

658.8
P42
1985

**MARKETING SYSTEM ANALYSIS
OF KAONG AND VINEGAR
IN INDANG, CAVITE**

THESIS

Ercedita O. Perlado

**Department of Social Science
DON SEVERINO AGRICULTURAL COLLEGE
Indang, Cavite
April, 1985**

✓
MARKETING SYSTEM ANALYSIS OF KAONG AND VINEGAR
✓
IN INDANG, CAVITE

Undergraduate Thesis
Submitted to the Faculty of the
Don Severino Agricultural College
Indang, Cavite

In Partial
Fulfillment of the requirements for
graduation with the degree of
Bachelor of Science in Agriculture
(Major in Agricultural Economics)



00006825

*Marketing system analysis of kaong and
vinegar in Indang, Cavite
658.6 P42 1985
L884*

Erceedita O. Perlado
April, 1985

A B S T R A C T

Perlado, Ercedita O., Don Severino Agricultural College, Indang, Cavite. April, 1985. "Marketing System Analysis of Kaong and Vinegar in Indang, Cavite." Adviser: Prof. Alice T. Valerio.

The study was conducted in five selected barangays of Indang, Cavite to determine the channels, cost, problems and margins involved in performing various marketing function.

A total of 140 respondents, 100 farmers and 40 buyers composed the samples in the study. Data gathering was done through personal interview.

Kaong passes through three channels while vinegar passes on only two channels.

At the farm level, kaong and vinegar were sold either by picked-up or delivery method. Farmers spent much in delivering their produce to retailers. They could command a higher price for their produce thus assuring a higher net return.

The most common problems cited by farmers were: existence of many middlemen; low prices received for the produce; lack of market information; variability of the price; and inability of the outlet to pay debts.

At the buyers' level, the retailers paid the highest price of kaong and vinegar purchased from different sources.

Wholesalers incurred higher percentage of losses for kaong and, retailers for vinegar.

In considering the net marketing margins for kaong and vinegar, the retailers obtained the highest followed by the wholesalers and assembler/wholesalers respectively.

The problems encountered by buyers were: competition among buyers; inability of outlet to pay debts; high cost of materials; transportation; and variability of price.

On the average, assembler/wholesalers obtained the highest percentage of consumers' peso for kaong. As the number of links between channels decreases, the proportion of consumers' peso that goes to the farmers increases or vice-versa.

When links between channels increase, the marketing margin increases and the marketing system becomes inefficient.

TABLE OF CONTENTS

	Page
ACKNOWLEDGMENT	iii
BIOGRAPHICAL DATA	v
ABSTRACT	vi
LIST OF TABLES	xi
LIST OF FIGURES	xiii
INTRODUCTION	1
Statement of the Problem	3
Objectives of the Study	4
Importance of the Study	4
Definition of Terms	5
REVIEW OF RELATED LITERATURE	8
METHODOLOGY	12
Time and Place of the Study	12
Sampling Procedures	12
Collection of Data	15
Methods of Analysis	15
Hypotheses	18
Scope and Limitation of the Study	19
DISCUSSION OF RESULTS	20
Characteristics of the Respondents	20
Characteristics of Kaong Producers	20
Characteristics of Vinegar Producers	23

	Page
Characteristics of Kaong Buyers	26
Characteristics of Vinegar Buyers	28
Market Outlets	31
Assembler/wholesaler	31
Wholesaler	31
Retailer	31
Market Channels for Kaong	32
Market Channels for Vinegar	33
Marketing at Farm Level	33
Total Volume Sold and Method of Sale	36
Marketing Cost	38
Disposal Price	38
Net Farm Price	40
Marketing Problems of Farmers	41
Marketing at the Buyers' Level	44
Volume Purchased and Prices Received	44
Volume Sold and Disposal Price	44
Marketing Cost Analysis	48
Cost in Buying and Selling Kaong by Type of Buyer	48
Cost in Buying and Selling Vinegar by Type of Buyer	51
Physical Losses at the Buyers' Level	51
Marketing Margin Analysis	53
Distribution of Consumers' Peso	53
Marketing Problems of Buyers	57

	Page
SUMMARY, CONCLUSION, IMPLICATIONS AND RECOMMENDATIONS	59
Summary and Conclusion	59
Implication	61
Recommendation	62
LITERATURE CITED	65
APPENDIX	66
Producers' Schedule	67
Buyers' Schedule	74

LIST OF TABLES

Table		Page
1	Distribution of kaong producer and buyer respondents by barangay, Indang, Cavite, 1984	13
2	Distribution of vinegar producer and buyer respondents by barangay, Indang, Cavite, 1984	14
3	Characteristics of kaong farmers, Indang, Cavite, 1984	22
4	Characteristics of vinegar producers, Indang, Cavite, 1984	24
5	Characteristics of kaong buyers, Indang, Cavite, 1984	27
6	Characteristics of vinegar buyers, Indang, Cavite, 1984	29
7a	Volume sold by method of sale and by types of outlet (kaong)	36
7b	Volume sold by method of sale and by types of outlet (vinegar)	37
8	Marketing cost by type of buyer and method of sale	39
9	Price disposal of kaong and vinegar by type of outlet and method of sale, 46 kaong and 54 vinegar producers	40
10	Net farm price by type of outlet and method of sale, 46 kaong farmers and 54 vinegar producers	42
11a	Marketing problems of kaong producers, Indang, Cavite, 1984	43
11b	Marketing problems of vinegar producers, Indang, Cavite, 1984	43

Table		Page
12a	Volume purchased and prices received by type of buyer, 15 kaong buyers	45
12b	Volume purchased and prices received by type of buyer, 25 vinegar buyers	45
13a	Volume sold and prices received by type of buyer, 15 kaong buyers	46
13b	Volume sold and prices received by type of buyer, 25 vinegar buyers	47
14a	Marketing cost in buying and selling kaong by type of buyer	49
14b	Marketing cost in buying and selling vinegar by type of buyer	50
15a	Market wastes and losses by type of buyer, 15 kaong buyers	52
15b	Market wastes and losses by type of buyer, 25 vinegar buyers	52
16a	Net marketing margin by type of buyer, 15 kaong buyers, 1984	52
16b	Net marketing margin by type of buyer, 25 vinegar buyers, 1984	54
17a	Average farm to retail prices of kaong and percentage distribution of consumers' peso by channels, 46 kaong farmers, and 15 kaong buyers, 1984	55
17b	Average farm to retail prices of vinegar and percentage distribution of consumers' peso by channels, 54 vinegar farmers, and 25 vinegar buyers, 1984	56
18a	Marketing problems of buyers, 15 kaong buyers	58
18b	Marketing problems of buyers, 25 vinegar buyers	58

LIST OF FIGURES

Figure		Page
1	Market channels for kaong, Indang, Cavite, 1984	34
2	Market channels for vinegar, Indang, Cavite, 1984	35

MARKETING SYSTEM ANALYSIS OF

KAONG AND VINEGAR IN

INDANG, CAVITE^{1/}

by

Ercedita O. Perlado

^{1/}

An undergraduate thesis presented to the faculty of the Don Severino Agricultural College, Indang, Cavite in partial fulfillment of the requirements for graduation with the degree of Bachelor of Science in Agriculture (BSA), Major in Agricultural Economics. Contribution No. S.S. (Eco.) 85012-011. Prepared in the Department of Social Sciences under the direct supervision and guidance of Prof. Alice T. Valerio.

INTRODUCTION

Sugar palm, Arenga pinnata (Wurmb), is locally termed as "kaong". It is a large palm with long ascending pinnate leaves, 8.5 meters in length with 100 or more pairs of linear leaflets. It has soft whitish color beneath the tip of the leaves with ear-like appendages at the base and bears largely auxillary pendulus inflorescence. When it is already mature, a shoot is sent out from the axil of the upper leaf, then followed by other flowers until the tree gets exhausted and then die.²

²Philippine Journal of Science C.A. Library Volume 95, 1966.