

## **Marketing Pattern of Milk Production in Rural Regions (Case Study: Villages of Khodabandeh Town in Zanjan Province)**

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### **Extended Abstract:**

#### **1- INTRODUCTION**

Agricultural activities, especially Livestock, are one of the main dimensions of rural economy. In this regard, the ancient history of so many of rural areas about livestock activities, has caused the formation of different types of milk marketing for produced milk, as one of the livelihood tools and economic incomes for the rural community. Despite the fast evolutions in marketing approaches, lack of awareness about market condition, demand and supply, different levels of marketing, additional presence of middle man and pre selling of production has caused products to be sold in cheap prices by farmers. Thus, planning for this mistake and production marketing process management doubtlessly has an important role in promoting economic development of these viable spaces.

#### **2- THEORETICAL FRAMEWORK**

Many studies have been done on the marketing of agricultural products, spatial analyzing and marketing channels in separate form, until now. But, there is no precisely adopted study with this topic that covers all of studied criteria in internal and external literature. In most of these studies, economic dimensions and measurement such as pricing, market structure, demand and supply and est., was emphasis point from expert's attitude, and the other aspect of marketing criteria had been neglected. Spatial dimensions such as place, distance, convenient access from produce place to markets, place basic infrastructure for milk producing such as a grassland and pasturage beside of marketing elements functions play important role in choosing and trends of marketing channels. Agricultural production marketing from farmers view includes all movement and activities that do for agricultural producing, processing and

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selling to consumers. In the other word, wale (2001) believe that marketing contain resulting and foundational decision making with proper and safe market for productions that must be produced and its characters as like as volume, price, degree and ... Marketing literature Critical Analysis show that existent models and patterns in marketing have non spatial approach and in rare pattern and models, the place, space and geographical factor had been attended as an effective factor. So many experts and scientist of marketing and related course, discussed about the best marketing model and its characters and indicators; Noise model (2001), Kotler and Klers model (2006), rsenblooms model (2007) are some of these models that present stage and conditions for appropriate marketing pattern that only some of them such as a geographical approach of market attended to spatial and local dimension and its effective on marketing patterns. Therefore, based on extracting and previous experience in this field, could refer to tow important stage in designing of spatial marketing pattern for agricultural product especially milk: first stage- attention to basic and fundamental, structural and behavioral- functional (spatial distribution) factor as a input factors of marketing process and in the second stage; measuring the effect of each factor on marketing pattern of case study area.

### 3- METHODOLOGY

The methodology used in this article is descriptive- analytic, with an exploring and practical approach. The article is practical because marketing of agricultural production in rural area has many mistakes and limitations that the results of this study could help to solve them. This study is explorative, because all attempts are for finding the good pattern for marketing and it will need to determine the effective indicators. And it is descriptive because we need to identify the existent condition for recognizing the future need of marketing in the case study areas. The purpose of this study is getting the appropriate pattern for spatial marketing for produced milk of rural area and the result could help planners and decision maker in economic development and creating the new opportunities in rural economic dimension.

The cases in this study were selected by a classified and random method and in Arc GIS software environment. All the rural areas were categorized into 4 distance categories and 3 rural points were selected from each category. Finally, 12 rural points and 4 cities had were selected as case study areas and 318 questionnaires were filled by traditional milk producers of these selected spaces. The other sample community includes semi industrial milk producers (33 units), 9 milk collection centers, 30 middle men and 2 dairy product industries, which one of them was settled in a rural area and the other one was settled in Zanzan province. Due to the limitation in the number of cases, total numbering was done. Moreover, for testing the presented theoretical model, some statistical tests, such as Pearson correlation, regression, and path analysis were used.

#### 4- RESULTS & DISCUSSION

In order to achieve the goals of the research, first Pearson correlation test was used and the relation between the introduced 3 dimensional factors in traditional and semi industrial producer, MCC, middle mans and dairy processing industries was analyzed. Moreover, regression test was employed for measuring the effectiveness rate of each factor, as independent variables, on the spatial network of marketing in the case study area. The obtained result in AMOS software based on the structural equation model show that the behavioral – functional dimension had the most effectiveness on the presented pattern and producer condition and market structure lied after it.

The Effectiveness rate Determination for every factor in the milk marketing channel pattern from traditional producer attitude done in SPSS software environment through path analyze technique was based on the obtained result. The behavioral- functional dimension, which includes the spatial factor and indicators, was identified as an effective dimension. In the other sample community's level, which are participators in the milk marketing process, the final results show that in semi industrial producer-structural condition of markets, in middle mans and for MCC level behavioral-functional dimension are the most important factors in getting to best pattern to spatial milk marketing among the three identified dimensions.

#### 5- CONCLUSION & SUGGESTIONS

The quantitative findings of the pattern based on the present path analysis model show that the structure of livestock activities and milk production, existing marketing channels for transmission of productions from farmers to consumers such as dairy processing industries, are affected by behavioral- functional indicators, like distance, place characters, transport systems and infrastructures of the place. However, the other dimensions include producer's condition and fundamental factors, and markets structures are important too, but so many changes and evolutions in markets condition and producers characters are affected by space characters and behaviors. Although, in presented pattern as proposed models of spatial milk marketing channels, the main goal is promotion of all identified dimensions including production, marketing and spatial distribution of milk marketing elements. Thus, what is most important is, creating the useful structures and trying to preserve the functions of them in long period trough an amplifying approach. Because, as previously mentioned, irrational changes in existence structures, without any pathologic studies, cause destruction of the benefits of past functions.

**Key words:** Marketing channels, Rural area, Khodabandeh town, Path analysis, SPSS.

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