



## **Economical and marketing analysis of processed hungaricum type food industrial products**

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### *ABSTRACT*

*The most popular Hungaricums produced in the South Plain Region region: the apricot of Kecske-mét, cherry of Kecel. An effort is made in the region to expand the range of traditional specialty products. In the world of globalisation the demand for traditional products is on the rise. This is why an effort is made in the South Plain Region to market special products specific to the region instead of the production of mass products. These unique products are competitive on the world market. We have chosen the SWOT analysis for the examination of the Hungaricums, which is supplemented with a self-evaluation. We are presenting a possible marketing strategy through the example the apricot of Kecske-mét, cherry of Kecel. During our work we have studied the special processing technology of an unique Hungarian product the apricot from Kecske-mét on the basis of the aspects of economy and marketing. In this essay we are talking about the activities and the effectiveness in the year of 2006 of a Hungarian enterprise dealing with processing technology of an unique Hungarian product the apricot from Kecske-mét. We have highlighted a main product of the enterprise and have followed its producing technology. In the study we are aiming at the following points: The processing technology of the product; The quantity of the product sold and the acceptance price of the apricot jam; Defining the processing costs, the income and the indices of resultiveness of the product; Calculating the indices of resultiveness: Net cost, Effectiveness (economic), Profitability, Profit percentage.*

(Keywords: economical and marketing analysis, traditional specialty products, SWOT analysis)

### **ÖSSZEFOGLALÁS**

#### **Feldolgozott hungarikum jellegű termékek ökonomiai és marketing elemzése értékelése**

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*A Dél-Alföldi Régió két jelentősebb hungarikum gyümölcse a Keceli meggy és a Kecske-méti kajszi. A globalizáció világában növekszik a hagyományos termékek iránti kereslet. A Dél-Alföldi Régióban ezért arra törekednek, hogy a tömegtermékek előállítása helyett a térségre jellemző speciális termékeket értékesítsenek. Ezek az egyedi termékek a világpiacon is versenyképesek. A jól megválasztott marketingeszközök segíthetik a Dél-Alföldi Régióban előállított hungarikumok ismertségének, piaci forgalmának növekedését. Az egyes kertészeti termékek vizsgálatára, piaci helyzetelemzésére SWOT analízist választottuk, amely alkalmas a külső környezet*

esetében a lehetőségek és a veszélyek feltérképezésére, a belső környezet vizsgálatánál pedig az erős és gyenge oldal kimutatására. Meghatároztuk a Keceli megye és a Kecskeméti kajszi lehetséges marketing stratégiáit. Kiválasztottuk azokat a marketing eszközöket, amelyek a Dél-Alföldi régióban elősegítik e termékek népszerűségét. Munkánkban egy olyan vállalkozást vizsgáltunk, amely Magyarország Dél-Alföldi régiójának zöldség-gyümölcs feldolgozásában meghatározó szerepet játszik. A vállalkozás tevékenységét 2006-ban vizsgáltuk, amikor a Keceli megyét és a Kecskemét kajszi feldolgozták. E termékek gyártási technológiáját nyomonkövettük, és azok gazdasági eredményeit vizsgáltuk. E tanulmányban a következő célkitűzéseket fogalmaztunk meg: A termék gyártási technológiájának ökonómiai értékelése; A termék eladott mennyiségének, a nyertermék átvételi árának vizsgálata; A termék gyártási technológiai költsége-, árbevétel összetevői, eredményességi mutatók körének meghatározása; A következő eredményességi mutatók kiszámítása: önköltség, gazdaságosság, hatékonyság, jövedelmezőség. (Kulcsszavak: ökonómiai és marketingelemzés, tradicionális speciális termékek, SWOT analízis)

## INTRODUCTION

In the advanced Western-European countries this process started at the end of the 1980s, during which consumer demand increased for the multi-generation food products specific to the region and produced in a traditional way. In the world of globalisation an increasing number of people recognise the need to market products having an extensive history that are specific to the region and which represent a great added value (*Totth, 2005*).

The high standard of European Union market can only be met by high quality and safe horticulture products. In order to exploit the natural and social values of Hungarian products and to keep them on the market we need to improve competitiveness, develop biological and technical values and do an effective marketing work (*Józsa and Deli, 2003*). What is a Hungarian? Perhaps everything that belongs to us: from puszta to palinka through daily chime. This word is nothing else than a message. We, Hungarians can be known and recognized by them. We must recognize the possibilities in this word and utilize them according to our best knowledge.

Hungary is a traditionally foodstuff producing country. Following to the joining to the European Union, it will be extremely important for our country that its foodstuff industry could be able to keep its traditional role. Regarding competitiveness, the importance of the development level of food processing is higher and higher (*Szeitz et al., 2004*). When evolving agricultural structure, the country has to strongly consider those branches that are of high traditional recognition, and its Hungarian experts possess high experience being admitted internationally, and produce excellent quality products (*Berde et al., 2003*).

The Hungarian products that meet the strict requirements of the regulations related to origin protection or the certification system of traditional and unique characteristics can expect a more liberal regulation on the EU markets (*Berde et al., 2005*). Therefore an effort is made in the South Plain Region, instead of the production of mass products, to place a greater emphasis on the industries that have a great history, the Hungarian participants of which possess internationally acknowledged professional skills and that produce excellent quality products. In our work we searched for an answer about how to increase the popularity and the market volume of the Hungaricums produced in the South Plain Region (*Lakner and Hajduné, 2003*). For canned fruits, the fruit base is

harvested under the special soil and climate conditions of Hungary, on producing fields being established throughout centuries. The composition of specific taste and flavour materials is due to the unique soil structure and climate. These are making our fruit products famous all over the world. Amongst them, the Kecskemét Apricot marmalade is an outstanding product. This product is famous for its incomparable taste, colour and savour components, its consistence and flavour.

## **MATERIALS AND METHODS**

### **Definition of hungaricum**

It is wide spread in the Hungarian agriculture to use hungaricum for a group of products. Generally Hungarian mental works are associated with this attribute. A precise definition is needed in agriculture and food industry. Hungaricum is meant by the following definition: An animal species, plant variety, food industrial processing that is linked to the Hungarian people, the Hungarian characteristic mental-working activity, the producing culture, and a product that is derived from the above mentioned which is for long centuries, for generations or in the near past prove that it belongs to Hungary, it is acknowledged in foreign countries and can be associated with Hungary. The criteria for hungaricum fruits and vegetables:

- It reflects and represents Hungary's or the fruit and vegetable growing region's tradition, the accumulated knowledge and experience and the value added with the innovation.
- It has gained an outstanding reputation among domestic consumers.
- Foreigners know it and regard it as a Hungarian specialty.
- Market is provided.
- Environmentally minded, ecological way of production, which carries safety and traceable quality control.
- Brand and denomination is guaranteed.

The production of hungaricum in a special region is both promote marketing of the product and the development of the region.

- Promotes production (fruit and vegetable).
- Improves employment (growing vegetable is labor consuming).
- Its continuous technical and technological improvement is attractive for the mental power.

Those products that meet hungaricum requirement, after joining EEC can be included in the Euroterrois European list that improves the reputation of special Hungarian products, thus significantly improving market position.

### **The general SWOT analysis of Hungaricums**

We have selected the SWOT analysis for the examination and the market position analysis of specific horticultural products, which is suitable for the mapping of the opportunities and the dangers related to the external environment, and can identify the weaknesses and the strenghts with the examination of the internal conditions. We have augmented the SWOT analysis with a self-evaluation. The self-evaluation is a carefully deliberated assessment, and its results provide an opinion or a judgement of the success and the efficiency of the organisation. We would like to demonstrate the general SWOT analysis of Hungaricums in the *Table 1*.

**Table 1**

**The general SWOT analysis of Hungaricum**

<b>STRENGTHS</b>	<b>WEAKNESSES</b>
The products listed have good and excellent characteristics and are delicious. Their quality exceeds that of the competing substitute products.	The integration is low in case of vegetable and fruit products.
The region has traditional growing and production processes.	The promotion activities are of a low quality. Liquidity problems exist, mainly for the small farmers.
Experience and professional skills in production, processing and occasionally in research are typical.	There is a lack of product brand development.
Quality is determined by the features of the production sites, the soil and the weather conditions.	The product revenues are not concentrated, therefore there are no funds for marketing promotion.
A latent demand exists for special, country-style food products both on the local and on the international markets.	The processing level of some specialty products is low.
Several products have their own event, and certain products even have other marketing tools.	Deficiencies exist in packaging and brand development, primarily in the fields of vegetable and fruit production.
<b>OPPORTUNITIES</b>	<b>THREATS</b>
The changes in consumer trends aid the introduction of the products on the market.	The consumers do not get familiar with and do not accept the product.
The demand can be increased by the introduction of modern packaging with distinguishing features identifying the origin.	Counterfeiting may worsen the general view on certain products.
The market can be influenced by integration and concentrated supply.	The profitability of product preparation does not increase.
The demand for the products can be increased by a prepared media package.	The threat that consumption trends having an opposite effect may result in the influx of import products (the specialties of foreign countries).

*1. táblázat: Hungaricumok általános SWOT analízise*

**Evaluation of SWOT analysis of hungaricum**

By the SWOT analysis of hungaricum products with concluded that it is essentially important to protect Hungarian market and to establish the preference of Hungarian agricultural products. In this region no effective marketing communication is used in the origin, quality and product advantage. This is disadvantageous because markings became a market influencing mean in the last time, their role is emphasized and they are

effective with advertisement. Besides, an EU conform solution should be found for building a regional image, because rural development is an accentuated field.

### The enterprise

This enterprise has been a part of the economy of the South-Alföld region for a long time. Since its establishment it has been changed and developed a lot. It generates living for several hundreds of families. Those who made contracts with this firm can have a safe market. This company soon realized that to produce good quality product and to stay on the market can only be in organized and regulated conditions. New product development has always been a top priority. The characteristics of the company's activity and marketing are shown in *Table 2*.

**Table 2**

#### The production and sales of the company (2006)

Name of the product (1)	Produced quantity (2) (ton/year) (3)	Sale income (4) (thousand HUF) (5)
Tomato concentrates (6)	462	96 423
Other tomato (juice, drink) (7)	497	37 910
Tomato based sauces, dressings (8)	234	48 152
Fruit concentrates (9)	3 043	545 114
Pea (10)	10 998	450 220
Sweet corn (11)	14 931	2 950 257
Letcho (12)	114	16 621
Gherkins (13)	1 669	259 351
Other pickles (14)	341	44 377
Fruit juices (15)	1 700	105 712
Canned fruits (16)	93	37 489
Jam, marmalade (17)	543	155 916
Other ready plant products (18)	36	200 974
Plant based total (19)	34 661	4 948 516
Other herbal semi finished goods (20)	1 162	200 974
Total (21)	35 823	5 149 490

2. táblázat: A vállalkozás termékei és értékesítései

*Termék megnevezése(1), Előállított mennyiség(2), Tonna/év(3), Értékesítési árbevétel(4), Ezer Ft(5), Paradicsom sűrítvények(6), Egyéb paradicsom (paradicsomlé, ivólé)(7), Paradicsom-alapú mártások, szószok(8), Gyümölcs sűrítvények(9), Zöldborsó(10), Csemege kukorica(11), Lecsó(12), Csemegeborka(13), Egyéb savanyúságok(14), Gyümölcs-levek(15), Befőttek(16), Jam, lekvár, íz(17), Egyéb növényi késztermékek(18), Növény alapú összesen(19), Egyéb növényi félkésztermék(20), Összesen(21)*

Canned fruit is mainly made from cherry of Kecel origin, in a smaller extent from peach. Jam is mainly made from apricot of Kecskemét origin, but also from plum and cherry. For making jam they do not use hungaricum raw material, because special raw materials have no market importance. 60% of tomato is bought from small holders according to

contract through vegetable integrators. They buy other fruits and vegetable on a free market, through foretaller according to the actual price. They buy bottles from domestic and foreign (Polish, German) producer. In the company's business plan the net income of sale is 7.799 million HUF, gross income 8.959 million HUF. They marketed 35.826 ton of goods, 65% of it, that is 23.437 ton was sold abroad in 2006, while 12.386 ton was sold on the domestic market and was directly exported. Selling strategy is determined by bank liquidity. On the Russian market good cooperation is needed in the future and no financial strict need to be applied. Now there are fewer but more reliable partners. The main goal is to increase export on the Scandinavian and western markets. On the domestic market the main goal is to stay independent.

### **Profitability indexes in our methods**

The methods in the study: Defining the processing costs, the income and the indices of resultiveness of the product. The indices of resultativeness are the following:

*Economy. The production is economic when the large product quantity is manufactured by using low level of living labour and dead labour (say manufacturing resources). This means, the costs for the unit of produce or service are low. This shows if the manufacturing of the product is cheap or expensive. In general, the economy may be represented with the formula below. In this correlation, we get to the first-cost of the product or service.*

*Productivity. This index is only related to the living labour. It is expressing, whether in what quantity or production value the product (service) is manufactured within a unit of time (e.g. working hour). This index may be related also to wages paid.*

*Efficiency. This index is relating to the asset utilisation. It shows, what quantity of product can be produced (expressed in quantity or production value) with the used invested and operating funds (quantity or production value). Provided the assets are considered upon the quantity used, we talk about natural efficiency. Provided the assets are considered upon the production value, we talk about economic or manufacturing efficiency.*

*Profitability. With the help of this index the profit reached is related to the total (entire) cost. This index is expressing, what cost usage has been necessary to achieve a unit of cost. This index serves for the comparability of the profit of our activity and the several departments. The index can be expressed for area unit, also for working time.*

## **RESULTS AND DISCUSSION**

### **The economic evaluation of canned cherry from Kecel region**

#### *The production costs of Kecel canned cherry*

In 2006 the examined enterprise produced 117.990 bottles. This volume was due to the good vegetation climate of that year that made the purchase of a big good quality volume possible. This was also explained by the fact that te marked the Hungaricum character on the label thus guarantee the special taste character.

The cost structure of the production is show on *Table 3* and *Figure 1*.

The most significant cost is material cost, that is the cost of fruit. Good quality can only be produced from high quality fruit which has a higher price. The procurement price is increased if the product is a Hungaricum. From the cost structure it can be seen that depreciation is very high, which is due to the modern processing line and the new buildings. The cost of labour is also noticeable, because workers at the line have an etra wage.

Table 3

## The costs of Kecel cherry product

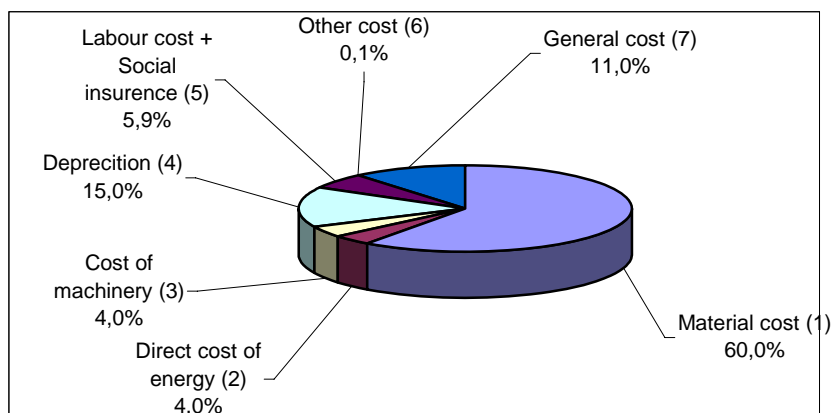
Cost factor (1)	Costs (thousand Ft) (2)
Material cost (3)	10156
Direct cost of energy (4)	6900
Cost of machinery (5)	732
Labour cost and Social insurance (6)	1108
Depreciation (7)	2581
Other cost (8)	50
Direct costs (9)	21527
Value of by products (10)	0
General cost (11)	2691
Total cost (12)	24218

3. táblázat: A Keceli meggybefőtt költségei

Költségnem(1), Költségek (ezer Ft)(2), Anyag költség(3), Közvetlen energia költség(4), Gépesítés költsége(5), Munkabér és közteher(6), Amortizáció(7), Egyéb költség(8), Közvetlen költségek(9), Melléktermék értéke(10), Általános költségek(11), Összes költség(12)

Figure 1

## The cost structure of the production of Kecel canned cherry



1. ábra: A Keceli meggyből készült befőtt előállításának költség szerkezete

Anyag költség(1), Közvetlen energia költség(2), Gépesítés költsége(3), Amortizáció(4) Munkabér és közteher(5), , Egyéb költség(6), Általános költség(7)

## The revenue and profit of Kecel canned cherry

The development of sales revenue and profit of bottled sour cherry of Kecel is shown in Table 4. The Profitability indexes of Kecel bottled sour cherry is shown in Table 5.

**Table 4**

**Development of sales revenue and profit of bottled sour cherry of Kecel**

<b>Designation (1)</b>	<b>Value (2)</b>
Average sales price (3)	264 Ft / piece (4)
Income (5)	31150 thousand Ft (6)
Total cost (7)	24218 thousand Ft (6)
Profit (8)	6932 thousand Ft (6)
Asset value (9)	20419 thousand Ft (6)
Living labour cost (10)	1108 thousand Ft (6)

4. táblázat: A Keceli meggybefőtt árbevételének, jövedelmének alakulása

Megnevezés(1), Érték(2), Értékesítési átlagár(3), Ft/darab(4), Árbevétel(5), ezer Ft(6), Összes költség(7), Jövedelem(8), Eszközérték(9), Élőmunka értéke(10)

**Table 5**

**Profitability indexes of bottled sour cherry of Kecel**

<b>Profitability indexes (1)</b>	<b>Value (2)</b>
Economy (3)	4.9 produced quantity / thousand Ft (4)
First cost (5)	205 Ft/ piece (6)
Efficiency (natural) (7)	5.8 piece/ Ft asset value (8)
Efficiency (economic) (9)	153 Ft gross production value/100 Ft asset value (10)
Productivity (to living labour) (11)	28 Ft gross production value/1 Ft living labour (12)
Profitability % (13)	28.6%

5. táblázat: A Keceli meggybefőtt előállítás eredményességi mutatói

Eredményességi mutatók(1), Érték(2), Gazdaságosság(3), előállított termék/ezer darab(4), Önköltség(5), Ft/darab(6), Hatékonyság (naturális)(7), darab/Ft eszközérték(8), Hatékonyság (ökonómiai)(9), bruttó termelési érték/100 Ft eszközérték(10), Termelékenység(11), Ft bruttó termelési érték/1 Ft élőmunka(12), Jövedelmezőségi %(13)

The gross production value equals income because all the products were sold. We can point it out that this product generate very good profitability indexes. The gross production value per 100 HUF labour and means was outstanding due to the modern technology, the introduction of interest, productivity and efficiency. The profitability indexes of processed product was very favourable. The unit cost was very low while the production valued produced by one unit of labour was very good. The efficiency index shows that the technology is modern, the introduction of interest resulted good productivity and efficiency. The 28.6% profitability rate assumes a long term profitable production.

**The economic evaluation of Kecskemét apricot jam**

*The production costs of Kecskemét apricot jam*

The examined enterprise produced 172.204 bottle jam in 2006. The raw material is originated from Kecskemét region which assured the high quality and good flavour. The



enterprise purchases only 1st class fruit, and the price is the same as that of the export apricot price. Selling apricot jam was not at all a big deal, moreover the buyers' demand could not be satisfied with this amount. The Hungaricum character was marked on the label, thus they guaranteed the special flavour. The production cost structure of Kecskemét apricot jam is shown in Table 6 and Figure 2.

Table 6

## The cost structure of Kecskemét apricot jam

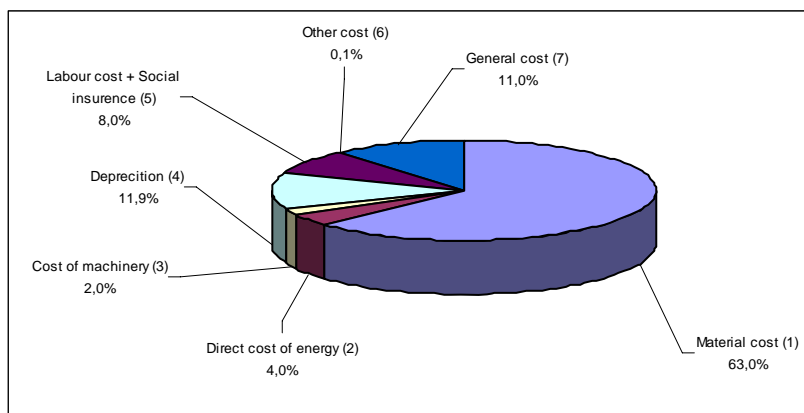
Cost factor (1)	Costs (thousand Ft) (2)
Material cost (3)	14696
Direct cost of energy (4)	864
Cost of machinery (5)	361
Labour cost and Social insurance (6)	1841
Depreciation (7)	2680
Other cost (8)	69
Direct costs (9)	20511
Value of by products (10)	893
General cost (11)	2564
Total cost (12)	22182

6. táblázat: A Kecskeméti kajsziból készült lekvár költség szerkezete

Költségnem(1), Költségek (ezer Ft)(2), Anyag költség(3), Közvetlen energia költség(4), Gépesítés költsége(5), Munkabér és közteher(6), Amortizáció(7), Egyéb költség(8), Közvetlen költségek(9), Melléktermék értéke(10), Általános költségek(11), Összes költség(12)

Figure 2

## The production cost structure of Kecskemét apricot jam



2. ábra: A Kecskeméti kajszilekvár előállításának költség szerkezete

Lásd: 1. ábra.

### Development of sales revenue and profit of apricot jam from Kecskemét

The development of sales revenue and profit of apricot jam shown in *Table 7*. The Profitability indexes of apricot jam from Kecskemét is shown in *Table 8*.

**Table 7**

#### Development of sales revenue and profit of apricot jam from Kecskemét

Designation (1)	Value (2)
Average sales price (3)	152 Ft / piece (4)
Income (5)	26175 thousand Ft (6)
Total cost (7)	22182 thousand Ft (6)
Profit (8)	3993 thousand Ft (6)
Asset value (9)	18680 thousand Ft (6)
Living labour cost (10)	1841 thousand Ft (6)

7. táblázat: A Kecskeméti kajsziból készült lekvár árbevételének, jövedelmének alakulása

Megnevezés(1), Érték(2), Értékesítési átlagár(3), Ft/darab(4), Árbevétel(5), ezer Ft(6), Összes költség(7), Jövedelem(8), Eszközérték(9), Élőmunka értéke(10)

The gross production value equals the income as all the products were sold. The relatively good profitability indexes are explained by the reasonable production cost and selling price. Unfortunately, the selling price was not high despite the excellent quality, but the large quantity sale pushed the price down. The company is satisfied with the 18% profitability. Similar to the canned cherry the effectiveness is good that is due to the application of modern machines and up-to-date technology.

**Table 8**

#### Profitability indexes of apricot jam from Kecskemét

Profitability indexes (1)	Value (2)
Economy (3)	7.7 produced quantity / thousand Ft (4)
First cost (5)	129 Ft/ piece (6)
Efficiency (natural) (7)	9.2 piece/ Ft asset value (7)
Efficiency (economic) (9)	140 Ft gross production value / 100 Ft asset value (10)
Productivity (to living labour) (11)	14 Ft gross production value / 1 Ft living labour (12)
Profitability % (13)	18%

8. táblázat: A Kecskeméti kajszilekvár előállítás eredményességi mutatói

Eredményességi mutatók(1), Érték(2), Gazdaságosság(3), Előállított termék/ezer darab(4), Önköltség(5), Ft/darab(6), Hatékonyság (naturális)(7), Darab/Ft eszközérték(8), Hatékonyság(ökonómiai)(9), Bruttó termelési érték/100 Ft eszközérték(10), Termelékenység(11), Ft bruttó termelési érték/1 Ft élőmunka(12), Jövedelmezőségi %(13)

## **SWOT analysis of products**

### *SWOT analysis of Kecel sour cherry*

Features determinating the „Hungaricum” characteristics of Kecel sour cherry: large or very large fruit with excellent composition, firm flesh, free and small stone, suitable juice colour for processing, flavoured, aromatic. Fruit stalk is long, easy to separate. Strength of the product is its earliness, since it is available as soon as in the early summer months. Given the wide processing range of the product, its added value can be augmented. Fresh fruit has favourable health effects. Every part of the product – its flesh, stone and stem – has beneficial medical effects to the sensory organs and heart muscle. Apart from fresh consumption, jam, pulp, juice, canned fruit, alcoholic drinks can be produced from the fruit, but the confectionery use is also very significant (e.g. cognac cherry).

Weakness of the product is that the „Hungaricum” feature is not appropriately communicated towards consumers, its origin and sort can not be easily distinguished when in processed form because the size of the fruit is hardly perceivable. Fresh product deteriorates very quickly, its transportation can be carried out only with great care and equipment.

Threats are presented by the concurrent and replacing products as the „mass product” sour cherries and sour fruits. As for the Opportunities, the new marketing channels must be exploited. Our export markets and volumes can be increased by products of excellent quality. Recommended marketing tools could be local, small regional programs, better communication of product speciality, and to design such kind of packaging which is available to bear product information.

## **The Situation and the recommended marketing strategy of the apricot of Kecskemét**

In Kecskemét and in its vicinity – due to its advantageous soil and climate conditions – the production and the processing of apricot has a history dating back to several centuries. Several apricot varieties are grown in the region. The main traditional variety is the medium-early ripening Hungarian apricot. Due to frequent frost damages the yield varies extremely. The apricot of Kecskemét has earned fame primarily in the form of fresh products, brandy and jam. Its extensive processing possibilities enable the growth of the added value by also preserving its traditional style, its region-specific features and its uniqueness. We have chosen the apricot, because the development of its Hungaricum-related production, processing and market position is related to the strategic agricultural and regional development programmes of Bács-Kiskun County.

The strengths and the unique features of the product. Due to the most optimal production area and climate in Europe the quality of the fruit is unequalled. The sugar (5–30%) and the acid content (0.3–2.6%) of the apricot produced in the Danube-Tisza interfluvium is coupled with an intense flavour. A harmonious world of flavours comes with the higher than average dry matter content. Its high fibre content has advantageous dietary effects. The fresh fruit has a significant carotene content, and the potassium content of dried apricot is outstanding. Its consumption is healthy, it has a detoxifying effect, and its seed contains B13 and B15 vitamins. These are rare in other fruits.

The fruit has an aesthetic appearance and is excellent for the decoration of cold cuts, fruit salads and desserts. Due to the harmonious composition of the flavour developed in the unique production area high quality processed foods are produced from it. It is consumed fresh, dried and preserved and in the form of purees, jams, pulps and

juices. The value added depends on the type of processing. The apricot of Keckskemét owes its worldwide fame primarily to the brandy produced from the fruit, but the jam produced from it is also a Hungaricum. Their export has no quotas. This provides an opportunity for the advancement of the popularity and the differentiation of the product and for the strengthening of its market position.

A weakness of the product is that it can only be stored for a short period when fresh. Its flavour develops by the time it is ripe, but its transport at this time requires great care. The quantity of the yield fluctuates. Late frost damage represents the greatest risk. If the seed is used during the processing, it must not be forgotten that the seed pulp of some varieties contains toxic cyanide. During the sales activity the quality and the origin are not properly communicated to the consumer, therefore the packaging and the brand identification must be improved.

The emergence of foreign competition represents a threat. Apricot production takes place on a great area in Spain. Fruit picking starts at the end of June in Turkey and Greece. Due to its excellent quality the Turkish apricot is competitive on the puree market. A few years ago plumcot appeared on the world market as a substitute product. This fruit is a hybrid between plum and apricot which is exported by Chile in significant volumes. After the assessment of the threats the opportunities must be identified, so that any possible advantages can be exploited against the competition. Due to the seasonal nature of the fresh product it enters the markets, the local food stores and the export markets in cases. The consumption can be increased with the modernisation of the packaging, origin identification and the application of differentiating marketing tools. It is important to organise regional events that attract attention, where the uniqueness, the traditional processing and Hungaricum nature must be emphasized. Information aimed at the consumer must be added to the fresh and the processed products.

### **Evaluation of SWOT analysis of tested hungaricums**

The identification of the resources available to us, the search for newer resources, the elimination of threats and the expansion of relationships are among the basic tasks. It is very important to evaluate the external environmental effects. The opportunities we will actually realise and the threats we will be able to prevent are to be seen after our internal resources are revealed. Generally it is practical to repeat the SWOT analysis every 2–3 years, or more frequently as needed, and to compare it to the previous examination results.

Specific tasks: To increase the popularity and the market revenues of the Hungaricums noted, and to simultaneously enhance the situation of the producers and the processors associated with the products. The processing of the products by preserving the Hungaricum nature to increase the added value that is recognised on the market.

## **CONCLUSIONS**

The Hungarian foodstuff economy is one of the most important areas of the national economy. Higher and higher ratio of agricultural products is reaching their consumers via processing. The level and advancement of its foodstuff industry is determining the market possibilities of a country's agriculture, as well as the competitiveness of the agricultural products.

Amongst the historical measure changes in national economy, the most specific ones are the series of changes realised in the agriculture. The privatisation has

completely transformed the property structure of the foodstuff industry. It may be presumed that, from the extremely high number of economic participants dealing with agricultural production, there will be that group growing out in the course of the coming years, who will manage family enterprises being competitive even in West-European sense as well, and they will provide a determinant ratio of the Hungarian agricultural production.

The production of hungaricum foods in the South-Alföld Region is a golden opportunity for the Hungarian food industry. There is a real demand for these products. Consumers prefer high quality, guaranteed flavour and are willing to buy them. The sale of these products is guaranteed on a long run and the economic indices of these products processed are quite good.

The Hungaricum products are not well marketable on their own, but together with the appropriate „historical and cultural background”. The consumer in this case does not purchase merely a product – products are available anywhere – but also flavours, aromas and traditions.

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