

The Need for Establishing a Standard Market and Park in Damaturu, Yobe State Capital

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Submitted: 01-10-2021

Revised: 10-10-2021

Accepted: 12-10-2021

ABSTRACT: Market is a physical place where buyers and sellers gathered to buy and sell goods, Farayola et al (2014). Damaturu is long overdue for a standard market as the town has assumed the status of a state capital and has grown spatially and economically. The traders incur extra cost by transporting their goods from Maiduguri back to Damaturu on taxis, the cost which is eventually transferred by the traders unto and borne by the consumers. Thus, all products that are not produced within the locality, but are coming from outside the town are costlier in Damaturu than Maiduguri and other surrounding towns that have direct haulage. Data was collected through reconnaissance survey, questionnaire, interview, and satellite images. It was analysed using Descriptive statistic (mean Ranking), percentile, weighted-Opinion-Assessment (WOA) and narrative methods.

Keywords: Damaturu, Establishment, Need, Park, and Standard Market,

I. INTRODUCTION

Market could be define as “the set of all actual and potential buyers of a product or service” Kotler P. and Armstrong G. (2014). It can also be seen as the sites at which people meet regularly to acquire or exchange locally produced and imported goods and services. A physical place where buyers and sellers gathered to buy and sell goods, Farayola O., Adeyanju O., and Adeleke B. (2014). These are fundamental to the socio-economic well-being, cultural, religious and political life of a people in the areas where they are located. Its existence in any city is expedient in the sense that commercial centres are the backbone of many economies. According to Adeyanju O. and Adegbite A. (2018), virtually all markets are heterogeneous, that is they

contain consumers and potential consumers of different people with diverse backgrounds, countries of origin, interest, needs, wants, perceptions, and characteristics.

Majority of the business enterprises found in the market centre are small, micro, and medium enterprises (SMMEs); these businesses are directly managed by its owner or owners. Lumbwe, A.K., Anyadiiegwu N.E., and Mbohwa, C. (2018). Damaturu is long overdue for a standard market as the town has assumed the status of a state capital and has grown spatially and economically. The status of Damaturu as both state and the traditional capital of Yobe state deserves an orderly developed centres as market where goods will be loaded and off-loaded. The absence of such facility leads to transporting of goods to Maiduguri through Damaturu before returning them to Damaturu. Similarly, local produce from Yobe state is transported to Maiduguri before they are conveyed to the southern, eastern, western and other parts of the country and even to Niger and T'Chad republics. These do not only increase the inconvenience, but also raise the cost of transportation.

Muhammad et al (2021); projected the future scenario of urban growth of the city of Damaturu up to 2030 through linear statistics and predicted the expansion of the city area from 54 km² in 2009 to 99 km² by 2030. Also the build-up area from 23 km² in 2009 to about 47 km² under the condition of continuity of the recorded growth pattern up to 2030, as well as continuity in peace and harmony within the city.

The central theme of this study is to reveal the potentials of a standard well-defined and developed market for promoting sustainable

internally generated revenue and development. The economic analysis of the State cannot be reliably pursued in a profitable manner without a Market. Thus, the numerous adverse effects of its absence

on the economic, social, cultural, religious and political welfare of Damaturu residents and Yobestate at large is enormous.



Figure 1.1 Damaturu metropolis

Statement of the Research Problem

Market serves as an institution for exchange of goods and services and a place for actualizing economic desires. It is an arrangement that enables sellers and buyers to exchange goods. They are classified according to their temporal specialization, which gives markets their unique characteristics. The need for a standard market in Damaturu is long overdue, as issues such as population with its complex demand for diverse commodities, which were minute before have now assumed broader dimensions. Even when Damaturu attained the status of a state capital, goods for traders in Damaturu will pass to Maiduguri before returning them to Damaturu at extra costs, risk and inconvenience.

The area designated as market is not developed, no adequate parking space is provided, and consequent upon this, the off-loading of goods belonging to traders in Damaturu still has a challenge. The traders incur extra cost by transporting their goods from Maiduguri back to Damaturu on taxis, the cost which is eventually transferred by the traders unto and borne by the consumers. Thus, all products that are not produced within the locality, but are coming from outside the town are costlier in Damaturu than Maiduguri and other surrounding towns that have direct haulage.

On the other hand, the absence of proper parks for heavy-duty trucks makes some locally produced goods to be shifted to Maiduguri for loading and onward transportation to other parts of the country and neighbouring countries (Niger,

Cameroon, and Chad Republics); this reduces the profit margin of the traders, farmers and the Internally Generated Revenue (IGR) of the state. Despite the above mentioned shortcomings, there has not been an empirical study that evaluates and documents the implications of the absence of a standard market in Damaturu to recommend lasting solution to the bedeviling problems due to absence of a standard market in Damaturu.

II. LITERATURE REVIEW

The Concept of Market

Economists describe a market as a collection of buyers and sellers who transact over a particular product class, Farayola O. et al (2014). In a basic markets where we have different interconnections and dependency between different buyers and sellers; manufacturers go to resource markets (raw materials market, labour markets, and money market), buy resources and turn them into goods and services and sell finished products to intermediaries who have direct contact to consumers. Consumers sell their labour for money which they pay for goods and services. The government collect tax revenue to buy goods from resources, manufacturer and intermediary markets and uses these goods and services to provide public services. Nation's and global economies consist of complex interacting sets of markets linked through exchange processes. As shown in the figure 2.1 below.

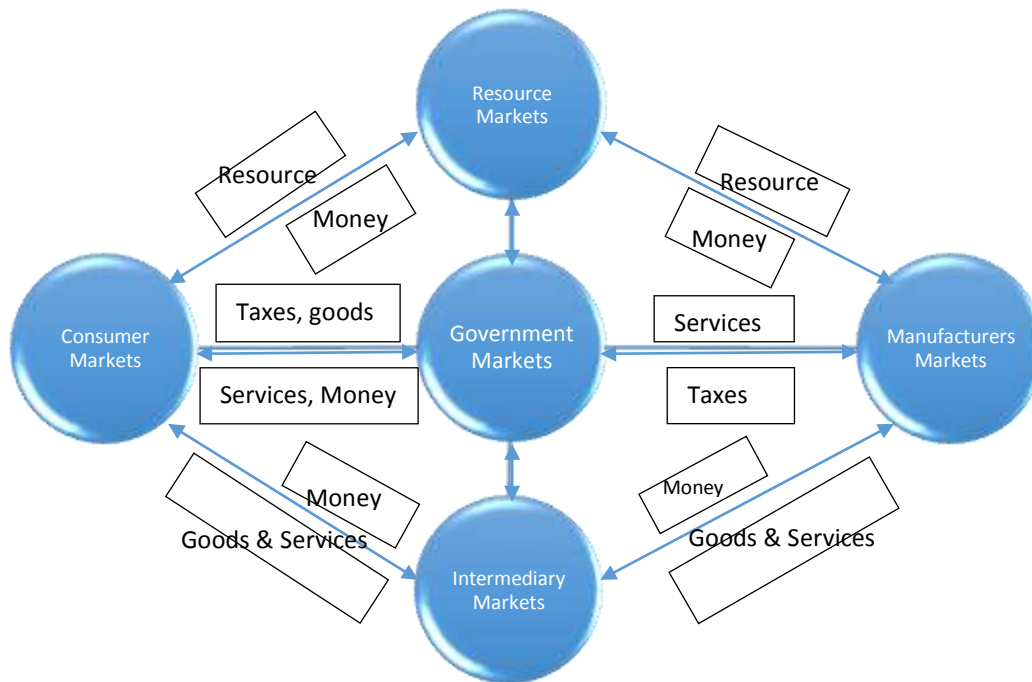


Figure 2.1 Markets Classification

Source: Farayola O. et al (2014)

Some Classifications of Markets

- i. Consumer Markets: All the individuals and households that buy or acquire goods and services for personal consumption. It consists of companies selling mass consumer goods and services such as soft drinks, cosmetics etc. they spend a great deal of time trying to establish a superior brand image. Farayola O. et al (2014).
- ii. Business Markets: These consists of companies selling business or industrial goods and services. They often face well-trained and well-informed professional buyers who are skilled in evaluating competitive offering. Business buyers buy goods in order to make or resell a product to other at a profit. Farayola O. et al (2014). It considered by Kotler P. and Keller K .L. (2006) as “all the organizations that acquire goods and services used in the production of other products or services that are sold, rented, or supplied to others”.
- iii. Global Markets: these consist of companies selling goods and services in the global market

- place. They face additional decisions and challenges. They must decide on which country to enter, how to enter each country, how to adapt their production and service feature to each country; how to practice their product in different country, and to adapt their communication to fit different cultures, Farayola O. et al (2014)
- iv. Gray Market: Branded products diverted from normal or authorized distributions channels in the country of product origin or across international borders, Kotler P. and Keller K .L. (2006).
- v. Non-profit and Government Markets: These consist of companies selling their goods to non-profit organization such as universities, charitable organizations, or government agencies. They need to price carefully because these organizations have limited purchasing power, Farayola O. et al (2014). In other words; governmental units; federal, state, and local that purchase or rent goods and services for carryout the main functions of government, Kotler P. and Keller K .L. (2006).

Table 2.1: Some Factors Affecting Business Location in Previous Studies:

S/N	Location Factor	Author(s)
1	Market	Mazzarol&Choo (2003), Frekel (2001).
2	Transportation	Mazzarol&Choo (2003), Frekel (2001).
3	Workforce	HeizerJ. & Barry R. (2014), Barnard et al. (2011), Dhingra, et al. (2009), Mazzarol&Choo (2003), Frekel (2001).
4	Site’s Consideration	Dixit et al. (2019), Heizer J. & Barry R. (2014), Mazzarol&Choo (2003), karakaya&Canel (1998).

5	Raw Materials	Dhingra, et al. (2009), Mazzarol&Choo (2003), karakaya&Canel (1998).
6	Services	Heizer J. & Barry R. (2014), Barnard et al. (2011), Dhingra, et al. (2009), Mazzarol&Choo (2003), Frekel (2001).
7	Utilities	Dhingra, et al. (2009), Mazzarol&Choo (2003), Frekel (2001).
8	Government	Mazzarol&Choo (2003), Frekel (2001).
9	Communication Environment	Mazzarol&Choo (2003), Frekel (2001).
10	Cost	Dixit et al. (2019), Dhingra, et al. (2009),Karakaya&Canel (1998).
11	Living	Dixit et al. (2019), Karakaya&Canel (1998).
12	Business Environment	Heizer J. & Barry R. (2014), Frekel (2001), Karakaya&Canel (1998).
13	Cultural Community Fit	Dixit et al. (2019).
14	Tax and Incentive	Dixit et al. (2019), Dhingra, et al. (2009), Frekel (2001), Karakaya&Canel (1998).
15	Place Image	Dixit et al. (2019), Heizer J. & Barry R. (2014), Frekel (2001).
16	Rental Rates	Heizer J. & Barry R. (2014), Barnard et al. (2011).
17	Proximity to Customers	Heizer J. & Barry R. (2014), Barnard et al. (2011).
18	Competitive in the Area	Dhingra, et al. (2009), Frekel (2001).
19	Available infrastructure	Dhingra, et al. (2009), Frekel (2001).
20	Nearness to Similar Location	Frekel (2001).
21	Support of local Actors	Frekel (2001).
22	Connection To Universities and Research Centres	Heizer J. & Barry R. (2014), Frekel (2001).
23	Nearness to Investors	Frekel (2001).
24	Proximity to Suppliers	Dhingra, et al. (2009).

III. RESEARCH METHODOLOGY

Instruments for Data Collection

The study adopted multiple-instruments such as the design and administration of structured questionnaire to prospective respondents; which include individual traders occupying shops, mobile traders, consumers and government officials. The close-ended questions had more than one options that enable the respondents to choose or rank the options as it may be. Interview-guided for relevant government Departments such as the state ministry of commerce and industry, ministry of lands survey and country planning, and ministry of works and housing. It was conducted verbally and administered simultaneously with the questionnaire. Reconnaissance survey was also conducted on the sites for data collection on physical and spatial features.

In addition, satellite images were used to generate data on the physical and spatial distributions of the commercial zones within the metropolitan city which helps to provide data that answer some of the research questions and a basis

for determining a suitable site for a standard market in Damaturu.

Sample Population

Although there were no recent population of Damaturu town, the 2006 population census records shows the city have 87,706 people, the population was projected to be 124,500 people in 2016 with population density of 3.6% in the same year. The study population is the target respondents to the study that fulfill the requirement to supply information needed for the research. This study's target population are seating and mobile traders, consumers and government officials.

Sampling Technique

In the process of data collection, multi-sampling method comprising multiple sampling techniques was employed depending on the population type and the nature of the spread. In this case systematic sampling was adopted in the selection of the traders in properly arranged and numbered shops; stratified random sampling was

applied at the roundabouts (economic hubs) where there is no identifiable arrangement of the shops; in order to ensure comprehensive representation of all the traders and consumers in every stratum including market women. The city was subdivided into four zones (SabonPegi, Abasha, Nasarawa and New Jerusalem) as naturally divided by the regional roads that traverse the town.

A sample of the seating and mobile traders, and consumers were drawn from each of the five economic hubs, one economic hub from each of the four subdivided zones and the Abasha central business district (making five economic business centres), while purposeful sampling was employed in the selection of government officials from the three relevant ministries, purposely to generate data on the key socio-

economic and commercial variables and to carry along the stakeholders in the need, idea and processes to establish a standard market and park in Damaturu metropolis.

Sample Frame and Sample Size

The sample frame is the total number of target respondents. The sample frame refers to a complete list of all units in the population under study and determines the inquiry structure. This study's sample frame is the total number of the four categories of respondents which are 1,726 (table 3.1). A sample of 15% of both seating and mobile traders were selected on site, while six consumers were selected at random in each of the economic hubs and fifteen staff from the ministries as shown in table 3.1 below:

Table 3.1: SampleFrame and Sample Size

S/N	Economic Zone	Seating Traders		Mobile Traders		Consumers	Government Officials
		Sample Frame	Sample Size (15%)	Sample Frame	Sample Size (15%)		
1	Maiduguri Road Zone	230	35	61	9	6	
2	Gujba Road Zone	133	20	71	11	6	
3	Potiskum Road Zone	82	13	47	7	6	
4	Gashua Road Zone	144	22	121	18	6	
5	Abasha Central Zone	452	68	246	37	6	
TOTAL		1135	158	546	82	30	15

Source: field survey, 2021

The sample size therefore are 158 seating traders, 82 mobile traders, 30 consumers, and 15 government officials.

Data Analysis

The study used structured questionnaire and interview to generate quantitative and qualitative data from the respondents. Descriptive statistic (mean Ranking), percentile, weighted-Opinion-Assessment (WOA) and narrativemethods was used to analyses the data collected.

IV. DATA PRESENTATION AND DISCUSSION

Table 4.1: Reasonsfor the Lack ofStandard Market in Damaturu

SN	Reason	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	RII	Ranking
1	Lack of interest by the state government	150	66	12	33	24	4.00	1
2	Lack of quality road (poor road)	75	69	15	72	54	3.14	10
3	Insurgency	45	90	69	36	45	3.19	9

4	Preference for more trading across national borders	72	60	45	54	54	2.96	11
5	Most people cannot afford standard trading setting due to poverty	126	78	30	15	36	3.85	3
6	Poor network supply of goods	75	66	63	39	42	3.33	8
7	Lack of capital/credit to develop market	108	99	39	27	12	3.91	2
8	High cost of involve for market development	99	69	39	54	24	3.58	5
9	Low demand	54	90	87	48	6	3.48	7
10	Lack of infrastructure	57	81	117	21	9	3.56	6
11	Low profit margin	81	63	78	39	24	3.48	7
12	Government regulations	87	87	57	39	15	3.67	4

Source: Field Survey, 2021.

Table 4.1, shows the ranking by relative importance index (RII) of the reasons why there is no standard market in Damaturu.

Table 4.2: Benefits of the establishment of Standard Market in Damaturu

SN	Benefit	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	RII	Ranking
1	Reduction in price of commodities	132	81	30	27	15	4.01	6
2	Availability of commodities	96	99	51	30	9	3.85	9
3	Accessibility to market throughout the year	72	105	66	36	6	3.71	11
4	Reduction in cost of transportation	60	120	57	30	18	3.61	12
5	Increase in food	114	102	36	15	18	3.98	7

	production							
6	Increase in trade volume	150	87	30	12	6	4.27	3
7	High trading capacity	153	102	27	3	0	4.40	1
8	Boost business	84	132	69	0	0	4.05	5
9	Encourage entrepreneurship	111	111	57	0	0	4.15	4
10	Ease business activities	84	87	99	6	9	3.81	10
11	Creation of environment that can attract investment to the town	102	102	45	18	18	3.88	8
12	Development of infrastructure	138	93	54	0	0	4.29	2

Source: Field Survey, 2021.

Table 4.2 shows the ranking of the benefits for establishing standard market by Relative Importance Index (RII).

Hypotheses Testing:

Hypothesis 1

H₀: The respondents are not aware of benefits of reduction in price of commodities as a result of standard market in Damaturu.

H₁: The respondents are aware of benefits of reduction in price of commodities as a result of standard market in Damaturu.

Table 4.3: Observed and Expected Counts Type of Respondent Against Reduction in Price of Commodities

Type of Respondent	Reduction in price of commodities					Total	
	Strongly Agree	Agree	Disagree	Strongly Disagree	Undecided		
Sitting Trader	Count	37	20	9	7	7	80
	Expected Count	22.7	15.2	12.9	16.6	12.6	80.0
Mobile Trader	Count	21	15	18	6	8	68
	Expected Count	19.3	12.9	11.0	14.1	10.7	68.0
Consumer	Count	10	8	9	23	15	65
	Expected Count	18.5	12.3	10.5	13.5	10.3	65.0
Government Officer	Count	13	11	10	23	15	72
	Expected Count	20.5	13.6	11.6	14.9	11.4	72.0
Total	Count	81	54	46	59	45	285

Expected Count	81.0	54.0	46.0	59.0	45.0	285.0
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Source: Field Survey, 2021.

Table 4.4: Chi-Square Tests for awareness on reduction in price commodities

Test Statistic	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	53.613	12	.000
N of Valid Cases	285		

Table 4.4 presents the result of Chi-square test between type of respondents and awareness on reduction in price of commodities as a result of modern market in Damaturu.

Hypothesis 2

H₀: The respondents are not aware of benefits of availability of commodities as a result of standard market in Damaturu

H₁: The respondents are aware of benefits of availability of commodities as a result of standard market in Damaturu

Table 4.5: Observed and Expected Counts Type of Respondent Against Availability of Commodities

Type of Respondent		Availability of commodities					Total
		Strongly Agree	Agree	Disagree	Strongly Disagree	Undecided	
Sitting Trader	Count	36	28	8	11	7	90
	Expected Count	28.4	26.2	12.3	12.3	10.7	90.0
Mobile Trader	Count	17	32	11	9	6	75
	Expected Count	23.7	21.8	10.3	10.3	8.9	75.0
Consumer	Count	30	15	10	10	8	73
	Expected Count	23.1	21.3	10.0	10.0	8.7	73.0
Government Officer	Count	7	8	10	9	13	47
	Expected Count	14.8	13.7	6.4	6.4	5.6	47.0
Total	Count	90	83	39	39	34	285
	Expected Count	90.0	83.0	39.0	39.0	34.0	285.0

Source: Field Survey, 2021.

Table 4.6: Chi-Square Tests on awareness on availability of commodities as a result of modern market.

Test Statistic	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	36.141	12	.000
N of Valid Cases	285		

Table 4.6 presents the result of Chi-square test between type of respondents and awareness on availability of commodities as a result of modern market in Damaturu.

V. SUMMARY FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

Summary of Important Findings

- It was established in accordance with relative importance index (RII) that, the lack of interest by the Government to develop modern market in the capital city, inadequacy of capital/credit

to embark on market development, inability of most people to afford standard trading setting due to poverty, government regulations, huge cost required for market development, lack of infrastructure (needed to sustain standard market), low demand and low profit margin, poor network supply of goods (low quantity and quality of supply), insurgency, lack of

quality road and preference for more trading across national border are the major reason for the absence of modern market in the city (1st to 11th) respectively.

- The 1st to 12th ranks of the benefits for establishing standard market are: high trading capacity (response to demand), development of infrastructure, increase in trade volume, encourage entrepreneurship, boost business, reduction in price of commodities, creation of environment that can attract investment (to the town), increase in food production, increase of business opportunities in the town, availability of commodities, accessibility to market throughout the year and reduction in cost of transportation.
- The study revealed Pearson Chi-square (χ^2) gives the chi-value as 53.613. This is insignificant because at 0.05 level of significance the null hypothesis is rejected since $P = 0.00 < \alpha = 0.05$. That is, the respondents are aware of the benefits of reduction in price of commodities as a result of the development of standard market in Damaturu (table 4).
- It was also established that, the respondents are aware of benefits of availability of commodities as a result of construction of standard market in Damaturu. The Pearson Chi-square (χ^2) gives chi-value as 36.141. This is insignificant because at 0.05 level of significance the null hypothesis is rejected since $P = 0.00 < \alpha = 0.05$ (table 6).
- It was also indicated that, the internally generated revenue (IGR) of the state government and creation of job opportunities will be highly improve through market development.

Conclusions

It was conclusion that, until the capital city of Damaturu obtained modern market, the state will continue to depend on other neighbouring states for many facilities, services and commodities which eventually reduce the revenue generation of the state, increase cost of commodities in the market, and allowing the business in the city to be control by few individuals within and outside the state.

Market development is an investment which the state government cannot circumvent as it elevate many business enterprises especially small and medium enterprises, create job opportunities for both skilled and unskilled labours, and decrease commodity price.

Recommendations

- Governments should adjust its policies to give more concern to the development of infrastructure, small-scale businesses, and ensure the actualization of having well organized and planned market in Damaturu metropolis in order to provide enabling environment that will favour the economic development of both small, medium, and large scale enterprises and attract more investors to the state capital.
- As the financial capabilities of the government, business owners and consumers are expected to improve due to market development, the state government should bear the risks of providing the project capital or partner private investors for that purpose; and the price of the shops should be subsidised to allow the owners of small-scale businesses obtain.
- The Yobe State Chamber of commerce and all other stakeholders responsible for initiating investment opportunities in the state should intensify effort toward the development of modern market, as it hypothetically reduce the price of commodities which means control of inflation and ensure the supply of variety of commodities. This is a goal needed to be achieved by every responsible democratic government for political reasons.
- The government should ensure the installation of loading and offloading equipment's in the state capital to reduce the dependency of many business owners in the city from their counterparts in the neighbouring states for loading or offloading of their commodities purchased from national and international markets.

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