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Differential Marketing of Agricultural Products Dominated by Rural Cooperative Economic Organizations

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Abstract Differential marketing is a strategy opposed to competitive convergence mainly characterized by seeking development in differences. Therefore, marketing of agricultural products dominated by rural cooperative economic organizations has an important practical role. Taking Manas County in Xinjiang Province as an example, agricultural marketing system dominated by rural cooperative economic organizations develops rapidly, mainly reflected in ① constructing agriculture industry association based on characteristic industry and superior industry ② establishing professional economic association, ③ setting up professional technique research association based on scientific research institutes and institutions of higher education, ④ forming professional cooperatives based on grass-roots supply and marketing departments. However, most of them are still some problems, and differential marketing of agricultural products can improve the cohesion of rural cooperative economic organizations. Four aspects should be paid attention to during the concrete strategy application of differential marketing of agricultural products, which are precisely making target market positioning, promoting pollution-free agricultural products, perfecting benefit affiliating mechanism, and improving information service level.

Key words Rural cooperative economic organization; Differential marketing; Agricultural product; China

Marketing of agricultural products plays an important role in cooperative operation. More than 80 percent of the farmers in developed countries are members of the cooperative economic organizations; cooperatives offer more than 80 percent of the means of agricultural production, and sale more than 80 percent of the agricultural products. However, most of professional cooperative economic organizations in China have the problems of small scale, loose organization, and weak economic impetus. Lack of marketing function has led to the impersistent vigor of cooperative organizations. Therefore, differential marketing of agricultural products dominated by rural cooperative economic organizations can better solve the problems in agricultural product marketing, and improve the cohesion of cooperative organizations.

1 Substance of differential marketing

1.1 Connotation of differential marketing Differential marketing is a strategy opposed to competitive convergence. Because convergence marketing lacks self-personality, it is unable to shunt the consumers reasonably and effectively. Thus, consumers are at a loss in the market. And excessive competition is inevitable among enterprises producing the same products, which will increasingly narrow the space of development, lower the profitability, limit reproduction and expansion, and results in harms of all parties concerned. But differential marketing is a competition means to avoid convergence during marketing competition. Unique competitive strategy and idea can broaden their market space, guide the brand to establish its

own characteristic and style, build a personalized product promotion and brand publicity in order to activate competitive atmosphere, and to widen consumption levels unlimitedly from the three-dimensional space. According to the differentiation strategy revised by Michael Porter in the year 1990, a high degree of differentiation strategy can be used in a market with many target markets. But this strategy should mainly reflect the different grades between enterprise products and competitors in a market with few target markets. According to the connotation, there are various styles of differential marketing, including differential function competition, differential product competition, differential promotion competition, differential grade competition, differential service competition, and differential structure competition^[1].

1.2 Characteristics of differential marketing

1.2.1 A new road for marketing. Avoid the competitive homogeneous market; subdivide target market; select an emerging market with big development space and small competitive pressure.

1.2.2 Unique marketing mode. Update marketing concept according to existing markets and customers; use unique marketing mode for customers to experience and try.

1.2.3 Unique marketing products. Competitiveness between homogeneous products is certain to result in both sink together. Unique products in a market can avoid competition among homogeneous products. The best way is to meet the need of customers, to endue with safety, health and other new functions.

1.3 Concrete manifestation of differential marketing Unify the action and open up new markets. Avoid homogeneous competition in the same industry to obtain exclusive market gains. Exert the strengths and innovate ideas. Differentiation of

market concept has raised the threshold of competition, and it is hard for those who have no conditions to imitate. Add cultural connotations for products. Digging the health and safety properties of products is the inherent requirement of sustainable development, such as pollution-free food, and health-care vegetable.

Differentiation is the essence of differential marketing. But it is difficult to be achieved in the overall promotion of agricultural products in rural areas. Carry out extensive cooperative economy with household as the main body. Enhancing the organization degree in rural areas is a successful innovative practice. The way for rural cooperative economic organizations in Manas County, Xinjiang Province is worth learning.

2 Agricultural marketing practice based on rural cooperative economic organizations

In recent years, agriculture and the rural economy have entered a new stage of development. An agricultural marketing system based on rural cooperative economic organization has developed rapidly in Manas County, Xinjiang Province. This rural cooperative economic organization with self-service and self-development of farmers improve their scientific and technological level, organization degree of agriculture, and market competitiveness of agricultural products. According to the investigation outline of the *Rural Cooperative Economic Development* in February of 2009, there are 108 professional cooperation organizations, 62 agricultural professional associations, 30 professional cooperatives, 8 professional and technical associations, and 8 professional economic unions in Manas County. A variety of technical and economic cooperative service organizations sale 32.7 thousand tons agricultural products for farmers in Manas County in the year 2008, return 3 230 thousand yuan to members, help 40.3 thousand households in rural areas, and obtain 436 800 yuan sales revenue. These rural technical and economic cooperative organizations carry out cooperation of the service in production, processing and marketing. They become a "golden bridge" connecting farmers and markets, and play an active role in promoting agricultural industrialization management.

2.1 Constructing agriculture industry association based on characteristic industry and superior industry Agriculture industry association is a self-service rural cooperative economic organization including local leading enterprises, rural agents, agricultural technical staffs, and activist in farmers organized by local government based on existing characteristic industry and superior industry, such as Manas Cotton Cooperative, Edible Fungi Association, and Vegetables Association. Agriculture industry association can help farmers to develop production, carry out technical training, improve the level of agricultural science and technology, guide farmers to expand sales channels, and enlarge industrial sale. Government helps these associations to formulate the "Five Unification" constitution, which is the unification of quality standards, distribution market, selling time, selling price and product brand. The management mode of "Five Unification" greatly facilitates the pro-

duction arrangement of farmers, reduces the production cost, enhances the quality of agricultural products, reasonably arranges the market, and raises the price of agricultural products, which becomes far higher than that of similar products in market. After benefiting from industry associations, all the key townships of cotton, edible fungi, vegetables, and food processing establish township industry associations, and carry out self-service of production, processing and marketing. The industry associations have also set up industry cooperative group in agricultural trade area in order to form agglomeration effect and to enhance market competitiveness. At present, Manas Cotton Association, Edible Fungi Association, Food Industry and Vegetable Association have established 16 cooperative groups in cities including Shihezi, Urumqi, Changji and so on. Associations encourage old members to lead the new members in different places, and can get a reward of 3 000 –5 000 yuan to those having strong driving ability. At the same time, associations establish industrial production risk fund under the support of government, offer subsidy to peasant households suffered from disaster during production, and promote the rapid development of relevant industries. Last year, nearly a thousand farmers in Manas County cultivate 169.67 square hectares greenhouse vegetable with sales value of 28 500 thousand yuan and profits of 16 500 thousand yuan.

2.2 Setting up professional economic union based on leading enterprises and specialized household Leading enterprises have a market advantage, and specialized household owns production advantage. Thus, if we combine them together to establish an economic union, and to build a rural cooperative economic organization integrating trade, industry and agriculture with the mode of "leading enterprise + cooperative economic organization + peasant household", we can achieve organic integration of production and marketing, enlarge production scale, and realize a "win-win" situation of production and marketing. For instance, Lanzhouwan is a key vegetable and flower town in Manas County. In order to sale it as soon as possible, there is a disorder competition among farmers after enlarging the planting scale. Under this situation, town government makes the best use of the situation, builds a vegetable unity of 56 specialized households. Therefore, this unity can organize production, establish a potato base of 66.67 square hectares, and signs a long-term cooperation agreement with "Master Kang" instant noodle. Therefore, it not only saves costs, but also helps farmers to become rich. Enterprise and farmers together form an operation unity, and establish a dual operation mechanism combining peasant household management and economic union management. Economic unity not only offers technical guidance, implements quality control during production, but also conducts unified purchase, brand, price and sales in management.

2.3 Establishing professional technique research association based on scientific research institutes and institutions of higher education Introduce new varieties and technologies to improve the quality and level of agricultural products and processing, upgrade industry management level, and

make full use of the abundant agricultural resources by using the technology and talent advantages of scientific research institutes and institutions of higher education. For instance, the Manas Edible Fungi Association, Vegetable Production and Research Association, and Holstein Cow Breeding Research Association are all rural professional cooperatives using the rich resource advantages in rural areas and the technological advantages of research institute and academic institution. Fig. 1 illustrates the function of professional technique research association. It makes protective price, provides high-quality seeds and seedlings, and offers farmers the trainings of farming, agricultural production and processing technology about edible fungi, vegetable and Holstein cow. Thus, farmers can obtain technical support for free; at the same time, their worries about the sale of agricultural products are eliminated, so that their industry grows.

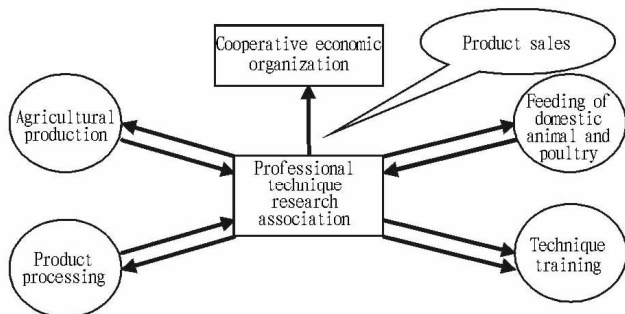


Fig. 1 Collaboration function of professional technique research association

2.4 Forming professional cooperatives based on grass-roots commercial, supply and marketing departments After the reform of grass-roots commercial, supply and marketing departments in Manas County, they immediately change the operating mechanism, make full use of the flow of information superiority of the original commercial, supply and marketing departments, and join up the farmers engaged in the same industry on a voluntary and mutually beneficial basis according to their regions. Thus, professional cooperatives are established, which guide the farmers to develop production and participate in agricultural industrialization through technique introduction, exploitation, pilot demonstration and technical training. Meanwhile, professional cooperatives are in charge of agricultural marketing, which enrich the farmers and strengthen itself. According to the data in February 2009 provided by the Industry Office of Manas County, there are 30 professional cooperatives with 423 members, 373.33 square hectares agricultural base, 19 950 thousand yuan sales value, 1 140 thousand yuan rebate, and 3 785 peasant households participated.

3 Existing problems in differential marketing of agricultural products dominated by rural cooperative economic organization

3.1 Excessively scattered rural cooperative economic organizations Manas County has less than 170 thousand population with 108 economic cooperative organizations. Though these organizations are larger than the household contract in

scale, they still have a long way to go to achieve agricultural industrialization. At the same time, there is internal competition among the economic cooperative organizations set up by villages, which weakens the competitiveness of the county economy, is not conducive to the construction of industrial base, and restricts the variety unification and brand creation.

3.2 Lack of integration linkage mechanism among rural cooperative economic organizations Cooperation and division of labor are the development requirements of marketing management modernization. Cooperation ought to be strengthened on the basis of division. But due to difficulties in the coordination of interests, agricultural industry association, which is only responsible for agricultural production, also organizes marketing. Under the situation of uncertain market sales, demand scale of agricultural products is hard to be controlled based on the professional economic unity comprised of leading enterprises and specialized households. Research associations offering technique support are required to conduct marketing of agricultural products by farmers and industry association worrying about the quality. Thus, various types of economic organizations have the task of marketing, which restricts the consistency action of differential marketing to capture opportunities.

3.3 Inadequate utilization of modern marketing means Differential marketing demands high external information. Due to the small scale of economic cooperative organizations in Manas County, construction of marketing channel mainly relies on traditional marketing network using the mode of nearest marketing. Respond flexibility is restricted when information of external market demand is lagged.

Problems mentioned above are ignored to some extent in differential marketing of agricultural products dominated by rural cooperative economic organization as a result of large demand of Central Asia market at present. However, with the promotion of export-oriented economy in each county, interests of various types of economic organizations will surely be affected, and it is necessary to adopt the strategy of differential marketing of agricultural products to improve the cohesion of rural cooperative economic organizations.

4 Path selection of differential marketing of agricultural products dominated by rural cooperative economic organization

Popularity of rural cooperative economic organization brings farmers real benefits, and leads to over 10 thousand yuan per capita income of Manas County. However, with the awareness of the surrounding counties and cities, competition of agricultural products around the central city is becoming fierce. And milk industry is the most impacted one, vegetable industry also suffers great pressure. Manas Vegetable Association organized 120 farmers to plant vegetable in Alma-Ata in the year 2008. And its per capita income reached 65 thousand yuan, which not only consolidates local market, but also enlarges the impact of vegetable farmers of Xinjiang Province on Kazakhstan. Flowers and edible fungus associations also started to follow its successful road. In order to better carry out the

"going out" strategy of agriculture, it is most promising to implement the differential marketing of agricultural products dominated by rural cooperative economic organization.

4.1 Carrying out market research; precisely making target market positioning Since the year 2000, economy of five countries in Central Asia has entered the period of rapid and stable growth. For instance, GDP of Kazakhstan, having closest economic relationship with Xinjiang, rose for the fifth consecutive year with an increase of 17.8%. Central Asia, a huge market of 60 million population, creates a market space for the rapid development of agriculture in Xinjiang Province. Compared with the market of Hexi Corridor with about 2 000 kilometers, Central Asia market has more opportunities than challenges. Counties can choose industries with comparative advantages or suitable to enter the target market. The preferred target market for Manas County should be its neighbor Kazakhstan. Agriculture and light industry are extremely backward in Kazakhstan and planting industry is still in a relatively low level, though Kazakhstan has obtained rapid economic development in recent years through exporting oil and gas. Thus, it is likely to form relatively big market opportunities. Vegetable economic unity in Manas has weak scale strength at present. Therefore, cooperation with domestic famous fruit and vegetable production and operation enterprises should be strengthened, so as to rapidly occupy the market of Kazakhstan, to accomplish marketing activities of "field production of fruits and vegetables-processing plant-market sale", to raise the threshold of market access, and to enhance the status of industry.

4.2 Advocating green environmental protection; promoting pollution-free agricultural products At present, agricultural products on the international market is oversupplied. One of the sticking points for "difficulty in selling" in domestic agricultural markets reflects in the oversupply of products with assimilation industrial structure. Thus, the effective marketing strategy for agricultural products is to guide the farmers to produce high quality products by cooperative system. With the increase of income, the update of consumer concept, and the change of appetite, many consumers are keen on the return to natural products. Therefore, demand for natural, wild, and special native products will increase. This requires organizations to find out the right trend, and to meet market demand. Rural cooperative economic organizations should guide farmers to seize this opportunity firmly, actively promote the green marketing of agricultural products, flexibly develop marketing combination strategy of products, prices, channels, promotions, and promote the rationalization of agricultural products structure and the overall improvement of agricultural management efficiency. Besides, during the opening up of Xinjiang agricultural products to western areas, government and cooperative economic organizations should seriously study on the relevant laws and regulations of five countries in Central Asian. By strengthening the standards, brand development strategy should be developed and service process should be rigidly enforced, so that pollution-free agricultural products produced at home and abroad can be sold in target markets^[2].

4.3 Perfecting benefit affiliating mechanism; promoting the development of agricultural industrialization The aim of agricultural development is to realize industrialization. Agriculture can not stand the test of market without industrialization. With the improvement of the level of production technology and the increasingly abundant agricultural products, it becomes more and more difficult for single household to enter the market. Through the integration of production, supply and marketing and the integration of trade, industry and agriculture can improve the market ability to resist risks, help to sale agricultural products in foreign countries taking opening up as an opportunity. Organizations should provide valuable and characteristic products and services according to the demand of customers, in order to form a competitive advantage and gradually expand the customer resources. Problems often existed in benefit affiliating mechanism during the process of industrialization. Therefore, government has the responsibility to establish a joint enterprise of "farmers specialized production cooperative + farmers specialized jobber + agricultural products wholesale market", urge enterprises to establish a complete and normative statute, build a transparent financial system and a rule-based allocation system, and strengthen audit and supervision of the public^[3].

4.4 Developing agricultural marketing network platform; improving information service level With the development of internet, information technology is increasingly widespread in agriculture in China. And network marketing is also gradually widely known and promoted. Modern marketing means, such as online sales, express transport and direct window selling, can not only activate circulation, but also expand market. Thus, government and enterprise should vigorously promote the in-depth development of agricultural information. At present, the fields of agricultural production and circulation has emerged many new organization forms, including large household, leading enterprise, cooperative organization, rural agents, professional association, and intermediary organization. They are generated in order to adapt to the development of agricultural markets. Therefore, they have more positive, direct, and highly efficient impact on the transmission of agricultural information. We should give full play to the role of new information carriers proceeding from reality, promote the in-depth development of agricultural information, improve the efficiency of agricultural information services, and achieve better economic benefits through information communication, market price estimation, staggering production season, strengthening the storage, and balancing supply and demand.

5 Conclusion

At present, due to the impact of economic crisis, external market demand for industrial products is decreasing, but the import and export of necessary agricultural byproducts are almost not affected. Early in the year 2009, vegetable and fruit exports in Xinjiang ports still show a positive development trend with an increase rate of 70 percent. Thus, there is a great change

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further explored.

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基于 DPSIR 模型的农业产业化可持续发展评价研究

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摘要 在理清农业产业化内涵的基础上,从五方面介绍了基于农业产业化的 DPSIR 模型。“驱动力”指造成环境变化的潜在原因,包括自然驱动力和社会经济驱动力;“压力”指工业、住房宅基地等在资源利用方面的竞争力;“状态”指在驱动力和压力的作用下,整个农业系统所表现出的资源利用状态、农业生产效率及农业环境等方面的状况;“影响”指农业产业结构所形成的体系对人类生产、生活方面所产生的影响;“响应”指农业产业结构和消费结构的调整。以中国广西北部湾经济区为例,采用层次分析法选取 23 个指标构建了农业产业化可持续发展评价指标体系,并使用加权评分法对其农业产业化发展水平进行了综合评价。结果表明:驱动力因素处在较差的状态,城镇化水平低、龙头企业增加率慢是区域环境质量较好的重要原因,但也严重制约了广西北部湾经济区农业产业的发展;工业、住房宅基地以及不合理的农业生产方式等对农业产业化发展产生了明显的压力;“状态”和“影响”因子的得分说明农业产值规模、劳动力规模以及农民收益等仍处于起步阶段;在响应阶段,政府对农业环境保护、农业产业结构调整等方面的认识程度较浅、实施力度较低,无法适应农业产业的发展。研究了广西北部湾经济区的发展环境及机遇、挑战。基于此,提出了相关对策建议。

关键词 农业产业化;DPSIR;可持续发展;广西北部湾经济区

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to conduct differential marketing, to seize the opportunity, to concentrate our efforts to fill vacancies, and to maintain coordination in marketing. And the strategy of agricultural "going out" promoted by rural cooperative economic organization is promising.

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农村合作经济组织主导的农产品错位营销

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摘要 错位营销是与趋同竞争相对立的策略,对于引导企业树立自我品牌和自我特色风格、创造商机、让消费者从三维空间得到无限的拓宽和延展有着极其重要的意义,其特点主要是在差别中寻求发展,因此对农村合作经济组织主导的农产品营销有着极其重要的现实作用。以中国新疆玛纳斯县为例,以农村合作经济组织为主的农产品营销体系迅速发展,主要表现在:①依托特色产业和优势产业组建农业产业协会;②依托龙头企业和专业大户组建专业经济联合体;③依托科研院所和大专院校组建专业技术研究会;④依托基层供销社和商业部门组建专业合作社。但是在以农村合作经济组织为主导的农产品营销中仍然存在一些问题,主要是农村合作经济组织过于分散,农村合作经济组织之间缺少一体化联动机制,现行的营销手段利用也不充分等,因此利用农产品错位营销能够提升农村合作经济组织的凝聚力。在当前金融危机的冲击下,为了更好地推动农业“走出去”的战略,在具体的农产品错位营销在策略实施中,应注意四个方面:一是深入市场调研,精准目标市场定位;二是提倡绿色环保,力推无公害农产品;三是建立完善利益联结机制,促进农业产业化发展;四是开发农产品营销网络平台,提升信息化服务水平。

关键词 农村合作经济组织;错位营销;农产品