Seminar Background and Tentative Program

**Improving Food Marketing Efficiency – the Role of Agricultural Cooperatives**

**Rationale:**

Improved efficiency in the food industry is a common goal of farmers, food marketing firms, consumers, and the rest of society. Food efficiency is measured as a ratio of output (utilities) to input (resources). In food marketing, inputs include the resources such as labor, packaging, machineries, energy, and so forth. These are considered necessary to perform the marketing functions. Marketing outputs include time, form, place and the possession utilities that provide satisfaction to consumers. Thus, resources are the costs and utilities are the benefits of the marketing efficiency ratio. Efficient marketing is the maximization of this input-output ratio.

Recently, there are rapid changes in agricultural marketing circumstances, which not only lower efficient marketing but also give a big challenge especially to small-scale farmers. These are as follows: a change made by the emergence of modern marketing channels such as hypermarkets, which have huge capital and strong bargaining power and sell a lot of cheaper imported farm products. This causes market failure by lowering pricing efficiency and even harms small-scale farmers by controlling farm products’ price. And there is big change in consumers’ needs in accordance with increasing GDP per capita and aging population, falling birth rate, etc. Consumers are concerned about food safety much more than before and they insist on the need for graded farm products. Farmers should, therefore, invest more capital to follow up these changes. But this is a big challenge to small-scale farmers who lack capital.

There are some ways to tackle these situations. One of the best ways to cope with these challenges is to enhance the role of agricultural cooperatives. For example, the agricultural cooperatives in Korea established hypermarkets to wrestle with private ones protect small-scale farmers and increase marketing efficiency. This seminar will give a discussion ground for specialists to find a better way to enhance food marketing efficiencies under the recent fast changes in agricultural marketing circumstances mainly through agricultural cooperatives.

**Objectives:**
This seminar aims to have a discussion ground among specialists in order to find a better way to enhance food marketing efficiencies under the recent fast changes in agricultural marketing circumstances mainly through agricultural cooperatives.

**Proposed seminar topics:**

a. Response of agricultural cooperatives to foreign and domestic distributors with strong bargaining power and modern facilities;
b. Response of agricultural cooperatives to changing consumers’ needs;
c. Successful cases of agricultural cooperatives marketing activities for improving marketing efficiency;
d. Modern distribution systems of agricultural cooperatives (E-commerce, etc.)
e. The change of value chain in agricultural marketing and the role of agricultural cooperatives; and
f. How to enhance food marketing efficiency

**Expected outputs**

a. To exchange and share the successful case and future perspectives on the role of agricultural cooperatives for improving food marketing efficiency
b. To exchange and share the strategy and policy measures for improving marketing efficiency through agricultural cooperatives

**Description of major activities**

The seminar will consist of presentation of resource and country papers for two days, and one day for field visits as follows:

- (Mon) Arrival of overseas participants
- (Tue) Registration, opening ceremony, paper presentation and welcome dinner
- (Wed) Paper presentation and closing ceremony
- (Thu) Field visits
- (Fri) Departure of overseas participants

**Countries and number of participants: 13 participants from 8 countries:**

Indonesia (1), Japan (2), Korea (3), Malaysia (2), Philippines (1), Taiwan (2), Thailand (1), Vietnam (1).