# PERFORMANCE AND SUCCESS OF FRUIT PRODUCER ONE THE MARKET OF NE REGION

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#### **Abstract**

Performance, success and success have become the motivation of any manufacturer that is trying to join the market economy requirements. Knowledge of the principles underlying the strategic management of fruit producers in the county of Iasi assumed by default to identify components of the business philosophy as the foundation of the work to perform. European competition requires taking into account primarily the economic and financial dimensions of business entity and is therefore an essential analysis of economic performance that allows the formulation of a development strategy based on studying the rationalization of farm economic data and Accounting.

Fruit producers in the NE region have no marketing department specializing in general do not have a philosophy of well-structured farm and even strategic management is poorly represented in their work.

Mission statement aims personalization, individualization farm. It shows in what will be different from the other units studied unit, which will be its own identity, character and the way it will go in its development. Without a clear indication of what would or unwilling, to give you direction for future work, the unit cannot become a good competitor in its field. The mission is set for both farm and part of every business.

In this paper we addressed the NE Region market using a series of criteria and tools to determine the actual content and its main dimensions. Only a proper evaluation of such dimensions, including: market structure, market location, market capacity, provide sound guidance to business premises, effective reporting of the company, expressed in terms of business and market relationships by highlighting the main ways of developing needles.

Purpose is to determine the impact of market changes is due to Romania EU integration, and developing proposals to shift the manufacturer of fruit on the basis of current European, the studies carried out, adapted to the realities of the transition period Romania and new guidelines for integration into EU structures.

To achieve its purpose we aimed at achieving the following objectives: - to analyse the structure of fruit growing in Romania and NE region - a study on fruit trees in some EU countries - analysis of existing models of integration in the world

Key words: management, fruit, strategy, marketing, consumer.

# MATERIAL AND METHOD

The research methodology used in this paper has considered the following issues: a bibliographic study of national and international literature, two specific intelligence of the investigated area, 3 ordering, processing and presentation of results in summary form, 4 the analysis and interpretation of results, conclusions and recommendations.

### RESULTS AND DISCUSSION

Mission of fruit producer must be transposed into performance objectives, measurable competitive. Objectives are attached to departments, functions and management centres, both long term and short term. Measurable objectives are established and specified intervals. In the competitive setting achievable goals and to find a balance between external and internal conditions of the producer and performance can be obtained.

According to a study coordinated by Prof. Dr.

D. N. Constantinescu and Sheath, 1967, to delimit the natural ecosystems of regions with large fruit after a similar geographical structure, the NE region of Romania is the largest and most representative fruit growing region in the country. In addition, the region also includes Barlad Plateau and part of Suceava Plateau, east of Siren. The climates are continental, annual average temperature being 8.5 to 9.50 C and mean annual precipitation amounts to 500-600 mm.

Comparing with the productions offered quantities of fruit required in each county can be seen that there are gaps big enough to say that the supply far exceeds demand (*tab. 1*).

Larger amounts of fruit offered only demand image shows a low efficiency, the entire region due to lower prices charged to selling products on the market.

North East Region holds 14.30% of total agricultural area of the country and 18.70% of the area covered by forests.

Coverage of fruit demand NE Region

Table 1

The trade	County Specification	U.M	Total Region de NE
Offer	Fruits – total	tons	296221
Demand	Total fruits, from which:	tons	136975,0
Offer-Demand		tons	159246,0
Offer	Plums	tons	50546,0
Demand	Plums	tons	33380,5
Offer-Demand		tons	17165,5
Offer	Apple	tons	180412,0
Demand	Apple	tons	63691,5
Offer-Demand	Offer-Demand		116720,5
Offer	Pears	tons	17602,0
Demand	Pears	tons	12277,9
Offer-Demand		tons	5324,1
Offer	Peaches	tons	480,0
Demand	Peaches	tons	5755,3
Offer-Demand	·	tons	-5275,3
Offer	Cherries and sour cherries	r cherries tons	
Demand	Cherries and sour cherries	tons	11894,2
Offer-Demand		tons	22291,8
Offer	Other fruits (nuts, strawberries, etc.)	tons	9766,0
Demand	mand Other fruits (nuts, strawberries, etc.)		4220,5
Offer-Demand		tons	5545,5

Table 2 Distribution of agricultural land and forests in 2008 (ha)

Territorial unit	Total area	% of total	Agricultural area	% of total	Forests	% of total
Romania	23839071	100	14852341	100	6605690	100
% din total	100		100		100	
Northeast Region	3684983	15,458	2130720	14,346	1232070	18,65
% of total	15,46		14,35		18,65	
Bacău	6.621	0,028	323478	2,178	279048	4,22
Botoşani	4.986	0,021	392860	2,645	57194	0,86
laşi	5.476	0,023	380810	2,564	99022	1,49
Neamţ	5.896	0,025	283803	1,911	261330	3,95
Suceava	8.553	0,036	349131	2,351	456579	6,91
Vaslui	5.318	0,022	400538	2,697	78897	1,19

Source: Statistical Yearbook of Romania, 2009

Looking counties in the region with the largest areas of farmland are Vaslui, Botosani and Iasi, and those that have the largest forest areas are Suceava, Bacau and Neamt. Land erosion control works are carried out on land is limited in comparison with the degraded due to high costs and inadequate equipment.

Selling end products of the fruit chain occurs through wholesale channels and retail distribution. The price of this phase of the pathway is addition of trade. This includes expenditure and revenue traders.

Therefore, any economic activity, including that in fruit growing, must result in a high economic efficiency. This requires performing quantitative calculations and value, nature and especially prospective outcome, to determine the extent to which economic agents can contribute to efforts to establish a certain level of economic efficiency.

Analysis of marketing on fruit stages contribution to achieving the final product value to the public, shows the following: Manufacturing -23.01 %, processing - 41.48 %, trade - 16.6 %.

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Table 3

Value added marketing in the region of U.S. fruit

Nr.crt.	Stage of pathway	RON / t	%
1	Production	124,80	23,01
2	Processing	230,39	42,48
3	Trade	187,19	16,6
4	Total pathway	542,38	100,00

Source: data were the starting point in the production of processed fruit compote.

Cost, price and profit on fruit marketing

Table 4

Cost, price and profit on truit marketing						
Stage of pathway	Indicators	RON / t	%			
Production	Average cost of production	520,78	107,4			
	Sale Price	635,98	131,2			
1 Toddellott	Profit	115,20	23,7			
	Profit rate, %	22,1				
	Expenditure on raw material	129,60	26,7			
	Industrialising Expenditure	141,60	29,2			
	Total expenditure processing	271,19	55,9			
Procesing	Average cost of production	271,19	55,9			
	Sale Price	395,99	81,6			
	Profit	124,80	25,7			
	Profit rate, %	46,0				
	Acquisition costs	395,99	81,6			
	Expenditure on marketing	26,40	5,4			
T	Average cost commercial	422,39	87,1			
Trade	Price	484,78	100,0			
	Profit	62,40	12,9			
	Profit rate, %	14,7				

Source: data were the starting point in the production of processed fruit compote

Table 5

Profit rate on fruit marketing - %				
Stage of pathway	%			
Production	22,1			
Processing	46,0			
trade	14,7			

Currently, the developments of scientific criteria for fruit production are directly reflected on the financial-economic status of producers. In this way it increases economic efficiency, rationally exploiting the land, better use of material and labour.

Improved cultivation technologies applied in recent years offers vast possibilities of mechanization of work and reduces operating costs at a unit area, achieving increased production, stable and higher proportions than the classic culture. These systems provide a pronounced increase production and ensure a high economic efficiency. (Ungureanu, G., 2008).

Production of fruit depends on a number of factors operating on marketing the fruit tree. Thus, the production is represented by individual manufacturers, not specialized in the production of fruit farms and research stations and specialist manufacturers.

Fruit production by individual producers, whose output is intended to satisfy personal consumption, is a very common form in conditions of developing countries, where rural population is majority. Typically, these farms are small (up to 2 ha). However, properties (farms) of this kind, persists in some developed countries. In France, for example, 18% of the fruit comes from individual farms.

Average prices of fruits have a tendency to increase due to the fact that the national market is not saturated, and price increases imports of these products. Romanians main fruit suppliers are the EU (31%) and Turkey (43%). These major manufacturers pay duty on the Romanian market from 20 to 40% and pressuring prices upward fruit. Also imported fruits produce a strong competition on the Romanian market because of the appearance, packaging and appearance of the season.

Fruit marketing profit structure

Table 6

Nr. crt	Stage of pathway	LEI/t	%
1	Production	115,2	38,10
2	Processing	124,8	41,27
3	Trade	62,4	20,64
4	Total	302,39	100,00

- 1 The main problem is the marketing organization and market fruit producers, so that Romania to prelaunch the global market with these products having potential as a starting point of production. Creating and using forms of exploitation of the fruit is influenced by the following aspects:
- 2 Fruit production is permanently located and dispersed. Supply arises from the market products that appear simultaneously with a highly perishable and demand is inelastic, three distribution territorial dispersal fruit is expensive because large investments in conservation and transport and storage products seasonally;
- 3 Three horticultural products are under state supervision, it was forced to intervene by various actions in several directions for phasing investment efforts, income horticulture, while ensuring consumer protection.

The third direction is to export the fruits of recovery. Currently valued participle fruit, fresh or processed, were insignificant compared to total production of fruit produced. The situation is explained mainly by Romanian fruit quality; standards do not meet export requirements, worldwide, but especially to those of the EU.

Given that international trade is generally marked by protectionism, tariff and non-tariff barriers, our country will have to resume and expand exports of fruit on a new vision that takes into account the specialization in certain varieties of fruits and preparations fruits that can benefit from economic and currency.

New approach to superior capitalization decisions on export of fruit products cannot be achieved in the absence of external market research, a few years to overtake exports, to have time to take appropriate measures to determine the species and varieties fruit required and beneficial in terms of prices obtained in foreign markets. With a good knowledge of foreign markets through the development of studies made by experts in marketing, manufacturers can be directly involved in meeting the requirements of external markets.

Therefore, in order to exploit higher fruit and fruit preparations, especially for export, it is necessary for producers to have information on species, variety and assortment structure of industrial products, fruit, most requested, the duration of exports markets with the highest absorption developments at European and world prices.

Measures will be taken next on the line between radical improvements of fruit quality, but their presentation will result in export growth expected to reach 414,000 tons. This is actually the export structure will be established in the strategy development of fruit growing (*table*).

Quality fruit production problem concerns not only exports but also other destinations in the process of economic recovery. This is because the quality is an intrinsic attribute of any economic good, which expresses the social utility of its content, essential aspect of product policy, and price.

#### **CONCLUSIONS**

In the NE region of Romania, fruit is a business with deep roots in history, over time, has experienced profound transformations. Some of these mutations expressed objectives of horticulture development trends throughout the county and national level, others, by contrast, marks a setback in terms of quantity, quality and ownership of farms. Some variants use of the fruits of SCDP Iasi practiced has proven more effective recovery after storage, which is one of the strengths of the resort. However, the use of storage capacity in five years was only 70.9%.

An efficient pathway is providing the consumer the best product at the best price at the desired time and place. To achieve and maintain a high level of performance, economic activity on marketing must be effective in all phases of agriculture, food industry and distribution. At each stage, resources must be used efficiently, economically optimum seeking to achieve the desired level of competitiveness, overall. At least three concepts have been noted to express the marketing performance: efficiency, competitiveness and economic optimum.

Structure perspective fruit exports (thousand tons of fresh equivalent)

Table 7

Nr.		Total	which for recovery (thousand tons equivalent fresh)				
crt.	Fruits	(thousands tons)	fresh	Preserved	Dehydrated	Frozen	Juices
1	Apples	200,0	5,4	36,6	7,6	0	150,4
2	Pears	5,0	1,0	1,0	1,0	0,0	2,0
3	Plums	120,0	20,0	60,0	40,0	0,0	0,0
4	Cherries	15,0	2,0	8,0	0,0	2,0	3,0
5	Sour cherry	17,0	2,0	5,0	0,0	3,0	7,0
6	Peaches	7,0	0,0	5,0	0,0	0,0	2,0
7	Apricots	16,0	1,0	9,0	3,0	0,0	3,0
8	Nuts	6,0	6,0	0,0	0,0	0,0	0,0
9	Other fruit	7,0	2,0	5,0	0,0	0,0	0,0
10	Fruit trees	6,0	2,0	1,0	0,0	2,0	1,0
11	Strawberries	15,0	5,0	6,0	0,0	2,3	1,7
12	Total	414,0	46,4	136,6	51,6	9,3	170,1
	%	100	11,21	33,00	12,46	2,25	41,09

Sources: Isac I, Op. cit, 2002, pag. 81. \*) including jam, jam, semi-\*\*) including nectar, vinegar, cider

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