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Analysis of Profitability and Operational Efficiencies of Cocoa Marketing: Empirical Evidence from Nigeria

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KEYWORDS Licensed buying agents; exporter; warehousing; profitability; operational efficiencies

ABSTRACT This study examines empirically profitability and operational efficiencies of cocoa marketing in Nigeria. Using primary data, the result of the analysis revealed that for every ₦ 100 invested in the cocoa trading in the study area, licensed buying agents (LBAs), Exporters and Warehousing Agents realized profit of ₦ 3, ₦ 7 and ₦ 44.9, respectively. This positive and size of profit obtained for each cocoa marketing institutions is an indication that these institutions were able to recover their operating expenses, hence post-deregulation cocoa marketing era is profitable and efficient.