

FEATURES OF MARKETING ACTIVITY IN SUBURBAN FARMS

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1. Introduction

With the development of market relations, with the ever increasing competition between enterprises in Ukraine and rapid changes in consumer preferences is necessary to use marketing tools in the activity of each producer. Agriculture is not an exception. Before farmers face the problem not only produce and sell products, that has a broad consumption, but also respond to changes in consumer demand for food products, deeply analyze their preferences, explore features of the market of food and agricultural products, seek new channels of supply, form and methods of moving goods to consumers.

Remember that consumer demand for food each year is measured in hundreds of tons, which requires the adjusted supply chain products in the short term from producer to consumer. An important role in this process play suburban areas, covering the territory around the major cities, they can satisfy demand for high-quality, fresh agricultural products with minimal time and transport costs.

2. Analysis of recent research

Features of suburban areas was reflected in research by many scientists J. f Tyunen, V.A. Minyeyev, A.M. Tretyak, V.M. Druhan, V.A. Kamensky, M.O. Haucke I. Korovkin, A.R. Glazun, F.D. Zastavnuu, M.M. Palamarchuk, O.M.Palamarchuk. In Soviet times, the issue of suburban areas was paid much attention, right now the issue is considered rare, although in the modern period, especially in the marketing of agriculture, suburban area becomes relevant and requires a new interpretation.

The purpose of article is the research a question of suburban area and its meaning for the effective marketing activity of agricultural enterprises in this zone.

3. Research results

The soviet scholar Minyeyev V.A. notes as closer the location of agricultural enterprises to the city as higher productivity in key areas, more intensive production, and higher level of profitability [1, p.4].

This is due primarily to favorable territorial location, natural conditions, better availability of qualified professionals with high educational level, higher level of scientific-technical equipment and faster access to relevant information.

Theoretical justification of suburban area has become even in the nineteenth century. For the first time systematization of agricultural areas was held by German economist Johann Heinrich von Tyunen (1783-1850) in his work "Isolated state" that was published in 1826 [2, p.256-310].

Johann Heinrich von Tyunen argued that near the city shall be located farms that produce the products, which transportation costs is the most expensive and one that quickly deteriorates and is consumed fresh. Further to be placed companies that produce more transportable products.

Johann Tyunen presented his theory as an abstract model of an isolated state, which exists as a city and a system of territorial zone around it, abstracting from the influence of micro and macro environment. Scientist considered the effect of distance on the efficiency of agriculture, especially in transportation of goods to consumers.

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The researcher argued that as further placed agricultural production from the city as more expensive transportation costs to market products that focus directly in the city, but at the same time cheaper land and wages of workers. He issued own findings in the form of the system of specific zones of various kinds of agricultural production based on the distance, with the focus on greenhouse plants (figure 1.)

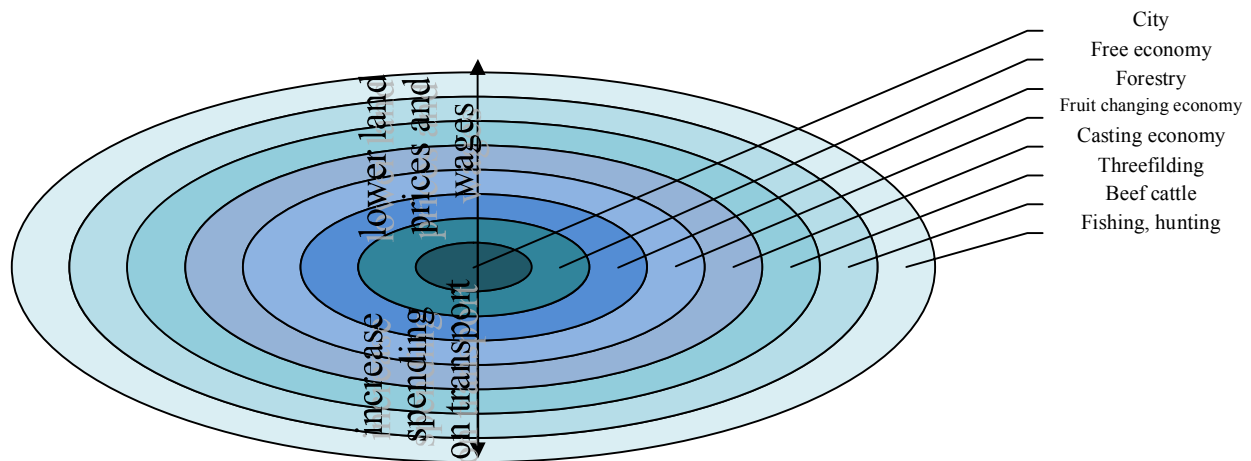


Fig. 1. Model of the territorial structure of agriculture by Johann Tyunen

The first circle represents the "free" economy, and it is an analogue of modern suburban area, a zone in the boundary of which is few transportable products that are perishable and is highly profitable for the manufacturer (berries, cauliflower, lettuce, milk).

The second circle includes forestry, that satisfies the city needs for fuel, coal, construction wood.

The third circle represents "fruit changing" economy, where the change of cereal and deciduous plants is also associated with destruction of pure steam as such.

The fourth circle represents "casting" economy, and five – "threefolding" economy, which is also designed to grow cereals and deciduous plants, but with the help of other more intensive technologies.

The sixth circle represents beef cattle, and the seventh covering fishing, hunting, etc.

The model that represented by Johann Tyunen is an abstract, but it is provided as the first theoretical basis for further research of issues related to the structuring of economic space of agricultural areas and is the starting point in exploring the concept of peri-urban farms.

Later on the rational allocation of production thought many scientists from various countries Wilhelm Launhardt, Alfred Weber, William Rosher, Ernest Ross, Priscilla Lori, Todd Palander, Walter Krystaller, August Losha, Walter Ayzarda, François Perret, M. Kolosovskyy. But the majority of their work is focused for placement industry, not agriculture.

The rapid development of suburban areas in Europe and the U.S.A. fell at the end of the nineteenth century, which was caused by the rapid development of industry, trade, transportation network.

On the territory of modern Ukraine suburban agriculture concept has gained wide importance in the 60's and 70's of the nineteenth century, during the rapid development of commodity-money relations, which resulted in specialization of agriculture in the production of certain types of market products [1, p.7].

Minyeyev V.A. have argued that the rapid growth of urban population demand for agricultural products at that time was primarily due to the abolition of serfdom and a fast growing industry and

an increasing number of urban dwellers, particularly important in this process is assigned to the areas surrounding major centers, namely specialization farmers in milk, vegetables, potatoes and other products that quickly deteriorates. [1, p.7-8]. Korovkin I.P. adds that during the Soviet years design around the largest cities specific suburban areas also was caused by the development of education and the emergence of new industrial centers, which led to a building huge new towns and expansion of existing ones [3, p.63].

During the Soviet years rule the suburban areas have been allocated as a separate type of regional planning that is not only designed to meet the needs of rapid transportation of goods to consumers, but also was provided with all the sanitary and technical and economic conditions of the territorial population distribution, industry, agriculture, recreation area of this territory. According to town planning requirements of this time for districts and cities planning focus was directed to:

- the most efficient placement of industrial facilities;
- science-based use of suburban agricultural areas;
- location of the construction industry;
- a transport network, water supply, sewerage, electricity and other engineering equipment;
- territorial location of the population,
- study areas for the development of existing and new settlements;
- sanitary improvement of the district and enviromental issues;
- choice place for sports and recreation mass [4, p.8; 5, p.8-9].

Based on the model of Johann Tyunen and achievements of domestic and foreign researchers Geographic Encyclopedia of Ukraine in 1989 provided three belted structure of suburban area. Agreeing with the factors that was distinguished by Johann Tyunen, in Encyclopedia was noted that with increasing radius of the remoteness of the territory of the agricultural enterprise of the city has changed its specialization, the territorial concentration as well as the manufacture or some of its species, changing feed base, about this suburban area may be divided into three zones (figure 2):

- highly specialized zone, which includes greenhouse management, swine breeding on food waste, dairy cattle;
- a specialized zone that represented by dairy-beef cattle breeding, vegetables open ground, poultry meat;
- specialized multi-zone, which focuses on dairy-beef cattle breeding, vegetables open ground, swine breeding, grain farming) [6, p.18].

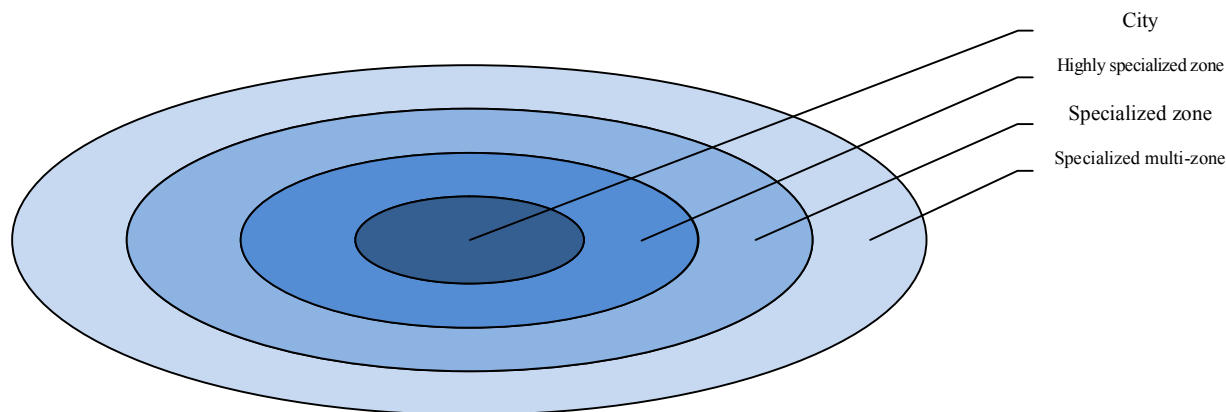


Fig. 2. Model of the territorial structure of agriculture

The development of suburban areas was facilitated the entry to these territories not only the status of the natural environment of cities, but also the effective center of agricultural development. Due to the high support from the state suburban agriculture became stronger, more technical, used the latest scientific developments on the industry.

Certainly agriculture suburban area was not intended to meet the needs of consumers in food products only on their own, but were called to minimize the volume of import outside the zone.

Modern authors Tretiak A.M. Druhan V.M. argue that the suburban area emerged with the development of road transport and electric. Suburban areas form separate movements with their handling establishments, ie administration, retail, health care, and more. The authors argue that the burden of high rents is causes to the moving to suburbs such institutions as hospitals, universities, offices, creating scientific and business parks, industrial zones. Further development of suburban areas leads to the formation of satellite cities with a primary specific land use [7, p.189-190].

Considering the very definition of suburban area should begin with his interpretation of the Great Soviet Encyclopedia, which is considered suburban area as an area surrounding the city and is close to it in a functional, economical, sanitary, architectural and other types of interconnection and interdependence [8, p.566].

Ukrainian Soviet Encyclopedia, emphasizes on functional relations between the city and suburbs, has the interpretation –that a suburban area is an area around the city center, functionally connected with it to supply goods and services, employment or administration [9].

Geographic Encyclopedia of Ukraine presents a somewhat different view of suburbs as areas outside the city, which consists of forests, forest parks and other green spaces, institutions and organizations for mass recreation, suburban towns, farmland and industrial plants that serve the city and targeted on local raw materials, which is part of the unified planning complex "city – suburban area" [10, p.84].

From a marketing point of view suburban farms further analyze consumer preferences for products of food, most likely react to their changes have more information for research and finding markets for food and agricultural products, can choose the best forms and methods of moving goods to consumers.

Arguably, the suburban agricultural areas of marketing orientation are the areas of cooperation between the modern city and the areas that surround it, with the goal of mobile satisfaction for high quality, fresh agricultural products with minimal transport time and costs.

Character feature of suburban area is clear uncertainty of the territory that it covers. Radius of suburban area largely depends on:

- size of the city to which it adjoins;
- the possibility of wide use of its industrial, agricultural and scientific capacity;
- social infrastructure;
- branching transport network;
- environmental conditions (topography, forests, ponds, wetlands and drylands, minerals, etc.);
- geopolitical situation of the city;
- demography;
- availability of satellite cities;

- allocation of areas for country recreation forests, green areas, reserve areas for future development zone [4, p.29; 11, p.79; 10, p.18; 12, p.315-316].

It should be noted that the radius of the largest suburbs taken within 50-100 km from the center." [4, p.22].

According to Glazun A.R. in practice of planning rational scale suburban area in agriculture are two such stages:

- pre-selection of certain territorial boundaries placing the crop and the livestock around the city;
- conducting economic calculations to determine the rationality size of the selected area, given consumer demand for agricultural products and sizes production of these farms suburbs [11, p.79-80].

Agreeing with a number of authors should be noted that economic calculations of agriculture suburban area should include all the specific features of the area, ie:

- orientation on year-round demand that exists in the markets of agricultural products (to include payments related to production and sales, production costs, profits and profitability, labor productivity);
- the need to develop an effective distribution network with optimal number of levels of distribution channels, including pricing strategy in management;
- • rational use of secondary resources, garbage, sewage suburban farm, catering waste, emissions of heat industrial co-generation plants and power stations;
- • specificity, specialization and concentration of production;
- • intersectoral cooperation and the method of their calculation;
- • integration of agricultural, industrial, .sales areas and production infrastructure [12, p.315-316; 1, p.5].

In the current period suburban area of highly developed cities, the population of more than a million people faced with problems that require investigation and resolution at all levels of management.

The modern city extends its boundaries through suburban areas, using as non-agricultural as agricultural land, this territory used for residential and industrial buildings.

Nowadays there is an imbalance between the interests of urban and suburban local communities, which requires joint efforts in solving many problems of the village, among which the most acute are natural resource, social, economic, environmental and problems of the city, associated with the overload of social infrastructure caused, so that almost all the services to rural population are provided in large centers [13].

Changing attitudes to the suburbs largely associated with changing storage technologies, product processing and transportation.

If in Soviet times, the appearance of the transport network preceded the development of suburban areas, then the level of the transport industry today makes it possible to deliver fresh products not only from one city to another within the country and from every corner of the world.

4. Conclusions

Based on studies was conducted on the suburban area, it should be noted that even with reducing the impact of suburban areas in matters of food security of cities, this area remains the most

beneficial to the efficient functioning of agricultural enterprises.

In modern conditions, availability of high competition not only among domestic firms but also foreign, suburban area can be a source of revenue for market high quality, fresh, environmentally friendly agricultural products, especially labor-intensive crops and dairy cattle.

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Summary

In modern conditions, availability of high competition not only among domestic firms but also foreign, suburban area can be a source of revenue for market high quality, fresh, environmentally friendly agricultural products, especially labor-intensive crops and dairy cattle.

Keywords: suburban area; marketing; territorial location; labor-intensive crops.

UD classification: 631.1.027