

Agribusiness and Marketing

Plant Protection Dept.

4th stage student

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AGRICULTURAL MARKETING

- **Market: Meaning:**
- The word market comes from the Latin word „marcatus which means merchandise بضائع or trade or a place where business is conducted. Word „market has been widely and variedly used to mean **(a)** a place or a building where commodities are bought and sold, e.g., super market; **(b)** potential buyers and sellers of a product, e.g., wheat market and cotton market;

Some of the definitions of market are given as follows:

- **A market** is the sphere **المجال** within which price determining forces operate.
- **A market** is area within which the forces of demand **الطلب** and supply converge to establish a single price.
- **The term market** means not a particular market place in which things are bought and sold but the whole of any region in which buyers and sellers are in such a free intercourse with one another that the prices of the same goods tend **الى تميل** to equality, easily and quickly.

Definitions of market

- **Market** means a social institution which performs activities and provides facilities for exchanging commodities **السلع** between buyers and sellers.
- Economically interpreted **تفسر** , **the term market** refers, not to a place but to a commodity or commodities and buyers and sellers who are in free intercourse with one another.

Components of a Market:

For a market to exist, certain conditions must be satisfied **تلبية**. These conditions should be both necessary and sufficient **كاف**. They may also be termed as **the components of a market**.

1. The existence **وجود** of a good or commodity for transactions **المعاملات**
2. The existence of buyers and sellers;
3. Business relationship or intercourse between buyers and sellers; and
4. Demarcation **ترسيم** of area such as place, region, country or the whole world. The existence of perfect competition or a uniform price is not necessary.

Dimensions of a Market ابعاد السوق:

- There are various dimensions of any specified market. These dimensions are:
 1. Location
 2. Area or coverage
 3. Time span الفترة الزمنية
 4. Volume of transactions
 5. Nature of transactions
 6. Number of commodities
 7. Degree of competition
 8. Nature of commodities
 9. Stage of marketing
 10. Extent of public intervention مدى التدخل العام
 11. Type of population served
 12. Accrual of marketing margins استحقاق هوامش التسويق

Market structure

- **Meaning:**

The term structure refers to something that has organization and dimension – shape, size and design; and which is evolved تطورت for the purpose of performing a function. A function modifies the structure, and the nature of the existing structure limits the performance of functions.

By the term market structure we refer to the size and design of the market.

1. Market structure refers to those organizational characteristics of a market which influence تأثير the nature of competition and pricing, and affect تؤثر the conduct of business firms سلوك الشركات التجارية ;
 2. Market structure refers to those characteristics of the market which affect the traders behavior سلوك التجار and their performances العروض ;
 3. Market structure is the formal organization of the functional activity of a marketing institution.
- An understanding and knowledge of the market structure is essential for identifying the imperfections عيوب in the performance of a market اداء السوق .

Components of Market Structure:

The components of the market structure, which together determine the conduct السلوك and performance الاداء of the market, are:

1. Concentration of market power: تركيز قوة السوق
2. Degree of product differentiation: درجة تمايز المنتج
3. Conditions for entry of firms الشركات in the market:
4. Flow of market information: تدفق معلومات السوق
5. Degree of integration: درجة التكامل

Dynamics of Market Structure – Conduct and performance:

The market structure determines the market conduct and performance. The term market conduct refers to the patterns of behavior of firms, especially in relation to pricing **التسعير** and their practices **ممارساتها** in adapting and adjusting to the market in which they function. Specifically, market conduct includes:

- a. Market sharing and price setting policies;
- b. Policies aimed at coercing rivals; **سياسات تهدف الى اكراه الخصوم**
- c. Policies towards setting the quality of products. **سياسات نحو تحديد جودة المنتجات**

- The term market performance refers to the economic results that flow from the industry as each firm pursues its particular line of conduct. Society has to decide the criteria for satisfactory market performance. Some of the criteria for measuring market performance and of the efficiency of the market structure

For a satisfactory market performance, the market structure should keep pace **ابقى على** **ثابتة** with the following changes:

1. Production pattern: **نمط الانتاج**
2. Demand pattern: **نمط الطلب**
3. Costs and patterns of marketing functions:
4. Technological change in Industry:

Agricultural Marketing:

- The term agricultural marketing is composed of two words-agriculture and marketing. Agriculture, in the broadest sense **بأوسع معانيها** , means activities aimed at the use of natural resources for human welfare **رفاهية**, i.e., it includes all the primary activities of production. But, generally, it is used to mean growing and/or raising crops **المحاصيل** and livestock **تربية**. Marketing connotes **دلالات التسويق** a series of activities involved in moving the goods from the point of production to the point of consumption. It includes all the activities involved in the creation of time **خلق الوقت** , place, form and possession utility **فائدة الشكل و الحيازة** .

- **According to Thomsen, the study of agricultural marketing, comprises:** يشمل
all the operations, and the agencies
conducting them **الوكالات التي تديرها**, involved in
the movement of farm-produced foods, raw
materials and their derivatives **المشتقات**.

Scope and Subject Matter of Agricultural Marketing:

Agricultural marketing in a broader sense معنى أوسع is concerned تعني with:

- The marketing of farm products produced by farmers
- The marketing of farm inputs required by farmers in the production of farm products.

Subject of agricultural marketing

This includes product marketing as well as input marketing. The subject of output marketing is as old as civilization itself. The importance of output marketing has become more conspicuous واضح in the recent past with the increased marketable surplus of the crops الفائض التسويقي للمحاصيل following the technological breakthrough طفرة تكنولوجية. The farmers produce their products for the markets. Input marketing is a comparatively نسبيًا new subject. Farmers in the past used such farm sector inputs as local seeds and farmyard manure السماد العضوي. These inputs were available with them; the purchase of inputs for production of crops from the market by the farmers was almost negligible ضئيلة. The new agricultural technology is input-responsive المدخلات المستجيبة. Thus, the scope of agricultural marketing must include both product marketing and input marketing.

Subject of agricultural marketing

موضوع التسويق الزراعي

- Specially, the subject of agricultural marketing includes marketing functions, agencies, channels, قنوات الوكالات, efficiency and costs, الانتشار السعر, الكفاءة والتكاليف, price spread, تكامل السوق, producer's surplus, فائض المنتج, government policy and research, training and statistics on agricultural marketing.