

CREDIT ACCESS, SOURCES AND DETERMINANTS AMONG POULTRY FARMERS IN OYO STATE, NIGERIA

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Abstract

This study assessed access to credit access among poultry farmers in Akinyele Local Government Area of Oyo State, Nigeria. Specifically, it examined the socioeconomic characteristics of farmers, sources and accessibility of agricultural credit, borrowing preferences and constraints, and factors influencing credit access. Data were collected from poultry farmers using a structured questionnaire and analysed using descriptive statistics and binary logistic regression. The findings showed that poultry farming was predominantly undertaken by males (79.8%), while 80.8% of respondents were aged 20–45 years and 89.9% had tertiary education. Credit access was high, with 99.0% of respondents having access to credit. Commercial banks were the major source of credit (59.6%), while flexible repayment terms (33.3%) and affordable interest rates (28.3%) were the major factors motivating credit acquisition. High interest rates, bureaucratic procedures, and collateral or guarantor requirements were major constraints. The logistic regression model was statistically significant at the 1% level, with gender, educational status, and business worth showing positive and significant relationships with credit access. The study concludes that farmers' socioeconomic characteristics and business strength are important to credit access. It recommends improved financial literacy, support for poultry business growth, inclusive credit policies, and stronger linkages between farmers and financial institutions to enhance access to agricultural finance.

Keywords: Agricultural credit, poultry farmers, credit access, borrowing preferences, Akinyele LGA

1. Introduction

The poultry industry is one of the fastest-growing agricultural subsectors globally and contributes significantly to food security, employment generation, household income, and the supply of high-quality animal protein. In Nigeria, poultry production is an important component of the livestock sector because of its relatively short production cycle, high economic returns, and growing domestic demand for poultry meat and eggs (OECD & FAO, 2024).

Despite its economic importance, poultry production in Nigeria continues to face numerous challenges, including high feed costs, disease outbreaks, inadequate infrastructure, poor market access, and limited access to affordable agricultural credit. Among these constraints, inadequate financing remains one of the major barriers to farm expansion and productivity because it limits farmers' ability to purchase quality day-old chicks, feeds, veterinary services, equipment, and other essential production inputs (Elum & Obiajunwa, 2022).

Credit access plays a critical role in improving farm productivity, promoting technology adoption, increasing farm income, and enhancing rural livelihoods. In Nigeria, agricultural finance is obtained through both formal and informal sources. Formal credit is provided by commercial banks, microfinance banks, the Bank of Agriculture, cooperative societies, and government-supported intervention programmes coordinated by the Central Bank of Nigeria. Informal credit, on the other hand, is sourced from relatives, friends, traders, money lenders, and rotating savings groups. Although formal credit usually provides larger loan sizes and relatively lower interest rates, many smallholder poultry farmers remain financially excluded because of collateral requirements, complex loan application procedures, inadequate financial records, and high transaction costs (Elum & Obiajunwa, 2022).

Recent empirical studies have shown that credit access among poultry farmers is significantly influenced by education, extension contacts, entrepreneurial training, flock size, distance to lending institutions, household income, and collateral availability. High interest rates, inadequate documentation, lack of collateral, and limited awareness of available credit schemes remain major constraints to credit access among poultry farmers in Nigeria. (Ibidapo & Ogunsipe, 2024).

Although previous studies have examined credit access in Nigeria, most focused on crop farming or generalized agricultural enterprises, while relatively few have specifically investigated both formal and informal credit sources among poultry farmers. Moreover, the recent changes in Nigeria's economic environment and agricultural financing policies necessitate updated empirical evidence on factors influencing credit access among poultry producers. This study therefore examines the credit access available to poultry farmers, the conditions attached to obtaining such credit, and the socioeconomic factors influencing access to formal and informal credit access in the study area.

2. Literature Review and Theoretical Framework

2.1. Credit access and poultry production

Credit access is widely recognized as an essential production input that enhances farmers' ability to adopt improved technologies, increase farm productivity, and improve household welfare. Credit relaxes farmers' liquidity constraints, enabling investment in productive assets such as improved breeds, feeds, veterinary services, housing facilities, and farm equipment. In the poultry industry, where production is highly capital intensive and operating costs are continuously increasing, access to adequate and timely finance significantly determines enterprise performance.

In Nigeria, agricultural finance is broadly categorized into formal and informal sources. Formal credit is provided through commercial banks, microfinance banks, the Bank of Agriculture, cooperative societies, and government intervention programmes, whereas informal credit originates from relatives, friends, traders, rotating savings groups, and local money lenders. Although formal credit generally offers relatively lower interest rates and larger loan amounts, access remains difficult for many

smallholder poultry farmers because of collateral requirements, bureaucratic lending procedures, inadequate financial records, and high transaction costs.

Consequently, informal credit continues to complement formal financial institutions, especially among resource-poor farmers. Recent evidence indicates that improving farmers' credit access significantly increases investment in poultry enterprises, enhances adoption of improved production practices, and raises farm profitability. However, financial exclusion remains widespread despite several government intervention programmes aimed at expanding agricultural lending.

2.2. Determinants of credit access

Empirical studies consistently identify socioeconomic, institutional and enterprise characteristics as major determinants of farmers' access to agricultural credit. Education improves farmers' financial literacy and their ability to satisfy lending requirements, while farming experience enhances lenders' confidence in borrowers' managerial competence. Farm size, flock size, household income, membership of cooperative societies, extension contact, entrepreneurial training, and ownership of productive assets have also been reported as important determinants of access to both formal and informal credit. Conversely, distance to financial institutions, high lending interest rates, inadequate collateral, poor documentation, and lengthy loan processing procedures reduce farmers' likelihood of obtaining institutional credit.

Ukpe and Ewung (2023) found that educational attainment, enterprise size, household assets and participation in poultry training significantly influenced poultry farmers' choice between formal and informal credit markets in Cross River State. Similarly, Adeyonu et al. (2024) reported that extension services, entrepreneurial training and proximity to lending institutions significantly increased access to formal credit among poultry farmers in Abuja, while years of schooling influenced the amount of credit obtained. Likewise, Adewuyi et al. (2024) identified farming experience and flock size as significant determinants of credit access among poultry egg farmers in Ogun State, whereas collateral requirements, high interest rates and inadequate awareness constituted the major constraints.

2.3. Theoretical framework

This study is anchored primarily on the Credit Rationing Theory developed by Stiglitz and Weiss (1981). The theory posits that imperfect information between borrowers and lenders creates information asymmetry, making it difficult for financial institutions to accurately distinguish between high-risk and low-risk borrowers. As a result, lenders often ration credit rather than increase lending interest rates because higher interest rates may attract riskier borrowers and increase the probability of loan default. Consequently, financial institutions impose collateral requirements and other stringent lending conditions to minimize credit risk, leading to situations where many creditworthy farmers receive smaller loans than requested or are denied credit altogether (Stiglitz & Weiss, 1981).

The study is further supported by the Financial Intermediation Theory, which explains the crucial role of financial institutions in mobilizing savings and allocating financial resources efficiently to productive investments. Financial intermediaries reduce transaction costs, overcome information asymmetry, diversify risk, and facilitate the efficient allocation of capital within the economy. Efficient financial intermediation improves credit access for productive sectors such as agriculture, thereby enhancing farm productivity, income generation, and rural economic development (Levine, 1997). Conversely,

weak financial intermediation compels farmers to depend largely on informal credit markets, which are often characterized by limited loan availability, high transaction costs, and relatively unfavourable lending conditions. Among the two theories, the Credit Rationing Theory provides the most appropriate framework for this study because it directly explains the persistent challenges poultry farmers face in accessing credit despite the existence of several formal and informal lending programmes. The theory provides a sound explanation for the influence of collateral requirements, interest rates, and other institutional lending conditions on farmers' access to agricultural finance, which constitute the major focus of this study.

2.4. Research gap

Although numerous studies have examined credit access in Nigeria, many focused on crop production or general agricultural enterprises. Existing studies on poultry farmers have largely concentrated on either determinant of credit access or the effects of credit on productivity within specific states.

Comparatively few studies have simultaneously examined the sources of agricultural credit, conditions attached to obtaining credit, and factors influencing access to both formal and informal credit among poultry farmers. Furthermore, the current macroeconomic environment characterized by rising inflation, increasing lending rates, and escalating production costs may have altered farmers' credit behaviour. Therefore, updated empirical evidence is required to support agricultural financing policies capable of improving financial inclusion and enhancing the competitiveness of Nigeria's poultry industry.

3. Materials and Methods

3.1. Study area

The study was conducted in Akinyele Local Government Area (LGA) of Oyo State, Nigeria. Akinyele is one of the eleven LGAs within the Ibadan metropolis, with its administrative headquarters located at Moniya. The LGA covers approximately 464.9 km² and had an estimated population of about 239,745 based on projections from the 2006 National Population Census (National Bureau of Statistics NBS, 2020). It lies within the humid rainforest zone of southwestern Nigeria, characterized by climatic conditions favourable for both crop and livestock production.

Agriculture is the predominant occupation of the inhabitants, with farming activities including crop cultivation, poultry, fishery, and other livestock enterprises. Akinyele LGA was purposively selected for this study because it is one of the major poultry-producing areas in Oyo State, hosting a high concentration of commercial and smallholder poultry farms. This makes the area particularly suitable for investigating credit access among poultry farmers.

3.2 Data collection

Primary data were collected through a structured questionnaire administered to poultry farmers in the study area. The questionnaire elicited information on respondents' socioeconomic characteristics, sources of agricultural credit, access to formal and informal credit, loan conditions, and constraints associated with obtaining credit.

3.3. Sampling procedure

A multistage sampling technique was employed to select the respondents for the study. In the first stage, six out of the twelve wards in Akinyele Local Government Area were purposively selected based on the concentration of poultry farming activities. The selected wards were Mele & Okegbemi & Olorisa-Okole, Ojedeji & Ijaye, Idi-Oro & Talonta & Iwokoto, Onidundun & Amosun & Olode, Labode & Oboda & Olanla, and Ikereku.

In the second stage, three villages were randomly selected from each of the six wards, resulting in a total of eighteen villages. In the final stage, six poultry farmers were randomly selected from each village, giving an initial sample size of 108 respondents.

Data were collected through face-to-face interviews using a structured questionnaire. However, only 99 questionnaires were successfully retrieved and found suitable for analysis, while nine questionnaires were either not retrieved or contained incomplete responses and were therefore excluded from the analysis. For respondents who were unable to read or write, the questionnaire was administered orally, and their responses were recorded by the researcher.

3.4. Analytical techniques

Data were analysed using both descriptive and inferential statistical techniques. Descriptive statistics, including frequencies, percentages, means, and standard deviations, were used to summarize the socioeconomic characteristics of respondents, sources of agricultural credit, and borrowing behaviour. A binary logistic regression (Logit) model was employed to identify the factors influencing poultry farmers' access to agricultural credit, while a five-point Likert scale was used to assess the severity of constraints affecting credit access facilities.

3.5. Model specification

A binary logistic regression (Logit) model was employed to examine the factors influencing poultry farmers' access to agricultural credit. The Logit model is appropriate because the dependent variable is binary, taking the value of 1 if a farmer had access to credit access and 0 otherwise. Unlike the linear probability model, the Logit approach constrains predicted probabilities to the interval of 0 and 1 and provides consistent estimates of the effects of explanatory variables on the likelihood of credit access.

❖ The empirical model is specified as formula 1:

$$\text{❖ } L_i = \ln \frac{P_i}{1-P_i} = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \dots + \beta_K X_K + \varepsilon_i \quad (1)$$

❖ Where:

❖ (P_i) = probability that the i th farmer accessed agricultural credit;

❖ $(1 - P_i)$ = probability that the farmer did not access agricultural credit;

❖ $\left(\frac{P_i}{1-P_i}\right)$ = Odds of accessing agricultural credit.

❖ $\left(\ln \frac{P_i}{1-P_i}\right)$ = Log-odds (logit).

❖ (β_0) = intercept;

- ❖ $(\beta_1 + \beta_2 + \beta_3 + \dots + \beta_K)$ = regression coefficients ;
- ❖ $(X_1 + X_2 + X_3 + \dots + X_K)$ = explanatory variables; and
- ❖ (ε_i) = random error term.

The explanatory variables included in the model are:

- ❖ (X_1) : Age – measured in years.
- ❖ (X_2) : Gender – Male = 1, Female = 0.
- ❖ (X_3) : Household size – Number of household members.
- ❖ (X_4) : Interest rate – Measured as a percentage (%).
- ❖ (X_5) : Collateral availability – Landed property = 1, Other/None = 0.
- ❖ (X_6) : Educational attainment – Formal education = 1, Otherwise = 0.
- ❖ (X_7) : Business worth - Measured in Nigerian Naira (₦).
- ❖ (X_8) : value or level of assets owned by the poultry farmer - Measured in Nigerian Naira (₦).
- ❖ (X_9) : Loan repayment period – Agreed repayment period = 1, Otherwise = 0.
- ❖ (β_0) : constant term;
- ❖ $(\beta_1, \dots, \beta_9)$: parameters to be estimated; and
- ❖ (ε) : error term.

4. Results

4.1. Socioeconomic characteristics of poultry farmers

The socioeconomic characteristics of the respondents are presented in Table 1.

Table 1. Socioeconomic characteristics of poultry farmers

Variable	Frequency	Percentage (%)
Gender		
Male	79	79.8
Female	20	20.2
Total	99	100.0
Age (Years)		
20–35	41	41.4
36–45	39	39.4
46–55	15	15.2
56–65	2	2.0
66 years and above	2	2.0
Total	99	100.0
Marital Status		
Single	9	9.1
Married	87	87.9

Variable	Frequency	Percentage (%)
Divorced	2	2.0
Widowed	1	1.0
Total	99	100.0
Education		
Primary Education	1	1.0
Modern School Education	2	2.0
Secondary Education	7	7.1
Tertiary Education	89	89.9
Total	99	100.0
Family Size		
Less than or equal to 2	22	22.2
3–4	49	49.5
5–6	26	26.3
Greater than 6	2	2.0
Total	99	100.0

Source: Field survey, 2026

The findings indicate that poultry production in the study area was predominantly undertaken by males, who constituted 79.8% of the respondents, while females accounted for 20.2%. This distribution suggests greater male participation in poultry farming, which may reflect the relatively high labour and financial requirements associated with commercial poultry production. The result implies that men continue to dominate commercial poultry enterprises, particularly where access to productive resources and agricultural finance is essential. This finding is consistent with the reports of Adeyonu et al. (2024) and Orimogunje et al. (2021), who similarly observed that male farmers constituted many poultry producers and beneficiaries of credit access in Nigeria. With respect to age, 80.8% of the respondents were between 20 and 45 years, indicating that poultry farming is largely driven by individuals within the economically active age group. This finding implies that the enterprise attracts relatively young and productive farmers who are more likely to adopt improved production practices and take advantage of agricultural support programmes. The marital status distribution revealed that the majority (87.9%) of the respondents were married, while 9.1% were single, 2.0% were divorced, and 1.0% were widowed. This may be attributed to the greater economic responsibilities associated with family life, which often encourage participation in income-generating activities such as poultry farming. The finding is consistent with Afolabi (2010), who noted that marital responsibilities can influence farmers' production and investment decisions.

The results further showed that 89.9% of the respondents had attained tertiary education, while 7.1% had secondary education, 2.0% had modern school education, and 1.0% had primary education. This indicates a relatively high literacy level among poultry farmers in the study area. A higher level of education is expected to enhance managerial ability, facilitate access to agricultural information, and improve farmers' understanding of credit requirements and financial management. Regarding household size, 49.5% of the respondents had between three and four household members, 26.3% had between five and six members, 22.2% had two or fewer household members, while only 2.0% had household sizes greater than six. This suggests a moderate household size that may provide adequate family labour for poultry production while minimizing household consumption pressure.

4.2. Credit Sources, accessibility and constraints among poultry farmers

The distribution of respondents according to their sources of agricultural credit, level of credit access, borrowing characteristics, and constraints is presented in Table 2.

The findings reveal that 99.0% of the respondents had access to credit access from either formal or informal sources during the study period, while only 1.0% reported having no access. This remarkably high level of credit access may be attributed to the relatively high educational attainment of the respondents (Table 1), which is expected to enhance financial literacy, awareness of available credit opportunities, and compliance with lending requirements.

It may also reflect the availability of diverse credit channels within the study area, including commercial banks, thrift or cooperative societies, family members, friends, and money lenders. Similar findings have been reported by Ukpe and Ewung (2023), who observed that education and institutional factors significantly influenced poultry farmers' participation in both formal and informal credit markets.

Among the various credit providers, commercial banks constituted the major source of agricultural credit, accounting for 59.6% of the respondents, followed by thrift or cooperative societies (21.2%), family and friends (16.2%), and money lenders (3.0%). This distribution suggests that although formal financial institutions remain the dominant source of agricultural finance, informal credit continues to complement formal lending by providing relatively quick and flexible financial support to poultry farmers. This finding agrees with Adeyonu et al. (2024), who reported that formal financial institutions remained the principal source of credit access among poultry farmers. Regarding collateral requirements, guarantors constituted the most frequently requested form of security (64.6%), followed by landed property (21.2%), promissory notes (6.1%), while 7.1% of the respondents obtained loans without any collateral requirement.

Only 1.0% pledged jewelry as collateral. The predominance of guarantors suggests that lenders attach considerable importance to social credibility and third-party assurance in the loan approval process. This finding supports the Credit Rationing Theory, which posits that financial institutions adopt collateral and other screening mechanisms to minimize lending risk arising from information asymmetry between lenders and borrowers (Stiglitz & Weiss, 1981). Similarly, Adewuyi et al. (2024) reported that collateral requirements remain a major determinant of poultry farmers' access to institutional credit in southwestern Nigeria.

The major factors motivating respondents to obtain credit access included flexible repayment terms and conditions (33.3%), affordable interest rates (28.3%), ease of accessing credit (24.2%), less stringent collateral requirements (10.1%), and frequency of loan collection (4.0%). These findings indicate that farmers' borrowing decisions are influenced not only by the availability of credit but also by the lending conditions attached to the loan facility.

Table 2. Credit sources, accessibility and constraints among poultry farmers

Variable	Frequency	Percentage (%)
Easy Accessibility of Credit		
Yes	98	99.0
No	1	1.0

Variable	Frequency	Percentage (%)
Total	99	100.0
Credit Source		
Bank	59	59.6
Family and Friends	16	16.2
Money Lenders	3	3.0
Thrift	21	21.2
Total	99	100.0
Collateral		
Land	21	21.2
Jewelry	1	1.0
Promissory Note	6	6.1
None	7	7.1
Others (Guarantors)	64	64.6
Total	99	100.0
Motivational Factors		
Affordable Interest Rate	28	28.3
Easy Accessibility	24	24.2
Easy Collateral	10	10.1
Easy Repayment Terms and Conditions	33	33.3
Frequency of Collection	4	4.0
Total	99	100.0
Frequency of Obtaining Credit		
Once in a Week	7	7.1
Once in a Month	8	8.1
Once in Three Months	65	65.7
Once in Six Months	17	17.2
Once a Year	2	2.0
Total	99	100.0
Payback Medium		
Cash	97	98.0
Kind	2	2.0
Total	99	100.0
Challenges of Accessing Loan		
Paucity of Fund	4	4.0
Bureaucracy	19	19.2
Insult	7	7.1
High Interest	20	20.2
Collateral	6	6.1
Others	43	43.4
Total	99	100.0
Solutions		

Variable	Frequency	Percentage (%)
Reduce Interest	46	46.5
Reduce the Procedure to Obtain Loan	24	24.2
Reduce the Collateral Requirements	8	8.1
Make Loan Frequent	2	2.0
Others	19	19.2
Total	99	100.0

Source: Field survey, 2026

This observation agrees with Ukpe and Ewung (2023), who found that favourable lending conditions, particularly lower interest rates and flexible repayment arrangements, significantly encourage farmers' participation in both formal and informal credit markets.

The borrowing pattern further revealed that 65.7% of the respondents obtained credit at approximately three-month intervals, while 17.2% borrowed every six months. Smaller proportions obtained credit monthly (8.1%), weekly (7.1%), and annually (2.0%). The predominance of short-term borrowing reflects the recurrent working-capital requirements of poultry enterprises, particularly for the purchase of feed, day-old chicks, veterinary drugs, and other production inputs. This pattern is consistent with the production cycle of poultry enterprises, which requires regular capital inflows to sustain continuous production (Adeyonu et al., 2024).

With respect to loan repayment, 98.0% of the respondents repaid their loans in cash, whereas only 2.0% repaid in kind. This outcome reflects the repayment conditions commonly adopted by formal financial institutions, where monetary repayment remains the standard practice. Cash repayment also promotes transparency, facilitates loan monitoring, and improves financial record-keeping by lending institutions.

Despite the high level of credit access observed in the study area, respondents identified several factors limiting effective access to agricultural finance. The most frequently reported challenge was other constraints (43.4%), which largely comprised guarantor-related requirements and other institutional conditions imposed by lending agencies. This was followed by high interest rates (20.2%), bureaucratic loan processing procedures (19.2%), poor treatment by lending personnel (7.1%), collateral requirements (6.1%), and limited availability of loan funds (4.0%). These findings suggest that the mere availability of credit does not necessarily guarantee easy access, as institutional requirements and administrative bottlenecks continue to constrain prospective borrowers. Similar constraints have been documented among poultry farmers in Ogun State by Adewuyi et al. (2024), while Stiglitz and Weiss (1981) explained that lenders often impose such conditions to reduce default risk under conditions of imperfect information.

To improve credit access delivery, nearly half of the respondents (46.5%) recommended reducing lending interest rates. Other suggested measures included simplifying loan application procedures (24.2%), relaxing collateral requirements (8.1%), increasing the frequency of credit disbursement (2.0%), and implementing other institutional reforms (19.2%). These recommendations underscore the need for policies that make credit access more affordable, accessible, and responsive to the financing needs of poultry farmers.

The findings support the recommendation of the OECD & FAO (2024) that improving the efficiency of agricultural financial systems and reducing lending barriers are essential for promoting sustainable agricultural productivity and rural development.

4.3. Borrowing preferences among poultry farmers

The distribution of respondents according to their preference levels for different credit access sources is presented in Table 3. The results indicate that commercial banks remained the most preferred source of agricultural credit, with an overall preference rating of 59.6%. This preference comprised 21.2% of the respondents with a very high preference for commercial banks, 17.2% with a high preference, 10.1% with a moderate preference, 7.1% with a low preference, and 4.0% with a very low preference.

Thrift and other non-bank financial institution constituted the second most preferred source of agricultural credit, accounting for 21.2% of the respondents. Of this proportion, 7.1% expressed a very high preference, 5.1% indicated a high preference, 4.0% reported a moderate preference, 3.0% had a low preference, while 2.0% expressed a very low preference.

Table 3. Borrowing preferences among poultry farmers

Level	Very High	High	Moderate	Low	Very Low	Total
Banks	21.2	17.2	10.1	7.1	4.0	59.6
Non-Bank	7.1	5.1	4.0	3.0	2.0	21.2
Money Lenders	1.0	1.0	0.5	0.5	0.0	3.0
Family & Friends	6.1	3.1	3.0	2.0	2.0	16.2

Source: Field survey, 2026

Family and friends ranked as the third preferred source of credit access with an overall preference of 16.2%. Specifically, 6.1% of the respondents reported a very high preference, 3.1% indicated a high preference, 3.0% expressed a moderate preference, 2.0% had a low preference, while 2.0% reported a very low preference for this source of financing. Money lenders were the least preferred source of agricultural credit, accounting for only 3.0% of the respondents. Among these, 1.0% reported a very high preference, 1.0% indicated a high preference, 0.5% expressed a moderate preference, 0.5% had a low preference, while none of the respondents reported a very low preference.

The predominance of commercial banks as the most preferred source of credit access suggests that poultry farmers continue to place greater confidence in formal financial institutions despite the availability of informal lending arrangements. This preference may be associated with the relatively larger loan amounts, structured repayment schedules, lower lending risks, and wider range of credit access products offered by commercial banks. Nevertheless, the substantial preference for thrift societies and other non-bank financial institutions indicates that these institutions continue to play an important complementary role by providing more flexible lending conditions and faster access to credit.

Likewise, family members and friends remain relevant sources of emergency or short-term financing because of their minimal administrative requirements and flexible repayment arrangements. Conversely, the relatively low preference for money lenders may be attributed to their comparatively higher lending costs and less favourable borrowing conditions. These findings corroborate those of Adeyinu et al. (2024) and Ukpe and Ewung (2023), who reported that formal and informal credit

institutions complement one another in meeting the financial needs of poultry farmers, although formal financial institutions remain the preferred source of agricultural credit.

4.4. Factors associated with access to agricultural credit

The factors influencing poultry farmers' access to credit were analysed using a binary logistic regression model, and the estimated results are presented in Table 4.

Table 4. Factors associated with access to agricultural credit

Variable	Coefficient	Standard Error	Marginal Effect
Constant	-0.44816	0.3110	—
Age	0.1100	0.5032	0.0903 [†]
Gender	0.2101***	0.0175	0.5657 [†]
Household Size	0.1220	0.1009	0.0861 [†]
Interest Rate	-0.0061	0.0063	0.1070 [†]
Collateral Availability	-0.0008	0.0091	0.4496 [†]
Educational Status	0.0881*	0.0537	0.0665 [†]
Business Worth	0.0880*	0.0512	0.0325 [†]
Assets	0.05646	0.1012	0.5325 [†]
Repayment Terms	0.0900	0.0638	0.5306 [†]
Log Likelihood	-12.76		
Likelihood Ratio (LR) Statistic	102.97		
LR degrees of freedom	9		
Number of observations (N)	99		
Average Log Likelihood	-0.1289		
McFadden R ²	0.8014 [†]		

Source: Author computation analysis, 2026

Notes: *** $p < 0.01$; ** $p < 0.05$; * $p < 0.10$.

Educational status and business worth are positively associated with credit access at the 10% level. The coefficients for interest rate, collateral availability, and asset ownership are not statistically significant; therefore, no effect can be concluded for these variables based on the reported estimates.

Previous studies have identified collateral requirements as a potential barrier to formal agricultural credit. In this study, however, the reported coefficient for collateral availability does not provide evidence of a statistically significant association with credit access.

4.5 Discussion of Regression Results

Table 4 presents the binary logistic regression estimates of the factors influencing credit access among poultry farmers. The model incorporates nine explanatory variables, namely age, gender, household size, interest rate, collateral availability, educational status, business worth, assets, and repayment terms.

Among the explanatory variables, gender has a positive and statistically significant coefficient of 0.2101, with a standard error of 0.0175. This positive relationship indicates that gender is significantly

associated with access to agricultural credit, holding other factors constant. The finding suggests that differences in gender-related characteristics may play an important role in determining farmers' ability to access agricultural credit.

Educational status also has a positive coefficient of 0.0881 and is statistically significant at approximately the 10% level. This result indicates that higher educational status is associated with improved access to agricultural credit. The positive relationship may reflect the potential benefits of education in enhancing farmers' ability to understand credit requirements, complete loan documentation, interact effectively with financial institutions, and make informed financial decisions. Although the level of statistical significance is relatively modest, the positive coefficient provides evidence of a favourable relationship between education and credit access.

Similarly, business worth has a positive and statistically significant relationship with access to credit access at the 10% level. This finding indicates that poultry farmers with greater business worth tend to have better access to agricultural credit, holding other factors constant. A higher business worth may demonstrate stronger business capacity and economic standing, which can increase the attractiveness of the farmer to lending institutions. It may also provide greater confidence to lenders regarding the farmer's capacity to utilize and repay borrowed funds.

In sum, the findings demonstrate that the characteristics of poultry farmers and their businesses play an important role in facilitating access to agricultural credit. The positive effects observed for gender, educational status, and business worth highlight areas that can be leveraged to improve credit access. Strengthening farmers' educational capacity, supporting the growth and financial strength of poultry enterprises, and promoting inclusive credit practices could contribute to enhanced access to agricultural financing and, ultimately, support the development and sustainability of poultry farming.

5. Conclusions

This study examined credit access among poultry farmers in Akinyele Local Government Area of Oyo State, Nigeria. The findings demonstrate that credit access is associated with selected socioeconomic and business characteristics of poultry farmers. The binary logistic regression model was jointly significant, indicating that the explanatory variables considered in the model collectively provide evidence of variation in farmers' access to agricultural credit.

At the individual level, gender, educational status, and business worth emerged as statistically significant factors associated with access to agricultural credit. Gender was positively and significantly associated with credit access, indicating that gender differences are relevant to farmers' access to agricultural financing. Educational status also showed a positive and statistically significant association at the 10% level, suggesting that farmers' level of education is related to their access to agricultural credit. Similarly, business worth was positively associated with credit access and statistically significant at the 10% level, indicating that the scale or worth of the poultry enterprise is relevant to farmers' ability to access agricultural financing.

In sum, the study concludes that credit access among poultry farmers in the study area is significantly associated with gender, educational status, and business worth. These findings highlight the importance of farmers' socioeconomic characteristics and the scale of their business activities in understanding access to agricultural finance. Strengthening credit programmes with appropriate

consideration of these characteristics may contribute to improving access to financing and supporting the development and sustainability of poultry farming enterprises in the study area.

Recommendations

Based on the findings of this study, the following recommendations are made:

1. **Promote inclusive credit access:** Financial institutions should ensure that poultry farmers have equitable opportunities to access agricultural credit, irrespective of gender.
2. **Improve farmers' education and financial literacy:** Agricultural agencies and financial institutions should provide training on financial management, credit procedures, record keeping, and poultry enterprise management.
3. **Support business growth:** Poultry farmers should be encouraged to maintain proper business and financial records and strengthen their enterprises to improve their capacity to access agricultural credit.
4. **Strengthen farmer–financial institution linkages:** Government agencies, cooperatives, and poultry associations should facilitate stronger connections between farmers and financial institutions to improve awareness and access to available credit opportunities.

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