

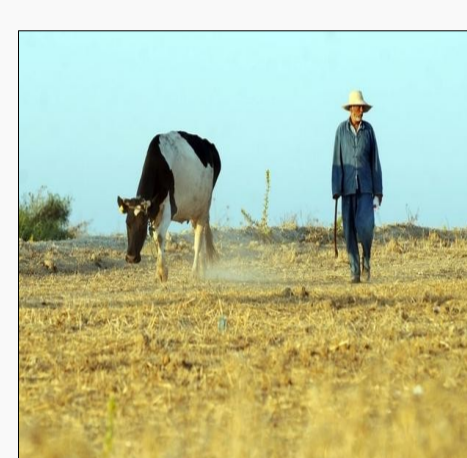


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INTRODUCTION

A sustainable and healthy Tunisian agricultural value-chain is challenging for many reasons:

- A risky and uncertain environment
- A fast growing and persistent informal sector



In the dairy sector, farmers anticipating an opportunistic behavior of the collection center and milk rejection risks, choose to sell their products (or part of it) to informal outlets (Ayari and Zaibet, 2019).

- This study investigate the decision-making mechanisms underlying dairy farmers' choice regarding the selection of milk marketing channels.



- Specifically we test trust perception as key to shaping breeders' decision and behavior in the local economy.

RESULTS

Market integration decision based on (Table 1; figure 1) :

- Trust perception
- Information obtained from competence and credibility signals

Trust perception had a positive effect on breeders choice (figure 1, figure 2)

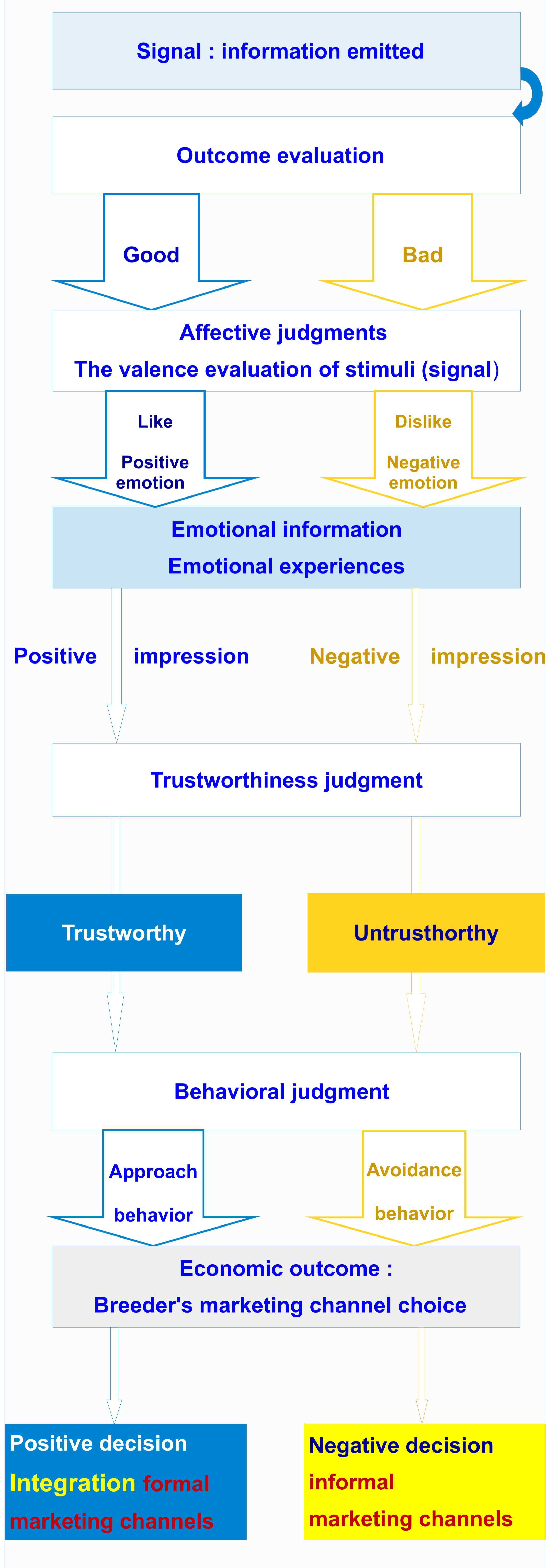
- for higher appreciation (signal) level
- not for low appreciation level

Table 1 : Factors affecting milk producers to choose formal channels.

Determining Factors	p-value	Collection centres Coefficient B	Cooperative Coefficient B	Cooperative and carriers Coefficient B
Constant		-56.898	-101.812	154.126
Dependency:				
farm size	0.337	104.86	134.564	-86.487
herd size	0.046	-14.739	3.454	45.264
Trust perception	0.008	52.519	42.012	-9.37
Price setting differences	0.00	-14.853	23.5	-99.845
Regular communication	0.032	-83.589	-124.513	-9.093
Distance from milk collection centres	0.236	10.409	12.232	-18.281

Pseudo R2 (Nagelkerke) = 0.996, log likelihood=1.386, df = 3 p<0,05, Number of Obs=45; sell to carriers is set as a reference

Figure 1: Evaluation of signal on trust perception and breeders' choice



METHODOLOGY

Data collection methods :

- Questionnaire surveys and focus groups
- Random sampling

A sample of 45 Smallholder dairy breeders in 3 locations : Utique, Ras el Jbel and El alia;

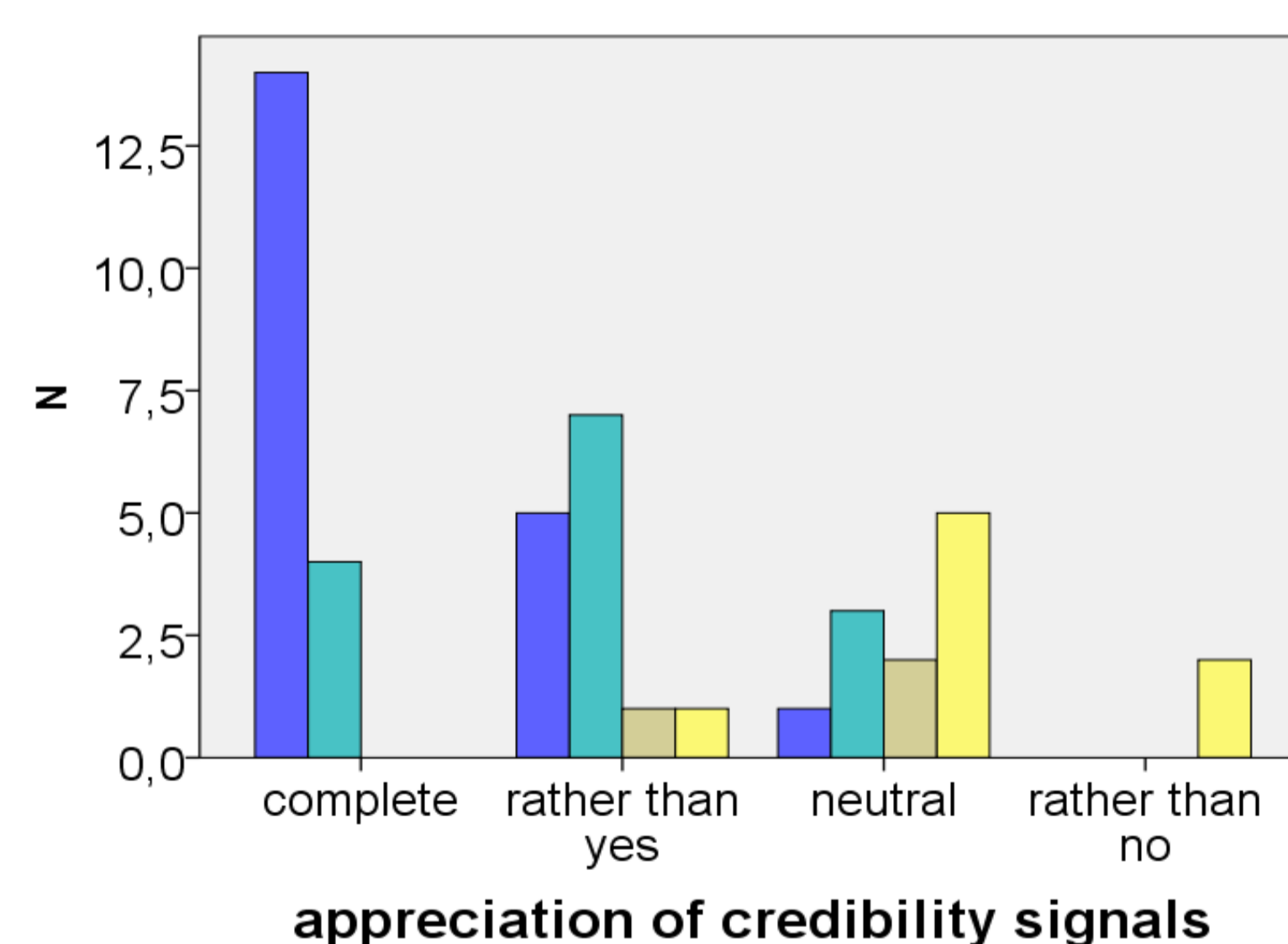
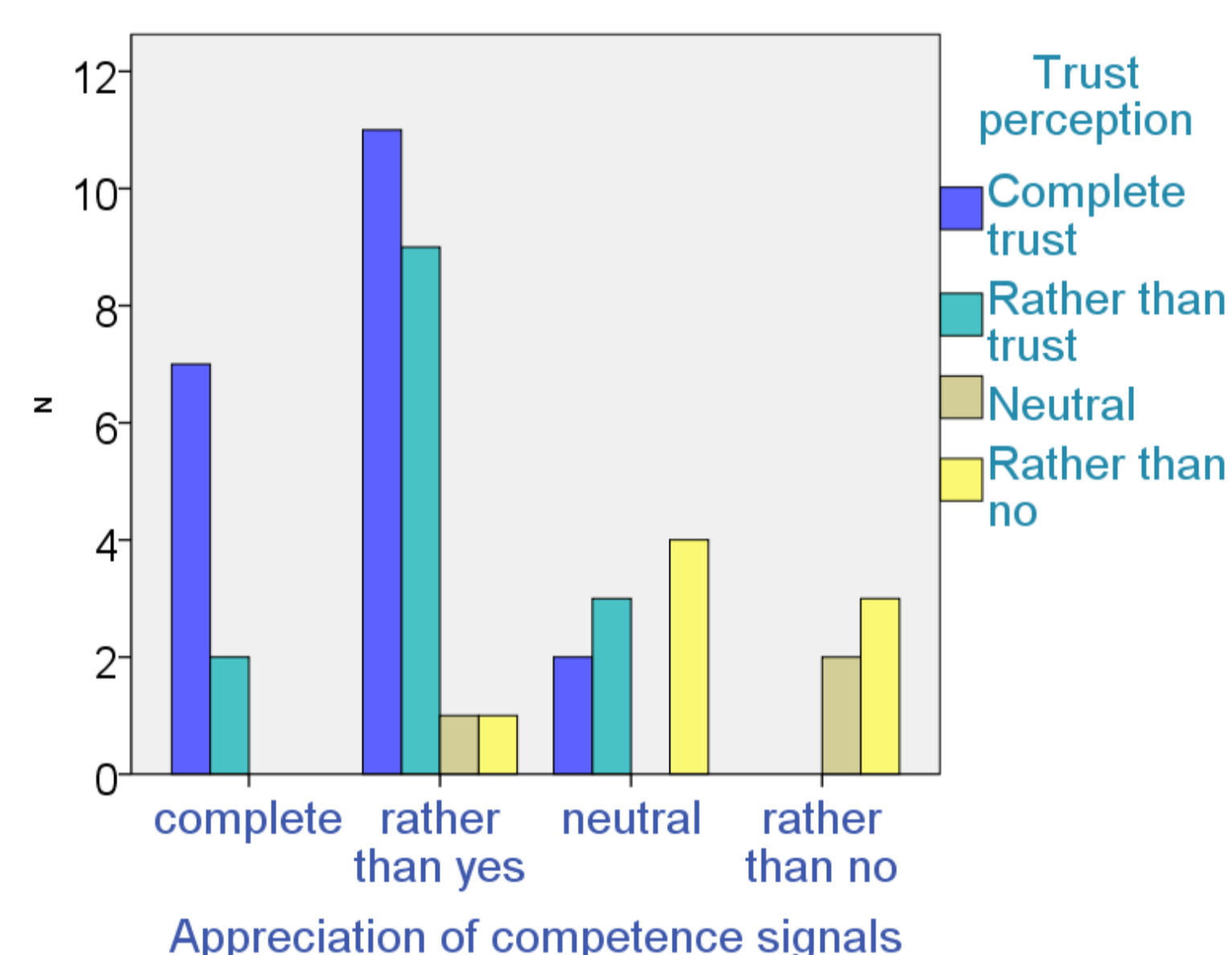
Scaling techniques: Five-point Likert scale

A joint frequency distribution

Logistic regression

multinomial logistic models

Figure 2 : Evaluation of skills and credibility signals on trust perception



Conclusions

Farmers' integration depends on

- Signalling
- Appreciation

Collection centres should provide honest and good (appropriate) signals.

- high product quality
- additional value creation
- access to high-price markets .