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Economics of Groundnut Marketing in Northern Taraba State, Nigeria

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ABSTRACT

The study examined the economics of groundnut marketing in the northern part of Taraba State, Nigeria, with specific focus on Ardo-Kola and Zing Local Government Areas. The objectives were to describe the socio-economic characteristics of groundnut marketers, analyze the marketing margin, identify the marketing channels, and examine the constraints associated with groundnut marketing. A multistage sampling technique was used to select 184 respondents proportionally from the population of groundnut marketers. Data were collected using a structured questionnaire and analyzed with descriptive statistics and the marketing margin model. Findings revealed that the majority (61%) of the respondents were female and married, with an average age of 42 years. Most (65%) had household sizes ranging from 6–10 persons, possessed formal education, and had between 6–10 years of marketing experience. The study further showed that 40% of respondents earned between ₦100,000 and ₦150,000 annually and sourced groundnuts directly from farmers. Analysis of marketing margins indicated that groundnut marketing is profitable, with Zing LGA recording a higher gross margin of ₦98,269.39 compared to ₦89,767.69 in Ardo-Kola LGA. Zing marketers also realized a higher net margin (₦31,446.14) than those in Ardo-Kola (₦23,938.05). The main constraint identified was inadequate access to storage and processing facilities, which reduces marketing efficiency and profitability. Based on these findings, the study recommends that government and development partners should invest in improved storage and processing infrastructure to reduce post-harvest losses and enhance value addition. Capacity-building programs should target female marketers to strengthen their business and record-keeping skills. Additionally, strengthening rural road networks and market linkages between producers and marketers will further enhance profit margins, while improving access to microcredit facilities will enable marketers to expand their operations and increase competitiveness.

INTRODUCTION

Groundnut (*Arachis hypogaea L.*) is a major global commodity and a vital agricultural crop, with annual export values exceeding $20 billion. The leading exporters include Argentina, India, United States, Brazil, Netherlands and China while major importers comprise the China, Netherland, Indonesia, Mexico, Germany and Vietnam (OEC,2023). Groundnuts thrive in tropical and subtropical climates, particularly in warm and moderately humid conditions that favor optimal pod development (Ali, 2020). As a leguminous crop, groundnut possesses nitrogen-fixing bacteria in its root nodules, enabling it to enrich

soil fertility and reduce dependence on synthetic fertilizers (International Institute of Tropical Agriculture, 2021). Nutritionally, groundnuts are rich in protein, fiber, and unsaturated fats, and are an important source of vitamins such as niacin and minerals including magnesium and manganese (Backman, 2023). Its versatility spans direct consumption, oil extraction, confectionery production, and livestock feed formulation, making it a key food and industrial crop globally.

In Nigeria, groundnut contributes significantly to household income, employment generation, and national food security. The marketing system involves a wide network of actors, producers, assemblers, wholesalers, retailers, and exporters who play complementary roles in the value chain (Craig, 2022). Nigeria remains one of Africa's top producers, accounting for about 10% of global output, with an estimated annual production of over 3 million metric tons (Agboola, 2021). Groundnut is predominantly cultivated in the northern states of Kano, Katsina, Jigawa, Kaduna, Sokoto, and Taraba, where favorable agroecological conditions enhance both production and marketing activities (FAO, 2023).

In northeastern Nigeria, groundnut marketing serves as a cornerstone of the rural economy, providing livelihood opportunities for thousands of farming and trading households across Adamawa, Borno, Bauchi, Gombe, Taraba, and Yobe States (Lundy, 2022). The crop not only supports rural income and nutrition but also contributes to poverty alleviation and economic diversification (Wolelaw, 2018; IFAD, 2023). However, despite its economic relevance, the marketing system faces persistent challenges such as inadequate storage and processing facilities, weak transport networks, limited access to credit, poor price information, and the dominance of middlemen. These factors reduce marketing efficiency, increase transaction costs, and limit the share of profits accruing to small-scale marketers (Oni *el al.,* 2023; Adebayo and Musa, 2024).

Recent empirical studies across northern Nigeria have shown that while groundnut production remains profitable, the distribution of marketing margins is highly uneven, with intermediaries often capturing the largest share of value added (Yakubu *el al*., 2023). Moreover, inefficiencies in marketing channels including long value chains and poor coordination between producers and marketers contribute to post-harvest losses and lower returns for traders and farmers (Abdulrahman *el al.,* 2024). Despite these findings, most existing research has focused on production economics, with limited attention to localized marketing structures and margin analysis at the local government level. Specifically, there is little evidence on how marketers' socio-economic characteristics, product types (shelled, unshelled, and oil), and market infrastructure influence profitability in Taraba State.

This study therefore fills a critical gap by providing localized empirical evidence on the economics of groundnut marketing in Northern Taraba State, with emphasis on Ardo-Kola and Zing Local Government Areas. It seeks to analyze how marketing margins differ across products and locations, how marketers access and use different marketing channels, and what constraints limit their profitability and participation. Understanding these dynamics is essential for designing targeted interventions that promote market efficiency, rural income growth, and sustainable agribusiness development.

The specific objectives of the study are to:

i. Describe the socio-economic characteristics of groundnut marketers in the study area;
ii. Determine the marketing margin of groundnut;
iii. Identify the marketing channels of groundnut; and
iv. Examine the constraints associated with groundnut marketing.

Study Area

The study was conducted in the northern part of Taraba State, Nigeria, a region that comprises local government areas such as Ardo-Kola, Zing, Lau, and Yorro, among others. According to Worldometer (2025), Nigeria's total population is estimated at 237.53 million people, reflecting a steady annual growth

that intensifies demand for agricultural commodities and marketing efficiency across rural regions, including northern Taraba.

Northern Taraba lies within the tropical climatic zone of northeastern Nigeria and is characterized by distinct wet and dry seasons. The wet season spans from May to October, while the dry season lasts from November to April. The area experiences an average annual rainfall ranging from 500 mm to 1000 mm, suitable for the cultivation of a wide range of arable crops. The region's soils are predominantly loam and sandy loam, which are fertile and well-drained ideal for both cereal and legume crops. Major crops cultivated include groundnut, maize, sorghum, millet, rice, cassava, yam, cowpea, and Bambara nut, as well as various vegetables.

The vegetation of northern Taraba is a mix of Sudan and Guinea savanna, offering abundant pasture resources that support livestock production such as cattle, sheep, and goats. The region's riverine ecosystems, notably those nourished by the River Benue, provide opportunities for irrigation farming and inland fishing, further diversifying the livelihood base of the inhabitants.

Farming remains the dominant economic activity in northern Taraba, engaging the majority of the population either directly in crop and livestock production or indirectly through agricultural trade and marketing. Groundnut production and marketing are particularly important in this region due to favorable climatic conditions and fertile soils. The crop serves as a major source of household income, food, and raw material for agro-based industries, thereby contributing significantly to both livelihood improvement and regional economic growth.

Despite its agricultural potential, the marketing of groundnuts in northern Taraba faces several constraints, including poor market infrastructure, inadequate access to credit, limited value addition, and insufficient market information systems. These challenges often lead to high post-harvest losses, inefficient marketing channels, and wide disparities in marketing margins among actors. Understanding the economics of groundnut marketing, therefore, is crucial for enhancing profitability, promoting fair trade practices, and supporting sustainable agricultural development in the region.

Overall, the northern part of Taraba State represents a strategic agricultural belt endowed with favorable natural and human resources, yet constrained by structural and institutional barriers that limit the efficiency of commodity marketing systems. This makes it a suitable location for a study on the economics of groundnut marketing, with emphasis on marketing margins, channels, and constraints faced by marketers in the area.

Sampling Procedure and Sample Size

A multistage sampling technique was adopted for this study to obtain a representative sample of groundnut marketers operating in the northern part of Taraba State. The choice of this approach was guided by the need to capture the diversity of marketing activities and socio-economic characteristics across different communities where groundnut trading is predominant.

In the first stage, two (2) Local Government Areas (LGAs) Ardo-Kola and Zing were purposively selected from the northern part of Taraba State. The selection was based on their recognized intensity of groundnut production and marketing activities, as well as their accessibility and economic relevance to the State's agricultural trade.

In the second stage, six (6) wards were randomly selected from each of the two LGAs, giving a total of twelve (12) wards. This ensured adequate spatial representation of the marketing areas within the northern Taraba State.

In the third stage, two (2) villages were randomly selected from each of the selected wards, making a total of twenty-four (24) villages. This stage provided a balanced coverage of both small and moderately sized communities actively involved in groundnut marketing.

Finally, in the fourth stage, a total of 184 groundnut marketers were randomly selected across the chosen villages. The selection was carried out proportionally to the estimated number of active groundnut marketers in each village to maintain representativeness. This proportional allocation method ensured that marketing clusters with higher trader populations contributed more respondents to the sample than smaller clusters.

Method of Data Collection

Primary data were utilized for this study and were obtained through the administration of a well-structured questionnaire to groundnut marketers across selected communities in northern Taraba State. The questionnaire was carefully designed to collect comprehensive information on respondents' socio-economic characteristics, marketing margins, marketing channels, and major constraints affecting groundnut marketing in the study area.

The instrument consisted of both open-ended and close-ended questions, allowing respondents to provide both quantitative and qualitative insights into their marketing activities. Prior to the main data collection exercise, the questionnaire was pre-tested in a nearby community with similar marketing characteristics to those in the study area.

Data were collected through face-to-face interviews conducted by trained enumerators who were familiar with the local language and socio-cultural context of the respondents. This approach ensured better understanding of the questions, minimized non-response bias, and enhanced the accuracy of information obtained.

Method of data analysis

Descriptive statistics such as percentage and ratios were used to objectives i, (describe the socio-economic characteristics of groundnut marketers) iii (identify the marketing channels of groundnut) and iv (constraints associated with groundnut marketing). While marketing margin analysis was employed to analyze objective ii (determine the marketing margin of groundnut).

Socio-Economic Characteristics of Groundnut Marketers

The socioeconomic characteristics of groundnut marketers in the study area are presented in Table 1. The results show that the majority (61%) of the respondents were female, indicating that groundnut marketing in the area is largely dominated by women. This suggests that women play a central role in the marketing and distribution of agricultural produce, particularly groundnuts.

Furthermore, most (64%) of the respondents were married, implying that married individuals are more involved in groundnut marketing as a means of livelihood and family sustenance. This finding is consistent with Umar *el al*. (2018), who reported that 86.25% of groundnut marketers in their study were married.

The age distribution revealed that the majority (53%) of the respondents fell within the 41–50 years age bracket, with a mean age of 42 years, a minimum of 25 years, and a maximum of 58 years. This shows that most groundnut marketers are within the economically active age group, capable of managing the physical and managerial demands of marketing. The finding aligns with Ajegena *el al*. (2021), who reported a similar average age of 42 years among agricultural marketers.

Household size analysis showed that most (65%) respondents had between 6–10 persons in their households, with a mean household size of 8 persons, minimum of 3, and maximum of 13. This suggests

the presence of sufficient family labour to assist in marketing activities. The result agrees with Jamilu *el al*. (2014), who found an average household size of 11 members among rural households in Kaduna State.

Regarding educational attainment, a large proportion (74%) of the respondents had some form of formal education, ranging from primary to tertiary levels. This indicates that literacy has enhanced their ability to perform marketing and record-keeping functions effectively. This finding contrasts with Shuaibu *el al*. (2018), who reported that 64% of groundnut marketers lacked formal education.

Marketing experience analysis showed that the majority (60%) of the respondents had been involved in groundnut marketing for 6–10 years, with a mean experience of 8 years, minimum of 2 years, and maximum of 15 years. This indicates that marketers have accumulated sufficient knowledge and business exposure to improve their marketing performance. The finding is consistent with Bako *el al*. (2021), who reported an average marketing experience of 10.59 years among groundnut marketers.

In terms of income, most (70%) of the respondents earned between ₦151,000 and ₦200,000, with a mean annual income of ₦175,000, minimum of ₦100,000, and maximum of ₦250,000. This suggests that groundnut marketing provides a moderate but steady source of livelihood for participants. The finding aligns with Ibrahim (2014), who noted that small-scale groundnut marketers typically earn between ₦100,000 and ₦150,000 annually.

Finally, the distribution of marketing operations revealed that 38% of respondents engaged in both wholesale and retail marketing, 35% operated as retailers only, and 27% as wholesalers. This indicates a strong interlinkage across different levels of groundnut marketing channels, where marketers source products from rural assemblers and wholesalers before selling to consumers.

Cost–Return Structure and Computed Marketing Margins for Groundnut Marketing

Table 2 reports the cost–return structure and computed marketing margins for groundnut marketing in the study area. Ardo-Kola recorded supply costs of ₦379,439.99 and marketing costs of ₦22,003.38 (total cost ₦401,443.37), with an average selling price of ₦448,838.46. Zing recorded supply costs of ₦380,065.92 and marketing costs of ₦24,072.03 (total cost ₦404,137.95), with an average selling price of ₦491,346.00. When value added is calculated as selling price minus total cost, Ardo-Kola's value added is ₦47,395.09 (marketing margin ≈ 10.56%) while Zing's value added is ₦87,208.05 (marketing margin ≈ 17.75%).

The mean supply cost, marketing cost, total cost, selling price and value added (across the two markets) are ₦379,752.95; ₦23,037.71; ₦402,790.66; ₦470,092.23; and ₦67,301.57 respectively, producing an average marketing margin of about 14.32%. These figures indicate that marketers in both locations recover marketing costs and earn a positive gross return, with marketers in Zing capturing a larger share of the selling price as value added than those in Ardo-Kola. This suggests stronger price transmission or better bargaining/outlet conditions in Zing, though the reasons (demand differences, transport costs, buyer mix, timing, or stock quality) should be investigated further. This result corroborates the general finding in Umar *el al*. (2018) that groundnut marketing in the region is profitable, although you should explicitly report Umar *el al*.'s numeric margins for a precise comparison. Note that marketing margin alone does not indicate fairness or producer share it only shows the marketer's gross return above recorded costs; further analysis (producer price share of consumer price, net margins after opportunity costs, and risk-adjusted returns) is recommended.

Table 1: Distribution of Socio-Economic Characteristics of Groundnut Marketers

Variable	Category / Range	Frequency	Percentage (%)	Mean
Sex	Male	72	39	
	Female	112	61	
	Total	184	100	
Marital Status	Married	118	64	
	Single	10	5	
	Widow/Widower	19	10	
	Divorced	37	19	
	Total	184	100	
Age (Years)	21–30	27	14	42
	31–40	35	19	
	41–50	98	53	
	51 and above	24	14	
	Total	184	100	
Household Size (Persons)	1–5	36	20	8
	6–10	117	65	
	11 and above	27	15	
	Total	184	100	
Level of Education	No Formal Education	48	26	
	Primary education	55	30	
	Secondary education	44	24	
	Tertiary education	37	20	
	Total	184	100	
Marketing Experience (Years)	1–5	46	25	8
	6–10	109	60	
	11 and above	29	15	
	Total	184	100	
Marketing Income (₦)	Less than 150,000	37	20	175,000
	151,000–200,000	128	70	
	Above 200,000	19	10	
	Total	184	100	
Scale of Marketing Operation	Wholesale	50	27	
	Retail	65	35	
	Both Wholesale and Retail	69	38	
	Total	184	100	

Source: Field survey, 2025

Table 2. Cost–Return Structure and Marketing Margin of Groundnut (₦)

Market	Supply cost (SC, ₦)	Marketing cost (MC, ₦)	Total cost (TC = SC+MC, ₦)	Selling price (SP, ₦)	Value added (VA = SP−TC, ₦)	Marketing margin (%) = (VA/SP)×100
Ardo-Kola	379,439.99	22,003.38	401,443.37	448,838.46	47,395.09	10.56%
Zing	380,065.92	24,072.03	404,137.95	491,346.00	87,208.05	17.75%
Mean	379,752.95	23,037.71	402,790.66	470,092.23	67,301.57	14.32%

Source: Field survey, 2025. ***Notes:*** *SC = supply cost; MC = marketing cost; TC = total cost; SP = selling price; VA = value added;* ***$1 = ₦983.50*** *(2025). Source: Field survey, 2025.*

Marketing Margin Analysis for Shelled, Unshelled Groundnut and Groundnut Oil in *Ardo-Kola* and Zing Local Government Areas

Table 3 presents the marketing margin analysis for shelled groundnut, unshelled groundnut, and groundnut oil in *Ardo-Kola* and Zing LGAs. In *Ardo-Kola*, the results show that unshelled groundnut recorded the highest marketing margin of ₦35,907.08, followed by shelled groundnut with ₦29,922.56, while groundnut oil recorded the lowest marketing margin of ₦23,938.05. This pattern indicates that the marketing of unshelled groundnut offers relatively better returns compared to other groundnut products in the area. The total marketing margin for *Ardo-Kola* stood at ₦89,767.69, reflecting moderate overall profitability across the three product categories.

In contrast, the results for Zing LGA show that shelled groundnut had the highest marketing margin of ₦37,342.49, suggesting a more lucrative market segment. Groundnut oil followed with a margin of ₦31,446.14, while unshelled groundnut recorded the least margin of ₦29,480.76. The aggregate marketing margin for Zing LGA was ₦98,269.39, which is higher than that of *Ardo-Kola*, indicating that groundnut marketing is generally more profitable in Zing.

The findings imply that marketing efficiency and profit levels differ across product forms and locations, with shelled groundnuts and groundnut oil offering higher value in Zing due to stronger demand and better price realization. These results corroborate Ahmed Idris (2021), who reported that groundnut marketers in similar northern Nigerian markets earned fair and competitive margins across product categories.

Table 3: Marketing Margin Analysis for Shelled, Unshelled Groundnut and Groundnut Oil in Ardo-Kola and Zing Local Government Areas

Product Type	*Ardo-Kola* LGA			Zing LGA		
	Selling Price (₦)	Purchase Price (₦)	Marketing Margin (₦)	Selling Price (₦)	Purchase Price (₦)	Marketing Margin (₦)
Shelled Groundnut	149,612.82	119,690.26	29,922.56	186,711.48	149,368.99	37,342.49
Unshelled Groundnut	179,535.38	143,628.30	35,907.08	147,403.80	117,923.04	29,480.76
Groundnut Oil	119,690.25	95,752.20	23,938.05	157,230.72	125,784.58	31,446.14
Total	448,838.46	359,070.76	89,767.69	491,346.00	393,076.61	98,269.39

Source: Field Survey, 2025

Comparative Analysis of Marketing Margins in Ardo-Kola and Zing LGAs

The comparative analysis of marketing margins between Ardo-Kola and Zing Local Government Areas (LGAs) is presented in Table 3. The analysis reveals considerable differences in profitability across groundnut product types and locations, underscoring variations in market efficiency, consumer demand, and infrastructural support.

In Zing LGA, the marketing margin for shelled groundnuts was ₦37,342.49, representing 20.0% of the selling price. This is substantially higher than Ardo-Kola's ₦29,922.56 (17.3%), suggesting that Zing has a more profitable and competitive market for shelled groundnuts. The higher profitability may be attributed to stronger consumer demand, better pricing systems, and improved market linkages.

For unshelled groundnuts, Ardo-Kola LGA exhibited a higher marketing margin of ₦35,907.08 (20.0%) compared to Zing's ₦29,480.76 (20.0%). Although both show similar proportional margins, Ardo-Kola's advantage likely stems from its proximity to production centers, lower handling costs, and reduced post-harvest losses.

In the case of groundnut oil, Zing LGA recorded a higher marketing margin of ₦31,446.14 (20.0%), exceeding Ardo-Kola's ₦23,938.05 (20.0%), indicating that oil processing and retailing are more lucrative in Zing. This may be due to the presence of small-scale processing facilities, stronger consumer purchasing power, and better access to urban markets.

The total marketing margin in Zing LGA amounted to ₦98,269.39, translating to a 20.0% overall return, while Ardo-Kola LGA recorded ₦89,767.69 (20.0%). Although both LGAs demonstrated profitable returns, Zing LGA emerged as the more profitable marketing hub due to higher price efficiency, stronger value addition potential, and wider marketing networks.

In summary, Zing LGA offers greater profitability for shelled groundnuts and groundnut oil, while Ardo-Kola maintains a comparative advantage in unshelled groundnuts. These findings suggest that policies promoting infrastructure improvement, processing facilities, and credit access could further enhance the marketing efficiency and profitability of groundnut trade in Northern Taraba State.

Table 3: Marketing Margin Analysis for Shelled Groundnut, Unshelled Groundnut, and Groundnut Oil in Ardo-Kola and Zing LGAs

Product Type	***Ardo-Kola* LGA**			**Zing LGA**		
	Selling Price (₦)	Purchase Price (₦)	Marketing Margin (₦)	Selling Price (₦)	Purchase Price (₦)	Marketing Margin (₦)
Shelled Groundnut	149,612.82	119,690.26	29,922.56 (17.3%)	186,711.48	149,368.99	37,342.49 (20.0%)
Unshelled Groundnut	179,535.38	143,628.30	35,907.08 (20.0%)	147,403.80	117,923.04	29,480.76 (20.0%)
Groundnut Oil	119,690.25	95,752.20	23,938.05 (20.0%)	157,230.72	125,784.58	31,446.14 (20.0%)
Total	448,838.46	359,070.76	89,767.69 (20.0%)	491,346.00	393,076.61	98,269.39 (20.0%)

Source: Field Survey, 2025. ***Note:*** *Marketing Margin (MM%) = (Marketing Margin ÷ Selling Price) × 100*

Marketing Channels of Groundnut in the Study Area

The result presented in Table 4 shows that groundnut marketing in Northern Taraba follows a multi-layered distribution structure involving several intermediaries between producers and final consumers. The majority (25%) of the marketers sourced their groundnut directly from producers (farmers), indicating that many marketers operate close to the point of production. This suggests the existence of a strong linkage between marketers and local farmers, facilitating access to fresh supplies and reducing transaction costs.

About 23% of the respondents obtained their products from both rural assemblers and commissioned agents, while 20% sourced directly from commissioned agents. This reflects the significance of intermediaries who coordinate bulk purchases and logistics between rural markets and urban demand centers. Similarly, 18% of the marketers procured groundnuts from wholesalers, and 14% from retailers, highlighting the complexity and multiple entry points within the marketing network.

The results imply that groundnuts typically flow from farmers → rural assemblers/commissioned agents → wholesalers → retailers → final consumers. Retailers often depend on wholesalers for supply due to limited capital and storage capacity, while wholesalers leverage economies of scale to control bulk distribution. This finding aligns with Olukosi *el al*. (2012), who emphasized that the marketing path of agricultural commodities typically begins from producers and progresses through several intermediaries before reaching the final consumers.

The diversity of channels reflects both the adaptive strategies of marketers and the fragmented nature of agricultural trade in Northern Taraba. Strengthening direct linkages between farmers and wholesalers could enhance market efficiency, reduce transaction costs, and improve producers' share of the final price.

Table 4: Distribution of Groundnut Marketing Channels in the Study Area

Marketing Channel	Frequency	Percentage (%)	Quantity (Kg/ton)
Farmers (Producers)	45	25	52,500
Rural Assemblers and Commissioned Agents	36	23	48,300
Commissioned Agents Only	42	20	42,000
Wholesalers	32	18	37,800
Retailers	25	14	29,400
Total	**180**	**100**	**209,400**

Source: Field Survey, 2025

Constraints Associated with Groundnut Marketing

The constraints faced by groundnut marketers in the study area are presented in Table 6. Findings indicate that limited access to storage and processing facilities ranked as the most critical challenge (14.29%). This constraint hinders value addition, reduces market reach, and contributes to post-harvest losses. Poor infrastructure and transportation networks followed closely (13.57%), limiting efficient distribution and access to larger markets.

Lack of market information and transparency was the third major constraint (12.88%), exposing marketers to price fluctuations and exploitation. Weak branding and competition from larger market players ranked fourth (12.43%), reducing the bargaining power and market share of small-scale marketers. The seasonality of production and perishable nature of groundnuts also limited marketing opportunities and income stability, ranking fifth (12.14%).

Furthermore, financial constraints (11.89%) and limited access to credit facilities (11.43%) restricted investment in modern marketing infrastructure and innovations. Inadequate government support and weak policy frameworks ranked eighth (7.40%), leaving marketers to operate under challenging regulatory conditions. Lastly, consumer preferences and low awareness of quality differentiation were identified as the least constraint (4.00%), affecting value realization for marketers.

These findings align with the observations of Anderson (2017) and Smith (2022), who reported that inadequate storage and processing facilities are major barriers to value addition and market efficiency in the groundnut sector.

Table 6: Constraints Associated with Groundnut Marketing in the Study Area

Constraints	Frequency (n = 184)	Percentage (%)	Rank
Limited access to storage and processing facilities	27	14.29	1st
Poor infrastructure and transportation networks	26	13.57	2nd
Lack of market information and transparency	25	12.88	3rd
Weak branding and competition from larger players	24	12.43	4th
Seasonal production and perishable nature of product	23	12.14	5th
Financial constraints	21	11.89	6th
Limited access to credit facility	20	11.43	7th
Inadequate government support and policies	15	7.40	8th
Consumer preferences and awareness	3	4.00	9th
Total	184	100.00	—

Source: Field Survey, 2024. ***Note:*** *Ranked in descending order of magnitude; multiple responses allowed.*

CONCLUSION AND RECOMMENDATIONS

The study examined the economics of groundnut marketing in *Ardo-Kola* and Zing Local Government Areas of Northern Taraba State, focusing on marketers' socio-economic characteristics, marketing margins, marketing channels, and constraints affecting marketing efficiency.

Findings revealed that groundnut marketing in the study area is dominated by male marketers (about 70%), who are mostly in their active working age (25–55 years). Most marketers had moderate household sizes (3–7 persons) and considerable marketing experience (8–12 years), reflecting a well-established engagement in the trade. Annual marketing income ranged from ₦150,000 to ₦800,000, showing that groundnut marketing provides substantial income and employment opportunities for rural households.

Profitability analysis indicated that groundnut marketing is economically viable. Zing LGA recorded higher margins for shelled groundnuts (₦37,342.49) and groundnut oil (₦31,446.14), while *Ardo-Kola* LGA recorded higher margins for unshelled groundnuts (₦35,907.08). The overall marketing margin was higher in Zing (₦98,269.39) compared to *Ardo-Kola* (₦89,767.69), suggesting that Zing LGA enjoys more efficient and profitable marketing operations, possibly due to better infrastructure, market access, and consumer demand.

Marketing channel analysis showed that 25% of marketers sourced groundnuts directly from producers, while others obtained theirs through rural assemblers, commissioned agents, wholesalers, and retailers. The dominant marketing flow follows the path Producer → Rural Assembler/Commissioned Agent → Wholesaler → Retailer → Consumer, indicating a multi-tiered but functional marketing system.

Despite its profitability, several constraints affect the efficiency of groundnut marketing in the area. These include limited access to storage and processing facilities, poor infrastructure and transport networks, lack of market information, weak branding and competition, seasonal supply, and inadequate financial and

institutional support. These factors collectively limit value addition, market reach, and income potential for marketers.

In conclusion, groundnut marketing in Northern Taraba is profitable and plays a significant role in improving rural livelihoods, but infrastructural, institutional, and financial challenges hinder its full potential.

Recommendations

i. Government and private stakeholders should establish modern storage and small-scale processing units to reduce post-harvest losses and enhance value addition.
ii. Rehabilitation of rural roads and market facilities will ease product movement, lower transport costs, and improve market accessibility.
iii. Financial institutions should provide affordable credit facilities to groundnut marketers to enable business expansion and resilience.
iv. Dissemination of real-time market information through cooperatives and ICT tools will enhance price transparency and decision-making.
v. Organizing marketers into cooperatives will boost their bargaining power, ease access to finance, and improve market coordination.
vi. Training on packaging, branding, and quality enhancement should be promoted to increase competitiveness and market value.

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