AN ECONOMIC ANALYSIS OF MARKETING LOSS AND MARGIN FOR SELECTED VEGETABLES IN CAVITE

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ABSTRACT

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The study aimed to: determine the relationship between marketing loss and margin; determine which among the different types of vegetables have the biggest marketing loss; find out the marketing loss among the different types of middlemen; and identify problems encountered by producers and buyers of vegetables in marketing their products.

Data were collected through personal interview with 60 farmers and 40 market intermediaries.

Farmers sold their produce either by picked-up or delivered method. The biggest volume of vegetables produced were sold either to assembler, wholesaler or to wholesaler-retailer while the smallest volume were sold to the final consumer.

Farmer-respondents received better prices from final consumers, and the lowest price was received from assembler and wholesaler-retailer of almost all kinds of vegetables.

Four types of market intermediaries were identified. They were assembler, wholesaler, wholesaler-retailer and

retailers.

Marketing losses of different vegetables were: eggplant - 8.73 percent, radish - 4.12 percent, pechay- 3.45 percent, stringbeans - 3.26 percent, ampalaya - 2.72 percent, onion - 2.28 percent, limabeans - 2.51 percent, and mustard - 1.15 percent.

Among the types of buyers of different vegetables, retailers handled the least volume of products and had the highest marketing costs and losses incurred because selling on retail basis means slower transaction, hence, greater risk was involved. However, they received the highest net margin while the assembler and wholesaler received the least net margin.

It was found out that there were high correlations that existed between marketing loss and margin in radish, ampalaya, and eggplant while onion, pechay, mustard, stringbeans, and limabeans had no correlation.

The problems met by vegetable producers were price fluctuations, perishability of the products, lack of storage facilities and heavy cost of transportation.

On the other hand, the problems encountered by buyers were high perishability of products, lack of capital and storage facilities and inability of outlets to pay debts.

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