ENSURING THE MARKETING ACTIVITIES OF AGRICULTURAL ENTERPRISES: STRATEGIC AND TACTICAL DECISIONS

Alla Riabchyk*, Olena Babicheva, Olena Nahorna, Olena Korchnyska, Tamila Bilousko

National University of Life and Environmental Sciences of Ukraine, Kyiv, Ukraine
Academy of Labour, Social Relations and Tourism, Kyiv, Ukraine
Kharkiv National Agrarian University named after V.V. Dokuchaev, Dokuchayevske-2, Ukraine.

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ABSTRACT

The strategy of agricultural enterprises is transformed under the influence of external requirements. Limited opportunities for agricultural enterprises to adapt to harsh economic and environmental conditions, especially in developing countries, determine strategic opportunities and decisions. The purpose of an article was to study the features of the strategy and tactics of marketing activities of agricultural enterprises to identify their effectiveness in order to support the development of activities. The methodology is based on the theory of strategic decision-making and the concept of sustainable agriculture to identify the effectiveness of strategies and tactics of marketing activities of agricultural firms in Hungary, Poland, Romania, Slovenia. The results show a low level of strategic orientation of rural enterprises. State support does little effort to stimulate differentiation and niche specialization of agricultural producers, as evidenced by the constant dynamics of agricultural production. Investing in physical assets is the most effective tool to support the agricultural sector. Cooperation and collaboration among enterprises is not widespread and single-owner farming is the most common organizational form in the agricultural sector. Producers' pricing policies remain stable and depend on market conditions: product prices fluctuated slightly. The practical value of the results lies in taking into account the identified effective ways of state support for agricultural producers in promoting the strategy of differentiation of agricultural products.

INTRODUCTION

The strategy of agricultural enterprises is transformed under the influence of external requirements: strengthening the requirements for quality and certification of products, promotion of healthy lifestyles and organic products, integration of information and communications technology (ICT), the concept of sustainable agriculture and environmental impact, competition, dissemination of cooperation strategies and others. “The agricultural sector is exposed to a variety of risks that occur with high frequency” (Austin and Baharuddin, 2012). Limited opportunities for agricultural enterprises to adapt to harsh economic and environmental conditions, especially in developing countries, determine strategic opportunities and solutions (Pokhrel and Pandey, 2013). Therefore, the literature notes the need to develop strategic marketing decisions (SMDs) based on internal resources, dynamics
of the environment and goals. "Effective strategic marketing decisions of farmers are essential elements in response to market transformation" (Chiamjinnawat, 2017). Since the early 2000s, the concept of sustainability of agricultural organizations has become increasingly widespread, particularly in rural areas, due to growing interest in the development of regional food systems (Campbell, 1997; Ingenbleek and Meulenberg, 2006). From the 1990s to the 2000s, agricultural distribution channels changed, transforming business approaches and developing network structures in the agricultural sector (Rocks et al., 2005).

The transition to organic production and marketing has an impact on the strategic orientations of agricultural enterprises (Press et al., 2014). Promoting the certification of organic agriculture forms is a strategic basis for farmers (Goldberger, 2007). Due to some certain trends, strategic and tactical decisions of enterprises change, become more flexible, require speed of acceptance and response to changes in the external environment. Strategic decisions of agricultural producers relate primarily to joint activities and sales channels (Phillips and Peterson, 2007), which involves studying the conditions of demand, preferences and requirements of consumers and the disadvantages of different distribution channels. There is no thorough study of agricultural marketing in the scientific literature due to assumptions about the homogeneity of farmers’ behavior (McLeay et al., 1996). In addition, there is a small scale of operations in the literature of farmers who are not considered as leading players in agri-food value chains (Chiamjinnawat, 2017). The research of the literature for 2000-2020 also proves the lack of a full analysis of strategies and tactics within the marketing activities of agricultural enterprises.

The following types of strategies of agricultural enterprises are discussed in the scientific literature: differentiation, niche strategy and cost leadership strategy (Rossi et al., 2014). The diversification strategy in particular is implemented not only in response to meeting the needs of consumers (Verhees et al., 2012), but also as a way to manage risks in agriculture through the system of natural disasters (Austin and Baharuddin, 2012). The goals of farmers and producers of goods also determine the marketing strategy: supporting households or realizing economic opportunities in the market (Hovorka, 2006). Among the main strategic problems of agricultural enterprises related to competition, decision-making and financial results can highlight the following: lack of strategic planning, marketing processes within the strategy, high financial risks, lack of cooperation and collaboration, low capital, low level of investment in innovation, research and development, incorrect or absent brand positioning, lack of market information, consumer-oriented tactics and lack of established value of agricultural products (Rossi et al., 2014). The goal of this article is to study the strategy features and marketing activities tactics of agricultural enterprises to identify their effectiveness in order to support the development of activities.

MATERIALS AND METHODS

This article uses the theory of strategic decision-making (SDMs) (Chiamjinnawat, 2017) and the concept of sustainable agriculture to identify the effectiveness of strategies and tactics of marketing activities of agricultural firms in Hungary, Poland, Romania, Slovenia. To determine how the practice of sustainable management affects the effectiveness of marketing strategies and tactics in the market, Eurostat (2020) data for the available period (2010-2016) was used. Strategic and tactical decision-making is a component of agricultural enterprise management. Strategic decisions concern positioning, new product development, strategies, investments and the production process. Tactical decisions involve identifying ways to implement business strategies, including marketing. Tactical decisions mainly determine the structure of the firm, resource allocation, performance indicators, inventories or budget and are made in the course of operating activities (Chiamjinnawat, 2017). To identify strategies and tactics of operational activities of agricultural enterprises used data on the following criteria: 1) efficiency; 2) the practice of land cultivation; 3) human resources; 4) state support; 5) the need for additional activities; 6) production volumes and dynamics of product prices. Agricultural enterprises that forecast market trends, understand future trends, patterns of customer behavior and consumer needs, preferences, subjective norms, ensure the implementation of a winning marketing strategy. Forecasting and planning ensures timely strategic and tactical decisions (Rossi et al., 2014). Purchasing behavior, consumer tastes and preferences can serve as a basis for the development of fundamentally different marketing strategies and tools for promoting agricultural products (Rossi et al., 2014).
The formation of marketing plans within the strategies provides an understanding of consumer satisfaction and strengthening the competitive position in the market by farmers (Larson and Mbowa, 2004). Cooperation, formation of farmers’ alliances, vertical and horizontal cooperation are the most researched issues in the context of studying the strategic marketing activities of the agricultural sector. At the macro level, the need to liberalize government marketing policies to encourage vertical coordination between farmers and other members of the food network and to increase the flow of credit to small agricultural enterprises is being studied (von Braun et al., 2005). At the micro level, it has been proven that cooperation and collaboration is an important strategic decision in order to form an international image in the process of internationalization, human resources development, attracting external financial support to the agricultural sector. Forming strategic alliances is an effective approach to innovation and competitiveness. Such alliances are formed between producers, processors, distributors, wineries, restaurants, hotels (Telfer, 2000). Strategic groups of farmers in cooperation with a high level of market and entrepreneurial orientation follow the strategy of interaction with customers, increase prices and start new activities. Instead, the low level of market and entrepreneurial orientation of farmers implies the implementation of a strategy to reduce costs and debt burden (Verhees et al., 2012). Thus, differentiation requires higher costs and the production of new types of goods, while the strategy of reducing costs ensures their optimization. The study by McLeay et al. (1996) analyzed the processes of strategic management of farms and their marketing, studying the characteristic strategies of groups of farmers. Chiamjinnawat (2017) argues that the collective cooperation of farmers provides increased business potential and productivity of farmers, the ability to analyze market information. “New agriculture” means greater specialization, differentiation, integration into the food system, the formation of strategic alliances and networks (Holmlund and Fulton, 1999).

RESULTS AND DISCUSSION

The structure of the agricultural market of Eastern Europe was transformed in 2010-2016. In Hungary, Poland and Slovenia, the number of farms decreased significantly, while in Romania it almost quadrupled in 2016 (Table 1). At the same time, the area of land in Hungary and Poland remained at the same level; while in Slovenia, it decreased by 1.5 times, and in Romania – increased to 12 million hectares in 2016. Thus, due to the scale of Romania, it was possible to expand agricultural production from 913 million euros in 2010 to 12.105 million euros in 2016. In comparison, Slovenia’s output fell to 1.158 million euros (9.874 million euros in 2010). Agricultural output also declined in Poland, while in Hungary it increased by 1.291 million euros. It is worth paying attention to the strategic guidelines for the operation of farms: in Hungary in 2010, 79% of farms produced goods for their own consumption; in 2016, the figure fell to 60%; in Poland the figure was 34% and 18% respectively; in Slovenia – 93% and 57% respectively; in Romania – 60% and 86% respectively. Thus, the strategies of farms in Hungary, Poland and Slovenia are to enter the market and sell products, while Romanian farms are focused on meeting their own consumer needs within the domestic market, which means the potential to increase household income through agricultural development. In the practice of agriculture, farmers mainly carry out conventional land cultivation (Table 2). In Poland in 2010, most land remained uncultivated for 1 season, a significant share is cultivated by conventional methods and zero land cultivation occupies a small share in all countries. In 2016, in Hungary, Romania and Poland, 43%, 38% and 47% of land were cultivated by conventional methods, while about 50% of land remained uncultivated for one season. In Slovenia during 2010-2016, 88% of land was cultivated by conventional methods. This means a lack of innovative technologies and strategies to ensure sustainable agricultural development. In Hungary, 91% of the workforce is employed on a permanent basis, Sole holder hires 44%, 22% are family members, 24% are employees, 9% are part-time employees and 46% are farm managers (Table 3). In Poland, the structure of employees differs: 97% work on a permanent basis, of which only 7% are not family members and only 3% work irregularly. The situation is similar in Romania and Slovenia: 94% and 95% respectively work regularly, 4% and 3% of non-family workers, respectively, are employed regularly, 6% and 5% work non-regularly. Thus, farming strategies are almost homogeneous and do not optimize labor costs, despite the seasonality of agricultural work.
### Table 1. Farm indicators by agricultural area, type of farm, standard output, legal form, euro (2010, 2016)

|                        | Hungary       | Poland        | Slovenia      | Romania       |
|------------------------|---------------|---------------|---------------|---------------|
| **2010**               |               |               |               |               |
| Farm – number          | 576 810       | 1 506 620     | 3 859 040     | 74 650        |
| Utilized agricultural area – hectare | 4 686 340 | 14 447 290   | 13 306 130    | 482 650       |
| Farm area excluding special agricultural production areas – hectare | 7 102 970 | 16 982 340   | 15 695 030    | 905 990       |
| Farms with livestock – number | 381 650 | 9 18 870      | 2 836 640     | 59 220        |
| Farms with livestock – livestock unit | 2 483 790 | 10 377 220   | 5 444 180     | 518 480       |
| Standard output – euro | 5 241 037 240 | 18 987 070 900 | 9 874 585 200 | 913 194 010 |
| Farms whose household consumes more than 50% of the final production – number | 453 670 | 510 840       | 3 589 530     | 44 430        |
| **2016**               |               |               |               |               |
| Farm – number          | 430 000       | 1 410 700     | 69 900        | 3 422 030     |
| Utilized agricultural area – hectare | 4 670 560 | 14 405 650   | 488 400       | 12 502 540    |
| Farm area excluding special agricultural production areas – hectare | 6 245 770 | 16 236 200   | 906 460       | 13 864 510    |
| Farms with livestock – number | 261 540 | 7 18 240      | 56 580        | 2 567 430     |
| Farms with livestock – livestock unit | 2 444 890 | 9 443 240    | 512 120       | 4 828 780     |
| Standard output – euro | 6 532 474 660 | 25 005 635 420 | 1 158 773 470 | 12 105 491 800 |
| Farms whose household consumes more than 50% of the final production – number | 257 100 | 259 000       | 40 150        | 2 956 380     |

Table 2. Agricultural practices, hectare, 2010, 2016

|                      | Arable land | Arable land excluding tillage | Conventional tillage | Conservative tillage | Zero tillage |
|----------------------|-------------|------------------------------|----------------------|----------------------|--------------|
| **2010**             |             |                              |                      |                      |              |
| Hungary              | -           | -                            | 3 205 710            | 313 580              | 44 170       |
| Poland               | -           | -                            | 3 616 400            | 466 670              | 403 180      |
| Romania              | 8 306 420   | 652 370                      | 6 877 700            | 192 530              | 583 820      |
| Slovenia             | -           | -                            | 128 890              | 14 690               | 2 480        |
| **2016**             |             |                              |                      |                      |              |
| Hungary              | 3 821 830   | 170 560                      | 3 256 560            | 356 770              | 37 940       |
| Poland               | 10 805 610  | 160 640                      | 10 121 640           | 296 630              | 226 700      |
| Romania              | 7 813 430   | 951 930                      | 5 906 190            | 217 340              | 737 980      |
| Slovenia             | -           | -                            | 142 810              | 19 270               | 920          |

Table 3. Labor force main indicators, 2016 annual working unit (AWU).

|       | Total | Farm labor force, directly employed by the farm on a regular basis | Sole holder directly employed by the farm | Members of sole holders' family, excluding the holder, directly employed by the farm | Non-family farm labor force, directly employed by the farm on a regular basis | Farm labor force, directly employed by the farm on a non-regular basis | Farm manager, excluding group holding |
|-------|-------|---------------------------------------------------------------|------------------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------|
|       |       |                                                               |                                          |                                                                                 |                                                                  |                                                                         |                                     |
| Hungary | 394 410 | 357 230                                                       | 171 970                                  | 88 700                                                                         | 96 560                                                           | 37 190                                                                     | 180 230                             |
| Poland | 1 649 400 | 1 600 320                                                     | 833 260                                  | 657 430                                                                         | 109 640                                                          | 49 080                                                                     | 856 760                             |
| Romania | 1 640 120 | 1 539 480                                                     | 828 220                                  | 652 180                                                                         | 59 080                                                           | 100 640                                                                    | 838 930                             |
| Slovenia | 82 390   | 78 450                                                        | 34 660                                   | 41 470                                                                          | 2 320                                                            | 3 940                                                                      | 36 840                              |

Agriculture of the CIS Countries as an Essential Element of their Economic Development
The level of support for rural development within the countries of Eastern Europe deserves special attention (Table 4). In accordance with European Union (EU) policies and standards, Member States must ensure product certification, in particular to guarantee product specificities, specific farming methods and the quality of final products, certification and quality monitoring schemes by regulatory authorities. Quality schemes for agricultural products and foodstuffs (Regulation (EU) No. 1151/2012...) (2012) may include reimbursement of advertising and marketing costs of farms carried out by groups of agricultural producers. These standards are intended to provide support to producers through the reduction of asymmetric competition in the market, reducing the level of discrimination against certain types of products. Only Poland actively carries out certification and product quality assurance: in 2016, support for certification schemes amounted to 890 million euros, in Slovenia – 3.9 million euros. 97% of support was provided to farms managed by a sole holder (860.5 million euros); 2% support was received by Farm managed by spouse of holder (15.4 million euros); 1% – Farm managed by a family member (not spouse) of holder (10.6 million euros).

Table 4. Support for rural development by legal status, size and farm typology, 2016 (euros).

| Quality schemes for agricultural products, and foodstuffs (article 16) | Hungary | Poland | Romania | Slovenia |
|---------------------------------|--------|--------|---------|---------|
| Total, euro                     | 890 988 340 | 1 612 800 | - | 3 899 750 |
| Legal person                    | - | - | - | - |
| Group holding                   | - | - | - | - |
| Farm managed by sole holder     | 860 487 000 | 15 416 950 | - | 2 530 860 |
| Farm managed by spouse of holder| - | - | - | - |
| Farm managed by a family member (not spouse) of holder | - | 10 615 390 | - | - |
| Farm not managed by any family member of holder | - | 2 856 190 | - | - |

| Investment in physical assets (article 17) | Hungary | Poland | Romania | Slovenia |
|-------------------------------------------|--------|--------|---------|---------|
| Total                                     | 1 661 627 830 | 233 138 180 | - | 84 603 830 |
| Legal person                              | 1 279 224 810 | - | - | 45 020 460 |
| Group holding                             | - | - | - | - |
| Farm managed by sole holder                | 376 560 270 | 231 422 690 | - | 36 116 820 |
| Farm managed by spouse of holder           | 967 790 | 1 715 490 | - | 1 031 730 |
| Farm managed by a family member (not spouse) of holder | 3 933 290 | - | - | 2 305 500 |
| Farm not managed by any family member of holder | 941 660 | - | - | - |

| Agri-environment-climate (article 28)      | Hungary | Poland | Romania | Slovenia |
|--------------------------------------------|--------|--------|---------|---------|
| Total                                      | 768 322 440 | 2 188 213 680 | 643 958 070 | 553 626 750 |
| Legal person                               | 581 854 730 | 15 939 250 | 257 236 220 | 76 824 180 |
| Group holding                              | - | - | - | - |
| Farm managed by sole holder                 | 179 594 730 | 2 113 965 510 | 380 292 820 | 432 469 550 |
| Farm managed by spouse of holder            | 1 967 980 | 27 669 110 | 2 750 360 | 18 093 540 |
| Farm managed by a family member (not spouse) of holder | 3 637 360 | 14 232 760 | 3 601 790 | 25 904 180 |
| Farm not managed by any family member of holder | 1 267 640 | 16 407 060 | - | 335 300 |

| Organic farming (article 29)               | Hungary | Poland | Romania | Slovenia |
|--------------------------------------------|--------|--------|---------|---------|
| Total                                      | 1 213 640 | 1 038 516 900 | 64 130 170 | 110 267 320 |
| Legal person                               | - | 1 674 890 | 40 301 390 | 33 124 890 |
| Group holding                              | - | - | - | - |
| Farm managed by sole holder                 | 706 290 | 1 002 100 920 | 23 707 100 | 70 378 340 |
| Farm managed by spouse of holder            | - | 16 742 360 | 33 260 | 2 996 870 |
| Farm managed by a family member (not spouse) of holder | - | 10 349 540 | 88 410 | 3 637 890 |
Group holdings did not receive any support. Such a strategy provides assistance and stimulation of production of quality certified products and increase the level of diversity of products of the agricultural sector. Investment in physical assets is one of the instruments of state support for farmers, which is particularly used in Hungary. This instrument provides 50% of funding for the acquisition of assets of the most backward areas, where the level of gross domestic product (GDP) per capita was less than the EU average; 75% of asset financing in outermost regions; 40% of investments in farm assets in other regions. Support is provided to new farms; to finance collective investments and integrated projects (producer associations); regions with various restrictions; for processing and marketing of certain types of products. For example, 77% of investments were received by Legal person in Hungary, 23% – Farm managed by sole holder. In Poland, 99% of investment returns were received by Farm managed by sole holder. In Slovenia, the reimbursement structure was as follows: 53% – Legal person, 43% – Farm managed by sole holder, 3% – Farm managed by a family member (not spouse) of holder. Thus, at the national level, governments implement a policy of implementing differentiated production strategies by farmers by providing support to those producers who are engaged in technologically complex and costly agricultural activities, especially in backward rural areas. Agri-environment-climate (Regulation (EU) No. 1151/2012..., 2012) measures a significant amount of funds in all countries, but the funding structure differs significantly.

Table 5. Other gainful activities, euro, 2016.

| Holder having other gainful activities as main activity | Holder having other gainful activities as secondary activity | Holder not having other gainful activities |
|--------------------------------------------------------|----------------------------------------------------------|------------------------------------------|
| Hungary                                                | 879 038 690                                              | 335 923 640                              |
| Poland                                                 | 163 992 550                                              | 339 032 470                              |
| Romania                                                | 1 323 392 250                                            | 1 030 968 340                           |
| Slovenia                                               | 221 007 940                                              | 244 175 860                              |

In general, agricultural production in all countries decreased in 2011-2020 (Table 6). Despite the sharp growth of Romanian farms and output in monetary terms, the country’s output declined at the fastest pace – by 50% in ten years. The lowest rate of agar production decreased in Hungary, which actively invests in physical assets of agricultural enterprises and provides financing cultivation of annual crops and specialized perennials. Instead, production in Poland and Slovenia fell by 22% and 25%, respectively. If compare the production
Annual sales prices of crop products averaged 15.82 euros per 100 kg of product with a deviation of 2.29 euros per 100 kg of products for 2011-2019 in Hungary, 17.14 euros per 100 kg of products (deviation 2.28 euros per 100 kg of products) in Poland, 16.64 euros per 100 kg of products (2.65 euros per 100 kg of products) in Romania, 16.53 (2.11 euros per 100 kg of products) in Slovenia. This means a weak level of differentiation of prices for agricultural products. Thus, farms Hungary, Poland, Romania and Slovenia generally implement similar production strategies aimed at meeting their own needs (except for Poland, which provides financing to the agricultural sector to develop the domestic market and stimulate exports), differentiation and niche strategies through public stimulating the cultivation of annual crops and specialized perennial crops. The study once again confirms the conclusion about the homogeneity of farmers' behavior (McLeay et al., 1996), despite the active state support and stimulation of niche specialization. The most common form of management is single-owner farmers and therefore small-scale operations of agro enterprises have been proven, which cannot ensure the formation of agri-food value chains (Chiamjinnawat, 2017). This form of organization of activity cannot provide a dynamic growth of production, but only aimed at meeting the needs of producers to a greater extent. The exception is Poland, where only 18% of enterprises produced goods for their own consumption. The research proves that the most common strategies are differentiation strategy and niche strategy (Rossi et al., 2014). These strategies are actively stimulated by the state through the financing of physical assets, support for the cultivation of annual crops and specialized perennials. In Poland, a diversification strategy that is stimulated at the national level in accordance with international standards and EU regulations¹ is implemented not only in response to customer needs (Verhees et al., 2012), but also as a way to manage agricultural risks and support organic farming (Austin and Baharuddin, 2012). Thus, it was found that only 1% of the income of enterprises in Poland was received from additional activities. Level of differentiation of activity of the enterprises of Hungary, Slovenia and Romania are much larger. The marketing strategy of Hungary, Slovenia and Romania is mainly determined by the goals of farmers and food producers in meeting the needs of households or the realization of economic opportunities in the market (Hovorka, 2006). This strategy is especially pronounced in Romania, where the number of enterprises has sharply increased, production volumes and the share of production for own needs was 86%. Reducing the level of asymmetric distorted competition is a major problem in the strategic activities of agricultural enterprises. The second identified problem is the lack of cooperation and collaboration, low level of investment in innovation, research and development. Given the priority in meeting their own needs, it can be assumed that the farms of Hungary, Slovenia and Romania do not implement tactics, consumer-oriented, the lack of established value of agricultural products (Rossi et al., 2014). It can also be assumed that there is a lack of understanding of the model of consumer behavior and consumer needs, preferences, subjective norms, which determine the lack of stability of the agricultural sector and fluctuations in production. Therefore, agricultural enterprises in these countries are not able to ensure the development of fundamentally

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¹ Regulation (EU) No. 1151/2012 of the European Parliament and of the Council “On quality schemes for agricultural products and foodstuffs”. 2012. [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32012R1151](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32012R1151)
different marketing strategies and tools to promote agricultural products (Sedik et al., 2018). According to this study, cooperation and collaboration is a rare practice in Poland, Hungary, Slovenia and Romania. As well as the research of J. von Braun, A. Gulati, P. Hazell, M.W. Rosegrant, M. Ruel (2005), demonstrate the importance of liberalizing government-marketing policy to encourage vertical coordination between farmers and other food network participants. Agricultural enterprises mainly retain regular staff; involve family members in production processes. Given the satisfaction of their own needs, most companies are less focused on foreign markets and human resources development, attracting external financial support to the agricultural sector (Telfer, 2000). However, in Poland and Hungary, companies are actively attracting government support in the form of investments in assets, financing the cultivation of annual crops and specialized perennials. Thus, due to the fact that differentiation requires higher costs and the production of new types of products, agricultural enterprises make little effort, despite the understanding of the threats and risks of the environment. "New agriculture" since the discussion in the scientific literature and the emergence of the concept in the late 1990s does not increase the level of specialization, differentiation, integration into the food system, the formation of strategic alliances and networks (Holmlund and Fulton, 1999). This proves the conclusions of (Pokhrel and Pandey, 2013) about the limited ability of agar companies to adapt to harsh economic and environmental conditions, especially in developing countries. Therefore, the strategic and tactical decisions of most agricultural producers are limited.

CONCLUSIONS
The study proves the low level of strategic orientation of agricultural enterprises. State support does little to stimulate differentiation and niche specialization of agricultural producers, as evidenced by the constant dynamics of agricultural production. The exception is investment in physical assets, which are most effective as a tool to support the agricultural sector in Hungary. Cooperation and collaboration among enterprises is not widespread, and single-owner farming is the most common organizational form in the agricultural sector. Farms have little focus on cost-cutting strategies, as they attract labor on a regular basis. Producers' pricing policies remain stable and depend on market conditions: product prices fluctuated slightly. Farms Hungary, Poland, Romania, Slovenia generally implements similar production strategies to meet its own needs (except for Poland, which provides financing for the agricultural sector to develop the domestic market and stimulate exports), differentiation and niche strategies through government incentives for growing annual crops and specialized perennials. The identified features of the strategic behavior of agar enterprises should be taken into account when optimizing the methods of state support for agricultural producers. Given the popularization of the strategy of differentiation of agricultural products in the analyzed countries, niche specialized orientation of producers in the development of organic production and sustainable agriculture, it is advisable to focus on the state policy of financing physical assets.

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