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**A COMPARATIVE STUDY ON THE PROFITABILITY  
OF WHOLESALING AND RETAILING RICE  
IN CAVITE**

**THESIS**

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**DON SEVERINO AGRICULTURAL COLLEGE**

**Indang, Cavite**

**March, 1983**

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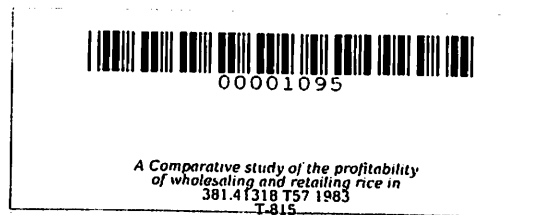
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A Thesis

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by

FELICITAS T. TOLEDO

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## A B S T R A C T

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This study was conducted to determine the: 1) socio-economic characteristics of wholesalers and retailers of rice in Cavite; 2) marketing practices employed; 3) sources of rice sold; 4) market outlets of wholesalers and retailers for their rice; 5) marketing problems encountered by wholesalers and retailers; and 6) difference in cost, gross return and net income obtained by wholesalers and retailers of rice in Cavite.

Seven municipalities were selected as research areas for this study. A total of 100 rice sellers, 50 wholesalers and 50 retailers were the sources of information in this study.

The wholesalers were a little younger than retailers. All of the respondents were able to obtain formal education but of varied levels. Wholesalers had longer selling experience than retailers. The average number of dependents for wholesalers and retailers were three and four, respectively. The average number of earning family members for both groups was two. On the average, wholesalers had larger annual family income than retailers. Majority of the sellers reported rice selling as an additional source of income for the family.

More than one half of the sellers obtained their capital from personal savings. Their sources of rice were mainly whole-

salers. Many of the sellers obtained their product both on cash and installment basis and by delivered method. Most of them did their business daily. More than one half of the sellers sold rice on both cash and installment basis. The volume of rice handled and sold by wholesalers was greater than that handled and sold by retailers.

Grading was the most common marketing practice employed by both types of sellers. Their most important market outlet were the housewives. The most common problem they encountered in marketing rice was the presence of too many competitors.

The result of the analysis showed that there was no significant difference in costs incurred in marketing per 20 cavans of rice by wholesalers and retailers. On the other hand, significant differences were found both in the gross return and net income of wholesalers and retailers of rice. The retailers obtained larger gross and net income than the wholesalers.

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INTRODUCTION

Rice is the staple food of nearly half of the population of the world. In the Philippines, rice is the most important crop and the main food of the people. The economy of our country is largely an economics of supply and demand for rice.<sup>2</sup>

Efficient allocation of rice should be given emphasis so as to prevent limitation of supply. Allocation is a part of marketing and since wholesaling and retailing contribute much in moving rice from producers to ultimate consumers, particular interest and attention should be given to these types of selling.

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<sup>2</sup>Center for Research and Communication, Rice Problem, 1971, Manila, p. 1.