

The following statement, developed at Stanford, is not to be taken as a directive. The teams will be made up of professional economists who will be expected, and will expect, to contribute their own talents to the research design. The various kinds of expertness, which the project will marshal, can only be exploited fully if all members of the team take part in planning as well as in execution of the study. But the statement presented here serves to expose the rationale of the study and the kinds of investigative methods that would be employed.

February 17, 1965

Outline Statement of Research Design

1. Objective of the study.--To identify practical means for increasing the efficiency with which staple foodcrops are marketed in tropical Africa.
2. Criteria of marketing efficiency.--
 - a. The extent to which prices accurately and speedily reflect consumer demand and relative supply at all points in the marketing system.
 - b. The extent to which prices at any moment reflect all information available anywhere in the system about present and prospective demand and supply.
 - c. The cost at which the market performs its functions of allocation and distribution. (Reduction of the spread between consumer price and farm price may not represent an increase in marketing efficiency if it is achieved by reducing the distributive services that the market performs.)
3. The extent to which the market satisfies these criteria cannot be estimated directly, but an assessment can be arrived at by the following types of investigations:
 - a. Analysis of price series to discover regularly recurring non-random movements that may reflect the working of restrictive practices in the market; consistency of intermarket (interspatial) price spreads with prevailing costs of transport and storage; consistency of intertemporal spreads with prevailing costs of storage; evidence

3. (cont.)

- of short-term price variations (corners and squeezes) not explained by new information about conditions of supply and demand.
- b. Analysis of written documents and questioning of market authorities and traders to determine rules and regulations governing behavior in various markets: grades and standards; weights and measures; sampling and inspection; physical organization of markets; terms of sale; security of contract; existence of control procedures with recourse; market codes; licensing requirements; hygienic regulations; regulations favoring particular types of trading units, e.g., foreign, indigenous, tribal, corporations, cooperatives.
 - c. Observation of market behavior at various levels in the marketing system, e.g., farm, bulking, wholesaling, retailing; to determine buyer and seller response to price, to slow or rapid sales of produce, to competitors; to determine number of traders; to determine method of purchase, e.g., higgling, shopping, bonus payment, tied sales.
 - d. Questioning of traders to determine their knowledge of current prices in various markets within their "potential" trading area; about seasonal variations in prices; about their response to variation in prices among markets.
 - e. Questioning traders, market officials, and other informed persons to determine restrictions on free response to market opportunities; contractual or tying agreements, habit, or custom that inhibit "shopping" for price (sheltered markets); other non-competitive

(cont.)

or collusive practices (market rings); conditions for participating in a market enforced by government or by tribal or trade associations (restrictions on entry); availability and cost of credit; availability and cost of transport and storage; availability and cost of reliable employees; price discrimination.

- f. Questioning traders and other informed persons about traders' daily volume of transactions, sources of supply, character of customers, costs of operation, possible earnings in other employment (opportunity costs), character of merchandise, terms of purchase and sale, processing or packaging, units of purchase and sale, earnings from trading.
 - g. Checking lorry arrivals at major markets to determine volume and origin of supplies and checking visible stocks at beginning and end of trading day.
 - h. Questioning retail buyers to determine volume of purchase, quality preference, selection of seller, attitude toward prices, cross elasticities among staples, standards of market behavior.
 - i. Accompanying individual traders on buying and selling trips and observing their trading activities over a period of days.
4. The kinds of investigations described in 3 suggest the following program of work:
- a. Examination of existing price information. For some markets, time series of uncertain reliability have been compiled. Preliminary study of such series for a number of Northern Nigeria markets shows

4. (cont.)

that they can be made to yield useful information about seasonal price movements and arbitrage among markets.

- b. Review of prior market studies. Few have been published, but others are known to exist, e.g., C. O. Ilori's study of trading profits in 60 markets of Western Nigeria, D. E. Welsch's study of rice marketing in Nigeria.
- c. Discussions with informed persons to the cooperating African universities or research institutes and with members of the appropriate ministries about food marketing generally, including principal market centers, important traders and trading associations, and previous unpublished studies; request for introductions to import factors in the staple food trade.
- d. Preparation of schedules designed to obtain the kind of information described in 3d, 3e, 3f, and 3h above. Trial schedules would be drawn up at Stanford, modified after discussion in the field, tested on a small sample in Africa, and then set in final form. An attempt would be made to use fairly uniform schedules in the four areas studied. It may prove desirable to use a short schedule for a moderately large sample, a more detailed long schedule for a small sample of representative traders.
- e. Collection of daily price information at one or two central markets, beginning as soon as possible after arrival and continuing throughout the stay in Africa, but perhaps shifting markets after a period of a few months in each. Collection of price information on all other markets visited.

4. (cont.)

f. A limited amount of touring to collect comparative information about markets that cannot be studied intensively.

g. Wherever student help is available it should be used, especially to check lorry arrivals and to collect price information. It may also be possible to arrange through the classroom for student surveys of local markets near students' villages.

5. Analysis.--Results of the preliminary analysis of existing price and market information will be reported to the coordinating committee and to other field teams. The teams will also be expected to analyze the information obtained from interviews, participant observation, and touring, as it is collected, and the findings, however tentative, will be communicated to other members of the study. Other teams would be informed of necessary modifications in schedules. Teams should feel free to make necessary modifications on the spot, although every effort should be made not to reduce comparability of results.

A general progress report should be submitted by each team at the end of the sixth month in the field and again at the end of twelve months. A first draft of the final report is to be ready at the end of fifteen months.

AFRICAN MARKETING SEMINAR

Suggested Readings

General:

- Guy Hunter, The New Societies of Tropical Africa: A Selective Study (London, New York, Ibadan, 1962).
- W. O. Jones, "Economic Man in Africa," Food Research Institute Studies, V, 2, May 1960.

Characteristics of African Agricultural Economies:

- R. B. Galletti, K. D. S. Baldwin, and I. O. Dina, Nigerian Cocoa Farmers: An Economic Survey of Yoruba Cocoa Farming Families (Nigerian Cocoa Marketing Board, London, 1956).
- M. J. Herakovits and Mitchell Harwitz, eds., Economic Transition in Africa (Evanston, Ill., 1964), Chapt. 9, "The Role of the Small Entrepreneur," by Margaret Katzin.
- Polly Hill, The Migrant Cocoa Farmers of Southern Ghana: A Study of Rural Capitalism (Cambridge, 1963).
- B. F. Johnston, The Staple Food Economies of Western Tropical Africa (Stanford, Calif., 1958).
- W. O. Jones, "Food and Agricultural Economics of Tropical Africa," Food Research Institute Studies, II, 1, February 1961.
- W. O. Jones, Manioc in Africa (Stanford, Calif., 1959)
- W. W. McPherson and B. F. Johnston, "Distinctive Features of Agricultural Development in the Tropics," Chapt. in Agriculture and Economic Development, by Herman Southworth and B. F. Johnston (In press).
- P. H. Nye and D. J. Greenland, The Soil Under Shifting Cultivation (Farnham Royal, Bucks, England: Commonwealth Agricultural Bur., 1960).

Agricultural Marketing:

- J. C. Abbott, "Marketing Institutions and Agricultural Prices as Factors Influencing Agricultural Development," Chapt. in Agriculture and Economic Development, by Herman Southworth and B. F. Johnston (In press).
- J. R. Bowring, H. M. Southworth, and F. V. Waugh, Marketing Policies for Agriculture (Englewood Cliffs, N. J., 1960).

African Marketing Seminar: Suggested Readings

- R. L. Clodius and W. P. Mueller, "Marketing Structure Analysis as an Orientation for Research in Agricultural Economics," Journal of Farm Economics, August 1961, pp. 515-53.
- Richard Kohls, The Marketing of Agricultural Products (New York, 1961).
- G. S. Shepherd, Marketing Farm Products (3d ed., Iowa State Univ., Center for Agricultural and Economic Adjustment, Ames, Ia., 1955).
- L. D. Smith, "Short Term Uses of Market Intelligence," The Farm Economist Vol. X, No. 10, 1965.
- U.S. Dept. Agr., AMS, Marketing: The Yearbook of Agriculture, 1954 (1955 ?).

African Marketing Studies:

- P. T. Bauer, West African Trade (Cambridge, 1954).
- Paul Bohannon and George Dalton, Markets in Africa (New York, 1965).
- Food and Agriculture Organization of the United Nations (FAO), Marketing of Staple Food Crops in Africa (Report on the First FAO Training Center on the marketing of staple food crops for African countries held at Nairobi, Kenya, 4-29 August 1964).
- Peter Garlick, African Traders in Kumasi (African Bus. Ser., No. 1, Univ. of Ghana, Legon, 1959). Mimeo.
- Polly Hill, "Notes on the Distribution of Certain Ghanaian and Other West African Foodstuffs, with Special Reference to Wholesaling" (1964?). Mimeo.
- Hironitsu Kanada and B. F. Johnston, "Urban Food Expenditure Patterns in Tropical Africa," Food Research Institute Studies, II, 3, November 1961.
- Anne Martin, The Marketing of Minor Crops in Uganda: A Factual Study (London, 1963).
- M. P. Miracle, "An Economic Appraisal of Kenya's Maize Control," East African Economics Review (Nairobi), December 1959.
- Astrid Nypan, Market Trade: A Sample Survey of Market Traders in Accra (African Bus. Ser., No. 2, Univ. of Ghana, Legon, 1960). Mimeo.
- Delane Welch, "Rice Marketing in Eastern Nigeria" (Unpublished manuscript).
- A. A. Haller, "A Rejoinder to Mr. Miracle's Article," East African Economics Review, December 1959.

3/15/66

AID MARKETING SEMINAR: SPECIAL SEMINARS

- January 12. Prof. Bruce F. Johnston, Food Research Institute.
Topic: The Food Economies of Tropical Africa.
14. Prof. Elizabeth Colson, Dept. of Anthropology, University of California, Berkeley.
Topic: An Ethnographer's Approach.
18. Prof. Norman R. Collins, Dept. of Agricultural Economics, University of California, Berkeley.
Topic: Critique of Research Plan.
21. Mr. Bernhardt M. Jensen, recent Ford Foundation Economist, Ministry of Agriculture, Kaduna, Nigeria.
Topic: The Role of an Economic Adviser in a Developing Country.
28. Prof. Ralph I. Beals, Dept. of Anthropology, University of California, Los Angeles.
Topic: Rural Marketing Research in Oaxaca, Mexico.
- February 3. Prof. Marvin P. Miracle, Dept. of Agricultural Economics, University of Wisconsin, Madison.
Topic: Ivory Coast Markets for Staple Foodstuffs.
4. Prof. Victor C. Uchendu, Food Research Institute.
Topic: West African Social Organization in the Context of Market Institutions.
18. Prof. Peter McLoughlin, Dept. of Economics, Santa Clara University, Santa Clara, California.
Topic: Recent Agricultural Development Problems in Kenya.
21. Dr. Donald G. Woodworth, Behavioral Sciences Dept., Stanford Research Institute, Menlo Park, California.
Mr. Edward A. Podesta, Behavioral Sciences Dept., Stanford Research Institute, Menlo Park, California.
Topic: Research Design and the Use of Questionnaires.
24. Mr. Peter Kilby, Center for Public Affairs, Wesleyan University, Middletown, Connecticut.
Topic: Marketing Field Research in Southern Nigeria.

MARKETING OF STAPLE FOODS IN TROPICAL AFRICA**Basic Research Outline****I. General Setting.^{a/}****A. Limitations of study.**

1. What are the approximate boundaries of the area being studied and what is the principal market?
2. What are the economically significant characteristics of the commodity being studied?^{b/}
 - 2.1. How is the crop propagated? (e.g., seed, cuttings, setts)
 - 2.2. When is the crop planted, when harvested?
 - 2.3. In what micro-climates and on what soils can it be consumed?
 - 2.4. In what forms is it grown?
 - 2.5. What characteristics of the final product determine its acceptability to consumers?
 - 2.6. What are the storage characteristics of the commodity in each of its usual forms?
 - 2.7. Is the final product highly complementary to some other element of the diet?

B. Agricultural production in the region of study.

1. What are the major farm crops?
 - 1.1. What is the nature of competition among major farm crops for land and labor?
 - 1.2. What are farmers' principal sources of money income?

^{a/} Information for this section will be obtained primarily from secondary sources.

^{b/} To be answered for each commodity.

2. What are the general characteristics of the farming systems? Size of operation, sources of labor, nature of farm tools, soil-management practices, purchased inputs?
3. What is the typical calendar of farm activities?
4. What is the degree of regional or farm specialization in production of crops? What areas are known especially for their production of the staple food crops chosen for study?
5. Is there evidence of recent change in any of the above?

C. Food consumption in the region of study.

1. What are the characteristics of diet in the area studied?
 - 1.1. What is the typical menu and daily timing of meals?
 - 1.2. What is the food balance sheet for the area?
 - 1.3. What are the principal sources of food calories?
In what form are they consumed?
 - 1.4. What are the principal sources of protein?
2. Are there significant variations in the diet pattern?
 - 2.1. Does composition of diet vary with the season?
 - 2.2. Does it vary between town and country?
 - 2.3. Does it vary within the rural area?
 - 2.4. What is known about price and income elasticity of demand for the staples being studied and their close substitutes?
 - 2.5. How does diet vary with sex, age, and marital condition?
 - 2.6. Are there periods of conspicuously high or low consumption of food (feasting or fasting)?
3. Is there evidence of recent changes in food consumption habits?

D. Areas of food deficit or surplus.

1. Which parts of the area of study are typically food exporters, which food importers?
2. Is the region of study a net importer or exporter of staple foods?
3. Is there evidence of significant variation in per capita consumption of food calories within the region?
4. What is the average and distribution of per capita income from sale of crops? From other sources?
5. What part of the labor force is engaged in agricultural production? In food production?
6. Are any of the commodities studied used as feedstuffs by farmers in the region?
7. Is there evidence of recent change in any of the above?

E. What are the essential demographic characteristics of the region being studied? Are they changing? How? (e.g., location, rate of increase, age and sex composition, ethnic composition).

II. Organization of the Marketing System.

A. Product flow and exchange levels.

1. What are the principal points where title to the commodities being studied is transferred?
 - 1.1. Where are they? (e.g., farm, roadside, village, town.)
 - 1.2. When do they occur? (e.g., before harvest, at harvest, weeks or months after harvest.)
 - 1.3. What is the form of the commodity when title transfers?
 - 1.4. How are the terms of transfer established?
What are they?
 - 1.5. What is the relative importance, in volume of produce, of each transfer point?

B. Personnel--Agents.

1. Who are the intermediaries (defined as agents that own the product) at each stage in the market sequence?
 - 1.1. To what extent do they specialize in one type of transaction; in one commodity?
 - 1.2. What are the principal types of agents who act as intermediaries? Are there local terms that identify them?
2. What are the distinguishing characteristics of each type of agent?
 - 2.1. Do persons of a particular age, sex, residence, religion, education, ethnic origin, family, or political affiliation tend to dominate certain kinds of activities?
 - 2.2. How many agents are there of each type? How is the total volume of transactions distributed among them? Do a few large agents account for the largest part of certain kinds of transactions?

- 2.3. What is the employment history of specific types of agents?
- 2.4. Are agents typically individuals, families, partnerships, corporations, cooperatives, government bodies, or other types of legal persons?
3. Do marketing associations exist?
 - 3.1. How are they formed?
 - 3.2. What is their membership?
 - 3.3. How long do they last?
 - 3.4. What are their objectives?
 - 3.5. What do they do?
4. Is there evidence of recent change in the above?

C. Facilities.

1. Market places
 - 1.1. Where are they located?
 - 1.2. How frequently are they used? For what period?
 - 1.3. What range of products is traded?
 - 1.4. What is their physical layout and area?
 - 1.5. What physical facilities are provided? (e.g., cover, counters, stalls, pavement, electricity, water, hygienic care, unloading areas, scales, telephone.)
 - 1.6. What volume of commodities moves through the market?
 - 1.7. How many persons participate in each market meeting?
 - 1.8. Who is responsible for maintenance and administration of the market place? What is the nature of this maintenance and administration?
2. Shops dealing in staple commodities studied.
 - 2.1. Where are they located?
 - 2.2. What range of products is traded?

- 2.3. What is their physical layout and area?
- 2.4. What physical facilities do they contain?
- 2.5. What volume of commodities moves through them?
- 2.6. How many persons are engaged in each? What is the typical number of customers per day?
- 2.7. Who owns the shop?
- 2.8. Who is responsible for maintenance and administration?
What is its nature?

3. Storage facilities.

- 3.1. Where are they located?
- 3.2. What is their construction?
- 3.3. How well do they protect the commodities stored against spoilage and theft?
- 3.4. How easy is it to deposit and remove stores?
- 3.5. What is their capacity?
- 3.6. Who owns them?
- 3.7. Who is responsible for maintenance and administration, etc.?

4. Processing facilities.

- 4.1. Where are they located?
- 4.2. What is the nature of the mechanical operation?
What power do they use?
- 4.3. What is the nature and quality of their product?
- 4.4. What is the ratio of product output to product input?
- 4.5. Are they subject to frequent breakdown?
- 4.6. How accessible are they?
- 4.7. What is their daily capacity?
- 4.8. What labor do they use?

4.9. Are they able to operate under all weather conditions?

4.10. Who owns them?

4.11. Who maintains and administrates them, etc.?

5. Transport facilities.

5.1. What types are available? (e.g., rivers, lagoons, lakes, sea, road, trail, rail; headloading, bicycles, push carts, pack and draft animals, trucks, buses, sail boats, canoes, power boats, trains, airplanes.)

5.2. What is their capacity?

5.3. Is capacity subject to season and weather?

5.4. Are they subject to frequent interruption of services?

5.5. What labor do they use?

5.6. Who owns them?

5.7. Who is responsible for their maintenance and administration.?

6. Credit institutions.

6.1. How accessible are they physically?

6.2. What is their capacity?

6.3. Who owns them?

6.4. Who administers them etc.?

7. Packaging supplies.

7.1. Where can they be obtained?

7.2. What is their nature?

7.3. Who owns them?

7.4. Are they standardized?

8. Have there been recent changes in any of the above facilities?

Use of marketing facilities (questions to be asked with regard to each)

1. Who may use?

2. On what terms?
3. How is the use of scarce facilities rationed?
4. Who sets the conditions for use?
5. Who are the principal users?

E. Behavior of marketing agents

1. What are their sources of information about size of crop, commodity supplies, sales opportunities, and storage?
 - 1.1. How accurate and current is this information?
 - 1.2. How public is it?
 - 1.3. Is there information about the size and location of stocks?
2. How do agents decide on what inventories they should acquire and how long they should hold them?
3. How do they finance their operations?
 - 3.1. What is their source of funds?
 - 3.2. What is the cost of funds?
4. What units of measurement and standards of quality are used?
 - 4.1. How are standards set? By whom? How enforced?
5. What is the incidence of risk?
 - 5.1. What risks are functions of weather, pests, theft, civil disorder, disease?
 - 5.2. What risks are functions of price?
 - 5.3. What devices are used to distribute and transfer risk?
Is insurance against specific risks available? At what cost?
 - 5.4. Who bears each risk?

6. What regulation of market activities is performed?
 - 6.1. Why?
 - 6.2. By whom?
 - 6.3. How enforced?
 - 6.4. How effective?
7. What is the nature of the sales (purchase) contract?
 - 7.1. What are the terms of payment? (e.g., barter, cash, installment, term, on delivery)
 - 7.2. What are the terms of delivery? (e.g., time, place, amount, condition)
 - 7.3. What are the penalties for nonperformance?
 - 7.4. Who enforces these penalties?
 - 7.5. How is agreement on price reached?
 - 7.6. Are terms of contracts widely known?
8. Are there customary rules governing the behavior of participants in a market?
 - 8.1. What are they?
 - 8.2. How widely are they held?
 - 8.3. What sanctions prevent them from being violated?

III. Forces affecting the operation of the marketing system.**A. What are the incentives to enter the market?**

1. Do farmers sell because they need cash for specific and limited purposes or because they recognize money as an all purpose good?
 - 1.1. Can farmers survive for extended periods without cash income?
 - 1.2. Do farmers hold cash?
 - 1.3. Do farmers hold claims on negotiable assets?
2. To what extent do consumers rely on purchases in the market for their staple food supply?
 - 2.1. Does this reliance vary seasonally?
 - 2.2. Does it vary with income?
3. Do customs and traditions influence market participation directly?
 - 3.1. Are other socially important activities associated with or dependent upon participation in the market?
 - 3.2. Is economic exchange a familiar activity?
 - 3.3. Is economic exchange or market participation connected with status?
 - 3.4. Is participation in other money-earning activities closed to certain members of the society? (e.g., to women.)
4. Do government agencies assist in the establishment and operation of market agents?
 - 4.1. What agencies?
 - 4.2. Why?
 - 4.3. To whom is this assistance available?

- 4.4. On what terms?
- 4.5. What agents avail themselves of it?
- 4.6. What form does it take? (e.g., financial, technical, advisory, educational, protection from competition.)

5. Do nongovernmental agencies (philanthropic, patriotic, religious, ethnic, communal, familial, commercial) assist in the establishment and operation of market agents?

- 5.1. What agencies?
- 5.2. Why?
- 5.3. To whom do they offer this assistance?
- 5.4. On what terms?
- 5.5. What agents avail themselves of it?
- 5.6. What form does it take?

B. What are the barriers to participation in the market at its various levels?

1. Do custom and tradition inhibit market participation?

- 1.1. Is economic exchange regarded as a zero sum game?
- 1.2. Is economic exchange a familiar activity?
- 1.3. Are the taking of interest and profit disapproved of?
- 1.4. Do family or communal obligations inhibit the free management of private resources and private enjoyment of the profits of trade? Do they force the market agent to divert his attention from the full-time pursuit of market activities?

2. Have government agencies set up barriers to market participation?

- 2.1. What agencies?

- 2.2. What is the nature of the barriers? (e.g., license, taxes, statutory monopolies, price control, minimum wages, sanitary requirements)
 - 2.3. Why?
 - 2.4. What parts of the population find greatest difficulty in overcoming these barriers?
 - 2.5. How frequently are the barriers circumvented?
 - 2.6. Do the barriers fall more heavily on some forms of the staple foodstuff than on others? (e.g., maize meal vs. maize beer.)
 - 2.7. Do government procurement agencies favor certain sellers? Is this in return for favors received?
3. Do nongovernmental agencies or local prejudice restrict entry to the market?
- 3.1. What agencies? [as in III.A.5.]
 - 3.2. Why?
 - 3.3. How?
 - 3.3.1. Do they determine participation by noneconomic criteria?
 - 3.3.2. Do they attempt to maintain customary shares of the market?
 - 3.3.3. Do they employ physical violence, boycotts, price wars, other devices?
 - 3.4. Can these barriers be overcome by compensatory payments? By recourse to law?
 - 3.5. How effective are nongovernmental barriers to entry?
 - 3.6. Do nongovernmental procurement agencies favor certain sellers? Is this in exchange for favors received?

4. Are there physical barriers to entry?
 - 4.1. Are exchange points too distant for some buyers or sellers to reach?
 - 4.2. Can market places and other facilities (including storage, processing, and transport, etc.) serve all who have the means to use them? [This is the counterpart of II.D.3., How is the use of scarce facilities rationed?]
 - 4.3. Does spoilage or loss from inadequacy of existing facilities? Is this inadequacy seasonal?

C. How are prices set?

1. By government? When? For what period? On what basis?
At what points? How maintained?
2. By monopoly agents? etc.
3. By market leaders?
4. By trade associations? etc.
5. By collusion among agents? etc.
6. By auction or open bidding?
7. By comparative bargaining?
8. By custom ?

D. How do market agents compete?

1. Do they?
2. In price, quantity, quality, packaging, display?
3. In service? In salesmanship?
4. By use of tied sales?
5. By manipulation of credit?
6. By sources of market information?

E. What ethical or behavioral standards are observed by market participants?

1. Is misrepresentation expected behavior?
 2. Does buyer or seller have recourse if terms of sale or nature or amount of product is misrepresented?
 3. Is advantage taken of the very young, the aged, the rich, the poor, etc.?
 4. Is the financial ruin of a competitor something to be achieved or something to be prevented?
 5. Is pilfering common?
 6. Is a post-purchase gift expected?
 7. Is there a prescribed code of manners in economic transactions?
- F. How profitable are the activities of market agents?
1. Do earnings from trading compare favorably with those in alternative employment?
 - 1.1. Is participation in the market seasonal? Does this seasonality complement the seasonality of other employment opportunities?
 - 1.2. To what extent are trading costs fixed?
 - 1.3. Is there evidence of speculative motivation? (i.e., are traders content with low average returns because they see a possibility for large speculative gains)
 - 1.4. To what extent is trading a short-term interim activity while waiting for more lucrative employment elsewhere?
 2. Do earnings on capital compare favorably with potential return in other activities?
 3. To what extent are agents dependent on trading for their basic livelihood?

4. Is there evidence of monopoly profits arising from restrictions on entry? From buyer favoritism? [cf III.B.2.7 and 3.6 above]
5. To what extent do trading profits derive from private information about size of new crop, stocks, prices in other markets, potential demand?
6. Are there economies of scale in trading activities?
- G. Is there evidence of recent change in forces affecting the operation of the marketing system?

IV. Governmental Policies in Other Sectors which have Major Impact on Market Organization and Performance.

A. How is the National Plan affecting marketing of the staple commodities being studied?

1. Is it placing new burdens on the marketing system by shifts in sources of supply? (e.g., substitution of domestic production for imports)
2. By shifts in demand? (e.g., assembly of large work crews in new areas)
3. By increased burden on supporting facilities?
4. Is it aiding the marketing system by new facilities?
5. Does the allocation of governmental expenditures tend to impair or improve the functioning of the market system? (e.g., transfer of resources into or out of marketing)

B. Do taxation policies affect the market indirectly?

1. By making trading more or less profitable than other activities?
2. By encouraging or discouraging use of the market for purchases of staples?

C. Does government control of prices affect marketing of staple crops?

1. By relieving the market of some functions? (e.g., assumption of price risk?)
2. By restricting the range of alternatives open to farmers, traders, and consumers?
3. By altering the market agents' freedom of decision?
4. By reducing the opportunity for speculative profits?

V. Evaluation of Marketing Performance.

A. Performance in the eyes of the participants.

1. What are the principal complaints of farmers, traders, consumers about:
 - 1.1. Quality of products? Condition? Variety?
 - 1.2. Regularity of supplies?
 - 1.3. Capacity of market to absorb supplies?
 - 1.4. Ancillary services and facilities?
 - 1.5. Other?
2. Would participants in the market be willing to pay more (receive less) if some of the defects reported in A.1 could be corrected? How much?
3. What service now available do they consider to be overpriced? By how much?
4. To what extent do buyers and sellers believe they have adequate market information?
 - 4.1. What additional information would they like to have? (e.g., crop prospect, supplies, stocks, quality, consumer demand, prices by grade and standardized measure of quantity)
 - 4.2. To what extent do they believe themselves to be unable to discover representative prices being paid:
 - 4.21. Within the market where they are trading?
 - 4.22. In other markets?
5. To what extent do buyers (sellers) believe they have no choice but to pay (take) the quoted prices?

- B. How accurately do prices reflect all information about supply and demand that is in the system (or that might be in the system)?
1. Does the difference in price over time, space, and form tend to approximate costs of storage, transport, and transformation?
 2. Do prices react promptly when new information is received? Are sellers responsive to changes in buyers' wants?
 3. Is there evidence of price manipulation? By whom? How successful?
 4. Are there upward or downward rigidities in the movement of prices? (e.g., customary prices, price-defined units of sale, changes limited by smallest unit of currency, legal minimum or maximum prices)
 5. Are there buyers or sellers who can and will take advantage of changing price spreads?
 6. Are most traders free agents?
 7. Is there price discrimination on noneconomic grounds? Is capital rationed other than by interest rates and credit-worthiness?
 8. To what extent is entry free?
 9. To what extent can inventories of the staple being studied be used as collateral for loans?
 10. Are forward sales permitted? Are they made?
 11. Is there evidence of monopoly profit?
 12. Do venturesome individuals enjoy the fruits of their successful ventures and assume the costs of their unsuccessful ones?

13. To what extent do traders distinguish their trading accounts from personal accounts?
 14. Can contracts be enforced?
 15. Can standards and grades be certified in a manner acceptable to buyers and sellers?
 16. Is there rapid and reliable transmission of information, instructions, and goods throughout the marketing system?
 17. To what extent is each of the commodities studied fungible?
 18. Does exchange at any point tend to be dominated by very few agents?
 19. Do marketing associations inhibit or assist free and informed action of agents? Do governmental agencies?
 20. Are the terms, on which services of market facilities can be obtained, responsive to changing conditions of supply and demand?
 21. Do agents command sufficient funds to enable them to survive occasional large losses? What is the age distribution of trading units (as traders)?
 22. More? Growing out of previous sections?
 23. Is there evidence of recent change in any of the foregoing?
- C. Could technical efficiency of the marketing system be improved significantly by reallocation of existing resources, including labor and ancillary facilities?
1. Among exchange points?
 2. Within existing exchange points?
 3. Within firms?

4. Within transport and communications systems between exchange points? (e.g., re-routing trucks, reducing empty back-hauls; preventive maintenance; better road maintenance)
 5. Over time?
 6. By relocation of stocks?
 7. Within individual facilities? (e.g., reduction of deterioration in storage resulting from poor quality of products entering storage or from improper turnover of stored products; reduction of pilferage?
 8. Can costs be lowered by greater specialization of activities and realization of economies of scale to operating facilities?
 9. Can losses in quality and quantity be achieved without increased cost?
 10. Is there wide variation in cost of trading or in cost of ancillary services? Could the lower cost methods be adopted by others?
- D. Where would new investment in the marketing system contribute most to its effectiveness in allocating supplies and in stimulating increased productivity; at what cost?
1. In physical facilities? In their maintenance?
 2. In credit institutions?
 3. In market information services?
 4. In supervision of contracts?
 5. In certification of quantities and grades?
 6. In legal action and enforcement agencies to curb restrictive practices?

7. In administrative intervention to protect buyers from misrepresentation?

8. Other?

E. Are there extra-economic social goals that the marketing system must meet? (e.g., providing minimum adequate diet at specified cost; serving isolated communities [producer, consumer] at a loss; stimulating or inhibiting certain kinds of production; increasing or decreasing the economic power of particular groups; etc)

1. What are these goals?

2. What measures are used to achieve them?

3. Are these measures effective?

4. How costly are they?

VI. Alternative Arrangements to Improve Performance at the Various Stages in the Marketing Process that Merit Special Consideration.

1. What are they?
2. What benefits can they be expected to bring?
3. At what cost?

TENTATIVE RESEARCH OUTLINE

- I. General setting**
 - A. Nature of market system**
 - B. Production and consumption data**
 - 1. Major elements of diet**
 - 2. Place of staples, perishables**
 - 3. Physical nature of products (storability, etc.)**
- II. The marketing system for staples**
 - A. Define levels of system**
 - 1. Production area assembly**
 - 2. Wholesale, jobber**
 - 3. Retail**
 - B. Where are the relevant exchange levels, e.g., where does title transfer, price-making points, where best observed?**
 - C. What are the major marketing institutions on each level?**
 - 1. Number of firms and volume of sales (ranking) on each side of each relevant market**
 - 2. Market organization**
 - a) Facilities**
 - b) Rules and Practices**
 - c) Grades and Standards**
 - d) Other features**
 - 3. Service agencies--transport, storage, banking, etc. operating to serve each level**
 - 4. Relationships among market institutions**
 - a) On each level**
 - b) Between levels--(contracts, terms of purchase and sale, etc.)**
 - c) Government institutions**

III. Physical movement of products

A. Assembly areas for each market

1. Volume and origin of products

B. Evidence of arbitrage

1. Price differences in space and time
2. Transport and storage costs

C. Barriers to physical movement

1. Custom, law
2. Physical barriers
3. Availability of transportation and storage
4. Credit availability, etc.

IV. Nature of competition

A. Market structure

1. Number and size of sellers, buyers
2. Availability of market information
3. Product characteristics (differentiation)
4. Entry barriers

B. Price performance

1. Comparative prices among markets and over time
2. Margins related to costs of services performed
 - a) Standards of efficient performance
3. Evidence of responsiveness of producers, consumers, and traders to price differences in space, time, form

C. Other restraints on competition

1. Legal or customary
2. Collusion

- V. Evaluation of marketing performance
 - A. Product and service availability
 - B. Costs and margins
 - C. Price determination
 - D. Price competition, nonprice competition

December 22, 1965

**TENTATIVE RESEARCH OUTLINE
(Draft III)**

I. GENERAL SETTING

O. Commodities and Marketing System being studied

A. Production of Staple Foods

1. Characteristics of major staple foods (soil and climatic requirements, perishability, preservation possibilities, etc.)
2. Production Practices
3. Seasonal farming cycle
4. Geographic distribution of staple food production

B. Consumption of Staple Foods

1. Major elements of the diet; forms in which consumed
2. Relative importance of various staple foods in different areas; urban - rural contrasts
3. Income and price elasticities; cross elasticities
4. Seasonal variation in consumption patterns

C. Food Deficit and Surplus Areas

1. Food availability: per capita production of staple foods by district or province
2. Purchasing power: per capita production of cash crops, livestock; percentage of labor force employed in food production by district or province

D. General Picture of Intra- and Inter-regional Trade in Staple Foods

II. ORGANIZATION OF THE MARKETING SYSTEM

A. Personnel: Identification, Classification, Number, Distinguishing Characteristics, Geographic Relationships, and Volume of Sales of Individuals and Firms Operating as Middlemen (including product flow)

1. Producers delivering directly to processors and consumers
2. Local assemblers in production areas
3. Processors bulking from local assemblers
4. Middlemen bulking from local assemblers

A. Personnel: (continued)

5. Importers
6. Middlemen receiving from importers
7. Processors receiving products from bulking middlemen
8. Middlemen retailing to consumers

B. Facilities: An Inventory of the Number and Location of Facilities Used in the Market and the Pattern and Degree of Concentration of their Ownership

1. Organized market places; stalls
2. Storage facilities
3. Processing plants
4. Transporting facilities
5. Credit institutions

C. Functions: Determination of How Marketing Functions are Performed by Middlemen and Service Agencies, and the Facilities Used in their Performance

1. Exchange Functions (transfer of ownership)
 - a. Buying (locating sources of quantity and quality desired, and negotiating prices and terms)
 - b. Selling (finding buyers, developing demand for products, negotiating prices)
2. Physical Functions
 - a. Transportation
 - b. Storage
 - c. Processing
 - d. Handling and packaging
3. Facilitating Functions
 - a. Market information
 - b. Financing
 - c. Standardization and grading

3. Facilitating Functions (continued)

- d. Assumption of risk
- e. Performance of regulatory activities

III. ANALYSIS OF HOW THE MARKETING SYSTEM IS OPERATING

A. Incentives for Entry of Firms in the Market, and Physical Movement of Products

- 1. Cooperation among firms
- 2. Governmental assistance to firms
- 3. Opportunity for profit
- 4. Incentives derived from custom and tradition

B. Barriers to Entry of Firms in the Market, to Physical Movement of Products and Other Restrictions to Competition

- 1. Physical barriers
- 2. Governmental restrictions
- 3. Barriers derived from custom and tradition
- 4. Inadequate transportation, storage and financing facilities
- 5. Collusion

C. Utilization: Extent of Utilization of Available Market Facilities and Labor Resources

- 1. Seasonality in utilization
- 2. Under-utilization of facilities and labor resources caused by shortages in complementary factors (shortages of skilled labor, servicing problems, etc.)

D. Market Information: Availability, Completeness and Accuracy

E. Product and Service Differentiation

F. Costs and/or Charges Involved in Performing Selected Marketing Functions

G. Price Relationships in the Market as Compared with Cost of Performing Relevant Marketing Functions

- 1. Among Firms in a given area

G. Price Relationships (continued)

2. Spatial differences among market areas as compared to transport costs
3. Temporal differences among areas as related to storage costs
4. Price changes as related to changes in supply and demand factors
5. Responsiveness of producers, traders and consumers to price differentials in space, time and form

H. Contractual Arrangements

1. Terms of sale and purchase
 - a. Date of delivery
 - b. Time of payment
2. Financial arrangements

I. Exchange Methods

1. Barter
2. Cash purchases
3. Credit purchases
4. Use of agents

IV. GOVERNMENTAL POLICIES WHICH RELATE TO MARKET ORGANIZATION AND PERFORMANCE

- A. Summary of Activities of Governmental Agencies as Participants in Markets
- B. Allocation of Expenditures
- C. Taxation Policies
- D. Price Support Activities for Farm Products

V. EVALUATION OF MARKETING PERFORMANCE

A. Criteria from an operational viewpoint

1. Can costs of performing specific marketing functions be lowered without reducing the quality and amount of services provided?
2. Can progress be achieved in incorporating possible benefits from specialization of activities and economics of scale to operating facilities?
3. Can losses in quality and quantity of product handled be lowered in relation to the costs involved?
4. Do prices at any moment reflect information available anywhere in the system about present and prospective demand and supply?
5. Do supplies move into consumption without the build-up of excessive stocks?
6. Do buyers and sellers have adequate and accurate enough information and identification of products and services to make rational choices?

B. Criteria from a social welfare viewpoint

1. Are all sectors of the market being reached?
2. Are choices available in line with consumer preferences?
3. Does the aggregate quantity of foods being supplied meet acceptable nutritional needs?
4. Do pricing methods treat all market participants impartially?
5. Are remunerations to marketers adequate to maintain the desired level of services demanded?
6. Is economic power among market participants in or moving toward a reasonable balance consistent with the social goals of the nation?

VI. DYNAMICS OF FOOD MARKETING SYSTEM

A. Changes in Consumer Demand Related to:

1. Urbanization
2. Population - total and age distribution
3. Changes in income distribution
 - a. Percentage of population in income groups
 - b. Consumer expenditures on food as related to major household expenditures

4. Other Socio-economic factors

a. Level of education

b. Employment patterns

5. Changes in tastes preferences or shopping behavior for food

6. Changes in Technology

B. Changes in Supply as related to changes in:

1. Technology

2. Factor inputs devoted to food production

3. Net trade in foodstuffs

C. Recent Changes in the Infra-Structure of Food Marketing

1. Financial Institutions

2. Transportation

3. Communications

D. Recent Changes in Government Policies to Influence Overall Marketing Adjustment

1. Improving basis for rational decision making

2. Influencing cost structure of non-farm firms involved

3. Controlling supply and demand

VII. POSSIBLE ALTERNATIVES THAT MIGHT IMPROVE PERFORMANCE AT ANY STAGE IN THE WHOLE MARKETING PROCESS

1/31/66

TENTATIVE RESEARCH OUTLINE - PHASE II

II. ORGANIZATION OF THE MARKETING SYSTEM BASED ON IDENTIFICATION OF RELEVANT EXCHANGE POINTS

A. PRODUCT FLOW AND EXCHANGE LEVELS

1. What are the Various Channels through which the Commodities Flow from Producers to Consumers?
 - a. What are the relevant exchange levels? The exchange levels and product flows can be determined through the following questions:
 - i) When and where does the trader (farmer, consumer) sell (buy) the commodity?
 - ii) In what form is the commodity sold (bought)?
 - iii) On what terms is the commodity sold (bought)?
 - iv) How is the sale (purchase) carried out?
2. What Volume of the Commodity passes through each Sequence?

B. PERSONNEL: Who are the Intermediaries at Each Stage in the Various Market Channels?

1. What are the Distinguishing Characteristics of Each Type of Intermediary?
 - a. What functions does each perform?
 - b. To what extent do intermediaries specialize?
 - c. What volume of the commodity is handled by each type of intermediary?
 - d. What is the location of their operations?
2. What are the number of Firms and Intermediaries operating as Each Type of Intermediary?
3. What is the Market Share of Individual Intermediaries?
 - a. Do a few large firms dominate the market channel at some stage?
4. What Marketing Associations Exist and What are their Functions?

C. FACILITIES: Prepare an Inventory of the number and location of Facilities

(Organized market places, storage facilities, processing plants, transporting facilities, credit institutions, packaging supplies) used in the market and indicate the following:

- physical characteristics
- associated handling operations
- volume of commodity handled by each facility
- pattern and degree of concentration of ownership

The following additional questions can be asked with references to specific types of facilities:

1. Organized Market Places

- a. What is their frequency or pattern of utilization?
- b. What and who is responsible for administration and maintenance of the market and what do they do?
- c. How large in area volume, number of participants is each market? What is the layout of each market?

D. FUNCTIONS: Behavior of Intermediaries and Subsidiary Agencies

1. How do they learn about commodity supply and price?
2. How do they finance operations?
3. What units of measurement and standards of quality are used?
4. What risks are involved and who assumes the various risks?
5. What sort of contracts are used at each stage and how enforced?
6. How, or on what terms, are services or physical facilities obtained?
7. What sources of information are customarily used as to available quantities on product and prices at each stage?
8. Who are involved in making market information available at each stage?
9. Accuracy and availability of market data?
10. How are standards of quality set?

11. Who is involved in financing transactions at each stage?
12. What are the terms of credit at each stage?
13. Availability of credit to would-be borrowers?
14. What regulatory activities are performed, by whom, for what purpose, and how effective are they?

TENTATIVE RESEARCH OUTLINE - PHASE II

III. ANALYSIS OF HOW THE MARKETING SYSTEM IS OPERATING

. Incentives for Entry of Firms in the Market and Performance of Market Function

1. Governmental Assistances to Firms

- (a) Objectives of assistance
- (b) Form (type of financial arrangements, technical, advisory, and other)
- (c) Distribution to firms

2. Nongovernmental Assistance to Firms

- (a) Agencies participating in assistance
- (b) Objectives of assistance
- (c) Form (type of financial arrangements, technical, advisory, and other)
- (d) Distribution to firms

3. Opportunities for Profit

Does it appear that opportunities exist for firms in different sectors of the market?

4. Incentives derived from custom and traditions

- (a) Are there customs and traditions which would act as an incentive to marketing activities?
- (b) Are there perceptible changes in custom and tradition over time?

B. Barriers to Entry of Firms in the Market, to Physical Movement of Products and Other Restrictions to Competition.

1. Physical barriers

- (a) Lack of suitable selling places
- (b) Limitation of stall numbers and size

2. Transportation and Storage

- (a) Availability of rail, road, and water transport facilities
- (b) Availability of suitable storage facilities (quantity, quality)

3. Governmental restrictions

- (a) Licensing
- (b) Taxation

4. **Barriers from Custom and Tradition**

- (a) Are there customs and traditions acting as barriers to marketing activities?
- (b) Are there preceptable changes in custom and tradition over time?

5. **Financing facilities**

- (a) Adequacy and availability of different types of financing
- (b) Terms of credit

6. **Extent of Imperfect Competition in Market**

- (a) Collusion
- (b) Number of sellers and market share controlled
- (c) Price manipulation (below cost selling)

C. Utilization

1. **Extent of utilization of available market facilities**

- (a) Fluctuations in utilization
Seasonal and other

2. **Extent of utilization of available labor resources**

- (a) Fluctuations in utilization
Seasonal and other

3. **Apparent courses of fluctuations in utilization of labor and other factors, due to shortages of complementary factors**

D. Market Information

1. **Availability, completeness and accuracy of information to buyers**

2. **Availability, completeness and accuracy of information to sellers**

- (a) Sources of information customarily used
Personal and impersonal

E. Product and Service Differentiation

1. **Grading, sorting and standardization**

2. **Packaging**

3. **Variations in services offered by sellers**

F. Costs and/or Charges Involved in Performing Relevant Marketing Functions

1. Costs involved in making changes, time, place, or form utility of product
2. Costs of other marketing function (extending credit, obtaining information)

G. Contractual Arrangements

1. Terms of sale and purchases
Specification of product, quantity, place and time of delivery
Specification of time of title transfer, risk assumption
2. Financial arrangements
Time of payment
Term and conditions of payment

H. Exchange Methods

Relative importance of different types of exchange methods at different points in marketing channel.

1. Barter
2. Monetary exchange

TENTATIVE RESEARCH OUTLINE - PHASE II

V. Evaluation of Marketing Performance

Questions to be Asked

A. Product and service availability from the stand point of the participants

1. What % of buyers and/or consumers in a selected area have complaints about
 - (a) products being received - varieties offered - amount (degree of fluctuation or regularity of being received) - quality of products received and degree of variation in quality.
2. What % of consumers and/or buyers would be willing to pay for services not now readily available
3. What amounts do they say they would be willing to pay for services now available but not being utilized? (compared with charges made and costs of performing the given service, if feasible)

B1. Costs

1. To what extent could planning by firms, individuals and/or government be used to effect savings by re-routing trucks - including reduction of empty back-hauls (without reducing quality of transport service rendered)?
2. To what extent might adoption of improvements in a preventative maintenance program for trucks reduce operating costs?
3. To what extent can losses and delays in marketing farm products be identified and costs measured which can be attributed to conditions of roads?
4. What share of products in storage in a given area are lost due to
 - (a) deterioration - to what extent may losses in quality be due to placing too low qualities of products in storage?
 - (b) pilferage, etc. - and what costs would be involved in reducing same?
5. By what methods are some firms attaining a higher % utilization of storage capacity than other firms?

6. What practices are followed for care of products in storage, how do such practices vary among firms, and how do benefits to firms having the least physical losses compare with their costs in their care program?
7. How do costs of handling products in and out of storage vary among firms using different amounts of mechanical aids in relation to labor?

B2. Margins

1. To what extent do net returns to labor and capital employed in marketing differ from similar returns to other sectors of the economy?
 - range of returns
 - median and modal rates
2. What factors inhibit uses of certain sources of credit recognized as charging less than other sources?
3. What examples can be found as to the way some traders and producers-traders have reduced their financing costs?
4. How may the range and/or degree of risk in selected parts of the marketing system be measured?

C. Price Determination (Exchange efficiency - transfer of ownership)

1. To what extent do buyers and sellers believe they have adequate market information?
2. What additional specific information would they like to have?
 - re: a) supplies
 - b) quality
 - c) consumer wants
 - d) prices by grade and unit of measure
3. To what extent are buyers and sellers unable to discover representative prices being paid:
 - within a given market
 - other related markets

D1. Price Competition

1. To what extent do buyers (in a sample) believe they have no choice but to pay the asking price (and for sellers, to take what is offered by buyers)

(Might indicate where no bargaining in effect occurs)

2. To what extent do price differences among adjacent markets reflect differences between them in:

- a) transport costs
- b) demand characteristics
- c) supply area characteristics

D2. Non-Price Competition

In what form does non price competition occur, and to what extent does a particular practice increase (or decrease) the quantity of product that may be sold, the net revenue from such sales, and buyers (and/or consumers) attitude toward such practices.

E. Extra-economic and Social Considerations

1. Do consumers have access to all sellers in a given market?

(i.e., any form of discrimination that prevents some consumers from buying)?

2. Has the distribution system developed so it can reach nearly all consumers in the country?

3. Are choices available in line with consumer preferences?

4. To what extent have suggested minimum nutritional requirements for food been met by consumers in a given area - and on a aggregate basis for the nation?

5. How extensive are evidences of dishonesty and unethical practice?

6. Are persons performing marketing services receiving net margins high enough to maintain the desired level of services wanted?

A.I.D. MARKETING PROJECT SEMINAR: PARTICIPANTS

January 4 - February 24, 1966

Food Research Institute
Stanford University

<u>Participant</u>	<u>Address</u>	<u>Arrival</u>	<u>Departure</u>
Dr. V. Q. Alvis	Dept. of Economics, West Virginia University, Morgantown	1/4/66	2/22/66
Mr. Q. O. B. Antonio	Dept. of Agricultural Economics, University of California, Berkeley.	1/12/66	2/22/66
Mr. D. N. Atère-Roberts	Faculty of Agricultural Economics, Njala University, Njala, Sierra Leone.	1/7/66	2/24/66
Dr. A. S. Cleveland	Stanford Research Institute 1000 Connecticut Ave., N.W. Washington, D. C.		Various
Mr. Elon Gilbert	Food Research Institute	1/4/66	2/24/66
Dr. Roger W. Gray	Food Research Institute		Throughout
Mr. Christopher Ilori	Faculty of Agricultural Economics, University of Ife, Ibadan, Nigeria.	1/31/66	2/24/66
Dr. J. A. Jamison	Food Research Institute		Throughout
Dr. B. F. Johnston	Food Research Institute		Throughout
Dr. W. O. Jones	Food Research Institute		Throughout
Dr. Anita McMillan	Dept. of Economics, Michigan State University, East Lansing.	1/7/66	2/22/66
Dr. R. J. Mutti	Dept. of Agricultural Economics University of Illinois, Urbana.	1/3/66	2/24/66
Dr. Peter Temu	Social Science Division, Institute for Development Studies University College, Nairobi, Kenya.	1/10/66	2/24/66
Dr. Victor Uchendu	Food Research Institute		Various
Mr. Sylvester Ugoh	Economic Development Institute University of Nigeria, Enugu	1/21/66	2/4/66
Dr. Ukwu I. Ukwu	Dept. of Geography, University of Ibadan, Nigeria.	2/4/66	2/22/66

MARKETING STUDY SCHEDULE

Week of January 10, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, Jan. 10	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones) Food Research (FR) 160.
Tuesday, Jan. 11	10:00 A.M.	Organization meeting
	1:15 P.M.	Class: FR 160 (Jones)
	2:30 P.M.	Meeting with Charles M. Milford, Food Research Institute Librarian, on use of the Library.
Wednesday, Jan. 12	11:00 A.M.	Class: History 49 (Johnson)
	3:00 P.M.	Seminar: Prof. Bruce F. Johnston, Food Research Institute Topic:
Thursday, Jan. 13	2:00 P.M.	Pictures of African Markets. Mr. Bernhardt M. Jensen, recent Ford Foundation Economist, Ministry of Agriculture, Kaduna, Nigeria
Friday, Jan. 14	10:00 A.M.	Discussion: An ethnographer's approach. Prof. Elizabeth Colson, Dept. of Anthropology, University of California, Berkeley.

MARKETING STUDY SCHEDULE

Week of January 17, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, Jan. 17	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones), FR 160
	3:00 P.M.	Discussion: Research design
Tuesday, Jan. 18	10:00 A.M.	Discussion: Critique of research plan by Prof. Norman R. Collins, Dept. of Agricultural Economics, University of California, Berkeley.
	1:15 P.M.	Class: FR 160 (Jones)
	2:30 P.M.	Discussion with Prof. Collins continued
	4:15 P.M.	Committee on African Studies Seminar: Prof. G. Wesley Johnson, Dept. of History, Stanford University Topic: The African Slave Trade and Islam.
Wednesday, Jan. 19	11:00 A.M.	Class: History 49 (Johnson)
	3:00 P.M.	Discussion: Research design
Friday, Jan. 20	10:30 A.M.	Discussion: Diplomacy of African research - Bernhardt M. Jensen, recent Ford Foundation Economist, Ministry of Agriculture, Kaduna, Nigeria.
	3:30 P.M.	Food Research Institute Seminar: Bernhardt M. Jensen. Topic: The role of an economic adviser in a developing country

MARKETING STUDY SCHEDULE

Week of January 24, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, January 24	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones) FR 160.
	3:00 P.M.	Discussion: Marketing field research.
Tuesday, Jan. 25	1:15 P.M.	Class: FR 160 (Jones)
Wednesday, Jan. 26	11:00 A.M.	Class: History 49 (Johnson)
	1:15 P.M.	Class: FR 160 (Jones)
	3:00 P.M.	Discussion: Marketing field research
Friday, Jan. 28	10:00 A.M.	Discussion: Rural marketing research in Oaxaca, Mexico. Prof. Ralph I. Beals, Dept. of Anthropology, University of California, Los Angeles.
	11:00 A.M.	Class: History 49 (Johnson)
	3:30 P.M.	Seminar: Prof. Ralph I. Beals. Topic: Rural marketing research in Oaxaca, Mexico.

MARKETING STUDY SCHEDULE

Week of January 31, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, Jan. 31	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones) Food Research (FR) 160
	3:00 P.M.	Discussion: Research procedures
Tuesday, Feb. 1	1:15 P.M.	Class: FR 160 (Jones)
Wednesday, Feb. 2	11:00 A.M.	Class: History 49 (Johnson)
	1:15 P.M.	Class: FR 160 (Jones)
	3:00 P.M.	Discussion: Research procedures
Thursday, Feb. 3	10:00 A.M.	Discussion: Ivory Coast markets. Prof. Marvin P. Miracle, Dept. of Agricultural Economics, University of Wisconsin.
	2:00 P.M.	Discussion with Prof. Miracle continued.
Friday, Feb. 4	11:00 A.M.	Class: History 49 (Johnson)
	3:30 P.M.	Seminar: Prof. Victor C. Uchendu, Food Research Institute. Topic: West African social organization in the context of market institutions.

MARKETING STUDY SCHEDULE

Week of February 7, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, Feb. 7	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones) FR 160
	3:00 P.M.	Discussion: Research design
Tuesday, Feb. 8	1:15 P.M.	Class: FR 160 (Jones)
Wednesday, Feb. 9	11:00 A.M.	Class: History 49 (Johnson)
	1:15 P.M.	Class: FR 160 (Jones)
	3:00 P.M.	Discussion: Research design
Thursday, Feb. 10		
Friday, Feb. 11	11:00 A.M.	Class: History 49 (Johnson)
	3:00 P.M.	Discussion: Research design

MARKETING STUDY SCHEDULE

Week of February 14, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, Feb. 14	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones) Food Research (FR) 160
	3:00 P.M.	Discussion: Research design
Tuesday, Feb. 15	1:15 P.M.	Class: FR 160 (Jones)
Wednesday, Feb. 16	11:00 A.M.	Class: History 49 (Johnson)
	3:00 P.M.	Discussion: Research design
	3:30 P.M.	Committee on African Studies Seminar: Prof. Joseph F. Oliphant, Dept. of Biology, Stanford University. Topic: Parasites and politics in Sub-Saharan Africa.
Thursday, Feb. 17		
Friday, Feb. 18	11:00 A.M.	Class: History 49 (Johnson)
	3:30 P.M.	Seminar: Prof. Peter McLoughlin, Dept. of Economics, Santa Clara University, Santa Clara, Calif. Topic: Recent agricultural development problems in Kenya.

MARKETING STUDY SCHEDULE

Week of February 21, 1966

<u>Day</u>	<u>Time</u>	<u>Meeting or Class</u>
Monday, Feb. 21	11:00 A.M.	Class: History of Sub-Saharan Africa, 1885-1960 (W. Johnson), History 49
	1:15 P.M.	Class: Economic Development of Tropical Africa (Jones) Food Research (FR) 160.
	3:00 P.M.	Discussion: Research design and the use of questionnaires. Dr. Donald G. Woodworth and Mr. Edward A. Podesta, Behavioral Sciences Dept., Stanford Research Institute.
Tuesday, Feb. 22		University Holiday
	6:00 P.M.	Dinner party: Food Research Institute, host.
Wednesday, Feb. 23	11:00 A.M.	Class: History 49 (Johnson)
	1:15 P.M.	Class: FR 160 (Jones)
	3:00 P.M.	Discussion: Research design
Thursday, Feb. 24	3:30 P.M.	Seminar: Mr. Peter Kilby Center for Public Affairs, Wesleyan University, Middletown, Connecticut. Topic: Marketing field research in southern Nigeria.
Friday, Feb. 25	Departure	

A.I.D. MARKETING PROJECT

**Participants in the Meeting at the University of Ife
May 5-10, 1966**

Coordinating Committee

Dr. Alfred S. Cleveland, Stanford Research Institute
Dr. Homer Evans, West Virginia University
Dr. Harold G. Halcrow, University of Illinois
Dr. Glenn Johnson, Michigan State University
Dr. William O. Jones, Food Research Institute, Stanford University
Dr. Harry Trelogan, United States Department of Agriculture.

A.I.D. Research Teams

Dr. Vance Q. Alvis, West Virginia University and University College, Nairobi
Mr. David N. Atère-Roberts, Njala University
Mr. Christopher O. Ilori, University of Ife
Dr. Anita McMillan, Michigan State University and the University of Nigeria
Dr. Ralph J. Mutti, University of Illinois and Njala University
Dr. Peter Temu, University College, Nairobi
Mr. Alan Thodey, Stanford Research Institute and the University of Ife.

Others

Mr. Q. O. B. Antonio, University of Ibadan
Mr. Russell Bierman, USAID, Lagos
Mr. Elon Gilbert, Food Research Institute, Stanford University and Ahmadu Bello
University
Miss Maria Ukatta, University of Nigeria
Dr. Ukwu I. Ukwu, University of Ibadan.

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A.I.D. MARKETING PROJECT

Commodities to be Included in Each Study

<u>Kenya</u>	<u>Eastern Nigeria</u>	<u>Western Nigeria</u>	<u>Sierra Leone</u>
Rice	Rice	Rice	Rice
Maize	Maize	Maize	Palm oil
Potatoes	Gari	Gari	Cassava
Beans	Yams	Yams	Groundnuts
Wheat			

5/10/66

FORMS OF TRANSFER

	Raw or fresh	Bulk	Semi-processed	Refined end-product
Rice	Paddy		Hulled	Milled Parboiled
Cassava	Fresh		Dried	Flour Gari Fufu
Yam	Fresh			
Red palm oil	1st pressing 2nd pressing			
Maize*/	Ear/shelled	(Dried shelled)		Flour Shelled

*/ Mature maize only.

Code for Expressing Relative Magnitudes

- A Dominant (more than 50%)
- B Co-dominant (group more than 50%)
- C Secondary (fairly important)
- D Minor (present)
- E None
- Not available

- 1.5 (c) Pavement
- (d) Electricity
- (e) Water
- (f) Telephone
- (g) Unloading area
- (h) Scales
- 1.6 Try to obtain rough estimates of the physical quantities of the assigned products moving through the market - weight measure (lbs) for everything except palm oil - fluid measure (imperial gallon) for palm oil.
- 1.7 Size of market: count heads - number of identifiable sellers in the market - number (very, very approximately) of people who appear to be buyers in the market, at the peak time of day.
- 1.8 (a) Public; private
- (b) Qualitative appraisal - good, fair, poor.
- 2.2.1 (a) State whether shops dealing in staple foods are present in each of the markets in 1.1.
- (b) Describe clustering of shops above as they relate to the market (1.1) i.e., separated; groups
- 2.2 See 1.3
- 2.3 Area of types of shops. Layout not required.
[Definition of shop: ability to store the products for sale overnight within the physical structure.]
- 2.4 Ability to hold products in bulk as well as display.
- 2.5 Physical quantities moving through each shop.
- 2.6 Count heads; relationship to shopkeeper.
Proprietor of business (time spent in shop)
Household - number (paid; unpaid)
(Non-household - Hired - number)

	Workers			
	Paid		Unpaid	
	Full time	Part time	Full time	Part time
Relative of proprietor				
Non-relative				

- 2.7 Shop owner - proprietor
 - relative
 - non-relative

IIE.1.

	(1) Public	Non- (2) public	Mass media	Non- mass media
A. Supply				
1. Production				
2. Stocks				
B. Sales opportunities				
C. Storage				

- (1) Public = unrestricted
 - (2) Non-public ■ restricted
 - (3) (a) Current (b) Prospective
- Use previous rating scale (i.e., A. Dominant, etc.)

- 1.1.(a) Relevant ; irrelevant
 - (b) Current ; out of date
- Reasons for holding inventories:
- 2. Speculative ; Transactions
- 3. Use of credit
 - 3.1 - Financial institutions
 - Suppliers
 - Customers
 - Others
 - 3.2 Annual % - of average credit received.
 - by source
 - 3.3 Length (term) of credit - in months
- 4. Standardized or non-standardized
 - weight, volume - list units and conversion into English measurement system.
 - quality (recognisable and identifiable) - list grades and identifying factors
 - Are these government or private?
 - " " legal or custom?

5. Is there risk of loss from:

5.1 Weather, pests, civil disorder, disease, theft?

5.2 Price

- Scale: A Substantial
 B Significant
 C Slight
 D None

5.3 Describe.

6.

	Regulatory agency	Enforcement methods	Degree of effectiveness
Price			
Quality			
Quantity			
Market participation			