Factors Influencing South-Western Uganda Dairy Farmers' Choice of the Milk Marketing Channel
A Case Study of Kirihura District, South -Western Uganda
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Abstract

This research investigated factors influencing dairy farmers' choice of milk marketing channel in Kirihura district, South -Western Uganda. It is an attempt to establish factors which influence dairy farmers' choice of the milk marketing channel in the district. A structured questionnaire was used to collect data from dairy farmers. The questionnaire contained questions that brought out answers to milk prices, farm size, volume of milk produced, number of milking animals, marketing channels, and household demographic characteristics. Also, focus group discussions were used to capture on activities in the milk chain. Research findings indicate that, there was a significant difference in channel participation where informal marketing channel had more participants (73.3 percent) and formal marketing channel participants were fewer. The Heckman Probit Model was used to identify the factors which influence dairy farmers' choice of milk marketing channel. The results from the model show that age of dairy farmer ($P{\leq}0.05$), membership in cooperative ($P{\leq}0.01$), form of payment ($P{\leq}0.0.1$), volume of milk produced ($P<0.05$), level of education of the dairy farmer ($P{\leq}0.1$), and marketing costs ($P{\leq}0.01$) greatly influenced the choice of milk marketing channel. It is recommended to provide education to the dairy farmers on the importance of selling milk to the formal channel; DDA should assure farmers of market for t/le milk especially during the rainy season when milk volumes are huge. Ensure accessibility to dairy farn1S by the means of roads construction and maintenance. Establishment of area cooperatives is highly recommended. It is from these associations where farmers learn new ways of farming.

Key words: milk marketing channel, The Heckman Probit Model, Dairy chain.