

ABSTRACT

Supply chain management is more important in the sector of agribusiness because most of the agricultural products are perishable and have a very short shelf life. The study consists of analyzing the impact of supply chain management on agribusiness sales volume in Rwanda. The study applied quantitative and qualitative research techniques, quantitative techniques were used in collecting data using semi-structured interviews and questionnaires. For the qualitative researcher focused on the values i.e. people's attitude and opinions about the marketing efficiencies in performance of functions in the supply chain by traditional, cooperative and modern formats in vegetable marketing. Kigali city was selected as the study area because of different formats practicing supply chain. Mainly three models of supply chain techniques were selected; they were traditional, cooperative and modern supply chain. A total of 45 farmers, 4 intermediaries, 25 retail formats and 60 consumers were selected in aggregate from all the supply chain format models. For the homogeneity of the products in which these formats dealing 4 vegetables namely, tomato, cabbage, carrot and capsicum were selected because there were commonly delt in large quantities in all the selected models of supply chain. In this study all prices are expressed in thousands of Rwandan Francs, but for the purpose of simplification The study found out that among the sample farmers highest marketing cost was incurred by farmers in traditional format of the supply chain i.e., FRs. 1.6 per kg as compared to cooperative and modern supply chain i.e., FRs. 0.83 per kg and FRs. 0.46 per kg respectively. The intermediaries were involved only in the traditional supply chain. Among the retail formats, the cost incurred per kg of vegetables by traditional, cooperative and modern supply chain was found out to be FRs. 1.63, FRs. 1.01 and FRs. 0.80, respectively. But, the net return for one kg of vegetables was highest for cooperative retail format i.e., 1.90 followed by modern and traditional retail format FRs. 0.79 and FRs. 0.63 respectively. The index of marketing efficiency was found out to be 1.97, 2.10 and 4.32 for traditional, cooperative and modern supply chain respectively. Hence, modern supply chain was found out to be more efficient than cooperative and modern supply chain. With highest marketing cost incurred by farmers in traditional supply chain as compared to cooperative and modern supply chain. At the same time modern and cooperative supply chain is having the smallest price spread of FRs. 4.10 per kg and FRs. 4.10 per kg respectively. Hence these are found out to be efficient when compared to that of traditional supply chain which is having highest price spread i.e., FRs. 8.31 per kg. Hence it is advisable to the farmers to sell their produce through modern supply chain and cooperative supply chain.