MARKETING SYSTEM OF SMALL SCALE BROILER IN SELECTED AREAS OF TANGAIL DISTRICT

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The study was attempted to explore the small scale broiler farming of Tangail district. Bhuapur, Ghatail, Kalihati, Shakhipur, Delduar and Basail Upazilas were selected purposively for this study. Primary data were collected through face to face interview with the respondents of broiler farmers during February to July, 2016. Secondary data were collected from the BBS, poultry production and marketing reports, journals, DAM, DLS and MS theses. A total of 30 broiler farm owners and 54 intermediaries were selected by applying purposive sampling technique. In the production and marketing system of broiler, many intermediaries were involved such as Bepari, Paiker, Wholesaler and Retailer. Marketing of broiler, produced in Tangail district, was moved from producers to the consumers through four separate chains. The average production cost of farmer for 500 birds was BDT 54781.25, and marketing cost of paiker, wholesaler and retailer were BDT 1230, BDT 1310 and BDT 440, respectively. However, beparies received highest marketing cost which was BDT 1370/500 birds. Transportation was found as the highest cost item which was 37.96%, 39.02% and 40.46%, in case of bepari, paiker, and wholesalers, respectively, but there was no transportation cost of retailer. Broiler farmers sold 90% of their broiler to paiker/bepari and remaining 10% to retailer (distance paiker) sold directly. Paikers sold 85.63% of their broilers to retailers and 14.34% to retailers through wholesalers. Consumer purchases100% of broiler from the retailers in the study areas. Broiler producers did not get fair price due to lack of economic storage facilities, existence of stronger middlemen, inadequacy of veterinary care and services, inefficient transportation facilities, and lack of proper marketing information. It could be concluded that institutional credits, timely supply of inputs and stable price of broiler should be ensured along with the provision of transport and market facilities.

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INTRODUCTION

Broiler meat is an excellent source of protein of high biological values as it contains the most essential amino acids, carbohydrates, minerals, fats and vitamins, which are the most nutritious components of human diet. Most of the people of the world prefer broiler meat as a source of nutrition (Sarker, 2002). The production of broiler helps to fill the increasing demand for meat in the country. Broiler meat has a great demand as compared to other varieties of meat simply because of the socio-economic limitations and religious taboos on pork and beef (FAO, 2013). Broiler farming in Bangladesh can broadly be categorized as contract broiler farming and small-scale broiler farming (Haque, 2011). Minimum small scale sizes have been set at about 100 to 5000 birds in Bangladesh (FAO, 2009). Small-scale broiler production systems in the form of small, semi or fully scavenging, household flocks, or slightly intensive farming have developed in a large number of developing countries around the world as a source of livelihood support for the rural poor (FAO, 2014). In recent years there has been growing recognition among the developed community of the role of small-scale commercial broiler production in accelerating the pace of poverty reduction and reaching out to the poorest of the poor (Faruque, 2011). In Bangladesh, small scale broiler farming represents more than 80 percent of the total poultry production, and 90 percent of the 18 million rural households keep poultry. Around 20 percent landless families in Bangladesh are involved in broiler farming (FAO, 2014). Based on the spread of modern technology, the broiler meat production has been widely adopted as an economic enterprise all over the world. It has also been helping in economic development of Bangladesh (Ahmed, 2008).

Broiler plays an important role in subsistence economy like Bangladesh. The demand of meat, especially broiler meat has been increasing day by day. With the increasing demand for broiler, broiler farming is being accepted rapidly as a profitable agri-business all over the country. However, for the sustainability of this vigorously growing industry, beside the biological researches, we also need to address the exact marketing channel and marketing system of broiler in Bangladesh. Marketing channel is the chain of actors through which the transaction of goods takes place between producer and consumer, and plays an important role in achieving the marketing objectives of any organization. We, therefore, need a systematic study which would reveal that small-scale independent broiler farming is potential to increase profit, employment opportunity and economical solvency to the farmers. We need useful and important information on broiler producers; market functionaries, consumers and others concerned people of Bangladesh, which will be helpful to the broiler farmers and traders for taking appropriate decisions regarding further expansion of broiler farming and providing appropriate training in favor of expanded production and marketing of live or dressed broiler. In Bangladesh many studies were conducted on large commercial broiler production and marketing, but studies on marketing of broiler at smaller size are few in spite of their great necessity. Hence, the study would cover the marketing system of broiler systematically and also attempt to identify some major problems of broiler production and marketing faced by the farmers and traders. The study would also find some probable solutions of those problems. The government, policy makers, planners and concerned agencies might formulate development policies regarding more effective broiler farming in the country by using the information of this study. The main objective of the study was to investigate the small scale broiler farming, their marketing system in Tangail district. This broad-based general objective is broken into four specific objectives, such as, estimating the costs and return of small scale broiler farming; broiler marketing system identification; estimating the marketing costs, margins and profits of market intermediaries; and identifying the problems of broiler farming and marketing as future remedial measures.

METHODOLOGY

Study area and period

In order to analysis the marketing system of broiler, Bhuapur, Ghatail, Kalihati, Shakhipur, Delduar, and Basail, upazilla was purposively selected in Tangail district (Figure 1). The present study covered 8 months from January to August, 2016. Data were collected during the period from February to July, 2016 through face to face interview.
Selection of Samples

Data collection was conducted with sample villages representing different geographic and livelihood zones, as well as proximity to market access. Instead of simple random sampling, purposive sampling (one of non-probability sampling methods) was used in order to get various strata for various actors and markets. A list of the sample interviewees is described in Table 1.

Table 1. List of the sample interviewees

| Actors                  | Number of interviewees |
|-------------------------|------------------------|
| Broiler farmers         | 30                     |
| Primary collectors/Bepari | 20                    |
| Paiker                  | 10                     |
| Wholesaler              | 4                      |
| Retailers               | 20                     |
| Total                   | 84                     |

Preparation of the Survey Schedule

For this purpose, the interview schedule was prepared according to the need of the objectives of the study. Two sets of interview schedules for all actors involved marketing system were prepared. The draft interview schedules were pre-tested amongst a few respondents by the researcher own self. In this pre-testing much attention were given to elicit new information. The interview schedule contains questions about the total farm size, total production, cost of production, return of farmers, percent of broiler transacted by market actors, grading practices, mode of transportation, sources of finance, pricing practices, marketing channel, marketing cost, marketing margins etc.
**Data collection**

The relevant data were collected from the selected samples through face to face interview. Before taking actual interviews the whole academic purpose of the study was clearly explained to the sample farmers, traders. Initially, they were hesitated to answer the questions; but when they were assured that the study was purely an academic one and it would not affect any way, they were convinced to cooperate with researcher. At the time of interview, the concerned personnel were asked questions systematically and explained the question whenever it was felt necessary. Farmers were requested to provide correct information as far as possible. In addition to primary data, secondary data were also collected from various publications like journals, articles, library and website searching.

**Tabulation and analysis of data**

The first step was taken to scrutinize the data of each and every schedule to find out any inconsistency or omission in the data collection and to avoid irrelevant information. The data were edited carefully to eliminate possible errors contained in the schedule while recording information. Processed data were transferred to excel spread sheet and compiled with a view to facilitating tabulation. After checking they were converted into quantitative form by using suitable scoring. Necessary tables and graphs were prepared by summarizing the data. The collected data were analyzed according to the objectives of the study. Inconsistencies in the data were removed. Analysis was done using Microsoft Excel.

**Analytical technique**

An agribusiness study could be judged by the appropriate analytical technique, with the purpose of achieving the objectives of the study. The techniques used were as follows:

**Cost and return analysis**

The following profit equation was used to assess the gross return/gross margin of the selected broilers at producer market level:

$$\Pi = P_F \cdot Q_F - (TVC + TFC)$$

Where, $\Pi = \text{Producer's profit (BDT/500 broilers)}$; $P_F = \text{Price of produces (BDT/500 broilers)}$; $Q_F = \text{Quantity of produces (BDT/500 broilers)}$; $TVC = \text{Total variable cost}$; $TFC = \text{Total fixed cost}$

**Gross return**

Gross return was calculated simply by multiplying the total volume of output by it’s per unit of price in the harvesting period. The following equation was used to estimate gross return (GR):

$$GR = \sum P_b \times Q_b$$

Where, $GR = \text{Gross return from broiler}$; $P_b = \text{Price of broiler (BDT/500birds)}$; $Q_b = \text{Quantity of broiler (BDT/500birds)}$; $Q = \text{BDT/500birds}$

**Gross margin**

Gross margin calculation was done to have an estimate of the difference between total return and variable costs. The argument for using gross margin analysis is that the farmers are more interested to know their return over variable cost. The following equation was used to assess the gross margin:

$$GM = TR - VC$$

Where, $GM = \text{Gross margin}$; $TR = \text{Total return}$; $VC = \text{Variable cost}$

**Net margin**

Net margin was calculated by deducting all costs (total production and marketing cost) from gross margin.

**Net marketing margin**

The following profit equation will be used for calculating net marketing margin:

$$\Pi = GM - MC$$

Where, $\Pi = \text{Net marketing margin (BDT/500 broilers)}$; $GM = \text{Gross margin}$; $MC = \text{Marketing cost}$
Marketing system of small scale broiler

Marketing Margin and Net Margin of Value Chain Actors

The marketing margin and net margin of different value chain actors were estimated by the following formula:

- Marketing Margin = Sales price - Purchase price
- Net marketing margin = Marketing margin - Marketing cost

Problems Encountered in Collecting Data

Though the respondent Broiler market actors were available, collection of required data was not an easy task. The researcher of the study had to face certain problems during data collections, which are noted below:

- Since most of the respondents were not well educated they were suspicious of outsiders and therefore, they were likely to be less co-operative;
- Some respondents did not keep any written records of the farming and trading activities, and were often unable to recall the exact information;
- Since the respondents remained busy at their work, they were not always available. For this, frequent visits were made to get information from them.

RESULTS AND DISCUSSION

Marketing System of Broiler

Actors Involved Broiler Value Chain

The study revealed that there has a movement of broiler from the point of production to the point of consumers through some actors forming a chain in the broiler market. The analysis reveals that marketing of broiler in Tangail district is moved from the hands of farmers to the hands of consumers through four separate chains. Chain I is the longest value chain, in which he farmer, bepari paiker, wholesaler and retailer were involved to add value in the marketing channels.

![Marketing channel of broiler in Tangail district](image)

The broiler in Tangail district is moved through the following chains (Figure 2):

Chain I: Broiler producers → Bepari → Paiker → Wholesaler → Retailers → Consumers

Chain II: Broiler producers → Retailers → Consumers

Chain III: Broiler producers → Fast Food Shop → Consumers

Chain IV: Broiler producers → Restaurant Owner → Consumers

Two major value chains are identified for broiler in Tangail district these are:

- Value chain– I: Broiler producers→Bepari→Paiker→Wholesaler→Retailers→Consumers
- Value chain– II: Broiler producers → Retailers → Consumers
Characteristics of Broiler Marketing

In broiler farming, the production and distribution functions which were mainly performed by farmers, were buying and selling, transportation, financing, market information, and risk bearing. All farmers sold their broiler to bepari, paiker, retailers and local consumers at their farm gates. Marketing channels are the alternative routes of product flows from producers to consumers (Kohls and Uhl, 2005). Value chain may be long or short for a particular commodity depending on the qualities of products, size and nature of consumers and producers and the prevailing social and physical environment. Along with the farmers, a number of actors participated in the marketing of broiler from the production point to the consumer point. The main values actors involved in the broiler value chain, their roles and inter relationships are discussed:

Broiler Farmer/Producers

Farmers are the main actor and played an important role in the broiler value chain. They are the producers-sellers. They produce large volume of broiler independently. In the study area the farmers used to sell broiler to the market actors such as bepari, paiker, wholesaler and small volume to the retailer.

Bepari

The bepari are non-licensed traders. They are small traders and they handled relatively small volume of broiler. They buy broilers directly from farmers and sell them to the paikers, retailers. One is local bepari who collect broiler from the broiler producers and sell them in the local paiker and nearby district headquarters mainly Tangail sadar.

Paiker

Paikers are the small traders and perform their business independently. They do not have any permanent establishment but they have fixed places in the market centre.

Wholesaler

The wholesaler are licensed traders. The wholesalers are relatively plays quick transfer activities because broiler is very flexible in their quality. They loss their weight, death occur frequently when they store at large volume.

Retailer

Retailers are the last link in the broiler value chain. They are the small traders and perform their business independently. They also do not have any permanent establishment but they have fixed places in the market centre are wandering with case (usually still/bamboo). Usually retailers buy broiler from wholesaler sell directly to ultimate consumers. Mostly they purchase broiler on cash. Sometimes they also purchase on credit for short term periods.

Fast Food Shop or Restaurant owner

Fast food shop or restaurant owner buy broiler meet directly from producer or bepari and prepare the meet for consumer. They are the small traders and perform their business independently.
Consumers
Consumers are the final users and the most important actor of broiler value chain. There are two types of consumer in this value chain study. One kind of consumer is the local consumers who are living surrounding the producing area. Other kinds of consumers are the people who live in Dhaka city.

Marketing Functions of Broiler Trading

Marketing Functions of Broiler Trading
Broiler marketing practices in Tangail district are performed by several market participants like farmer, bepari, paiker, wholesaler and retailer in order to transfer the products from farm-gate to the ultimate consumers. An efficient marketing system may be thought of as the connecting link between specialized producers and consumers (Kohls and Uhl, 2005) which is essential for earning fair profit for the broiler farmers and traders. Marketing functions (buying and selling, grading, storage, transportation, financing, risk bearing and market information etc.) may be defined as major specialized activities performed in accomplishing the marketing process of concentration, equalization and dispersion (Kohls and Uhl, 2005).

Buying and Selling
The activities involved in the transfer of goods are completed through buying and selling functions. Wholesalers negotiate between buyers and sellers of broiler and help them at their own business premises on receipt of commission. They do not take the ownership of the broiler. Broiler farmers sell 90% of their broiler to paiker/bepari and remaining 10% to retailer (distance paiker) directly. Paikers sell 85.63% of their broilers to retailers and 14.34% to retailers through wholesaler. Retailers sell the entire broiler to ultimate consumers. Paiker of broiler purchases 40% from farmers, 30% farmer via wholesaler, and consumer purchases 100% of broiler from the retailers in the study area (Table 2).

Table 2. Percent of broiler transacted by value chain actors

| Value chain actor | Purchase from (%) | Sold to (%) |
|-------------------|-------------------|-------------|
|                   | Farmer via wholesaler | Bepari | Paiker | Retailer | Paiker via wholesaler | Retailer via wholesaler | Consumer |
| Farmer            | -                  | 75      | -      | -       | 20                  | 66.66                | -         | 13.33     |
| Bepari            | 75                 | -       | -      | -       | 90                  | -                    | 10        | -         |
| Paiker            | 40                 | 30      | 30     | -       | -                   | 85.63                | 14.37     | -         |
| Wholesaler        | -                  | -       | -      | 40      | 10                  | 100                  | -         | -         |
| Retailer          | -                  | 80      | 15     | 5       | -                   | -                    | -         | 100       |
| Consumer          | -                  | -       | -      | 100     | -                   | -                    | -         | -         |

Source: Field Survey, 2016

Grading
Grading is the basic function of sales transactions and is defined as the classification of products according to some standards or measures (Kohls and Uhl, 2005). Grading is the sorting of produce into different market quality which facilitates exchange by simplifying buying and selling as it makes the sale by showing sample and description possible. It also simplifies the concentration process and makes easier and less costly the movement of goods through the marketing channel. Grading facilitates sale since different sizes of broiler have different prices. In Tangail district, all intermediaries grade broiler on the basis of weight. Represents the grading system on the basis of weight by the value chain actors (Table 3).
Table 3. Grading practices of broiler

| Species | Basis | Specification                  |
|---------|-------|--------------------------------|
| Broiler | Weight| Large: 1.5 kg and above, Medium: 750 gm to 500 gm, Small: Less than 500 gm |

Source: Field Survey, 2016

Transportation

Transportation is a basic function of making goods available at proper place and it creates place utility. Perishable goods (such as broiler) must be moved as early as possible from the producing centre to consumer center. Adequate and efficient transportation is a cornerstone for the modern marketing system (Kohls and Uhl, 2005). In the study areas, the broiler farmers and intermediaries use various modes of transports such as van, rickshaw, truck, passenger bus, pickup, *Nasimon* (locally made pick-up type van for transporting passengers and goods), head load etc, to transfer product from the producing areas to the consumption centre (Figure 4).

![Figure 4. Transportation used by farmers and intermediaries for movement of broiler](image)

Financing

The financing function is the advancing of money by someone to carry on the business, which is of crucial importance for effective operation in whole marketing system of broiler. The source of finance for the value chain actors in the study areas are shown in (Table 4). Shows that most of the broiler farmers, and retailers of broiler are self-financed. Other sources of finance for farmers are banks, friends and relatives, and NGOs.

Table 4. Sources of finance of broiler farmers and intermediaries

| Sources of finance     | Market participants (%) | Farmer | Bepari | Paiker | Wholesaler | Retailer |
|------------------------|-------------------------|--------|--------|--------|------------|----------|
| Own fund               |                         | 66.66  | 15     | 10     | 25         | 60       |
| Bank                   |                         | 10     | 60     | 70     | 75         | 5        |
| NGO                    |                         | 6.66   | 20     | 70     | 75         | 5        |
| Friend and relatives   |                         | 16.66  | 20     | 70     | 75         | 5        |
| Total                  |                         | 100    | 100    | 100    | 100        | 100      |

Source: Field Survey, 2016

Market Information

Market information is a facilitative function required for efficiently operating marketing system. In the study area, visiting the markets and use of telephone/mobile phones are the most common sources of collecting market information for all value chain actors. Table 5 shows the sources of market information flows.
Marketing system of small scale broiler

Table 5. Sources of market information of broiler farmers and intermediaries

| Sources of information          | Market participants (%) |
|--------------------------------|-------------------------|
|                                | Farmer | Bepari | Paiker | Wholesaler | Retailer |
| Market information collection  | 20     | 20     | 30     | 25         | 20       |
| Telephone/mobile                | 80     | 80     | 70     | 75         | 80       |
| Total                           | 100    | 100    | 100    | 100        | 100      |

Source: Field Survey, 2016

Pricing

In the study areas, all intermediaries are involved in buying and selling of broiler. Farmer, wholesaler, piker practice open bargaining, method for fixing price of their products in varying degree. Cent percent of the retailers follow prefixed price for selling their broiler to consumer. Price depends on quality, size, weight, seasonality, market structure, supply and demand, and taste. Broiler is profitable because of their year-round production, quick growth, and high productivity. Local market demand is significant because of low market price. Most poor people consume broiler, and a large number of rural people who live below the poverty line find employment in production and marketing systems for these species.

Table 6. Pricing practices broiler by value chain actors

| Pricing methods     | Value chain actors (%) |
|---------------------|------------------------|
|                     | Farmer | Bepari | Paiker | Wholesaler | Retailer |
| Open bargaining     | 25     | 75     | 80     | 25         | 20       |
| Prefixed prices     | 75     | 25     | 20     | 75         | 80       |
| Total               | 100    | 100    | 100    | 100        | 100      |

Source: Field Survey, 2016

Cost and Return of Small Scale Broiler

Variable Cost

The variable costs are the costs of using the variable inputs which vary with the level of production (Kohls and Uhl, 2005), such as labour cost, feed cost, day old chick (DOC), electricity and medicine cost. The total variable costs were BDT 51500 for broiler 500/batch (Table 7). Most of the broiler producer act as labor in their own farm. The family labor was converted into hired labor on the basis of 8 hrs/day. In broilers, feed costs are very high. The manufactured feeds of different feed mills available in the market and DOC price varied from BDT 50 to BDT 60. Most of the cost involved in medicinal treatment and vaccination of the various infectious diseases. Broiler house is totally enclose system hence, it is heated mainly using renewable energy. Electricity is also require for brooding in broiler farms.

Fixed Cost

Fixed cost is those, which do not change and are incurred even when production is not undertaken. Fixed cost of broiler production includes land used cost, house building, equipment, depreciation. Summation of the costs of fixed inputs made total fixed costs, which was BDT 3281 per 500 broilers.

Total Cost and Return

The total production cost of broiler was BDT 54781.25/500 broiler (Table 8). Table 8 shows that the selling price of broiler was BDT 110/kg and litter was sold 1.50 BDT/kg which is also depend on the regular market price. Thus the total return from the broiler farming was BDT 72850/500 broiler. The profit of broiler production per batch (500 birds) was BDT 18069/500 broiler. Marketing cost is also estimated at different stages of value chain.
Table 7. Fixed and variable cost of broiler farmers (BDT /500 birds)

| Cost items  | Cost (BDT/500 birds) | Cost items  | Cost (BDT/500 birds) |
|-------------|-----------------------|-------------|-----------------------|
| House building | 2500                  | Human labour | 5000                  |
| Feeder      | 125                   | Day old chicks | 17500                |
| Waterier    | 156.25                | Feed        | 20000                 |
| Others      | 500                   | Electricity | 2000                  |
| Sub-total   | 3281.25               | Medicine    | 4000                  |
|             |                       | Miscellaneous | 3000                      |
| Sub-total   |                       |             | 51500                 |

Total (Fixed + Variable Cost) \(3281.25 + 51500 = 54781.25\)

* = BDT /500 birds

Table 8. Return from broiler production (BDT /500 broiler)

| Yield (kg) | Selling price | Total return |
|------------|---------------|--------------|
| Broiler sold | 650          | 110          | 71500        |
| Litre sold   | 900          | 1.5          | 1350         |
| Total           |              |              | 72850        |
| Profit            |              |              | 18069        |

Marketing Cost Margin and Profit of Intermediaries

Cost of Bepari, Paiker, Wholesaler and Retailer

The total marketing cost of each intermediary were calculated and presented in Table 9 and showed that transportation cost was highest in most cases. In case of bepari, paiker, wholesaler and retailer, it was calculated at BDT 1370 and 37.96%, BDT 1230 and 39.02%, BDT 1310 and 40.46%, and BDT 440 and 0% (receive birds from paiker or wholesaler), for 500 birds/day and transportation, respectively.

Table 9. Marketing cost of bepari (BDT/500 birds)/day

| Cost items          | Bepari |  | Paiker |  | Wholesaler |  | Retailer |
|---------------------|--------|--------|--------|--------|------------|--------|----------|
| Cost items          | BDT    | %     | BDT    | %    | BDT        | %     | BDT      |
| Loading-unloading    | 400    | 29.20 | 400    | 32.52 | 400        | 30.53 | -        |
| Transportation       | 520    | 37.96 | 480    | 39.02 | 530        | 40.46 | -        |
| House rent           | -      | -     | 25     | 2.03  | 25         | 1.91  | 30       | 6.82     |
| Market toll          | -      | -     | -      | -     | 15         | 1.15  | 20       | 4.55     |
| Electricity          | 50     | 3.65  | 20     | 1.63  | 40         | 3.05  | 40       | 9.09     |
| Personal expenses    | 150    | 10.95 | 50     | 4.07  | 150        | 11.45 | 50       | 11.36    |
| Feed                | -      | -     | -      | -     | -          | -     | 50       | 11.36    |
| Medicine            | -      | -     | -      | -     | -          | -     | 200      | 45.45    |
| Wastage             | 150    | 10.95 | 155    | 12.60 | 50         | 3.82  | -        | -        |
| Telephone           | 100    | 7.30  | 100    | 8.13  | 100        | 7.63  | 50       | 11.36    |
| Total               | 1370   | 100   | 1230   | 100   | 1310       | 100   | 440      | 100      |
Returns of Broiler Farmers

To estimate the net return of broiler farmers it is necessary to calculate farmer's gross return. Gross return is calculated by multiplying the total amounts of broiler produce by average sales price. Net return of farmers (BDT/500 birds) = Gross return - Gross cost (Production cost + Marketing cost). Total gross cost of broiler was BDT 54781.25/500 broiler. It is seen that gross return per 500 broiler is BDT 72850. Gross margin/500 birds was BDT 21350 (deducting total variable cost from gross return). Net return is estimated by subtracting total cost from gross return. Net return of broiler was BDT 18069 per 500 birds (Table 10).

Table 10. Gross return and net return of Farmer (BDT/500birds)

| Items                  | Return  |
|------------------------|---------|
| A. Gross return        | 72850   |
| B. Variable cost       | 51500   |
| C. Total cost          | 54781.25|
| D. Gross margin (A-B)  | 21350   |
| E. Net return (A-C)    | 18068   |

Marketing margin of bepari, paiker, wholesaler and retailer

The beparis in the broiler marketing play controlling role of price mechanisms. As results beparis receive highest marketing costs which are BDT 1370. The Paikers also in the broiler marketing play controlling role of price mechanisms. Paikers received marketing margin which are BDT 1230. The gross margin of wholesalers for broiler is BDT 1950 per 500birds/day and receive marketing cost which are 1310. The marketing cost and net margin of retailers of broiler is BDT 440 and 1510 per 500 broiler/day, respectively.

Table 11. Marketing margin of bepari, paiker, wholesaler and retailer (BDT/500 birds)

| Name   | Purchase price | Sales price | Gross margin | Marketing cost | Net margin |
|--------|----------------|-------------|--------------|----------------|-----------|
| Bepari | 71500          | 73450       | 1950         | 1370           | 580       |
| Paiker | 73450          | 75400       | 1950         | 1230           | 720       |
| Wholesaler | 75400          | 77350       | 1950         | 1310           | 640       |
| Retailer | 77350          | 79350       | 1950         | 440            | 1510      |

CONCLUSION AND RECOMMENDATIONS

The findings of this study indicated that the production and marketing of broiler are profitable business. This is mainly attributed to close proxy, good communication facilities especially development of cell phone technology and good infrastructure availabilities among the market centers in Bangladesh. It also suggests that there is wide scope for the development of broiler farming and trading in this country. In this study the profit of retailer was higher than that of other intermediaries. To make the business more profitable, efficient marketing system should be developed by reducing marketing cost and increasing marketing services.

The study recommends for appropriate policy intervention for financing broiler producers so that they can manage to tackle the vicious chain of non-institutional money lenders and can secure more profit. In view of the above, the following recommendations are put forward:

- Primary markets should be free from the control of wholesalers to make the market competitive so that broiler farmers could receive fair price to increase their sales revenue.
- Policy should be aimed at rationalizing or eliminating wholesalers commission through state monitored restructure of the marketing arrangement. It would help reduce the market price of broiler where commissioning system is involved.
- Introduce quick transportation facilities between different the farm and the nearby towns.
- Introduce supervisory credit system through loan guarantee fund scheme.
• Actors should adopt well-defined and flexible payment method
• Actors should form strong persistent linkages
• Prioritize record keeping, especially, farmers because most of the farmers don’t have any specific record about their cost and return.
• Livestock Directorate should set and enforce quality standards, quality of meat are not so good in our country, proper medicine, and supplement is not applied with farmers.

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