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Strategic Planning for Agriculture Section Using SWOT, QSPM and Blue Ocean- Case Study: Eshraq Agro-industry Company

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Abstract

Strategic management is defined as a set of management decisions and actions that determine a company's long-term performance and lead and control the organization so that it can quickly respond to some internal and external environmental changes. Obviously, the agricultural sector and natural resources are one of the most significant economic sectors of the country because of their vital role in providing the required food and nutritional safety. The present study aims to determine the appropriate strategies for Eshraq agro-industry Company. In this study, agricultural sector and animal husbandry strategies are determined simultaneously. The SWOT analytical framework has been used to determine the appropriate strategies. Eventually, after assessing the situations and strategic actions by the SPACE method using the QSPM strategic approach, the determined strategies have been sorted according to importance and priority which include small livestock, aviculture, aquaculture, establishing dairy plants and value-added production, developing the existing dairy cattle, increasing milk and meat production and changing land uses from farms to gardens respectively.

Keywords:

Eshraq agro-industry, QSPM, strategic management, SWOT

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INTRODUCTION

Modern business have been transformed by digital technologies into global marketplaces. Rapid changes that are taking place in organizations' environments prove the necessity of using strategic, comprehensive plans. The foundations of strategic management are based on managers' understanding from important, critical factors such as: competing companies, markets, prices, raw material suppliers, distributors, governments, creditors, shareholders and customers. Strategic planning address the question of management capabilities in an organization. Questions like "What is the main goal or destination for a specific company?", and "What is the most efficient way for the company in the progress of reaching for the goal? Strategic planning selects joint decisions to determine the appropriate framework to achieve the strategic position for the organization.

A good strategy will balance revenue and productivity initiatives (Gupta et al., 2015). Organizational goals are the purposes which management system follows. Inputs, processes and outputs of an organization are all in order to achieve the organizational goals. This study aims to increase sales volumes and monetary values, improving the organization of the market shares, credibility and good name, brand or brands, products, diversification of products and to export the products. Food is one of the essential needs. Due to the growing population and shortage of water resources, agricultural production is difficult. A good part of agriculture causes to improve food security, to reduce food prices, to increase employment and income level, and to create important economic links in production chain, and will help make a positive impact on the environment. In order to achieve food security, adopting good policies and adequate resources are important to meet the community needs. In Iran, 9.3% of GDP (in current prices), 20.8% of workers and 20 percent of the value of non-oil exports are engaged in agriculture. Planning adopted for agricultural sector has increased production in Iran. Crop production reached to 77.2 million tons in 1390, animal production to 14.35 million tones and fish and shrimps to 735.1 thousand tons. Therefore, it is

necessary to develop agricultural policies to overcome the problem.

Nowadays some companies have come to the conclusion that the application and implementation of the strategy can improve their performance and capability to succeed in competitive markets. Companies can carry out effective strategies and many of them believe that strategic performance significantly affect the success of the company (Kim & Mauborgne, 2004). There are no companies with the constant record of excellent activities and stability. A specific company may have experience inconsistency in their performing record. Company relative attractiveness and efficiency are shaped almost by creating a blue ocean strategy (Rowe et al., 1982). This strategy represents a new approach in management science that can be created through innovation market value in which no competitor is involved and sustained growth and profits can be achieved. Space such as ocean blue in 2004 by Chan Kim and Renee Mauborgne was introduced. In blue oceans, there is a high potential for growth and profitability and great potential demand for products and services of ocean. Blue Ocean can determine the rules and boundaries of industries. In recent years, researchers in the field of strategic management are constantly looking to combine the classical tools of strategic management together. But so far no research has attempted to use a combination of classical instruments with new tools such as Blue Ocean Strategy in the agricultural industry. So in this study, we tried to take into account the potential opportunities and threats of agro-industrial complex and peripheral illumination, using a combination of Strategic Planning Tools of Premier strategy in order to keep the collection in the field of production and increase its profitability offered.

Strategic management includes the management decisions and actions that determine a company's long-term performance. So strategic management activities related to the review, evaluation and selection of strategies adopt any measures to implement the strategies and the internal and external control encompassed activities. So, one of the most important tools for success that organizations can benefit from will be "strategic

management". Shojaei et al. (2010) considered strategic management for food industry. The aim of this study has been to determine the strategies for a 40 year-old factory in which SWOT and QSPM matrices are used. Siavashan and Khari (2012) considered exports as a strategy in SWOT matrix. Also reduction of dairy prices is one of the foreign threats of this matrix. In this article, some other strategies are the empty capacities of the company, using technology and new tools, using financial supports, and various products. The main objective of this study was to determine appropriate strategies for Pegah Company. According to the results, market development was one of the main strategies of this company. Manufacturing various products and eliminating competitors are two other strategies which have been proposed in this study. Ommami (2011) used SWOT matrix for agriculture and business management systems. According to this study, agricultural activities have a vital role in food security.

Population growth plays an important role in food and products' needs. Hashemi et al. (2015) in a study on glass industry considered neighboring countries and population growth as strategies. Also, hiring experienced managers is considered as one of the strengths of this study. Finally, by using the SWOT and QSPM matrixes, strategies such as founding new manufacturing units have been adopted. Zowain and Ismail (2015) considered water shortage as a threat. Seventeen strategies related to the issues of water and soil salinity have been regarded and show the need for investment in irrigation systems such as drip irrigation and modern agricultural technologies are urgent to control salinity. Gupta et al. (2015), considered fluctuations in raw material as one of the threats. Poor marketing considered as a weakness related to strategic management in India is a study. Moghaddaszadeh et al. (2015) considered using additional capacities for production, modern and efficient equipment as internal strengths. They used SWOT matrix for strategic planning. Oktaviani et al. (2015) considered the lack of skilled workers as an internal weakness. In this study, abundant raw materials and labors are considered as situations. This study used SWOT matrix to develop some

strategies. Sarma and Raha (2015) considered government support as an opportunity and also increasing prices as a threat. This study aims to determine the best business strategies for trading beef in Bangladesh.

Achmad et al. (2013) determined the Beef business strategy in South Svlavzy's. In this study, overpopulation, the availability of perfect products and financial support of the government are considered. Burke et al. (2016) has been tested the validity of Blue Ocean Strategy versus competitive strategy. Kamal and Dionne-Odom (2016) applied Blue Ocean Strategy in palliative care sector in USA. The main question of their study was "How might be Blue Ocean Strategy in palliative care?" and finally they showed the Blue Ocean Strategy is a good framework for palliative care.

Literature review illustrates that there are some common factors in determining strategies. But finally we found that there is no study aimed at linking SWOT with blue ocean strategy. Table 1 shows a brief literature review about strategic management.

MATERIALS AND METHODS

In this study, to determine some strategies for Eshraq agro-industry, internal and external effective factors have been identified by the experts and were used in EFE and IFE matrices. After scoring these factors by SWOT matrix, SPACE method was used to detect the orientation of the organization and selection of strategies then by using the QSPM matrix, prioritization of strategies was presented. The computational results related to these tools have been shown in Section 5. In order to identify the internal and external factors affecting the company's strategy, agricultural and livestock experts' opinions were collected. Then, based on factors, a questionnaire was developed in which each factor was scored from 1 to 10 according to the experts' ideas. Finally, after normalizing the scores and assigning weights to them, each weighted score was examined.

This research utilized different factors such as internal factors evaluation matrix (IFE), external factors evaluation matrix (EFE), SPACE graph, SWOT matrix, and QSPM matrix. Next subsections were used to introduce these tools.

Table 1
Literature Review

Title	Authors	Year	Field	Methods
Strategic planning for a food Industry Equipment manufacturing factory, Using SWOT Analysis, QSPM, and MAUT models, Citeaser	Shojaei et al.	2010	Food industry	SWOT QSPM
Strengths, weaknesses, opportunities and threats (SWOT) analysis for farming system businesses management: Case of wheat farmers of Shadervan District, Shoushtar Township	Ommari et al.	2011	Food industry and agriculture	SWOT
Strategic Planning in Iran Milk Industries	Slavashan et al.	2012	Dairy	SWOT QSPM
Model policy design for the beef cattle ranch development in south Sulawesi	Achmad et al.	2013	Beef	SWOT QSPM
The effect of application of Indonesia national standard on cocoa industry and strategy to face the Asean economic community in 2015	Oktaviani	2015	Cacao	SWOT QSPM
Management of Salinity Issues in Iraq's Agricultural Sector Using	Zowain et al.	2015	Agriculture	--
Strategy Formulation for Performance Improvement of Indian Corrugated Industry: An Application of SWOT Analysis and QSPM Matrix	Gupta et al.	2015	Corrugated Industry	SWOT QSPM
An integration of SWOT and factor analysis to determining and prioritizing strategies: case study of a Persian food industry	Moghaddaszadeh et al.	2015	Food industry	SWOT
A formulating and choosing strategies using SWOT analysis and QSPM matrix: A case study of Mahadan glass company	Hashemi et al.	2015	Glass industry	SWOT QSPM
Strategies of Beef Cattle Development Enterprise in Selected Areas of Bangladesh,	Sarma et al.	2015	Beef	SWOT QSPM
Testing the Validity of Blue Ocean Strategy versus Competitive Strategy: An Analysis of the Retail Industry	Burke et al.	2016	Retail Industry	Blue Ocean CS
A Blue Ocean Strategy for Palliative Care: Focus on Family Caregivers	Karnal and Dionne-Odom	2016	Palliative Care	Blue Ocean

SWOT

As stated internal evaluation matrix (IFE) is a matrix for identifying the different internal factors. Internal factors consist of strengths and weaknesses. These factors are weighted in a

way that the sum of these weights is equal to one. These scores range from 1 to 4. After identifying the internal factors and the strengths and weaknesses of each factor, a weight factor between zeros (unimportant) to one (very im-

Table 2
EFE and IFE Matrices' Scores

Score	1	2	3	4
Status	Severe weakness	Common weakness	Common strength	Important strength

Nouri et al., 2008

Table 3
QSPM Scores

Definition	Score
Not attractive	1
Somewhat attractive	2
sufficiently attractive	3
Very attractive	4

Ghorbani et al., 2015

portant) is assigned to each of them. Experts' opinions are used to determine the weight of each factor and also important factors. EFE matrix is also one of the methods used to organize external factors as a way to analyze the opportunities and threats and how to respond to opportunities and threats. This matrix stages are similar to the IFE matrix which is resulted in the determination of the status. Once weight is multiplied by score, attractiveness can be assessed. If the sum of all effective factors is less than 2.5, it is understood that the weaknesses are more than the strengths (Nouri et al., 2008).

SWOT analysis is a powerful analytical scale for decision-makers to use the strategic management process. This analysis considers the strengths, weaknesses, opportunities and threats of an organization. Many researches used quantitative data in this matrix but these methods are not exhaustive. SWOT has four sections which present different strategies (Moghaddaszadeh et al., 2015).

- SO shows the most favorable conditions for organization.
- ST presents the strengths and capabilities of the organization.
- WT shows the opportunities and precious environment are provided for the organization but, on the other hand, it has serious weaknesses and vulnerabilities disabilities and it is derived.
- WO shows the worst and the most difficult and the most threatening conditions for the activities of the organization draws.

QSPM matrix

QSPM matrix tries to choose the best strategies by using simple calculations. In other words, this tool can be effective on both internal and external changes (Zowain & Ismail, 2015). It uses a three-step approach to make decisions. At first, key factors are identified. Next, the significant factors and the most favorable strategies will be selected (Nouri et al., 2008). External strategic factors listed in the first column of the matrix include all threats and opportunities and internal strategic factors within the organization include all strengths and weaknesses. Weighted scores in each strategic element are inserted in the second column. Next columns of SWOT matrix include a variety of strategies WO, ST, WT and SO that are obtained from this matrix. Each column of strategies is divided into two sub-columns. The ratings are determined based on the effectiveness of the factors obtained. Table 3 shows scores.

Different stages used in this paper as shown in Figure 1.

External factors evaluation of Eshraq agro - industry

By using experts' opinions a number of external factors are collected then using EFE matrix these factors are analyzed. This matrix includes opportunities and threats for company as shown in the Table 4.

According to EFE matrix and organizational

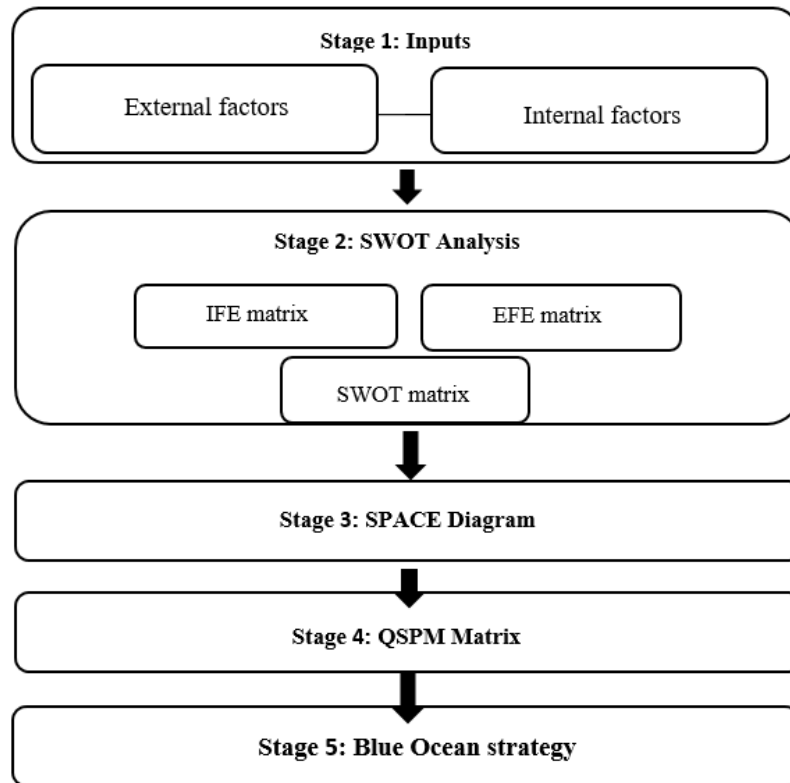


Figure 1: Stages of methodology

conditions, the score for Eshraq agro -industry would be 2.64. This score suggests the company needs to do more to maintain its position and by choosing appropriate strategies, it can achieve an appropriate goal.

Internal factors evaluation of Eshraq agro-industry

IFE matrix is formed according to the internal situation as shown in the Table (5).

This matrix has a higher score (2.95) because of experts. There are some problems such as bureaucracy and overhead costs due to the company's dependence on the public sector which affects decision-making and agility of the organization.

SWOT matrix of Eshraq agro-industry

SWOT matrix presents pair-wise comparison of internal and external factors. Four created categories of matrix are ST, OS, WT and WO which are shown in the Table 6.

Finally, a number of strategies are selected regarding to threats, opportunities, weaknesses and strengths of SWOT matrix.

SPACE diagram

In this section, company's strength and competitive advantages are scored according to the factors related to financial solvency and stability conditions. To do this, brainstorming method is utilized. The variables representing financial strength, competitive advantage, environmental sustainability and industrial power were selected. For two arms of FS and IS scores were awarded from 1 (worst) to 6 (best). The two arms S and CA have been conducted in a similar way. The values for each variable on each axis arm were gathered together and then divided by a number of variables. The averages were obtained on each of the axes. Scores on the horizontal axis and the vertical axis were also gathered together and belonging points to these two axes were determined. Then a line is connected to the point from the origin. Considering the conditions of mechanization, financial strength, competitive market and environmental balances, obtained scores for each of the mentioned matters are 5, 4, 2, and 3. Thus the need for using aggressive strategies is proved which are shown in the Figure 2.

Table 4
EFE Matrix

Explanation	Weighted score	Score	weight	External strategic factors
Opportunities				
Removing some of the competitors has provided new space for illumination	0.18	3	0.06	Closure of some livestock units
Having good relationship with relevant government agencies because of Kosar company	0.24	4	0.06	Relationship with government institutions
Possibility of increasing exports and increasing sales prices by livestock	0.09	3	0.03	Iranian trade relations with neighboring countries
Increased consumption	0.04	1	0.04	Population growth
seeking cooperation with foreign companies	0.24	4	0.06	Ability to import new technologies to the country
The possibility of selling to the government as a potential customer	0.04	1	0.04	Milk distribution program in schools
using the cost of transportation and increasing selling prices	0.06	2	0.03	Increased purchase of raw milk by families
Threats				
Out of control	0.09	1	0.09	Low tariffs on imported milk powder
Companies seeking to buy directly from farmers	0.27	3	0.09	Animal feed market dealers
Can be controlled by stop selling	0.18	3	0.06	Fluctuations in the price of meat
Would impose a financial burden to the company	0.06	1	0.06	Removal of government subsidies
successful in controlling diseases	0.18	3	0.06	The high cost of medicines and veterinary services
Find new breeds and produce more forage for cattle	0.24	3	0.08	
Good plans for next 15 years	0.36	4	0.09	high cost of medicines and veterinary services
The company's ability to create a dairy factory	0.16	2	0.08	Drought
Is somewhat controllable	0.21	3	0.07	Dairy plant abuse climate changes
	2.64		1	Total weight

QSPM Matrix

As a result, after determining strategic analysis matrix, its components are registered in QSPM matrix and the total score has been obtained. Table 7 shows QSPM matrix of the case study. According to QSPM matrix the four selected strategies with higher priority are livestock and poultry, construction and production of value-added dairy factory, development of dairy cows to increase milk and meat production, and agricultural land to increase profits respectively.

QSPM matrix representing strategy number 4

with the score of 3.61 is the most important one. Priority of strategies in Table 7 is shown in Table (8).

Blue Ocean strategy

Blue Ocean strategy is resulted from many studies on different industries for more than two decades. In Mr. Kim's research, global markets have been divided into red and blue oceans. Red oceans and blue oceans mean industries that exist today, and all industries that currently do not exist. Nuradli et al. (2009) used the blue ocean strategy

Table 5
IFE Matrix

Explanation	Weighted score	Score	weight	External strategic factors
Strengths				
Company's personnel are highly skilled in terms of specialized knowledge	0.48	4	0.12	Employing specialists
Equipment and conditions for construction of small livestock and poultry	0.36	3	0.12	The existence of suitable infrastructure for the arrival of the new branches
A good flow of information and cooperation among people	0.27	3	0.09	Coordination of management team and staff
Kosar is a reliable investor and sponsor organization	0.18	3	0.06	Possibility of financial support from Kosar
Having a mechanization level higher than the average for large farms	0.24	3	0.08	Appropriate relationship with the Bank Keshavarzi
Production of milk, meat, live animals and various agricultural products	0.30	3	0.10	High mechanization level
	0.36	4	0.09	Multi production
Weakness				
	0.08	2	0.04	Workers and middle class managers low wage
Multiplicity of small livestock and lack sufficient knowledge	0.21	3	0.07	High level contamination of livestock in the region
Temperature, salinity and ...	0.18	3	0.06	High cost of animal husbandry in Varamin
Natural state of systems	0.05	1	0.05	Administrative bureaucracy
	0.08	2	0.04	Lack of attention to cost reduction strategies
One of the reasons for not entering into new branches of livestock production and agriculture	0.10	2	0.05	Poor marketing in product sales
Overhead cost of office is one of the weaknesses	0.06	2	0.03	High overhead costs
	2.64		1	Total weight

to develop Halal products. [Hong et al. \(2014\)](#) used quantitative approaches in their study to prove the validity of the key factors in the competitiveness canvas strategy.

Blue Ocean strategy for Eshraq agro -industry

Agricultural and animal husbandry activities are different. Eshraq agro-industry due to its potential can benefit from the advantages of aviculture. Although the initial forecast will be low, but because of the high price and low cost of the final product a significant profit will be made. This advantage ensures the survival of company.

Step decision-making pattern of Eshraq cultivation and industry

Four measures framework or model in order to restructuring components to create value for the customer in the creation of a new value curve has been created. There are four key questions in industrial strategic challenges and business models need to be answered in order to violate tradeoff between differentiation and cost reduction and to achieve a new value curve:

- Which factor should be eliminated among the factors that the industry presupposed?
- Which factors should be reduced to signifi-

Table 6
SWOT Matrix

Opportunities(O)		Threats(T)		S.W.O.T	
Closure of some livestock units	:O1	Low tariffs on imported milk powder	:T1		
Relationship with government institutions	:O2	Animal feed market dealers	:T2		
Iranian trade relations with neighboring countries	:O3	Fluctuations in the price of meat	:T3		
Population growth	:O4	Removal of government subsidies	:T4		
Ability to import new technologies to the country	:O5	High cost of medicines and veterinary services	:T5		
Milk distribution program in schools	:O6	High cost of animal feed	:T6		
Increased purchase of raw milk by families	:O7	Drought	:T7		
		Abuse of dairy plant	:T8		
		Climate changes	:T9		
Matrix OS		Matrix ST		Strengths (S)	
Development of livestock production	O1	Regional agriculture and direct purchase animal feed	S5T2	Employing specialists	:S1
Livestock and Poultry	O2	Development of farmers to provide forage	S7T2	The existence of suitable infrastructure for the arrival of the new branches	:S2
Strong imports and high producing dairy cattle breeds	O5	Different use of agricultural land to garden with aim of reducing water consumption and producing more valuable products	S7T7	Coordination of management team and staff	:S3
Dairy Plant	O2	Construction of fattening units for utilizing red meat market	S2T3	Possibility of financial support from Kosar	:S4
	S4			Appropriate relationship with the Bank Keshavarzi	:S5
				High mechanization level	:S6
				Multi production	:S7
Matrix WO		Matrix WT		Weaknesses(W)	
Trying to sell more volume of milk and increasing revenue	W6	Having more health principles to reduce health care costs	W2T5	workers and middle class managers low wage	:W1
Import of equipment, technology and knowledge of European countries	W3	Closure of animal husbandry and invest in other branches	W3T9	High level contamination of livestock in the region	:W2
	O3	A radical revision of business and new customers	W6T8	High cost of animal husbandry in Varamin	:W3
		Smaller administrative division	W7	Administrative bureaucracy	:W4
				Lack of attention to cost reduction strategies	:W5
				Poor marketing in product sales	:W6

cantly below levels than the industry standard?

– Which factors should be defined based on a specific industry?

– Which factors should be raised to a significantly higher level than the industry standard?

In this model it is assumed that the organization that follows this pattern would escape from the red ocean and find its way to the blue ocean that is unmatched environment. Interesting thing is that factors that are considered in this context are derived by Matrix Strategy SWOT. In fact

SWOT matrix of blue ocean strategy will help to improve the quality of the proposed model.

A comparison of value curves between Eshraq agro -industry and other organizations

This section compares the company with similar companies in the region. The amount of average annual production in each of the branches is compared with the average production of other large-area companies. Generally, animal husbandry units only produce certain

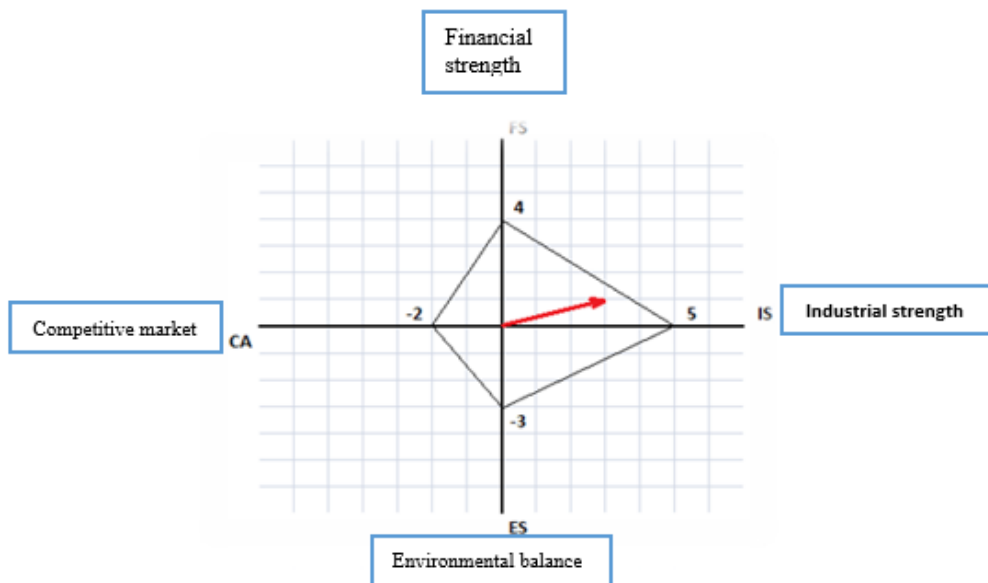


Figure 2. SPACE Diagram

products such as raw milk, meat and crops. Figure 3 shows the current status of Eshraq compared to other companies in area. The comparison is done using quantitative data and the information is obtained from available data and expert opinion.

Each index of this graph shows the difference between Eshraq agro -industry and other regional farms. In the past, it was supposed the company should produce at an average level, But QSPM matrix strategies show the changes including goat milk and meat production, reducing the production of crops and farms, development and increasing its annual production volume.

Figure 4 shows Eshraq agro- industry can have different products. Obtained strategies from QSPM matrix show different activities for this company that make it to survive in a competitive situation.

But relying solely on descriptive statistics does not seem very reasonable. To ensure improved Eshraq of complex position than other manufacturers after the implementation of Blue Ocean Strategy, we take help from inferential statistics.

For this purpose, we have used two-sample Student t test. This is a significant difference test of two communities which null hypothesis

and the alternative hypothesis of it is as follows:

H_0 : Average rating of Eshraq complex production after the implementation of Blue Ocean Strategy has no significant difference the scores of other manufacturers.

H_1 : Average rating of Eshraq complex production after the implementation of Blue Ocean Strategy is significantly different from the scores of other manufacturers.

If the test result indicates a significant error in the 0.05 show, the null hypothesis (H_0) is rejected and with 95% confidence interval we will accept hypothesis H_1 . The following table shows the results of Student's t-test.

According to Table 10, significance level Levine' test showed a concurrence variance in the two communities. Therefore, assuming homogeneity of variance and taking into account the results of the first row, a significant level test indicates that the average scores obtained for the two communities is significantly different and that means an average rating of production of Eshraq complex after the implementation of Blue Ocean Strategy will be significantly different from the rating of other manufacturers. Therefore, inferential statistics results also support the hypothesis suitability of blue ocean strategy.

Table 7
QSPM Matrix

Effective Factors	Weight Factor	Strategy 1		Strategy 2		Strategy 3		Strategy 4	
		Attraction	Weighted attraction	Attraction	Weighted attraction	Attraction	Weighted attraction	Attraction	Weighted attraction
Opportunities									
Closure some livestock units	0.11	1	0.11	4	0.44	3	0.44	4	0.44
Relationship with government institutions	0.08	2	0.16	3	0.24	3	0.24	3	0.24
Ability to import new technologies to the country	0.08	1	0.08	2	0.16	2	0.16	4	0.32
Increased direct purchases of household production units	0.05	1	0.05	2	0.1	2	0.1	3	0.15
Threats									
High cost of medicines and veterinary services	0.07	1	0.07	2	0.14	1	0.07	3	0.21
Drought	0.1	4	0.4	1	0.1	2	0.2	3	0.3
Abuse of Dairy Plant	0.05	1	0.05	1	0.05	4	0.2	3	0.15
Climate changes	0.07	3	0.21	2	0.14	3	0.21	4	0.28
Strengths									
The existence of suitable infrastructure for the arrival of the new branches	0.16	3	0.48	4	0.64	4	0.64	4	0.64
possibility of financial support from Kosar	0.08	2	0.16	2	0.16	3	0.24	4	0.32
Multi production	0.11	2	0.22	1	0.11	3	0.33	4	0.44
Weaknesses									
high cost of animal husbandry in Varamin	0.03	3	0.09	2	0.06	2	0.06	4	0.12
Total	1		2.08		2.34		2.8		3.61

Table 8
Strategies' Priorities for Keshtosan'te Eshragh

Priority	Score	Strategy	Rows
4	2.08	Changing use of agricultural land to garden	1
3	2.34	Development of dairy cows to increase milk and meat production	2
2	2.89	value-added from dairy plant	3
1	3.61	Breeding livestock and poultry	4

Table 9
Four Action Framework

Decrease	Increase
<ol style="list-style-type: none"> 1. Reduce office space complex 2. Reduce reliance on external suppliers 	<ol style="list-style-type: none"> 1. Advertising Products in the Industry 2. testing more employees to mastering the technology of production 3. appropriate incentive schemes providing any innovative proposals from staff
Elimination	Creation
<ol style="list-style-type: none"> 1. Remove some agricultural land into land for gardening 2. Remove some customer loss and substitution of new customers 	<ol style="list-style-type: none"> 1. style livestock and poultry 2. Plant and the production of value-added dairy products 3. Development of dairy cows to increase milk and meat production

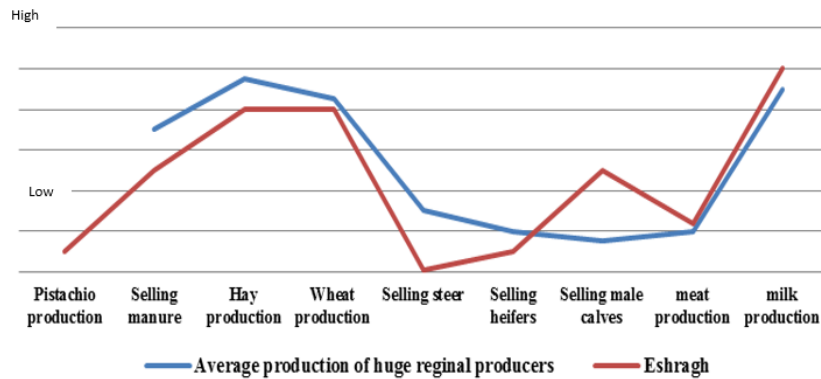


Figure 3. The comparison of the current status of Keshtosan'te Eshragh with regional companies

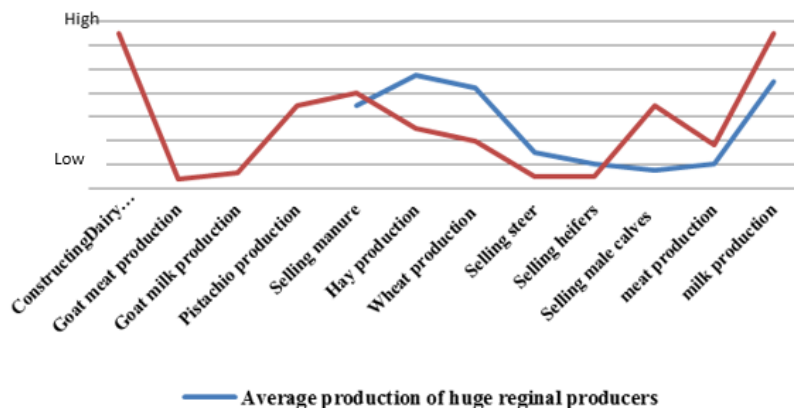


Figure 4. Exclusive charts on four strategies for implementation

Table 10
Independent Sample t-test

Independent-sample t-test	Levin's test Sig.	t	df	P-value
Equality variance assumed	0.025	2.025	120	0.011
Equality variance not assumed	---	2.038	119	0.015

CONCLUSION

This paper utilized QSPM and SWOT matrices to determine appropriate strategies for Eshraq agro -industry in Varamin. In order to survive in competitive environment, companies need to use their opportunities and strengths. They also need to detect their weaknesses and threats all for improving their conditions and to be more effective. These data are obtained from experts for Eshraq agro-industry. First strategies are selected and then their priorities are determined. Adopted strategies for this company are Small livestock and poultry and fish, dairy plants and value added products, development of dairy cows to increase milk and meat production and changing agricultural lands to garden respectively. This paper used Blue Ocean strategy to make the company different from other competitors.

In other research that has been done abroad, [Siavashan and Khari \(2012\)](#) considered exports as one of the strategies of strategic analysis matrix. Also reducing price of dairy is another strategy of this matrix related to the external threats. In another study [Ommani \(2011\)](#) used the SWOT tool for agricultural and commercial management. According to this article agricultural activities have a vital role in food security. Also population growth plays an important role in the increased need for food and products. [Sarma and Raha \(2015\)](#) in a study considered government support as one of the external opportunities and rise in prices as an existing threat. This study seeks to determine strategies for trading beef in Bangladesh. [Achmad et al. \(2013\)](#) conducted a study to determine the business strategy veal in South Solavezy.

In this study, high population, the availability of quality product for export and financial support from the government were considered as effective factors. But the important point in this investigation is that all of the classic strategic planning tools such as SWOT matrix are used and there is not

much of innovation. But, in the present study, we try to incorporate new tools such as strategic management in classic Blue Ocean with other methods. The new integrated approach for the strategy need to be presented in terms of the agricultural products and the industry.

After implementing several strategic techniques, [Oktaviani et al. \(2015\)](#) also stated that nowadays strategic management requires the use of tools that look to the future and have superiority over other classical methods. But as the conclusion of this discussion, it can be stated that the future development of the tool can be used to determine the blue ocean strategies for a specific company. Therefore, it is highly recommended for companies to utilize the strategic models presented in this study to achieve a better comprehensive vision for their company.

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