

ASSESSMENT OF PROFITABILITY AND LOGISTICS OF TOMATO PRODUCTION FROM MARKETS IN NORTHERN SENATORIAL DISTRICT, KADUNA STATE TO DIFFERENT PARTS OF NIGERIA

Stephen A. Tolufashe, Musa I. Jaro and Shehu Abbas

Department of Geography and Environmental Management, Ahmadu Bello University Zaria

Corresponding Author's email: stevesuccess2010@yahoo.com



Abstract

This study analyzed the profitability and logistics of tomato distribution from markets in Northern Senatorial District, Kaduna State to different parts of Nigeria. Gross margin formula was used to analyze the data with sample size of 400. Questionnaires were designed and the purposive sampling method was used to select and interview marketers, intermediaries, vehicle drivers, channel loaders and consumers. Ullman's Theory of Spatial Interaction and the Theory of Demand and Supply were used in the study. The study revealed that the highest cost of tomato per basket was found in Lamban Zango which was ₦4,900 and also has the highest net marketing margin of ₦700. This could be as a result of its proximity to urban centres. It is closer to Zaria metropolis and Kaduna city centre with high population. The rate of return on investment was 0.14 for Lamban Zango tomato marketers which means that one Naira invested in marketing of tomato in Lamban Zango yielded 14 kobo returns. Meanwhile, the cheapest price for tomato was found in Makarfi which was ₦2,900. The rate of return on investment was 0.03 for Makarfi tomato marketers which means that one Naira invested in marketing of tomato in Makarfi yielded 3 kobo returns. It could be said that tomato marketing was highly profitable in the study area. The gross margin results are considered as efficient in the study area. It was therefore, recommended, among others, that government should try to ensure stability in the pricing and supply of gasoline to all nooks and crannies of the country. State governments should come up with an agreed pattern of taxation on our high ways to check extortions and multiple taxation; while our law enforcement agents should be well-trained, adequately remunerated and re-oriented to carry out their duties effectively and also address the issues of insecurity. Only by so doing could we enhance efficiency in the logistics distribution of tomato not only from Northern Senatorial District, but also to and from all other parts of Nigeria.

Keyword: Logistics, Tomato, Distribution, Markets and Zaria