



Explaining farmers' income via market orientation and participation: evidence from KwaZulu-Natal (South Africa)

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Introduction

- Agriculture remains an important sector for essential for ensuring livelihoods, employment, food security, the reduction of poverty, and environmental sustainability.
- Commercializing smallholder agriculture promotes growth and eliminating poverty in a sustainable manner in Africa.
- This study aimed to provide the distinction between market orientation and market participation and individually studies each factor's determinants and its linkage on farmers income.

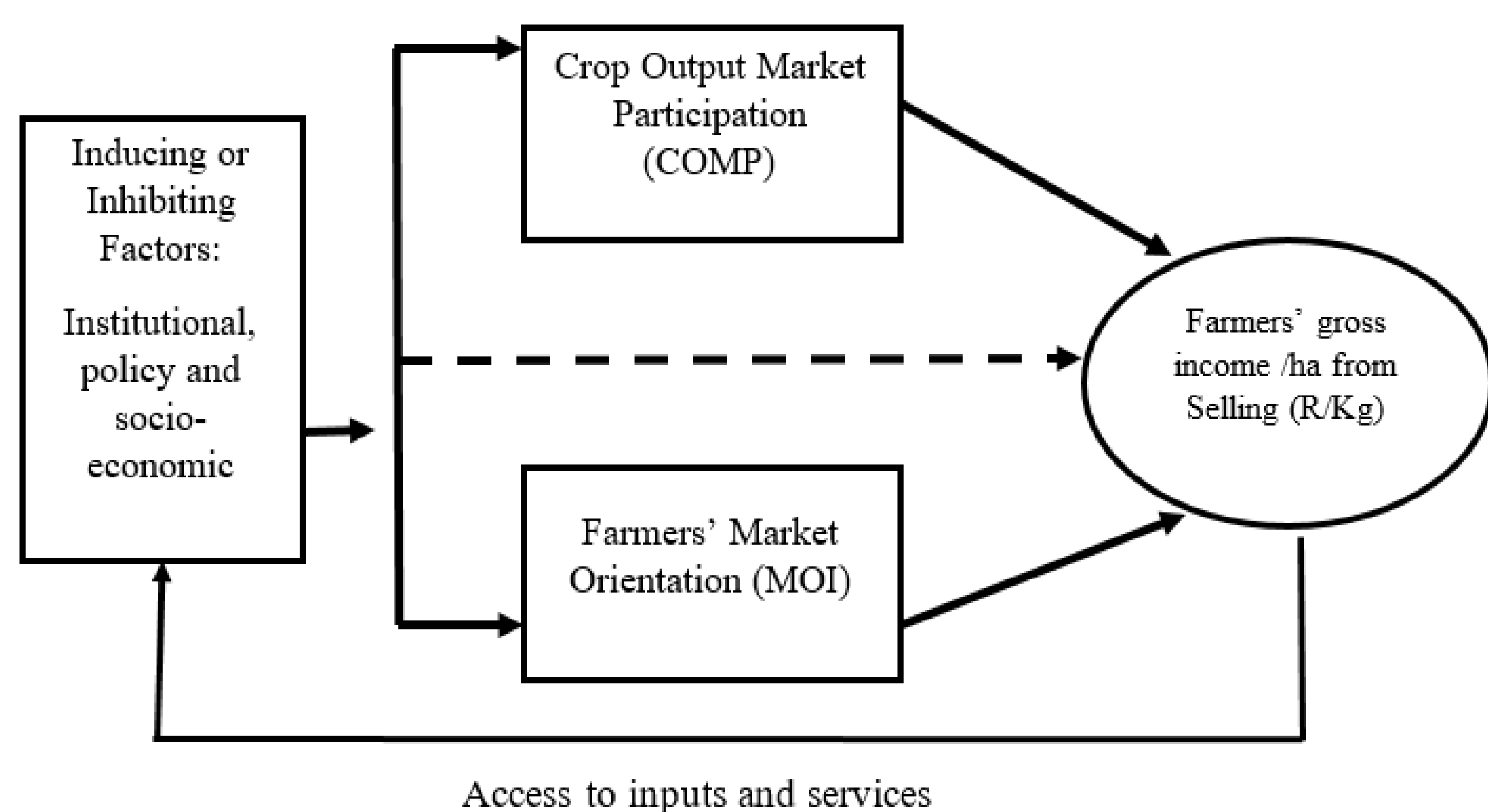


Figure 1: Conceptual framework of the study

Materials and Methods

- Four irrigation schemes in KwaZulu-Natal (Makhathini, Ndumo B, Tugela Ferry, and Bululwane).
- Survey questionnaires and key informant interview
- Descriptive statistics, Market Orientation Index (MOI), Crop-output market participation Index (COMP), econometric models were used in analysis.

Irrigation scheme	Frequency	Percentage
Makhathini	155	46.69
Ndumo B	70	21.08
Bululwane	52	15.66
Tugera Ferry	55	16.57
Total	332	100

Table 1: Number of farmers interviewed within irrigation schemes

Results and Discussion

- Fertilizer, manure application and household size were seems to be the only factors that influence market participation.
- Fertilizer, manure application, number of farm labor, educational level, household size, farm experience, irrigation experience, access to credit and group membership were factors influencing market orientation.
- Market participation is statistically significant in explaining farmers' income compared to market orientation.

Cabbage output market participation and orientation indices

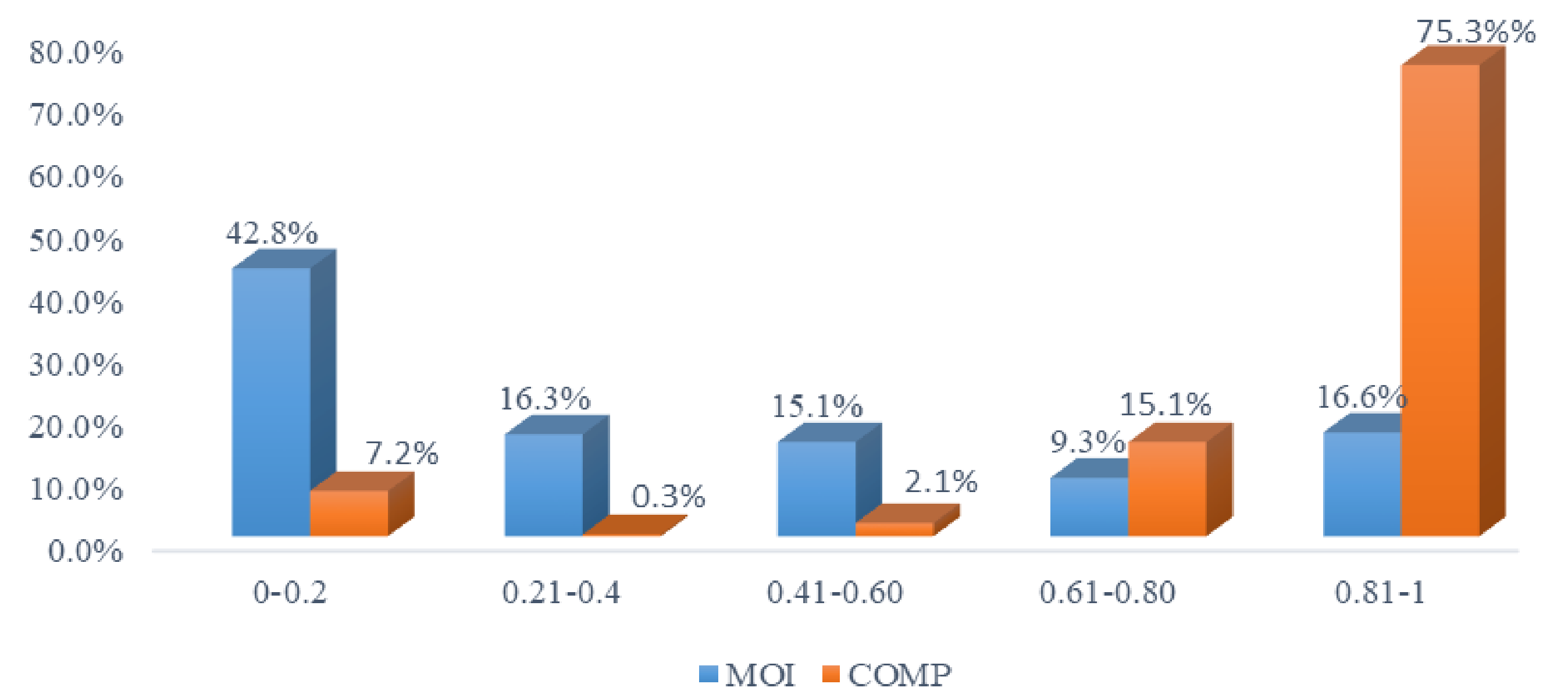


Figure 2: Distribution of Market participation and orientation (n=332)

Conclusions and Outlook

- This research showed market participation is more important in explaining farmers' income as compared to market orientation.
- This distinction might be highly influenced by socio-economic, institutional and production factors.
- The distribution of strategies and policies to be adopted by the government and other stakeholders should include-
 - Availability of modern agricultural inputs ,
 - subsidies for agricultural inputs
 - Inputs credit to farmers via electronic vouchers
 - Partnerships with the private sector