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## AGRICULTURAL MARKETING AND ECONOMIC GROWTH IN NIGERIA

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### **ABSTRACT**

*This paper examined the relationship between agricultural marketing and economic growth in Nigeria. Data were collected from 225 marketing professionals, agriculturalists and economists in some tertiary institutions in Nigeria. The simple and stratified random sampling technique was used to select the respondents for the study. The main instrument used for data collection was a structured questionnaire which was designed on a 4 point rating scale. The data collected were analyzed statistically using the Spearman Rank Order Correlation. The correlation of the study was done using a computer software program known as SPSS window 19.0 version. The findings revealed that there is positive and significant relationship between crop marketing and exchange rate in Nigeria. A positive and significant relationship was also found between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria. The study also found a positive and significant relationship between fish marketing and employment generation in Nigeria. It was equally confirmed that there is a significant positive relationship between forestry marketing and increase in the Gross Domestic Product (GDP) of Nigeria. Based on the findings, it was concluded that agricultural marketing would significantly enhance economic growth in Nigeria. The study therefore recommended that Nigerian government should invest massively on the agricultural sector as it would enhance economic growth..*

**Keywords: Agricultural marketing, economic growth, crop, livestock, fishery, forestry, exchange rate, inflation, employment generation, gross domestic product.**

### **INTRODUCTION**

The issue of how to achieve economic growth in Nigeria has received much attention in recent times in view of the present economic recession facing the country. Issues that border on Naira-Dollar exchange rate, decline in the real Gross Domestic Product (GDP), unemployment, poverty, hunger, unfavourable balance of trade and payment, inflation, as well as the retrenchment of workers across various industries had been in the public domain. Strategies on how to revive the economy from recession have been the major subject of discussion in the media. Stakeholders such as economic experts and marketing professionals have publicly air their views on how to get the country out of recession. The present administration is doing everything with its power to revive the economy from recession. In this regards, policies and strategies are directed towards achieving economic growth with the shortest possible time.

Economic growth is an increase in the capacity of an economy to produce goods and services, compared from one period of time to another (Wikipedia, 2016). It is conventionally measured as the percent rate of increase in real gross domestic product (GDP) usually in per capita terms (IMF, 2012). Economic growth occurs whenever people take resources and rearrange them in ways that make them more valuable (Romer, 2008). An increase in economic growth is caused by more efficient use of inputs (such as labor productivity, physical capital, energy or materials (Bjork, in Wikipedia, 2016). This implies that for a country to achieve economic growth, it must increase its labour productivity, efficiently allocate its physical capital to productive endeavour, put in adequate energy in productive activities and efficiently utilization its materials. Nigeria as a nation is taking steps to achieve economic growth. The country recently found itself in recession which brought about the persistent increase in the prices of goods and services, fall in the value of the

Naira as against Dollar, sharp decline in GDP, poverty, hunger, unemployment and sudden retrenchment of workers. The present administration led by President Muhammadu Buhari, has decided to look inward to revive the economy from recession and achieve economic growth. One of the possible ways to achieve economic growth is through agricultural marketing.

Agricultural marketing is defined as the series of services involved in moving an agricultural commodity from the point of production to the point of consumption (National Open University, 2009). Agricultural marketing is more than just selling a commodity and receiving payment; it consists of a supply chain which combines capital items such as land and livestock, labour, purchased inputs, equipment, transportation, advertising, processing, and selling (wholesaling and retailing). This integrates the flow of goods and information in response to consumer demand (Roy, 2006). The marketing of agricultural produces is very important to the nation (Nigeria) as it intends to ensure food security. A country in recession can use agricultural marketing as a tool to solve its economic problems. An increase in agricultural production would not only ensure food security and prevent inflation in Nigeria, but would also create employment opportunities and boost the Gross Domestic Product (GDP) of the country.

In spite of the general acknowledgement that agricultural marketing enhance economic growth, adequate attention has not be given to the agricultural sector as only lip service has been noticed. Agricultural productivity in Nigeria is very low in terms of yield per hectare production of cereals, meat, milk and vegetables. Of course, in the past, Nigeria used to be a major player in the world's agriculture industry - once recognized as the world's largest producer of groundnut and palm produce, as well as the second largest exporter of cocoa. This is now part of Nigeria's history (Ehui, & Tsigas, 2012). Today, Nigeria is importing food items which can be locally manufactured given our vast hectares of land and fertile soil. Nigeria spends about \$10 billion a year on the importation of agricultural and forest products (Fabiya, 2016). About \$1.5 billion is spent yearly to wheat alone (Ministry of Agriculture, 2016). The importation of food items into the country has contributed immensely in weakening the Naira as against Dollar. The persistent rise in Dollar has resulted to the high cost of importation which consequently led to the increase in the prices of imported food. The few locally manufactured foods have also risen following the high cost of living. Nigeria is thus suffering from the dreaded stagflation (Ado, 2016), with decline output as well as the rise in the prices of goods and services. The economic recession experiencing in Nigeria today is due to the neglect of the agricultural sector which use to contribute the lion share to the GDP. Surely, the improvements in agricultural production and marketing are necessary for Nigeria to attain economic growth especially now that the country is in recession. The marketing of agricultural produce would enable the country to be self-sufficient in food and then meet our growing population. The exportation of agricultural produce is also important for survival of the Nigerian economy. The Executive Secretary and Chief Executive Officer, Nigerian Shippers' Council (NSC), Hassan Bello said that "the ability of a country to sell her products on the international market is a precondition for their survival in our present predominantly globalized trade environment." The more a country is able to produce and export to other countries, the more the country can satisfy its needs through foreign exchange and increasing her investment domestically (Ehui, & Tsigas, 2012). It is against this backdrop that this paper examines the relationship between agricultural marketing and economic growth in Nigeria. To achieve this broad objective, the paper is structured into five sections with the present section being the introduction, followed by the literature review in section two. The methodology is discussed in section three while section four presents the empirical results and discussion. The conclusion and recommendations were the major focus in section five.

## **LITERATURE REVIEW**

### **Concept of Agricultural Marketing**

Agricultural marketing can be defined as the performance of all business activities included in the flow of products from the beginning of agricultural production until they are in the hands of

consumers - from the farm to the fork (Roy, 2006). Agricultural marketing is also acknowledged as an integrative force that matches production to customer needs and satisfaction in the agricultural sector (National Open University, 2009). Since agricultural marketing covers services involved in moving agricultural product from the farm to the consumers, it then requires numerous interconnected activities such as planning production, growing and harvesting, grading, packing, transport, storage, agro and food processing, distribution, advertising and sale (Wikipedia, 2016). Agricultural marketing techniques are used in every corner of "agribusiness" including small farms, corporate farms, and collectives; distributors, manufacturers of farm equipment, pesticides, and genetic enhancements for crops and livestock; and more (Marketing Schools.org, 2012).

Agricultural marketing plays a significant role in ensuring the availability of food for both domestic and international consumption (Carter, 2003). The direct contributions of agricultural marketing can be seen through income generated from sales of farm produce and returns from economic activities related to production; or indirectly from increased capacity to partake in any form of economic activity through improved diet (Odetola & Etumnu, 2013). It also helps a country to earn foreign exchange currency through the exportation of agricultural produce to other countries of the world (Omorogiuwa, Zivkovic & Ademoh, 2014). The exportation of agricultural produce increases the level of employment in the economy as a higher demand for exports will require more production which will in turn lead to the employment of more people (Adenugba, 2013). The exportation of agricultural produce would also help to attain a favourable balance of trade and balance of payment (Oyakhilomen & Zibah, 2014). Although the exportation of agricultural produce is crucial to the revival of the Nigerian economy, the nation (Nigeria) needs to strengthen the domestic market before export as we cannot keep chasing export aggressively when the local demands have not been met (Afolabi, in Nelson & Adekoya, 2016).

The purpose of agricultural marketing is to satisfy the food needs of a nation (Bawa, 2014). Chigbu (2016) stated that Nigeria is blessed with a wide variety of agricultural potentials, ranging from varieties of crops to varieties of animals and plants and natural agricultural-supportive factors like forests, waters, sands and most of all human resources that are being under-used (or not even used as at now). However, despite the huge agricultural potentials endorsed within the country, the Nigerian population is still faced with the problem of hunger and shortage of food supply (Izuchukwu, 2011). With a population of around 170 million, the drastic fall in the price of oil, and a lack of diversification within the country's industries, Nigeria is now experiencing a painful recession as the current agricultural produce is not sufficient to deal with its growing population (Owoola, 2016). Owoola however noted that Nigeria which was once a market leader in the agricultural sector, exporting large amounts of raw produce including cocoa and palm oil, now imports all of these commodities in enormous quantities which has led to a significant fall in the value of the Naira. It is believed that the revival of the agricultural sector will boost the marketing of agricultural products across the country and even national boundary. Agricultural marketing cannot only be used to solve the problem of food shortage but also to facilitate economic growth (Asoegwu & Asoegwu, 2007).

### **Concept of Economic Growth**

Economic growth is a long-term expansion of the productive potential of the economy (Riley, 2016). It is a positive change in a country's production level over a period of time. Economic growth is central to economic development (World Bank, 2016). Although there is no generally accepted formula for stimulating economic growth, data can help government and policy-makers to better determine their countries' economic situation and work towards improvement (Adenugba, 2013). Every country is different; each factor will vary in importance for a country at a given point in time (Riley, 2016). Obviously, growth does not happen in isolation. Events in one country and region can have a significant effect on growth prospects (Riley, 2016). When national income grows, real people benefits (World Bank, 2016). Traditionally, economic growth has been attributed to the accumulation of human and physical capital and the increase in productivity arising from technological innovation (Lucas, in Wikipedia, 2016).

Economic growth is usually measured in terms of an increase in real gross national product (GNP) or gross domestic product (GDP) over time or an increase in income per head overtime (Bawa, 2015). According to Bawa, the GDP measure relates to increase in total output to changes in the population. The "rate of economic growth" refers to the geometric annual rate of growth in GDP between the first and the last year over a period of time. Implicitly, this growth rate is the trend in the average level of GDP over the period, which implicitly ignores the fluctuations in the GDP around this trend (Bjork, in Wikipedia, 2016).

Over the years, Nigeria has been battling with various economic problems such as decline in the GDP, poor exchange rate, inflation, unemployment, balance of trade and payment disequilibrium and poverty. Various economic policies and programmes have been put in place by successive governments to address these problems but all efforts have remained futile as the economic conditions of the people are yet to improve rather the country is presently experiencing economic recession. The present administration led by the President Mohammadu Buhari has taken steps to revive the economy from recession and achieve economic growth. Even the 2017 Budget is aimed at achieving economic growth, diversification, improving competitiveness, improving ease of doing business, creating more jobs and social inclusion, improving governance and security (Braitham, 2017). Some stakeholders have called on the Federal Government to invest massively on the agricultural sector since it has the potentials of getting the country out of recession (Chigbu, 2016; Nelson & Adekoya, 2016).

**Table 1: Economic Growth Indicators**

Year	Exchange Rate (Naira/Dollar)	Inflation Rate	Unemployment Rate	GDP (Billion Naira)
2007	125.72	5.4	12.7	20,657.3
2008	119.00	11.5	14.9	24,296.3
2009	150.40	12.6	19.7	24,794.3
2010	151.09	13.8	21.4	54,612.3
2011	155.89	10.9	23.9	62,980.4
2012	158.55	12.2	10.6	71,713.9
2013	159.25	8.5	10.0	80,092.56
2014	164.88	8.1	7.8	89,043.62
2015	299.57	12.8	22.5	78,067.86
2016	420.06	23.6	29.1	67,056.78

Sources: CBN, Statistics Department  
Nigerian Bureau Statistics (NBS)

### **Crop Marketing and Exchange Rate**

The demand for staples crops such as maize, rice, wheat, beans, and other crops like melon, groundnut, peanut, soyabean, pineapples, and palm produce in Nigeria is very high. This has made these commodities to be easily marketed. These crops are demanded by Nigerians for both domestic consumption and commercial purposes. Research has shown that Nigeria is the highest consumer of rice, wheat, maize, cashew and palm produce in West Africa sub-region and the second largest importer of these commodities (Adenugba, 2013). Before now, Nigeria was the largest producer of rice, maize, cashew, wheat, groundnut, oil palm and rubber in West Africa (Carter, 2003). Today, Nigeria can no longer meet its local demand for rice, maize, cashew, wheat, groundnut, oil palm and rubber; hence the country has resulted to the importation of these essential commodities which can be produced locally given our large hectares of land and soil potentials. Nigeria spends about \$10 billion a year on the importation of agricultural and forest products (Fabiya, 2016). This is about 19% of our total imports (Fabiya, 2016). Nigeria import rice massively from countries like China, India, Thailand, etc. It is on record that Nigeria spends 1 billion Naira daily on the importation of rice for domestic consumption which amounted to 365 billion Naira annually (Arosanyin, 2017). Nigeria also spends billion of US Dollar on wheat importation. As at 2010 alone, Nigeria spends USD\$ 635 billion on wheat importation (Nelson &

Adekoya, 2016). Currently, Nigeria imports 4 million tons of wheat, spending \$4 billion on the commodity every year – a figure expected to reach \$10 billion by 2030 when Nigerian are predicted to consume over 10 million metric tons of imported wheat to satisfy their growing demand for non-traditional foods like pasta, noodles, and bread (ICARDA, 2017).

The huge sum of money spent on the importation of food commodities has contributed immensely in weakening the Naira against Dollar (Chigbu, 2016). The persistent rise in dollar for the past few years has made the importation of food commodities more expensive and this has given rise to the increase in the price of the commodity in the market. Today, a big of rice which was formally sold for 9,000 Naira now cost 27,000 Naira. Economic and marketing experts argued that Nigeria cannot continue to import food crops that can be grown locally (Yusuf, 2014; Bawa, 2015; Nelson & Adekoya, 2016). The amount of money set aside for rice, wheat, and maize importation, if redirected to the improvement of crop production and marketing such as supporting both small and large scale farming in Nigeria to meet international standards would enable Nigeria meet its local food demand and export the surplus to other countries in a couple of years from now (Odetola & Etumnu, 2013). If Nigeria is able to produce food crops in large quantity, it will put an end to the importation of these commodities and even increase exportation of the commodity. The marketing of these crop across national boundary would go a long way in strengthen the Naira against Dollar and improve the exchange rate. This leads us to our first hypothesis:

HO<sub>1</sub>: There is no positive and significant relationship between crop marketing and exchange rate in Nigeria

### **Livestock Marketing and Reduction of Inflation**

Livestock production and marketing is a source of employment and livelihood to many Nigerians. The livestock products comprises cattle, goats, sheep, pigs, poultry, etc (Nextzon, 2017). The demand for livestock products such as poultry, goat meat, mutton, beef, port, milk and eggs is very high in Nigeria (Odetola & Etumnu, 2013). Therefore the marketing of livestock products is a good business because the market is already there for the commodity. Cattle are the most highly valued livestock in Nigeria. They are nurtured for the production of beef, hide, and milk for domestic consumption (Omorogiuwa, Zivkovic & Ademoh, 2014). The consumption rate of beef in Nigeria is placed at 360,000 tonnes per year according to the Minister of Agriculture and Rural Development, Akinwumi Adesina during the 2<sup>nd</sup> induction ceremony of 12 individuals as fellows of the Nigerian Institute of Animal Science, NIAS (Premium Times, April 5, 2017). The Minister further projected that consumption rate of beef would increase from 360,000 tonnes to 1.3 million tonnes by 2050. The demand for beef is largely driven by the Federation of Nigeria, as Nigerians make up 50% of beef consumers in ECOWAS (Guibert & Benard, 2015).

However, the domestic production of livestock products is very low and insufficient to meet the local demand. Available data from the FOS, CBN and FAO indicates that from cattle, less than 2kg of beef is available to an average Nigerian per year and just mere 4kg of eggs per annum is available to each Nigerian (Nextzon, 2017). In fact, milk production since 1994 has shown no significant improvement to meet local demand (Adenugba, 2013). Nigeria has a large market for fresh milk. As at 2013, annual diary consumption is estimated at 1.7 million tonnes while the domestic production 591,470 tonnes. Presently, the local production of milk is less than 1% of the total annual demand that has been estimated at 1.45 billion litres, making the total milk consumption in Nigeria less than 10 litres per head whereas the global average is about 40 litres per head (Nextzon, 2017). The shortage in supply is filled by milk importation. Though, in West Africa, Nigeria is the largest producer of cow milk and the third in Africa, still, the country is a net importer of the product (Yusuf, 2014).

Presently, Nigeria imports live animals such as cattle from Niger, Chad and Mali. It is very difficult to assess the import flows of live animals from Niger, Chad or Mali, as many animals are "naturalized" when they cross the border, some of which are fattened and finished on their way to the market outlets (Guibert & Benard, 2015). Guibert & Benard added that a large part of the livestock sold in the Nigerian market today come from the Sahel countries. In spite of the import

supplement to our domestic production, livestock products like cattle available in the market are still insufficient to meet the increasing local demand for animal products, hence the available products in the market has been subjected to high prices. This is demand pull inflation, i.e. excess demand over supply. Owoola (2016) acknowledged that the prices of meat and milk have gone up in the market due to shortage of supply. In order to reduce the high prices of livestock products in the local market, there is need to increase domestic production by getting the nation's livestock system working properly. If adequate investment is made in the nation's livestock industry, it would boost the production and marketing of livestock products and consequently reduce the prices of beef and milk in the local market. This brings us to our second hypothesis:

HO<sub>2</sub>: There is no positive and significant relationship between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria.

### **Fishery Marketing and Employment Generation**

Fish production and marketing is a source of employment to many Nigerian citizens. The fishery activities include: Artisanal Coastal and Brackish Water Catches, Artisanal Inland Rivers and Lakes Catches, and Fish Farming (Bawa, 2015). The demand for fish in Nigeria is very high. According to the Nigeria Fishery Statistics report (2016), the total fish demand for Nigeria based on the 2014 population estimate of 180 million people is 3.32mmt, while the domestic fish production from Aquaculture, Artisanal and Industrial fisheries for 2014 is 1.1 23mmt. Presently, Nigeria's total annual fish demand is estimated at 2.7 million metric tonnes (mmt) just 30% of this demand is met domestically, resulting in an annual spend of US\$625m on fish importation (FBN Quest Report, 2016). The low production of fish in the country has been a major obstacle to economic growth (Arosanyin, 2017). As at 2014, fisheries contributed only 0.48% to the Agriculture GDP and (Nigeria Fishery Statistics report, 2016). Consumers demand for fish continues to grow on a daily basis. However, the domestic supply of the product is insufficient to meet the growing demand for the product (Ehui, & Tsigas, 2012). The shortage in supply has created scarcity which leads to price hike. In March, 2016, the Association of Indigenous Seafood Stakeholders of Nigeria hinted at a possible fish scarcity in the short to medium term (FBN Quest Report, 2016). Factors responsible for the decline in fish production in Nigeria include: inadequate supply of inputs to the artisanal fishermen, the changing nature of the seasonal streams, rivers and pools which frequently lead to low productivity of these water bodies and to poor fish catches by the fishermen, poor management of water bodies by the government authorities, shortage of trained personnel as well as pollution of waters (Oyakhilomen & Zibah, 2014).

Given the shortage of fish supply domestically, there is need for Nigerian government to support the key players in the fish industry. Government intervention will make the fish industry more attractive as many individuals will invest in fish farming. This will create employment opportunity for the unemployed youth and graduates (Izuchukwu, 2011). The rate of unemployment in Nigeria is very high and this has been a major economic problem facing the country. The Nigerian Bureau of Statistics reported that the unemployment rate stood at 7.8% in 2014 and this is expected to have increased significantly especially during this period of economic recession. The fish industry can help to reduce the level of unemployment in Nigeria if only the teeming Nigerian youth can take advantage of the opportunity provided in this sector (Braithwaite, 2017). The shortage in fish supply and the excessive demand for the product have made the industry more attractive and lucrative for youths seeking to make a living from this sector. If Nigerian youths could take advantage of this golden opportunity in the fish industry, it will help to reduce the level of unemployment in Nigeria. This leads to our third hypothesis:

HO<sub>3</sub>: There is no positive and significant relationship between fish marketing and employment generation in Nigeria.

### **Forestry Marketing and GDP**

Forestry is a lucrative business in Nigeria given the high demand for forest products in the country. The increasing demand for forest products has placed a lot of pressure on the forest resources of the nation (Arosanyin, 2017). The Nigerian forestry industry comprises of sectors –

the formal and informal sectors. The formal sector is essentially wood based and is fairly well developed and comprise mechanical wood industries including sawmills, veneer and plywood manufacturers, particle board manufacturers, and furniture manufacturing which is carried out at the secondary level, while the informal sector comprises an informal wood based sector which is the country's largest user of wood, (most of which are burnt as fuel) (Food and Agriculture Organization, 2016).

The demand for forest products such as round wood (industrial round wood, fuel wood and poles), sawnwood, wood based panels, pulp and paper is very high in Nigeria (Sanginga, 2012). However the domestic production of forest products especially pulp and paper is insufficient to meet the local demand (Owoola, 2016). As at 1990, the total domestic production of paper was 43,498 M.T. which declined to barely 5,314 tons in 1993, while the total existing paper capacity utilization in the country is estimated at 50,000 M.T. per year for both newsprint and printing paper and 70,000 M.T. per year for other papers (FAO, 2016). The shortage in supply is filled by importation of the products. Pulp and paper are the largest forest products imported into the country. Between 1980 and 1981, over 160,000 M.T. were imported which represented nearly 95% of total consumption of printing and writing papers as well as Kraft paper and board at that time (FAO, 2016). In 1994, the importation of printing and writing papers alone accounted for 45,000 M.T (Aruofor, in FAO, 2016). Today importation is still very high as Nigeria spends about \$10 billion a year on the importation of agricultural and forest products (Fabiyyi, 2016).

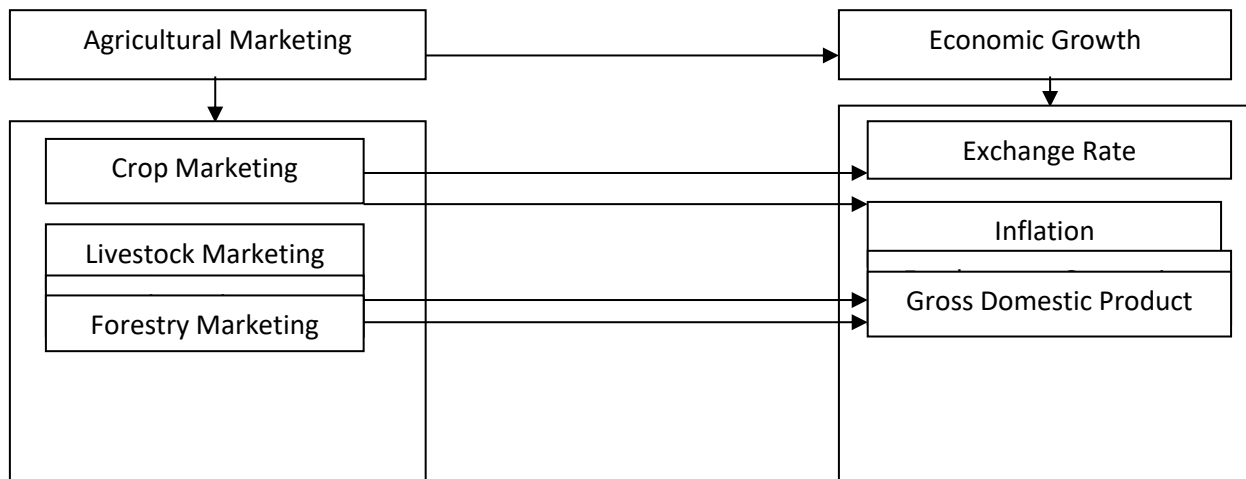
It was reported that the pulp and paper mills operating in Nigeria are producing below capacity due to long fibre shortages which constrained domestic production (FAO, 2016). Even the so-called sawnwood produced in the country is insufficient to meet local demand. The sawmills in Nigeria has an estimated capacity of 11,684,000m<sup>3</sup> per year in log equivalent but their annual total production capacity fall short of the estimated figure (Nwajiuba, 2016). For instance, in 1997, the estimated total output of sawnwood stood at 2,000,000 m<sup>3</sup> Aruofor (2000) argued that the decline in sawnwood production in the country is attributed to the fact that most of the sawmills have been fully depreciated and are suffering from obsolescence. He further stated that the sawnwood industry also lacks the capacity to process small diameter logs from forest plantations. For wood based panels, the annual total production also fall short of the productive capacity of the eight veneer and plywood plants in the country. The total capacity of the eight mills is 126,000m<sup>3</sup> per year while its capacity utilization as at 1993 is 57%. (Aruofor, in FAO, 2016). It is evident that the veneer mills operating in the country are facing difficulties in acquiring log supplies since demand for veneer logs exceeds supply.

The challenges facing the forest industries need to be addressed quickly by the federal government especially during this period of economic recession to ensure that these industries operate to their full capacity. When these industries operate to their full capacity it will improve the Gross Domestic Product (GDP) of the country. Presently the GDP of Nigeria is very low. According to the second quarter 2016 Gross Domestic Product (GDP) statistics released by the National Bureau of Statistics (NBS), the numbers confirmed that the economy had shrunk by 2.06%, the second consecutive quarterly drop in GDP (Ado, 2016). The main driver of the drop in GDP, according to Ado (2016), was the oil and gas sector that shrank by 15.6% relative to the first quarter 2016 and by 17.5% year on year. There is urgent need for government to fix the nation's agricultural sector particularly the forestry industry which is capable of contributing significantly to the GDP of the country (Chigbu, 2016). In 1958 and 1960, forestry contributes 6.1% and 5.3% to the GDP respectively (Faleyimu, 2013). In 2010, the FAO reported that Nigerian forest resources account for about 2.5% of the country's GDP (Common Wealth of Nations, 2017). As at today, the percentage contribution of forestry to the GDP is less than 1% (Fabiyyi, 2016) and this sharp decline could be partly due to the neglect of the forestry industry and other performing sectors of the economy. Globally, forestry usually contributes about 2% to

the World GDP (Braithwaite, 2017). There is urgent need for the government to address the problems facing the forestry industry so as to make the sector more vibrant and productive. When the challenges confronting the forest industries are addressed, it will make the industry more productive and more individuals will go into forestry marketing which will help to increase the GDP of the nation in this period of recession. Based on this, we developed our forth hypothesis:

HO<sub>4</sub>: There is no positive and significant relationship between forestry marketing and increase in the Gross Domestic Product (GDP) of Nigeria.

**Fig.1.1: Conceptual Framework**



**Source: Author’s Conceptualization**

**METHODOLOGY**

This study is a descriptive survey which involves collecting data from a large sample and describing the nature of relationship that exists between agricultural marketing and economic growth in Nigeria. The sample consisted of marketing professionals, agriculturalists and economists drawn from various tertiary institutions in Nigeria. The stratified random sampling technique was used to select 250 respondents for the study. Data were collected from the respondents through the use of questionnaire. The questionnaire which was the major instrument used for data collection in this study, was structured in a four (4) points rating scale which ranges from Strongly Agree, Agree, Disagree to Strongly Disagree. The instrument was validated by some research experts, while its reliability was determined using the Cronbach's alpha method. Two hundred and fifty (250) copies of questionnaire were administered to the respondents and 225 copies were retrieved. The data collected were statistically analyzed using Spearman Rank Order Correlation. A computer software program known as SPSS (Statistical Package for Social Sciences) windows 19.0 version was used to correlate the data on the study variables.

**Empirical Results and Discussion**

**RESULTS**

The results of the correlation analysis carried out on the study variables are presented below:

**Table 1: Correlation between crop marketing and exchange rate in Nigeria**

			Crop Marketing	Exchange Rate
Spearman’s Rho	Crop Marketing	Correlation Coefficient	1.000	.864**
		Sig. (2 tailed)	.	.001
		N	225	225
	Exchange Rate	Correlation Coefficient	.864**	1.000
		Sig. (2 tailed)	.001	.
		N	225	225

\*\*Correlation is significant at 0.05 levels (2 tailed)

Source: SPSS-generated Output



Table 1 shows the result of correlation analysis between crop marketing and exchange rate. The result revealed that crop marketing is positively correlated to exchange rate ( $\rho = .864^{**}$  p value < 0.05) and significant at 95% confidence level. Consequently, the null hypothesis is rejected and alternate hypothesis is accepted. This means that there is positive and significant relationship between crop marketing and exchange rate.

Table 2: Correlation between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria

			Livestock Marketing	Inflation
Spearman's Rho	Livestock Marketing	Correlation Coefficient	1.000	.679**
		Sig. (2 tailed)	.	.002
		N	225	225
	Inflation	Correlation Coefficient	.679**	1.000
		Sig. (2 tailed)	.001	.
		N	225	225

\*\*Correlation is significant at 0.05 levels (2 tailed)

Table 2 presents the result of correlation analysis between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria. The result revealed that livestock marketing is positively correlated to prices of livestock products ( $\rho = .679^{**}$  p value < 0.05) and significant at 95% confidence level. Hence, the null hypothesis is rejected and alternate hypothesis is accepted. This implies that there is positive and significant relationship between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria.

Table 3: Correlation between fish marketing and employment generation in Nigeria

			Fish Marketing	Employment Generation
Spearman's Rho	Fishery Marketing	Correlation Coefficient	1.000	.753**
		Sig. (2 tailed)	.	.003
		N	225	225
	Employment Generation	Correlation Coefficient	.753**	1.000
		Sig. (2 tailed)	.003	.
		N	225	225

\*\*Correlation is significant at 0.05 levels (2 tailed)

*Source: SPSS-generated Output*

Table 3 contains the result of correlation analysis between fish marketing and employment generation in Nigeria. The result revealed that fishery marketing is positively correlated to employment generation ( $\rho = .753^{**}$  p value < 0.05) and significant at 95% confidence level. Therefore, the null hypothesis is rejected and alternate hypothesis is accepted. This means that there is positive and significant relationship between fish marketing and employment generation in Nigeria.

Table 4: Correlation between forestry marketing and increase in the GDP of Nigeria

			Fishery Marketing	Employment Generation
Spearman's Rho	Forestry Marketing	Correlation Coefficient	1.000	.821**
		Sig. (2 tailed)	.	.002
		N	225	225
	GDP	Correlation Coefficient	.821**	1.000
		Sig. (2 tailed)	.002	.
		N	225	225

\*\*Correlation is significant at 0.05 levels (2 tailed)

*Source: SPSS-generated Output*

Table 4 shows the result of correlation analysis between forestry marketing and increase in the Gross Domestic Product (GDP). The result revealed that forestry marketing is positively correlated to GDP ( $\rho = .821^{**}$  p value  $< 0.05$ ) and significant at 95% confidence level. Consequently, the null hypothesis is rejected and alternate hypothesis is accepted. This means that there is positive and significant relationship between forestry marketing and increase in the Gross Domestic Product (GDP) of Nigeria.

## DISCUSSION OF FINDINGS

From the result of the analysis carried out, it was discovered that there is positive and significant relationship between crop marketing and exchange rate in Nigeria. This finding was derived from the result of the SPSS-generated output on the first hypothesis. The result indicated that crop marketing is positively correlated to exchange rate ( $\rho = .864^{**}$  p value  $< 0.05$ ) and significant at 95% confidence level. Consequently, the null hypothesis was rejected and alternate hypothesis was accepted. This implies that there is significant positive relationship between crop marketing and exchange rate in Nigeria. The implication of this finding is that if the Nigerian government invests massively in the agricultural sector especially during this period of economic recession, it will boost crop production in the country and the surplus exported to other countries which will eventually earn the country foreign currency and improve the Naira-Dollar exchange rate. This finding is supported by Odetola & Etumnu (2013) and Fabiyi (2016) as they argued in one direction that if the amount of money set aside for the importation of staples crops such as rice, wheat, etc. is redirected to the improvement of crop production and marketing by encouraging small and large scale farming in Nigeria, it would enable Nigeria meet its local food demand and export the surplus to other countries in a couple of years which will help to improve the Naira-Dollar exchange rate.

This study also found a significant positive relationship between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria. This finding was obtained from the result of the SPSS analysis on the second hypothesis, which revealed that livestock marketing is positively correlated to prices of livestock products ( $\rho = .679^{**}$  p value  $< 0.05$ ) and significant at 95% confidence level. Consequently, the null hypothesis was rejected and the alternate hypothesis was accepted. This means that there is positive and significant relationship between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria. The implication of this finding is that the two variables move in opposite direction, meaning that an increase in livestock production and marketing in Nigeria will lead to a decrease in the prices of livestock products and other related activities in the country and vice versa. Owoola (2016) supported this finding as they advised the Federal Government to invest massively in the livestock industry to boost domestic production and reduce the prices of livestock products in the local market.

A significant positive relationship was also found between fish marketing and employment generation in Nigeria. This finding was obtained from the result of the SPSS analysis on the third hypothesis. The result revealed that fishery marketing is positively correlated to employment generation ( $\rho = .753^{**}$  p value  $< 0.05$ ) and significant at 95% confidence level. Consequently, the null hypothesis was rejected and the alternate hypothesis was accepted. This implies that there is significant positive relationship between fish marketing and employment generation in Nigeria. The implication of this finding is that if more unemployed graduate youths go into fish production and marketing, it will reduce the level of unemployment in the country. Izuchukwu (2011) and Braimah (2017) supported this finding as they both argued in one direction that the fish industry can help to reduce the level of unemployment in Nigeria if only the teeming Nigerian youth can take advantage of the opportunity provided in this sector.

Finally, it was discovered that there is positive and significant relationship between forestry marketing and increase in the Gross Domestic Product (GDP) of Nigeria. This finding was obtained

from the result of the SPSS analysis carried out on the fourth hypothesis. The result revealed that forestry marketing is positively correlated to GDP ( $\rho = .821^{**}$  p value < 0.05) and significant at 95% confidence level. Hence, the null hypothesis is rejected and the alternate hypothesis is accepted. This implies that there is positive and significant relationship between forestry marketing and increase in the Gross Domestic Product (GDP) of Nigeria. The implication of this finding is that if the Nigerian government invests massively in the forest sub-sector of the agricultural industry especially during this period of economic recession, it will boost the production and marketing of forest products such as round wood, sawnwood, wood based panel, pulp and papers in the country and this will increase the Gross Domestic Product (GDP) of the country. This finding is supported by Ado (2016), Chigbu (2016) and Faleyimu (2013) as they all agreed that adequate investment in the forest industries will boost domestic production of forest products and consequently increase the overall Gross Domestic Product of the country.

### **CONCLUSION AND RECOMMENDATIONS**

From the foregoing, it is evident that agricultural marketing plays a significant role in achieving economic growth in Nigeria. The empirical results succinctly demonstrate that, crop marketing has a positive and significant relationship with the exchange rate. The study also found a significant positive relationship between livestock marketing and reduction in the prices of livestock products (inflation) in Nigeria. A significant positive relationship was equally reported between fishery marketing and employment generation in Nigeria. The study also found a significant positive relationship between forestry marketing and increase in the Gross Domestic Product (GDP) of Nigeria. Based on the empirical results, it was concluded that agricultural marketing would significantly enhance economic growth in Nigeria. Based on the findings and conclusion, the following recommendations are made:

- Considering the present economic recession, the Federal Government should invest massively in the agricultural sector both in small and large scale farming as the oil sector and its revenue is no longer adequate to sustain the Nigerian economy.
- Given the exchange situation of Naira to Dollar, the Federal Government should boost agricultural production especially staples crop such as rice, maize, wheat, etc by supplying adequate fertilizers and lands to farmers at an affordable rate. The surplus should be exported to other countries to earn the nation's foreign currency which will help to improve the Naira-Dollar exchange rate.
- The Federal Government should redirect the amount of money spent on the importation of livestock products to the nation's livestock industry to get the industry working properly as this would boost domestic production of livestock products and reduce the prices of beef and milk in the local market.
- Considering the high rate of unemployment in Nigeria and the sudden retrenchment of workers from various industries during this present economic recession, it is suggested that Nigerian youths should take advantage of the opportunity provided in the fishery industry as this would make a living from fishing farming. The government should also provide loans to individuals wishing to go into fish farming as this would not only encourage youths to go into fish farming business but would also reduce the level of unemployment in the country.
- Finally, it is recommended that the Federal Government should stop the importation of forest products such as pulp and papers and fix the problems facing forest industries in the country. This will enable that forest industries produce to their full capacity, and increase the Gross Domestic Product (GDP) of the country.

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