Survey of inventory policies of fresh fruit and vegetable vendors - Githurai market

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Abstract:

This study surveyed inventory policies of fruit and vegetable vendors at Githurai market. The objectives of the study were to: find out the inventory problems faced by vegetable vendors at the market, examine inventory policies adopted by the vendors and compare the relationship between inventory management and demographic variables (gender, literacy level and experience). This study used stratified random sampling. The sample was stratified into three strata namely: tomato, onion and fruit vendors. Randomly, 20 tomato, 20 onion and 25 fruit vendors were sampled for interview. Chi-square test was carried out at 5% significance level to test the relationship between inventory management and demographic variables (gender, literacy level and experience). Findings indicated that the vendors faced the following inventory problems: stock-outs, perishability of stock, difficulties in demand forecasting and difficulties in the delicate act of balancing inventory holding and ordering costs. The study found that, vendors relied heavily on seasons to predict demand, contrary to expectations that they relied on past sales. Other major findings were that; there existed a significant relationship between gender and inventory management, there was insignificant relationship between experience, education and inventory management. The study recommends that to save the vendors from the inventory problems, the government, non-governmental organizations and other stakeholders in this sector should come up with business planning training package for vendors. They should also be encouraged to use better and economical storage techniques such as the use of charcoal and water. The study calls on future researches to be more focused on optimality and profit maximization of perishable inventories.