

ABSTRACT

In this thesis an attempt was made to determine the effect on returns to nutmeg producers of a change in the marketing strategy of the Grenada Cooperative Nutmeg Association. The existing marketing strategy consists of sale of the nutmegs in the raw state only. The suggested strategy consists of sale of sound nutmegs in the raw state, and the processing of the defective nutmegs for sale as nutmeg oil and nutmeg butter.

The study involved an examination of the production and marketing aspects of the nutmeg industry, an analysis of the conditions in the World nutmeg market and an estimation of the cost of producing and marketing Grenada nutmegs. The technical, financial, and economic aspects of the establishment by the Grenada Cooperative Nutmeg Association of a nutmeg oil distillery were evaluated and returns from sale of the nutmegs under the existing marketing strategy were compared with returns from sale of the nutmegs under the proposed strategy.

The indications were that the establishment of a nutmeg oil distillery in Grenada was quite feasible and that the returns from sale of the nutmegs under the proposed strategy exceeded returns from sale of the nutmegs under the existing strategy. The conclusion was that the proposed change in marketing strategy would result in increased returns to the nutmeg producers and hence, the change has been recommended.