

Title Structure, conduct and performance of the banana market in Malawi: case study of Thyolo and Nkhatabay RDPs

Author F.T. Nthakomwa

Citation Program and Abstracts, Banana 2008, Banana and plantain in Africa: Harnessing international partnerships to increase research impact, Leisure Lodge Resort, Mombasa, Kenya, 5-9 October 2008. 198 pages.

Keyword banana; market

Abstract

A study was carried out in Thyolo and Nkhata Bay Rural Development Projects (RDP), Malawi, to assess the structure, conduct and performance of the banana market in Malawi. Producers, traders and transporters were interviewed in both the production and marketing areas. The market shares and Herfindahl-Hirschman Index (HHI) calculations indicated that the banana market in Malawi is competitive in nature. Market margin analysis indicated that the banana market would be fairly efficient if the producers also acted as middlemen. However, retailers were found to be making supernormal profits in all the channels. Simple price correlations indicated that Nkhata Bay-Mzuzu markets and Blantyre-Thyolo markets were slightly integrated and significant at 1% and 5% respectively. The coefficients further indicated that market segmentation existed between Lilongwe and Mzuzu markets.