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CONSTRAINTS TO CHICKEN PRODUCTION AND MARKETING IN AGONA WEST DISTRICT OF THE CENTRAL REGION, GHANA

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ABSTRACT

The poultry industry is perceived to be a major contributor to Ghana's development, through employment creation and enhancement of nutrition and food security. In spite of these contributions, the industry is not making much headway in certain parts of the country. This study was therefore aimed at examining the constraints to chicken production and marketing in Agona West District of the Central Region of Ghana. In the study, 33 chicken farmers, 120 marketers (cold store operators) and 250 chicken consumers were purposively selected and administered with content-validated questionnaires. Data from the study were analysed descriptively and presented in tables. The study revealed that chicken production is a male dominated business, whilst marketing was dominated by females. Majority of chicken consumers preferred imported chicken to locally produced ones, because to them, imported chicken is less expensive, available in primal cuts and commonly available in local cold stores, compared with the locally-produced. The farmers complained about the inadequacy of local hatcheries to supply day-old chicks, chicken processing firms to process and store locally-produced chickens when demand is low, and high interest rates and the accompanying difficulties associated with accessing loans for expansion. Majority of the marketers reported incidences of product deterioration, resulting from unreliable power supply to their facilities. In addition, inadequate funds to procure refrigerated vans for conveying products from points of purchase to sales points, was a common obstacle to majority of chicken marketers. Occasional disease outbreaks, such as Avian influenza in the country, which adversely affect product patronage during such periods, was also identified as a constraint to product marketing. It is recommended that farmers, as well as entrepreneurs who are in a position to do so, should establish chicken processing facilities to process and store locally-produced chicken to increase its availability and patronage.

Keywords: *Poultry production, marketing constraints, locally-produced chicken*

INTRODUCTION

Poultry production has been beneficial to the people of Ghana and the world, in generating employment, as a source of income, source of protein in diets, and generation of foreign exchange through export of products (MoFA, 2015).

In the 1960s, the Government of Ghana identified commercial poultry production as a smart way to address the steep decline in animal protein supply. The Government's investment in the poultry industry paid off during the 1980-1990's with domestic production accounting for about 95 percent of chicken and eggs in the country

(Aning *et al.*, 2008). Nonetheless, since 2000/2001, there has been an increasing decline in output from Ghana's poultry sub-sector, particularly meat (broiler) production (Quartey, 2005). According to the USDA (2008), domestic poultry production in Ghana fell to below 11 percent of demand in the year 2008. Poultry production in Ghana at the commercial level has not had a smooth experience in terms of financial, production and marketing performances (Koney, 1993; Khor, 2006).

This study was therefore aimed at determining the constraints of chicken production and marketing in Agona West District of the Central Region of Ghana.

METHODOLOGY

The study was conducted in Agona West District of the Central Region of Ghana. It is bordered to the north by Agona East, to the South by Gomoa East and to the Northwest and West by Asikuma-Odoben-Brakwa and Ajumako-Enyan-Essiam Districts respectively.

Research population and sampling

The population for this study comprised personnel who matter in the poultry business, i.e. producers (farmers), marketers (cold store operators) and consumers. In this study, purposive and snowball sampling techniques were used to select the respondents. The snowball sampling was used to select farmers and marketers as they were quite scattered, whilst the purposive sampling was used to select the chicken consumers.

Data collection, analyses and presentation

Questionnaires consisting of both open and close

-ended questions were administered to the respondents. Personal observations, and focus group discussion with key stakeholders were also employed to authenticate the responses. In all, 33 farmers, 120 marketers and 250 consumers were involved in this study.

Data collected were carefully checked for consistency and appropriateness. The data were summarized, analyzed and presented in percentage tables.

RESULTS AND DISCUSSION

It was observed that majority of the farmers were males (91%) whereas the marketing was dominated by females (75%). According to the producers, poultry production is quite laborious and is a risky venture which requires more courage to undertake. Consequently, women are reluctant to venture into chicken production, as they are more careful when taking risks. This finding also indicates that producers are not directly involved in marketing their products to consumers, but rather sell to middlemen who resell to consumers for higher profits. This practice makes farmers worse off, as the middlemen end up getting more money than the farmers who go through a lot of stress to produce chicken for consumers. Similarly, most of the marketers do not produce their own chicken, thus relying solely on supplies from producers. This could have accounted for the fewer numbers of poultry farmers in the study area. If farmers market their own produce directly to consumers, and marketers also raise their own animals for sale, the number of farmers will increase, and supply of poultry products in Ghana, will be adequate to meet consumer demands.

Table 1: Demographic characteristics of respondents

Parameters	Responses	Farmers (%)	Marketers (%)	Consumers (%)
Gender	Male	91	25	15
	Female	9	75	85
Education	No Formal Education	-	5	13
	Primary	-	-	16
	JHS/Middle School	18	53	26
	SHS/Secondary	-	23	30
	Tertiary	82	20	15

The consumers interviewed in this study were mainly women, because females are mostly involved in making purchasing decisions in most homes. In fewer cases however, the consumers were males; i.e. those who were either unmarried, divorced or widowed.

Table 1 also indicates that most of the respondents had generally acquired some level of formal education. Majority of the farmers (82%) have attained tertiary education status, whereas none was illiterate. This finding is very encouraging, as it implies that, innovations, when available would be easily understood and adopted by these farmers to improve efficiency and output of production. Majority of the marketers 53% were JHS/Middle School Leavers, whereas 23% had acquired SHS/Secondary education. Twenty (20) percent however, had attained tertiary education status. Similarly, most of the consumers had acquired some level of education, but few were complete illiterates.

The high level of education of the stakeholders in the study area is an indication that the industry is well resourced in terms of human resource, thus, when Government invests in these people, the success rate might be higher. This is because the educated in society will quite willingly accept and adopt related innovations, as well as manage resources properly to improve production.

Majority (82%) of the producers depend solely on foreign hatcheries for their day-old chicks, because according to them, day old chicks from local hatcheries have higher mortality rates and

poor feed conversion efficiencies. This confirms the findings of Aning (2008), that many poultry producers expressed concern about the quality of day-old chicks available in Ghana. Others also indicated that, supply of day-old chicks from local hatcheries was unreliable, hence their decision to rely solely on the foreign hatcheries for day old chicks.

The study further enquired about the commonest diseases that farmers encounter on their farms, in order of severity. It was observed that Gumboro, Coccidiosis and Newcastle diseases (Table 2) were the most frequently encountered diseases in the study area. The farmers confirmed that veterinary services were available, and also quite affordable, but the vaccines for vaccination were very expensive to them, so they sometimes do not vaccinate the birds, hence the mortalities. The farmers suggested that if they could acquire loans with lower interest rates and realistic demands for collateral securities, complete vaccinations could be undertaken to minimize mortalities associated with disease occurrence. In addition, this problem could be minimized by government reducing the importation tax on these vaccines, to reduce the costs of vaccines.

Table 2 further presents the forms in which producers sell their birds. Majority (64%) of them indicated that they sell their birds both alive and in dressed forms, but in reality, dressing of birds is done only on consumer request, but not as a routine practice. When asked why the birds are not slaughtered and stored at maturity, they indicated that they lack facilities for slaughtering, processing and for cold storage of meat. This

Table 2: Some production practices of chicken farmers in the study area

Parameter	Responses	Percentage (%)
Source of business finance	Loan	45
	Personal capital	55
Source of day-old chicks	Local hatcheries	18
	Foreign hatcheries	82
Diseases commonly encountered	Gumboro	45
	Coccidiosis	37
	Newcastle disease	18
Forms in which birds are sold	Solely alive	36
	Alive, but dressed on request	64
Are all birds sold immediately they mature	Yes	45
	No	55

could partially account for the inability of the farmers to sell all their animals on time, after maturity, and also the absence of processed locally-produced chicken in local cold stores. The farmers wished that entrepreneurs consider processing locally-produced chickens for storage and distribution to cold stores in the country.

Farmers were asked the ease with which they could acquire loans from financial institutions for investment in their business. Majority (55%) of them indicated that they don't take loans for their production due to the high interest rates charged on loans, high collateral securities demanded by financial institutions - as a result of various risks associated with poultry production. Those farmers who were able to secure loans indicated that they were salaried workers, aside being poultry farmers; hence, their salaries not their farms serve as collateral security to secure the loans. According to Adomako (2014), government efforts to promote poultry production and cut down the huge importation of chicken will not be successful if the problem of access to credit for producers is not considered. Government intervention is therefore urgently needed to ensure improved poultry production and marketing in the country.

From Table 3, it can be seen that all (100%) the cold store operators depended solely on imported chicken and chicken parts for sale. This, according to them, was due to the reliability and consistency of supply of the imported chicken, compared with the locally-produced. In addition, they said imported chicken was cheaper and has higher demand than the locally-produced, and gives a quicker turn-over on investment.

It was observed that most (64%) of the cold store operators use unrefrigerated vehicles to transport their supplies from points of purchase, to sales points. In addition, 64% of them did not have alternative power supply in case of prolonged power outages. This, according to the sellers, was due to the high costs of acquiring refrigerated vans and stand-by power generators to operate their businesses. Warriss (2010) reported that, in order to maintain the integrity and safety of meat, it must always be kept cold, and that the cold chain must not be broken until it is ready to be cooked.

With regards to the profitability of the chicken marketing business, 89% indicated that it was very profitable, despite the numerous challenges associated with it. The challenges according to them include; high cost of power, frequent power fluctuations, high tax and high rent charges on the premises where they operate, and low demand for chicken at certain times of the year, resulting from major disease outbreaks such as bird flu (*avian influenza*) in the country.

It was observed from the study that majority (61%) of the respondents patronized imported chicken, whereas 39% indicated that they patronized chicken from poultry farms in and around the study area.

Consumers, who patronized imported chicken attributed it to the fact that, imported chicken is cheaper, already dressed – thus convenient, also available in various sections, and always available in nearby cold stores when needed. Those who preferred chicken from local farms explained that despite the high cost of the locally produced chicken, it is mostly obtained fresh,

Table 3: Marketing characteristics of chicken by cold store operators

Parameter	Responses	Percentage (%)
Source of product	Imported	100
	Locally produced	-
Vehicle used in transporting products	Refrigerated van	36
	Ordinary vans	64
Profitability of the business	Very profitable	89
	Not profitable	11
Availability of alternative power source when needed	Yes	36
	No	64

Table 4: Consumers patronage of chicken products

Parameters	Responses	Percentage (%)
Origin of chicken preferred	Imported	61
	From local farms	39
Forms in which consumers buy chicken	Full-chicken only	39
	Parts only	61
Consumers' opinion on importation of chicken	Should be continued	34
	Should be stopped	66

and it tastes better than the imported chicken. All the consumers, notwithstanding the choice of product preferred, admitted that if the price and packaging of both products were similar, they would prefer chicken from local farms to imported ones, because the source and conditions of raising the chicken would be known. The implication of these findings is that, major players of the poultry industry in Ghana (Poultry Farmers Association, Research Institutions and MoFA) have to come on board, and adopt strategies to minimize production costs, section and package locally-produced chicken into parts, to make it competitive with the imported chicken.

About 62% of consumers purchased their chicken in parts, whereas 38% purchased whole chicken. The reasons given by the consumers who purchase in parts were that they have smaller family sizes, do not have the purchasing power (money) to buy a whole chicken, and lack storage facilities to store excess meat. Those who purchase full chicken indicated that they normally buy live birds from local farms, thus are strictly compelled to buy whole chicken.

Also, the opinions of the consumers were sought on the importation of chicken into the country. Majority (66%) of them rejected the idea of continuing to import frozen chicken into the country, despite its relatively cheaper price. They said, such meat might not be wholesome for consumption, due to the length of time taken to transport them to Ghana, and also the possibility of processing some of the birds sick or even dead. The few who said importation should be continued indicated that if it is stopped, and supply of chicken is left in the hands of local chicken producers, the market would be monopolized, and soon, chicken would become meat for the rich in

society, hence, they support the importation of frozen chicken into the country to make chicken affordable, available and easily accessible to everyone

CONCLUSIONS AND RECOMMENDATIONS

Majority of chicken consumers in the study area, preferred imported chicken to locally-produced chicken due to the lower costs, and easy access to imported chicken in various parts and forms, unlike the locally-produced chicken. Constraints to poultry production in the study area include; inadequate numbers of reliable local hatcheries to supply day-old-chicks, lack of facilities to process locally produced chicken, and poor market for locally-produced chicken, due to competition with cheaper imported chicken. Chicken marketers encounter low demand for their products, as a result of occasional disease outbreaks such as Avian influenza.

It is recommended that poultry farmers or entrepreneurs acquire processing and storage facilities for chicken, to ensure that animals are slaughtered at maturity, to minimize production costs, and also make available locally-produced chicken in various parts. Cold store operators are advised to use refrigerated vans to transport their products for distances longer than 100 kilometers, and also acquire stand-by power generators during periods of prolong power outages. In addition, the Food and Drugs Authority should occasionally screen retailed chicken and other meat products to ensure that they are wholesome for consumption.

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