

DOUBLE-HURDLE MODEL OF FRESH FISH CONSUMPTION AMONG URBAN HOUSEHOLDS IN SOUTH-WEST NIGERIA

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Abstract

Most studies on consumption of products with possibility of observing zero-consumption for some consumers have modeled consumption function using the Tobit model, assuming that factors that are responsible for whether to consume a product or not are equally responsible for determining how much to consume. This approach has been severally faulted. This study investigated factors affecting consumption of fresh fish using the single step estimation method of the Tobit model, the independent double-hurdle approach and the dependent double-hurdle model. Data collected from 218 households in Abeokuta, South-west Nigeria were used for the study. Model fitness criteria revealed the superiority of joint estimation (dependent double-hurdle model). The model results revealed that husband's income, wife's income, expenditure on beef and dependency ratio significantly affected participation (decision to consume) while household size, husband's education, husband's income, wife's income, expenditure on dry fish and dependency ratio significantly affected consumption (how much to consume). It is recommended that public enlightenment should focus on the importance of consuming fresh fish among households and fresh fish sellers should focus on educated and high income households as this segment of the market demand more of the product.

Demand, elasticity, income, joint analysis, Nigeria, single-step,