An Economic Analysis of the Market Channels and Factors Influencing Indigenous Chicken Marketing in Kenya

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Abstract

This study looked at the economics of indigenous chicken (IC) marketing in Kenya. It specifically identified and investigated the existing marketing channels, the level of profitability as well as the constraints and opportunities facing the indigenous chicken marketing. The study was carried out in three regions of the country: Western, South Rift and North Rift regions of Kenya, with two districts selected from each region. Data were collected by individual interviews using structured questionnaires. A total of 469 respondents participated. The target population consisted of traders in different markets in the selected divisions within the three regions. Data analysis was done using statistical tests in which descriptive statistics were used. The results of Ordinary Least Squares (OLS) regression analysis on the factors influencing the profits indicates that costs of marketing and the numbers of birds and eggs and their selling prices, are some of the factors that are significant in assessing the profits to traders. The study also found out that more men than women participated in marketing of indigenous chicken and eggs in the existing markets both in rural and urban areas. Apparently, consumer demand for indigenous chickens and eggs was not adequately met by traders. The IC business was also found to be profitable but was mostly constrained by high transaction costs. In this respect policies and actions need to focus on reducing transaction costs by improving market information and as well on increasing production of IC and egg output. This would assist in increasing productivity of IC farmers and as a result profitability of IC marketing.

Keywords: Constraints, Indigenous chicken, Kenya, marketing, profits

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