

# BUSITEMA UNIVERSITY ARAPAI CAMPUS FACULTY OF AGRICULTURE AND ANIMAL SCIENCES DEPARTMENT OF AGRIBUSINESS AND EXTENSION

TOPIC: RELATIONSHIP BETWEEN CONSUMER CHOICES AND MARKETING DECISIONS: A CASE OF FRESH TOMATO RETAILERS' PERCEPTIONS IN SOROTI CITY.

 $\mathbf{BY}$ 

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RESEARCH DISSERTATION SUBMITTED TO THE DEPARTMENT OF
AGRIBUSINESS AND EXTENSION IN PARTIAL FULFILLMENT OF
THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF
BACHELOR OF AGRIBUSINESS OF BUSITEMA UNIVERSITY

**MARCH 2024** 

## **DECLARATION**

I hereby declare that this research dissertation is my original work and has never been submitted
to any University or Institution of higher learning for an academic award
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## **APPROVAL**

I the under signed hereby approve the submission of this dissertation to the Department of
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## **DEDICATION**

I dedicate this dissertation to my beloved Father, Mr. Muki Batali Buli, my dearest Aunt Ms. Ama Pilister and all my family members for their reliable financial and non-financial support that they accorded to me throughout the course of my academic journey.

#### **ACKNOWLEDGEMENTS**

I acknowledge the technical guidance of my supervisor Mr. Ogulli Francis, Madam Akidi Lynette and the entire academic staff of Busitema University Arapai Campus. I also acknowledge the unwavering financial and non-financial support of my family especially, my Father Muki Batali, my beloved Aunt Ama Pilister and my Sister Abau Margaret for all their endeavors of ensuring that I complete my first degree studies.

In addition, I do acknowledge my academic friends for their love and academic support especially Mangeni John Daba, Kemigisha Ritah Valentine, Ariniitwe Benex and Bwire Augustine. I pray that God blesses every work of their hands.

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## LIST OF ACRONYMS

BUAC	Busitema University Arapai Campus
FAAS	Faculty of Agriculture and Animal Sciences
FAO	Food and Agriculture Organization of the United Nations
SPSS (20)	Statistical Package of Social Sciences version 20

#### **ABSTRACT**

This study aimed at assessing the effect of consumer choices on marketing decisions of fresh tomato retailers in Soroti City. It was observed that tomato retailers in Soroti city register low gross margins and this could be attributed to insufficient use of consumer choices in their marketing decisions. The study objectives were; to characterize marketing decisions of tomato retailers in the study area; to determine the relationship between consumer preference and marketing decisions of tomato retailers; and to determine the relationship between of consumer prices and marketing decisions of tomato retailers in Soroti city. A cross sectional survey was conducted on 100 fresh tomato retailers using semi-structured questionnaires of which qualitative and quantitative data was collected.

The study area was purposively selected since it is a central business city for Teso-sub region of which tomato marketing is a key economic activity. The study was conducted in all daily markets in the city center and the surrounding suburbs. The study sample was determined using proportions for each market and simple random sampling technique was used to select the retailers that were interviewed. The study findings indicate that tomato retailing in Soroti city is characterized by; most retailers selling hybrid tomato varieties, obovoid in shape, dark red in color, firm in consistency, and inorganically produced; in addition tomato safety from the fugaris of weather was key in determining where stall was located; the selling price was determined using cost-plus strategy; and finally, consumers were motivated to buy tomatoes by giving bonuses and customer care services. The study further found that, the relationship between consumer utility and marketing decisions was moderate and positive (r=0.555); there is a significant relationship between consumer utility and marketing decision (p=0.000) at 5%. This indicates that, an increase in consumer utility results to a moderate increase in marketing decisions by tomato retailers. Finally, the study revealed that, the relationship between consumer prices and marketing decisions is negative and weak(r = -0.104); the p-value of 0.305 indicates that there is a no significant relationship between consumer prices and marketing decisions and this suggests that an increase in consumer prices leads to a marginal decrease in marketing decisions of tomato retailers. In conclusion, tomato retailers use some aspects of the 4ps of marketing in making marketing decisions; consumer preferences have a positive relationship on marketing decisions and consumer prices have a negative relationship on marketing decisions of tomato retailers.

#### **CHAPTER ONE**

#### 1.0 INTRODUCTION

This chapter consisted of the study background, problem statement, and objectives of the study, study questions, significance, justification, scope and theoretical framework of the study.

#### 1.1 Background

Tomato (solanum esculentum) is recognized worldwide as one of the most popular and versatile fruits. It is a herbaceous sprawling plant growing to 1-3 m in height with weak woody stem (Medina *et al.*, 2017). The fruit originated from the Andes, in what is now called Peru, Bolivia, Chili and Ecuador – where they grew wild. The Aztecs and Incas first cultivated them as early as 700 A.D. "The earlier tomatoes were little sour berries that grew on low bushes in dry, sunny places in the Andes mountain in South America beginning about 350 million years ago" (Mehta, 2017). The flowers were yellow in color and the fruits of cultivated varieties varied in size from cherry tomatoes, about 1-2 cm in size to beefsteak tomatoes, about 10cm or more in diameter.

According to Dhaliwal( 2014) tomato was introduced in East Africa, during the colonial period and quickly gained popularity due to their adaptability to the region's climate and the diverse traditions of the local populations. From then, tomatoes have remained a staple vegetable in East Africa including Uganda. The fresh tomato industry is a key contributor to the economy, creating employment opportunities, supporting livelihoods, and generating revenue through the local and international trade (Report, 2014). The vegetable fruit is also a vital ingredient in numerous dishes and processed foods. It is consumed in different ways for instance fresh (salads and desserts), dried, and in processed products like paste, sauce and ketchup. Its consumption in various ways has led to differences in consumer choices.

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