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MARKETING SERVICES AND STRUCTURE OF OLIVE FARMS: A CASE STUDY OF TURKEY

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Abstract

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Agricultural marketing is a long process that starts from pre-production and lasts until the product reaches the last consumer. Besides agricultural production, issues such as supply, demand, pricing and sale are within the structure of this process. In the interest of efficient marketing, services related to marketing of the products play a vital role in this process. These services also directly affect the quality of the product. Marketing services, being applied to olive in Turkey as well, have an importance in terms of an effective marketing. The aim of this research was examined the marketing services and structure of marketing of the olive farms in Milas district of Mugla. In this research, the villages that have intensive olive production are identified by using the proportional sampling method. 66 olive producers are subjected to face-to-face survey. The survey data includes the 2008/2009 production period. Being in this sector or on the first step of this sector, farms producing olive are integrated to the research. According to the result of the study, it was determined that applicability of marketing services are inadequate in olive farms of Milas district. In addition, according to producers, one of the most important marketing problems were determined as the instability of prices.

Key words: olive, olive oil, marketing, Milas, Turkey

Introduction

Value gain of the product amount handling from agricultural production is the issue of agricultural marketing. When agricultural products are promoted to customers very well and when their time, place and form utilities are increased, they complete the all production activities (Karacan, 2009). In other words, agricultural marketing can be described as a system, which starts from production decision of these agricultural products and continues with processing and distribution to the last consumer. Agricultural marketing should be assessed within this system and the problems should be solved (Yilmaz, 2008). In this phase, agricultural marketing services including phases in which the products are reached to the last customer has a great importance.

Turkey is an important olive oil producer and exporter. Olive oil production in the world is 2 699 500 tons by the production period of 2008/2009. In the same period, olive oil production of Turkey is 130 000 tons. Within the olive oil production in the world, the share of Turkey is 4.87%. Olive oil export in the world is 608 500 tons by the production period of 2008/2009. Olive oil export of Turkey in the period in question is 31 000 tons, and its share is 5.10% within olive oil export in the world (IOOC, 2011). In Turkey, the source of income of almost 400 thousand families depends on olive oil production. Olive is cultivated in Aegean and Marmara Region including the whole coastline and some parts of Southern Anatolia Region, as well (TKB, 2004). By 2007/2008 period, 96 935 tons of olives to produce olive oil are cultivated in Mugla, which is one of the most important provinces in Aegean Region. This figure constitutes 13.74% of the total production of Aegean Region, which is 705 395 tons (TKB, 2009a). Most of the olive trees of Mugla province are in Milas district. 60.86% of the total olive trees of Mugla Province

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are in Milas district and 60.51% of the total table olive production is supplied from this district, as well (TKB, 2009b). Having a great importance in the agricultural product range of Milas district, olive production increases added value for both the district and Aegean Region. This added value will be provided by a marketing strategy having efficient marketing services. In this context, it is clear that marketing services should be carried out in order to establish an efficient marketing structure in the field of olive and olive oil, which have a significant importance in human nutrition.

Material and Methods

The main material of this research is the data collected from the olive producers that are chosen from 12 villages of Milas district of Mugla. The data is obtained using a face-to-face survey. In addition to province and district directorate of agricultures' records and international and national olive oil council statistics, reports, researches, articles and thesis that are related to the subject are the sources that are used in this research.

In this research, firstly, in order to find the number of olive oil farms, the list of all olive farms that utilized the support bonus from provincial directorate of agriculture of Milas district in 2006/2007 on year is obtained. Then, with the aim of finding the olive producers who are going to be surveyed proportional sampling method has been utilized. In this formula, 90% of probability distribution and 10% of error margin has taken as basis (Newbold, 1995).

$$n = \frac{Np\,(1\text{-}p)}{(N\text{-}1)\,\sigma_{px}^{\,2} + p(1\text{-}p)}$$

In the equation above:
n: Sample size
N: Population
p: Proportion of olive producers (0.50)
$\sigma_{px}^{\,2}$: Variance (0.10 for 0.06079)

Using the formula above, the number of producers to be contacted and stay within the 90% confidence interval is calculated as 66. Using the proportional representation the producers are distributed to the villages. This research includes the 12 villages that represent 51% of the producers (Table 1).

According to their frequency distribution, the analyzed farms are seperated into 3 groups in terms of olive land (da). According to this, the first group (27) of farms constitutes 40.91% of the total olive area with 1-40 da olive land ownership and the second group (24) of farms has total olive area of 41-70 da. The third group (15) of farms has total olive area of 71 da or above (Table 2).

In this research, a variety of pre and post marketing practices done by analyzed olive and olive oil producers are detected as of the farm groups. First, the normal distribution test is performed using continuous variables' (age, education, experience, etc.) One Sample Kolmogirov-Smirnov Test. Then, applying variance analysis (One-way ANOVA) to the variables that show normal distribution and Kruskal-Wallis test to the variables that don't show normal distribution, it is tried to find whether there is a difference between farm groups or not. Additionally, a threefold likert scale (1 = not satisfied, 2 = satisfied, 3 = well satisfied) is used to present olive and olive oil sale satisfaction and a fivefold likert scale (1= strongly disagree, 2= partly agree, 3= moderately agree, 4= agree 5= completely agree) is used to present suggested solutions to the olive and olive oil marketing problems. In addition, the survey includes the questions to measure olive and olive oil marketing and its problems.

Table 1
Surveyed villages within the scope of the research

Villages	The number of surveyed olive producers (n)
Egridere	3
Kurudere	3
Danisment	3
Etrenli	3
Gunluk	4
Narhisar	4
Candır	5
Hisarcık	5
Ketendere	6
Senkoy	7
Pinarcik	10
Comakdag /Kızılagac	13
TOTAL	66

Source: Records of Agricultural Directorate of Muğla Province, June, 2009; Records of Agricultural Directorate of Milas District, June, 2009

Table 2
Proportional distribution of farm groups in the area of research

Farm groups	Number of farms (unit)	%
I. group (1-40)	27	40.91
II. group (41-70)	24	33.33
III. group (71 ≤)	15	25.76
Total	66	100.00

Results and Discussion

General Features of the Producers in Investigated Farms

Average producer age is 57.55, education period is 5.87 years and average family population is 3.17 people for the analyzed farms. While the average agricultural experience of the producer is 41.03 years and olive producing, experience is 40.62 years. Average farmland is 54.94 da and 97.16% of this land (53.38 da) is the land for olive. The number of parcel of land is 9.90 out of the total farmland. Producer age, agricultural experience and olive cultivating experience are among the variables that show normal distribution. One-way ANOVA test using these three variables does not show a particular difference between farm groups. Education period, total family population and olive land are among the variables that does not show normal distribution. Kruskal-Wallis test using education period and total family population variables does not show a particular difference between farm groups. Average olive land is 53.38 da. In terms of the size of olive land, the farm groups show a meaningful difference (p=0.000) (Table 3).

Marketing Services of Investigated Farms

Agricultural marketing is defined as a discipline that analyzes and methodizes the process of the agricultural products starting from production land to the last phase of the consumption (MEGEP, 2007). In other words, marketing at farms is a long lasting process that starts from pre-production period and spans the production and post-production periods. Pre and post-production process of agricultural marketing includes; harvest and type of harvesting, the material that is used for transportation, classification, packaging and storage services.

Olive Harvesting Methods of Investigated Farms

Difficulties of breeding of the harvest and harvest methods are among of the problems that affect the production cost and quality (Anonymous, 2012c). It is designated that the highest labor cost of olive business is the harvest process with 3.29 dollars (Isik and Unal, 2003). When the factors affecting the quality of the natural olive oil are examined, olive-harvesting technique has 30% effect on quality. (Ozturk et al., 2009). It is indicated that in fruit growing, harvest is the most important area where the need for labor per unit area is very high. It is also indicated that 30-60% of the total production cost is coming from harvesting by hand. It is stated that the labor necessity for olive production harvest constitutes 50-70% of the overall labor necessity (Kocabiyik et al., 2009). Olive is one of the hard seeded fruits and in olive production, harvesting cost takes place on the top by 32% of the total cost of table olive production. At the same time, the type of harvesting plays an important role on product quality. It is indicated that the most proper harvesting type in olive production is harvest by hand. Thus, more labor and time is spent. However, the product quality and the following product quantity are increased. As a result, it is stated that the costs are affordable (Anonymous, 2012a). One-study results show that, while the unit cost of product of harvesting by machines is 0.023 dolars/kg, it is 0.150 dolars/kg with harvesting by hand (Isik and Unal, 2003). Olive harvesting type can vary in the analyzed farms. While 72.72% of the farms uses harvesting with stick method, 10.61% of the farms uses harvesting by hand and with stick methods and 6.06% of the farms uses only harvesting by hand method. The percentage of the farms that employs harvesting by machine method is only 4.55% (Table 4). In terms of farm groups, harvesting by stick method is observed mostly in first group farms. It is identified that when the farms develop, utilization of harvesting by hand method decreases. In addition to this in Milas district, within the scope of Rural Development Investments Support Program, 432 olive harvesting machines are delivered to the producers (Anonymous, 2012b). Moreover, in order to make

Table 3
General features of the investigated farms

Farm groups	Producer age	Education period	Total population of the family	Agricultural experience	Olive producing experience	Olive land
I. group (1-40)	58.04	5.96	3.00	40.93	40.19	25.04
II. group (41-70)	57.21	5.33	3.04	40.04	40.05	51.09
III. group (71 ≤)	57.20	6.60	3.67	42.80	42.33	101.35
General	57.55	5.87	3.17	41.03	40.62	53.38
P value	0.968*	0.133**	0.554**	0.846*	0.876*	0.000***
F value	0.320*	-	-	0.168*	0.133*	
Chi- square value	-	4.037**	1.180**	-	-	56.755**

*One – way ANOVA test
** Kruskal-Wallis test
*** Meaningful at p‹ 0.05 level.

use of the new technologies, olive producers in Milas district prefer harvesting by machine method, which became prominent in olive industry in recent years (Milas Onder Newspaper, 2010). This transition process may be shown as a positive improvement in terms of assuring proper harvesting conditions in olive production process.

Transportation Materials of Investigated Farms

Besides the type of harvesting, the type of transportation from field to the facility is another factor that affects the quality of the product (Anonymous, 2012d). It is stated for olive business that the harvesting and transportation costs increase especially on the year basis (Anac, 2005). It is stated that the harvested olives should be transported to the facility with wooden or plastic boxes with the capacity of 20-25 kg. Moreover, those boxes should not be deep and should not damage the olives (Tetik, 2005; ZZTK, 2012). 87.88% of the analyzed farms is using sacks, 7.57% of them is using plastic boxes and 3.03% of them is using both plastic boxes and sacks for transportation of the olive after harvest (Table 5). At analyzed farms, in the post-harvest period, most of the farms that use sacks to transport olive are the first group farms. It draws attention that when the farms get bigger, transportation with sack decreases. Only 5 farms use plastic boxes with 1 farm in the first group and 4 farms in the second group in the area. 2 farms use both sacks and plastic boxes and this constitutes 3.03% of the analyzed farms. It is indicated that, in olive harvesting, transportation under inefficient conditions causes an important amount of value loss in fruit quality (Simsek, 2006).

Classification Condition of Investigated Farms

In the area of research, olives are subjected to a series of classification process before they reach to the olive oil factories. This process has high importance in terms of olive oil quality. While 4.55% of the analyzed farms are classifying the olives, 95.45% of them are not classifying the olives. On the other hand, after the evaluation as of farm groups, it is identified that only 1 farm that is involved in the first group and 2 farms in the second group are doing the olive classification. In total, there are 3 farms that classify the olives. There is not any farm that does classification in the third group. Among the reasons of the producers' inabilities on this issue is that they have lack of information.

Table 4
Olive harvesting methods of investigated farms

Harvesting method	Farm groups							
	I.group (1-40)	%	II. group (41-70)	%	III.group (71 ≤)	%	General	%
Harvest by stick	25	92.59	13	54.17	10	66.67	48	72.72
Harvest by hand + Harvest by stick	2	7.41	3	12.50	2	13.33	7	10.61
Harvest by hand + Harvest by machine	-	-	1	4.16	-	-	1	1.51
Harvest by stick + Harvest by machine	-	-	-	-	3	20.00	3	4.55
Harvest by machine	-	-	3	12.50	-	-	3	4.55
Harvest by hand	-	-	4	16.67	-	-	4	6.06
Total	27	100.00	24	100.00	15	100.00	66	100.00

Table 5
Transportation materials of investigated farms

Utilized material	Farm groups							
	I. group (1-40)	%	II. group (41-70)	%	III. group (71 ≤)	%	General	%
Sack	25	92.60	20	83.33	13	86.66	58	87.88
Plastic Boxes	1	3.70	4	16.67	-	-	5	7.57
Sack+Plastic Boxes	1	3.70	-	-	1	6.67	2	3.03
Sack+Wooden Boxes	-	-	-	-	1	6.67	1	1.52
Total	27	100.00	24	100.00	15	100.00	66	100.00

Packaging Condition of Investigated Farms

Olive packaging after its classification is another factor that affects olive and olive oil quality. It is designated that 1.52% of the analyzed farms are packaging the olive. The remaining 98.48% of farms is not packaging the olive. When it is evaluated as of farm groups, it is identified that only one farm that is involved in the first group is doing packaging.

Storage Condition of Investigated Farms

It is stated that in the olive oil industry, storage conditions have an effect on olive oil quality. Specially, temperature level of storage conditions plays an important role for olive oil quality (Ayton et al., 2012). The producers reserve table olive as much as the household needs and almost the rest of all of the remaining olive is sent to factories in order to be processed as olive oil. Being the last process before marketing phase, storing is done in 4.55% of the farms. However, in 95.45% of the farms storage is done only after olive extrusion at olive oil factories. 3 farms are storing the olive as table olive. One of those farms is the first farm group and 2 of them are in the second farm group. There isn't any farm that stores the olive as table oil in third farm group. Specially, in order to gain advantage, after extrusion process, olive oil is stored by the farms themselves. On average, olive oil may stay in the storage area for 178.39 days.

The Marketing Structure of the Investigated Farms

Olive Extrusion Facilities and Utilized Systems

In order to obtain olive oil, table olive is extrusioned in 93.75% of the enterprises. When the study is evaluated for the choice of olive extrusion place, small-scaled olive oil mills become prominent. 78.78% of the analyzed farms employ private small-scaled olive oil mills for extrusion and 96.97% of those olive oil mills have the feature of continuous system (Table 6). When it is evaluated, most of the producers in all the farm groups prefer the continuous systems as olive extrusion technology. While there is no farm that prefers classical extrusion facility in the first farm group, there is one farm in second farm group and there is one in the third enterprise group. Thus, there are 2 farms that prefer the classical extrusion facility. Besides the small-scaled olive oil, some producers as extrusion facilities may also prefer mills, TARIS (Figs, Raisins, Cotton and Oil Seeds Agricultural Sales Cooperatives Unions) and large scaled farms. In the area of research, 3 farms in first and the second farm group that constitutes the 9.09% of the all farms of this study are working with firms for extrusion. Additionally, only third group farms are working with both TARIS and olive oil mills for olive extrusion. The most important factor that affects the producers' extrusion technology preference is the increase in the number of continuous system olive oil mills in Milas district (Table 6).

Olive and Olive Oil Extrusion Cost and Sale Type

After harvest olive is brought to olive oil mills by producers. Here they either pay per kg or pay on a certain percentage to extrusion the olive. 95.45% of the analyzed farms extrude olive over the certain percent of the oil. It is determined that extrusion price is taken by calculating a certain percentage in all groups of analyzed farms. While price per kg comes into question only in first group farms, both price per kg and olive extrusion with a certain percentage is mentioned in second group farms. Olive oil mils take the extrusion cost from the producer. This extrusion cost is calculated after they turn producers' table olive into olive oil with the rate changing between 8-10%. The rate of the farms applying price per kg extrusion is 3.03% (Table 7). Average extrusion cost of the organic olive oil production is found as 9% in the research done by Olgun et al, (2009) in Aydin, Canakkale and Izmir provinces, and it is 11.8% when it comes to the conventional olive oil production farms. However, it is determined that the most common extrusion technique in conventional farms is taking a certain percentage over the olive oil. In another study done in Eastern Mediterranean, extrusion cost is determined as 7-8% in olive oil mills (Secer and Emeksiz, 2012). All these

Table 6
Olive extrusion facility preferences of investigated farms

Extrusion facility	Farm groups							
	I. group (1-40)	%	II. group (41-70)	%	III. group (71 ≤)	%	General	%
TARIS+ Olive Oil Mills	-	-	-	-	1	6.67	1	1.52
TARIS+Other	-	-	1	4.17	-	-	1	1.52
Olive Oil Mills	24	88.89	17	70.83	11	73.33	52	78.78
Firms	3	11.11	3	12.50	-	-	6	9.09
Other	-		3	12.50	3	20.00	6	9.09
Total	27	100.00	24	100.00	15	100.00	66	100.00

studies show similarities within the results of the study done in Milas district (Table 7).

All of the farms that sell olive as table olive perform the sale for cash. When it is analyzed as of farm groups, first farm group take the place in terms of sale for cash. 94.64% of the olive oil selling farms are performing sale for cash and 5.36% of them are performing deferred payment. It is observed that, all of the second group farms are selling olive oil for cash. For olive oil sale first and third group of farms performing sale both for cash and deferred payment. In analyzed farms, it is detected that, olive oil sale time has spread all of the months of a year (Table 8).

Olive and Olive Oil Selling Area and Marketing Channel

Among the analyzed farms 4.55% of them sell, only olive and 9.09% of them sell both olive and olive oil. In addition to that, 86.36% of these farms sell only olive oil. Olive and olive oil marketing channel shows variety. 66.67% of the farms that sell table olive is selling the product to the local trader and 33.33% of them are selling the product at local market. In terms of farm groups, only 2 farms that are in the first group sell olive as table olive. There is no table olive sell in the other groups. The number of farms selling table olive only in local market is determined as 1 farm. 50% of the farms selling both olive and olive oil sell their product to both local trader and local market. Moreover, 33.33% of the farms sells their olive and olive oil to local traders. Among the analyzed enterprises 94.74% of them that sell only olive oil are selling their product to the local traders and the remaining 5.26% of them are selling their product to both local traders and TARIS (Table 9, Figure 1). Among the entire farm group's olive oil is sold the local traders. Another study shows that 45.31% of the analyzed conventional olive farms sell olive oil to local traders and it is stated that sales to

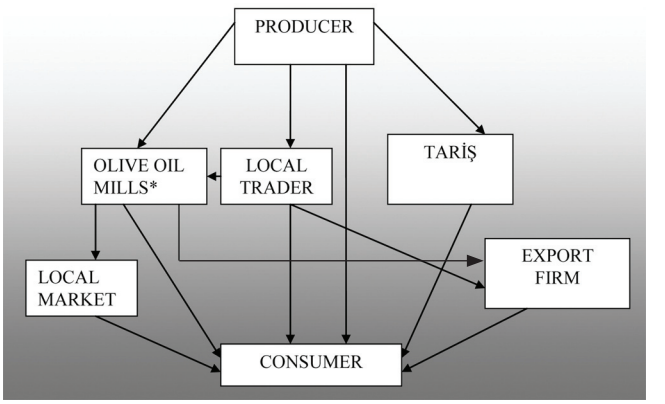

Fig. 1. Olive and olive oil marketing chain in milas district
* Continious / Classic system Olive Oil Mills where olive is extrusioned are stated.

Table 7
Type of olive extrusion cost of investigated farms

Extrusion cost	Farm groups							
	I.group (1-40)	%	II. group (41-70)	%	III. group (71 ≤)	%	General	%
Price per kg	2	7.41	-	-	-	-	2	3.03
Percentage	25	92.59	23	95.83	15	100.00	63	95.45
Price+Percentage per Kg	-	-	1	4.17	-	-	1	1.52
Total	27	100.00	24	100.00	15	100.00	66	100.00

Table 8
Olive and olive oil sale type of investigated farms

Sale type	Farm groups							
	I.group (1-40)	%	II. group (41-70)	%	III. group (71 ≤)	%	General	%
Olive -Cash	6	100.00	2	100.00	1	100.00	9	100.00
Total	6	100.00	2	100.00	1	100.00	9	100.00
Olive Oil - Cash -Deferred payment	20 1	95.24 4.76	22 -	100.00	12 2	85.71 14.29	54 3	94.64 5.36
Total	21	100.00	22	100.00	14	100.00	57	100.00
General Total	27	-	24	-	15	-	66	-

TARIS is extremely low (Olgun et al., 2009). The reason of this extremely low sale to TARIS is the low price policy of TARIS. Similar results found out in this study as well (Table 9).

The Degree of Satisfaction and Expectation State from Olive and Olive Oil Sale

When the olive (1.22) and olive oil sale price (1.07) satisfaction degree is analyzed, it is designated that the producers are not satisfied in terms of sale prices (Table 10).

It is observed that there is significant difference between the real and expected sale price both for olive and olive oil. In general, in olive, the price difference is 0.77 TL and only 34.68% of the actual price is reflected on producers. In olive oil the price difference between expected and actual price is 2.80 TL and only 44.31% of the expected price of from producers is reflected on actual price. According to Kruskal wallis test results, in terms of the actual price of olive and olive oil, there is not a meaningful difference between the farm groups (p= 0.556, p=0.287). According to the same analysis results, there is no difference between the farm groups in terms of expected price of olive and olive oil (p=0.708, p=0.507) (Table 11).

Table 9
Olive and olive oil sale place of investigated farms

Type of Sale	Farm Groups							
	I.group (1-40)	%	II.group (41-70)	%	III. group (71 ≤)	%	General	%
Olive								
- Local Trader	2	100.00	-	-	-	-	2	66.67
-Local Market	-	-	1	100.00	-	-	1	33.33
Total	2	100.00	1	100.00	-	-	3	100.00
Olive-olive oil								
Local Market+Local Trader	1	100.00	-	-	2	50.00	3	50.00
Local Trader								
Local Market+Local	-	-	1	100.00	1	25.00	2	33.33
Trader+TARIS	-	-	-	-	1	25.00	1	16.67
Total	1	100.00	1	100.00	4	100.00	6	100.00
Olive oil								
-Local Trader	22	81.48	22	100.00	10	90.91	54	94.74
-Local Trader + TARIS	2	18.52	-	-	1	9.09	3	5.26
Total	24	100.00	22	100.00	11	100.00	57	100.00
GENERAL TOTAL	27	-	24	-	15	-	66	-

Table 10
The degree of satisfaction from olive/ olive oil sale price

	1	2	3	Scale Average
Olive sale price (n=9)	7	2	-	1.22
Olive oil sale price (n=57)	56	-	1	1.07

1=Not Satisfied 2= Satisfied 3= Well Satisfied

Table 11
Producers olive and olive oil sale prices and sale price expectations (tl/kg)* in investigated farms

Farm groups	Actual sale price		Expected sale price		Difference (1)	Difference (2)	(1)/(3)	(2)/(4)
	Olive (1)	Olive oil (2)	Olive (3)	Olive oil (4)	Olive	Olive oil		
I.group (1-40)	1.60	3.60	2.30	6.49	0.70	2.89	69.56	55.46
II. group (41-70)	1.50	3.56	2.34	6.07	0.84	2.51	64.10	58.65
III.group (71 ≤)	1.10	3.45	2.07	6.41	0.97	2.96	53.14	53.82
General	1.45	3.52	2.22	6.32	0.77	2.80	65.32	55.69
P value**	0.556	0.287	0.708	0.507	-	-	-	-
Chi-square value	1.176	2.498	0.691	1.359	-	-	-	-

*The exchange rate is (June, 2009): 1US $= 1.54 TL (Turkish Liras)
**Olive and Olive oil price is meaningful at p‹ 0.05 level.

Information Recourses Related with the Marketing

Producers information resources related with the marketing are vary at the analyzed farms. The first ranked information resource of the producers about marketing is their own experience with 75.00%. Besides, the producers refer to the traders with 14.47% and to the friends and other farmers with 9.21% in order to obtain information about marketing (Table 12). However, the study of Olgun et al. (2009) shows that the most important information resource of the farms is TARIS with 85%.

Marketing Problems and Producer Opinions Related to Marketing Problems

At the analyzed farms, the most important olive and olive oil marketing problem is stated as the instability of the prices. Hereunder, in 2009, while the average sale price of olive is 1.45 TL/kg at the farms, the expected average sale price of the producers was 2.22 TL/kg. It is identified that the producers are not satisfied from the olive and olive oil prices. On the other hand, average olive oil sale price is 3.52 TL/kg for the analyzed farms. However, the producers state that the olive oil sale price should have been 6.32 TL/kg. Among the olive marketing problems, deficiency of the agricultural support is ranked as second. In the olive industry, there is already an agricultural support to the olive oil. However, there is no support for table olive. Thus, the producers are in the expectation of agricultural support for table olive as this is the case for olive oil. The member countries of the EU are applying olive oil supporting policies. As Turkey is in the process of adaptation to the EU, especially the producers stated that the application of EU olive oil support policies would have a positive effect on olive industry. Additionally, producers' lack of bargaining power in olive oil marketing is being another prior marketing problem. At this point, the absence of cooperative that plays an important role for increasing the bargaining power and the lack of cooperative awareness draws attention (Table 13).

The primary solution opinion of the producers on the problems related with the olive oil marketing is that the producers should have enough technical and marketing knowledge (4.83). The second important solution opinion is that the producer opinion should be taken into account while determining the olive sale price (4.64). Finally the third solution opinion is to organize festivals for region's olive in order to increase the demand to the product (4.41) (Table 14).

Conclusions

In the recent years, food safety and quality criteria became prominent in agricultural goods oriented consumer preferences in the world and in Turkey. One of the most important ways to attain a well place in the market is to present

Table 12
Olive and olive oil marketing related information resourses in investigated farms

	Number	%	Order of priority
Friends and Other farmers	7	9.21	3
Trader	11	14.47	2
Exporter	1	1.32	4
Own Experience	57	75.00	1
TOTAL	76*	100,00	-

*Multiple answers received from the producers

Table 13
Problems related with the olive and olive oil marketing in investigated farms

	Number	%	Order of precedence
Instability of prices	22	30.14	1
Lack of agricultural support	18	24.66	2
Absence of negotiating power	14	19.18	3
Inability to find market	7	9.59	4
Failure to obtain sale prices on time	6	8.22	5
Problems at transportation	5	6.85	6
Other	1	1.36	7
Total	73*	100.00	-

*Multiple answers received from the producers.

Table 14
Producer opinions to the solution of the marketing problems in investigated farms

	N	1	%	2	%	3	%	4	%	5	%	Average Scale
In order to improve the marketting conditions, co-operatives sould be established, producer should liaise and a better price should be obtained.	66	14	21.21	3	4.55	3	4.55	11	16.67	35	53.03	3.75
Producers should have enough techniqual and marketing knowledge.	66	4	6.06	3	4.55	4	6.06	14	21.21	41	62.12	4.83
Studies for producing more quality product for the market should be performed by means of increasing the publications on olive cultivating	66	3	4.55	3	4.55	8	12.12	11	16.67	41	62.12	4.27
For the decision of olive sale cost, producer opinion should be taken into consideration.	66	3	4.55	1	1.51	-	-	9	13.64	53	80.30	4.64
The demand for the product should be increased by means of organizing olive festivals.	66	3	4.55	2	3.03	5	7.57	11	16.67	45	68.18	4.41
A packaging facility should be established to the region.	66	6	9.09	3	4.55	2	3.03	16	24.24	39	59.09	4.20
With proper maintenance conditions off year loss should be minimized and marketed product amount should be increased	66	24	36.36	5	7.58	4	6.06	11	16.67	22	33.33	3.03

1.Strongly disagree; 2.Partly agree; 3.Moderately agree; 4.Agree; 5.Totally agree.

the goods that have healthy hygiene and quality conditions to the consumers.

Olive and the most important product made from it; olive oil makes a significant contribution for both human health and economy of the area where cultivation is done. In spite of this, it's a well known fact that due to the nature of olive fruit, it loses its characteristics rapidly. For this reason marketing services and structure of the olive has a substantial importance in the chain that starts from the field to the table. The undeniable importance of olive and olive oil is a must to complete the marketing function which is one of the most crucial phases especially for post production. That completing of the entire criterion in farms producing olive is necessary.

Mugla province and Milas district that has a strategic place in Aegean region olive oil production has a strategic position in terms of the value-added to the region economy. It is designated that the producers in the area of this research don't have enough awareness or knowledge about the process that starts from production to the marketing, in other words the procedures in order to obtain quality olive and afterwards olive oil.

Olive is still being harvested using traditional methods and this may cause a decrease in yield in the following year. After harvest, olive is transported to the factory by sacks. This creates a deformation problem on the product and decreases the quality of it. Moreover, this causes an increase on the degree of acidity in olive oil. One of the most important factors to produce quality olive oil is its degree of acidity. Additionally producers state that the storage conditions of olive and olive oil after harvest is insufficient. A study result shows that 80% of the producers that benefit from the storage conditions in order to store their product obtain 26.5% price advantage (Olgun et al., 2009). Therefore, storage capacity augmentation has a vital importance in the area.

In the area of research, it needs to be pointed out that the olive oil marketing channel shows a complex structure and more than one intermediary is included in this channel. Thus, this causes an increase of the olive oil prices and a negative effect on producer and consumer satisfaction.

Having an important position in Turkey's exportation, olive oil industry is facing various problems on both producer and customer basis. Realization of olive and olive oil production with a healthy, hygienic and quality atmosphere can be provided by the each phases of the marketing chain starting from the production to the consumption.

On the other hand, nowadays, while demanding a product, consumers not only care about the price but also they attach importance to the quality of it. Oil and table olive should be secured in haste by means of geographical indication system. The system uses contains origin indications with geographical marking (Tiryakioglu, 2011).

When the long lasting process that includes pre-production, production and post-production of marketing function is taken into consideration, all of the phases included in the marketing function requires from farms to be more active and to produce more quality products. This provides consumers not only the change of reaching products that has healthy hygienic and quality standards but also it is going to help farms' brandization.

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