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Feasibility of agricultural products export management in Mazandaran Province using the SWOT technique

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Abstract

Knowledge of the comparative advantage of agricultural products and export markets and recognition and prioritization of the target markets can be helpful and effective in development of efficient marketing strategies. With such an approach, the comparative advantage of the exported agricultural products of Mazandaran Province was first determined in this study, and the export target markets of this province were then prioritized and ranked in terms of advantage. For this purpose, we have used the SWOT technique to assess the strengths, weaknesses, opportunities and threats regarding these items and have proposed appropriate strategies for the development of the export of agricultural products in Mazandaran Province.

Keywords: export management, marketing, agriculture, Mazandaran Province

Introduction:
Mazandaran Province is one of the most important areas of the country which can make use of its high potential for the production and export of non-oil products, especially agricultural products, to play an important part in developing the non-oil exports of the country (2). Therefore, the feasibility of the capabilities and advantages of this province in the production and export of goods and services and formulation of strategies for development in this area can considerably help achieve the objectives of non-oil export promotion policies in general and Mazandaran Province in particular (7).

Research method:
This is an applied research, and a descriptive (field and survey) study in terms of nature.

Population:
The study population includes all industrial manufacturers of agricultural products in Mazandaran Province Mazandaran and the number of these companies were reported to be 119 companies by the Cooperation Directorate General of Mazandaran province.

Sample:
The study population includes all industrial producers of agricultural products in Mazandaran, among whom 91 manufacturing companies were selected and surveyed based on Morgan Table.

Data collection method:

The required data of the research were collected in two stages. The library method and a self-made closed questionnaire (consisting of 20 items and 5 variable) were used in the first and second stages respectively.

Materials and methods

Concerning the opportunities facing agricultural exports, the subject was considered at both sectoral and sub-sectoral (agriculture and horticulture, livestock and fisheries and aquaculture) levels. The SWOT matrix was used to determine the strategies of organizations, the use of which for analysis of processes such as agricultural export is faced with problems such as difficulties determining the boundaries between internal and external environments. Then, considering the title of the article, we have sufficed merely with determining the strengths, weaknesses, opportunities and threats facing the export of agricultural products and providing the required policies in this regard (3)

Developing the internal and external factors evaluation matrix

Table 1- External Factors Evaluation Matrix (Opportunities)

row	factor	the primary factor	the secondary factor	the final factor	rank
1	local and external exhibitions	178	0.084	14.952	8
2	The government's attention to non-oil exports	191	0.091	17.381	6
3	Proximity to the Middle East and Central Asia markets	201	0.095	19.095	3
4	Removal of customs tariffs for export and import	185	0.079	14.615	9
5	Native and interested graduates in agricultural engineering	175	0.083	14.525	10
6	Development of ports for trade expansion and transit of goods	211	0.100	21.1	1
7	Entry of new and high-yielding items	185	0.088	16.28	7
8	Development of the railway network considering the specific location of the province in Central Asia and the Caucasus	199	0.094	18.706	4
9	Allocation of government facilities by banks, especially the Agriculture Bank	198	0.094	18.612	5
10	holding exhibitions for the direct supply of goods in the neighboring countries	183	0.078	14.274	11
11	The existence of two airports in Sari and Noshahr with high potential for air transportation	202	0.095	19.19	2
	total	2098	0.981	188.73	-

Source: Calculations made on the information obtained from the questionnaire

The results of the above matrix (**evaluation of external factors, the opportunity**) indicate that the

component "development of ports", for expanding the trade and transit of goods, is considered the most important opportunity with the final factor of 21.1. In addition, the component "holding the direct supply of goods in neighboring countries" has had the lowest priority with the final factor of 14.274.

Table 2- External Factors Evaluation Matrix (threats)

row	factor	the primary factor	the secondary factor	the final factor	rank
1	Problems caused by the lack of liquidity	208	0.197	40.976.	2
2	Problems caused by banking facilities and the administrative bureaucracy in banks	203	0.192	38.976	3
3	Transport tariffs	177	0.110	19.47	8
4	Administrative problems of Customs Department, airports, ports, standards and so on	179	0.169	30.251	6
5	lack of specialized and international laboratories for product quality assessment	211	0.200	42.2	1
6	Growth in neighboring countries such as Turkey and Pakistan	181	0.171	30.951	5
7	Businessmen's lack of awareness of the customs regulations of destination countries	184	0.174	32.016	4
8	The existence of diverse and conflicting national and local export regulations	168	0.159	26.712	7
	total	1055	1.372	220.576	

Source: Calculations made on the information obtained from the questionnaire

The results of the above matrix (**evaluation of external factors; the threats**) indicate that the lack of specialized and international laboratories for measuring the quality of products is considered the most important threat with the final factor of 42.2, and the transport tariffs has had the least threat to the exports of agricultural products in Mazandaran Province.

Table 3- Internal Factors Evaluation Matrix (Strengths)

row	factor	the primary factor	the secondary factor	the final factor	rank
1	High employment potential of the agricultural sector in both production and trade areas	220	0.106	23.32	1
2	Lower prices of the locally produced products than the foreign products	209	0.101	21.109	2

3	High profitability of agricultural products	201	0.096	19.296	3
4	Variety of the agricultural products native to Mazandaran Province	183	0.088	16.104	5
5	Highly resisting and yielding items, especially the citrus fruits	198	0.095	18.81	4
6	initial planning to establish agricultural exchange in Mazandaran	169	0.081	13.689	11
7	Reputation of Mazandaran Province in the production of agricultural crops	173	0.083	14.359	10
8	Access to the Caspian Sea for raising specific aquaculture, particularly shrimp	177	0.085	15.045	8
9	the government's attention to the agricultural sector in Mazandaran Province	178	0.086	15.308	7
10	High volume of production (39 percent of the citrus fruits of the country) in Mazandaran Province	182	0.088	16.016	6
11	The production stability of many agricultural products such as rice in Mazandaran	176	0.085	14.96	9
	total	2066	0.994	188.016	-

Source: Calculations made on the information obtained from the questionnaire

The results of the above matrix (**evaluation of internal factors: strengths**) indicate that the high employment potential of the agricultural sector both in both production and trade areas is considered as the most important strength with the final factor of 23.32, and the component "initial planning to establish agricultural exchange in Mazandaran Province" has the lowest priority.

Table 4- Internal Factors Evaluation Matrix (weaknesses)

row	factor	the primary factor	the secondary factor	the final factor	rank
1	Poor advertising and marketing of agricultural products	177	0.116	20.532	8
2	Poor services provided in the airports of the province	185	0.121	22.385	7
3	lack of autonomy and independence for local authorities for efficient legislation proportional to the conditions and characteristics of the province	190	0.125	23.75	4

4	Lack of capacity of the cold storages in the province	187	0.123	23.00	6
5	lack of packaging, storage, labeling and sorting industries in the province	192	0.126	24.192	3
6	Lack of appropriate insurance and government support to compensate for farmers and traders' damages	202	0.132	26.664	1
7	Lack of research centers in proportion to the diverse products	198	0.130	25.74	2
8	Lack of an organized national program	188	0.123	23.124	5
	total	1519	0.996	189.387	

Source: Calculations made on the information obtained from the questionnaire

The results of the above matrix (**evaluation of internal factors, weaknesses**) indicate that lack of appropriate insurance and government support to compensate for the damages caused to farmers and traders is considered the most important weakness with the final factor of 26.664, and the component "poor advertising and marketing of agricultural products" has the lowest threat for the export of agricultural products in Mazandaran Province.

Conclusion

The measures taken by governments for exports expansion includes assuming normal business responsibilities such as research in export markets and sales opportunities, organizing international exhibitions and trade promotion offices in foreign countries and traditional forms of export promotion, including tax incentives, currency subsidies, export credits, export insurance, export awards, and so on. After reviewing the strengths and weaknesses of the relevant organizations in the exports of agricultural products using SWOT Technique, we present the following strategies for export development.

Suitable strategies for the development of exports of flowers and plants

- Creation of export bases with regard to the government's support (market development),
- Exports expansion and setting the long-term goal based on the government's export policies (market development), and
- The use of the power of creating jobs to attract government incentives and banking facilities for production (concentric diversification and product development). (5)

Suitable strategies for the development of export of citrus fruits

- Advertising for citrus fruits in the target markets such as China, Russia and Central Asian countries and Persian Gulf states (market penetration),
- Increasing the marketing activities (market penetration), and
- Increasing the product quality (market penetration) (9).

General strategies

- The use of information technology and e-commerce (7 and 8),
- Equipping the Transport Fleet and Customs Authority for non-oil exports Expansion,
- Improving the road transport,
- Improving the maritime transport (1), and

- Implementing the trade law system of the country based on the strategies of the WTO.

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