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RESEARCH ON REGIONAL BRANDING OF AGRICULTURAL PRODUCTS IN CHINA

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Abstract:

Topic: In recent years, branding agricultural products is a necessary path for the development of agricultural products in China. In today's deepening globalization and digital economy, regional agricultural product branding has a non-negligible role in enhancing the market competitiveness of agricultural products. General Secretary Xi Jinping has repeatedly emphasized the importance of agricultural product branding, and policy documents have proposed to strengthen the construction of regional agricultural product public brands. Objectives: This paper analyzes foreign experience in agricultural product branding on the basis of understanding the policy background and literature related to regional branding of agricultural products in China as a reference. This paper also discusses the development of agricultural branding in China and proposes a sustainable development path for the future. Methods: This paper adopts a comparative analysis method to analyze the development of agricultural product branding in China.

Keywords:

Agricultural Products, Brand Strong Agriculture, Branding, Regional Agricultural Product Branding, Sustainable Development

Introduction

In recent years, General Secretary Xi Jinping has repeatedly made important instructions on the branding of agricultural products, to use the brand to ensure that the national information

on the quality of agricultural products, to promote the transformation of China's manufacturing to China's "wisdom", and the transformation of China's products to China's brands. 2016 and 2017 Central Economic Work Conference made specific deployments to play the role of agricultural brands to lead and promote the upgrading of agricultural supply and demand structure. The central economic work conference in 2016 and 2017 made a specific deployment to play a leading role in agricultural product branding and promote the upgrading of agricultural supply and demand structure. The central No.1 document in 2017 proposed to promote the construction of regional agricultural product public branding, which pointed out the direction for further improving the level of regional agricultural product public branding. Regional agricultural product public brand is a platform and basic form of agricultural product brand that can best play the role of brand leadership, and its construction performance determines, to a certain extent, the effect of agricultural products to improve quality and efficiency, and farmers to increase income. The National Rural Revitalization Strategic Plan (2018-2022) proposes to accelerate the construction of agricultural product brands to improve market competitiveness. In 2019, General Secretary Xi Jinping instructed that agricultural products need to "take the path of high-quality development oriented by ecological priority and green development", which puts forward a new demand for the construction of regional agricultural product brands. In 2019, General Secretary Xi Jinping instructed that agricultural products should "take the path of ecological priority and green development-oriented high-quality development," which puts new demands on regional agricultural product branding.

In 2020, the Ministry of Agriculture compiled the Report on the Development of China's Agricultural Brands and researched and formulated management methods for agricultural brands, which pointed out the direction for doing a good job of agricultural product brand building under the new situation. And in the same year, the central No. 1 document put forward new requirements to strengthen agricultural brand building. 2021, the Ministry of Commerce issued the Notice on Accelerating the Construction of Digital Business Services to Build a New Development Pattern, which was specially deployed for the construction of digital business. 2021, the central No. 1 document continued to point out that the promotion of brand cultivation and quality, quality enhancement, and branding, and to firmly establish the road of branding development of China's agricultural industry. In 2022, the Office of the Ministry of Agriculture and Rural Affairs issued the "agricultural production" three products and one standard "to enhance the implementation of the action plan", the branding will be elevated to the same height as the cultivation of varieties, quality improvement, standardized production, unified into the overall layout of the national action of the green development of agriculture. Industrial revitalization is the top priority of rural revitalization, agricultural branding is to lead and drive the quality and efficiency of rural industry "booster". The Implementation Plan for Agricultural Branding (2022-2025) clearly points out that: to accelerate agricultural branding as the goal, to agricultural brand boutique cultivation program as a hand, strengthen the basic support, highlight the marketing and promotion, enhance the service capacity, promote the production and marketing convergence, and constantly enhance the market appeal, competitiveness and influence of agricultural brands, leading the industry to improve quality and efficiency, promote farmers to sustainably increase their income, and promote consumption! Improve quality and expand capacity.

Literature Review

Foreign research on the brand phenomenon can be traced back to the ancient Roman era, brand as the main means of industrial management is Elroy (1931) proposed and the establishment

of brand management system began. The world famous advertising master Ogilvy Levy (1950) published “Products and Brands” in Harvard Business Review, which made the brand become the object of systematic research by scholars, and Aaker (1991) put forward the five-star model of brand equity. The branding of agricultural products in developed countries focuses on innovation, sustainability and health, and geographical indications of agricultural products are being promoted in the European Union.

In China Xi and Li (2001) conducted the earliest research on branding strategy and concluded that the implementation of agricultural branding strategy is conducive to enhancing the competitiveness of China's agricultural products in the market. Bai (2006) pointed out in China to Take the Road of Agricultural Branding that promoting agricultural branding is an important measure to improve the core competitiveness of agricultural products. Xiao and Zhang (2017) pointed out in “Exploration of Regional Brand Economy Development Mechanism” that the construction of regional brand economy can not be separated from the guiding role of the market, the value of market brand elements should be shown through the recognition of the market, and the various brand economy subjects such as enterprises, governments, industries, associations and other brand elements should be operated and planned in a joint effort. Lin (2010) believes that a regional brand is essentially a symbol of the image and quality of the product, which also represents the public's trust and recognition of the product. From the level of geographical regional symbol products, the profound culture and excellent quality of agricultural products are the key indicators of the regional brand of agricultural products, which is in an advantageous position in the competition of agricultural products in the market, and is usually named by the regional administrative name of agricultural products, and is a kind of agricultural products brand with high visibility and high reputation. Scholar Gao (2020), based on sufficient research and analysis, emphasizes the importance of cultivating regional brands of agricultural products, ensuring that the scale of its own brand is increased on the basis of the original, encouraging the development of agricultural enterprise brands, improving the level of agricultural industrialization in a comprehensive manner with the help of effective ways, and carrying out brand marketing in an orderly manner. Tang (2019) pointed out that to promote the integrated development of primary, secondary and tertiary industries in rural areas, it is necessary to strengthen the brand awareness of new agricultural management subjects. Wang (2022) pointed out that the construction of a number of local characteristics of agricultural products brand, need to play a role at all levels of government, business organizations, and do a good job in brand creation, marketing, integration and other aspects of the work, so as to form a perfect brand effect of agricultural products. In the process of creating high-quality agricultural brands, effective ways to enhance the competitiveness of agricultural products in the market, and at the same time to ensure that the product brand recognition and visibility to enhance, so that the agricultural industry can be pushed to a faster direction of growth.

Based on the above research, it can be seen that western countries are ahead of China in terms of branding, and many experts in western countries have done a lot of research on branding a long time ago. Therefore, the research on agricultural branding in China still needs to be strengthened.

Development of Agricultural Branding in Developed Countries

The United States, Japan, France, the Netherlands and Germany have made high achievements in brand building of agricultural products, and this paper selects them as typical cases to study

their development status, so as to learn from their experiences and explore the path of brand building of agricultural products in China.

The United States has a high degree of agricultural mechanization, the government continues to increase support for agriculture, there are a large number of globally recognized brands of agricultural products. From 1950-2008, the cost of agricultural research grew from 2 billion to 9.6 billion U.S. dollars, the world's first investment in agricultural research. The U.S. agricultural quality regulatory system is complete, building cross enforcement video safety monitoring system. U.S. companies to specialize in the business model, most of the brands for the association model. Association and members of a clear division of labor, most of the agricultural products are provided by specialized agricultural products, processed by specialized organizations, specialized organizations sales, to achieve specialized management. At the same time, attaches great importance to brand marketing, is committed to the establishment of a unique brand concept, establish a brand image, improve visibility. Of course, efficient logistics is also an important factor in ensuring the sale and distribution of agricultural products. At the governmental level, all sectors involved in agriculture are given preferential policies in terms of law, taxation and finance, and specialized institutions, such as supply and marketing cooperatives and service cooperatives, provide specialized services for agrochemicals and enterprises.

Japanese agriculture is a world leader, and Japan has enhanced the status of Japanese agricultural products in the international market through branded agriculture. Japan has a perfect quality control system, and the government regulates all aspects of production, processing, sales and after-sale services to ensure that all aspects comply with standards. Under strict supervision, a good high-quality brand image can be created, even if the price is very high can be received by consumers. Japan's agricultural standards are very high, from the selection of seeds to the final sales have a set of strict standards, and promote low pesticide and fertilizer use. In Japan, there are two innovations in the organizational structure of the Japan Agricultural Cooperative Association (JACA) and family farms. JACA has a clear hierarchical structure of agriculture, which has led to a reduction in the cost of agricultural production, an increase in the market value of agricultural products, and an increase in farmers' incomes. The high degree of mechanization and seeding of Japanese family farms, coupled with the legal safeguards and financial resources provided by the Government, have laid the foundation for brand establishment. Japan's agricultural products have always insisted on high-end, high-quality positioning, the "one village, one product" strategy, for example, each administrative village has a representative of agricultural products, "collective" as a unit for unified publicity. The success of the Japanese brand is also inseparable from the support of the Japanese agricultural sector, the use of agricultural subsidies to enhance the motivation of farmers, high-standard agricultural products can apply for higher capital subsidies.

France ranks among the world's top producers and exporters of agricultural products, and its emphasis on branding agricultural products makes French agriculture have a deep impact on world agriculture. France's agricultural regulatory system is also very strict, as a member of the European Union, France is also integrated into the EU agricultural safety regulatory system. France has also made great efforts in brand certification, and the certification system combines agricultural standardization and agricultural branding strategy to develop a product certification system²⁶, such as AOP certification, CCP product certification and organic food certification. French agricultural organizations are highly organized and able to form large-

scale operations. They have also received strong support from the government, which has continuously increased its investment in scientific research and helped with brand promotion and marketing. At the same time, it will often organize related competitions to establish a brand culture and promote the brand culture to the international market. France also requires agricultural workers to obtain professional qualifications to improve the quality of workers, so as to promote the concept of agricultural brand development.

Typical of Germany is the high degree of mechanization of agriculture, which has led to the modernization of farm management. The first aspect of the high standard of German production is the high standard of access, and on the other hand the high standard of quality. Germany also has professional organizational structures, such as the German Farmers' Association. The German Farmers' Association pays particular attention to agricultural education and training, and promotes scientific and technological progress in agriculture. In the field of agriculture, German agriculture is one of the leading organizations in Europe.

The Netherlands has its own unique development chain - the "OVO Trinity", i.e. the agricultural research, education and extension system. The three are combined to promote agricultural development, using science and technology to improve quality, research new varieties and improve the quality of agricultural personnel. The Netherlands has also adopted a model linking production by farmers and sales and promotion by auction houses, which allows for standardized management of all aspects of the process.

Development of Agricultural Product Branding in China

China is a large agricultural country with rich agricultural resources and a wide variety of agricultural products. China's arable land covers an area of about 120 million hectares, accounting for 12 per cent of the country's total area. According to statistics, China's effective arable land area is about 930 million mu, ranking first in the world. China is also one of the world's largest grain producers, and its grain output has always been among the top in the world. In 2023, China's total grain output reached about 650 million tons, of which the gross value of grain output was about 9.6 trillion yuan. The types of agricultural products in China include grains, vegetables, fruits and livestock products. Various regions produce diversified agricultural products, such as rice, millet, apples and bananas, depending on their climatic and geographical conditions. China has continued to make progress in the field of agricultural science and technology, which has promoted the modernization and intelligence of agriculture on China. The application of agricultural science and technology has improved the yield and quality of agricultural products and promoted the supply-side structural reform of agricultural products.

By the end of 2022, the number of China's agricultural product brands had gradually increased and their popularity was rising. The export volume of agricultural products has been growing steadily, and according to the data, China's total exports of agricultural products reached about US\$190 billion in 2023, an increase of about 8% from the previous year. The competitiveness of China's agricultural products in the international market has been improving, and some brands have won the favor of overseas consumers. According to statistics, the number of Chinese agricultural product brands has exceeded 1,000, and some of the well-known brands, such as Sanquan Food, Yili Dairy, and Qiaqia Foods, have high visibility and reputation in domestic and international markets. The number of GI agricultural products in China continues to grow, with 1,405 GI protected products by the end of 2021, of which GI agricultural products

account for about 80% or more. These GI products represent the quality and tradition of China's distinctive agricultural products and are widely recognized by consumers and the market. E-commerce platforms have provided new sales channels for Chinese agricultural brands, boosting brand promotion and sales. sales of Chinese agricultural products on e-commerce platforms amounted to about 400 billion yuan in 2023, with strong growth momentum. Through the e-commerce channel, Chinese agricultural brands have been able to reach a wider consumer base, increasing brand awareness and sales.

According to the statistics of China Statistical Yearbook, it can be seen that in 2022, China's major agricultural products output were 68,652,800 tons of grain, 5,980,000 tons of cotton, 36,542,000 tons of oilseeds, 228,000 tons of hemp, 112,365,000 tons of sugar, 2,188,000 tons of tobacco, 807,000 tons of silkworm cocoons, 3,342,000 tons of tea, 312,962,000 tons of fruits, which is a significant increase compared to the previous year as a whole have been significantly improved.

Problems in China's Regional Branding of Agricultural Products

In recent years, the competition in China's agricultural products market has become more and more intense, and the branding of agricultural products has been implemented all over the country and has achieved certain results. Agricultural production enterprises want to maintain sustainable development must pay attention to agricultural brand building. From years of agricultural brand development practice, although some regions in the agricultural brand building has done a lot of work, but due to the complexity of the brand building performance evaluation, the indicators are not easy to quantify, the efficiency of the brand building inputs is difficult to evaluate, resulting in a low output-to-input ratio, the effect of the brand building is not satisfactory enough, the brand construction, there are still a lot of problems in the brand building. Based on the impact on the construction of agricultural brands, we will discuss the problems and measures to solve the problems of China's agricultural brand building.

The Construction of Agricultural Products Needs to be Improved

The most important thing in the construction of agricultural products is to improve the visibility of agricultural products, which requires effective planning and promotion of the brand. However, in the country, most of the agricultural products brand in the planning and promotion of improper strategy selection, small investment, agricultural producers lack of brand promotion awareness, will not play a comprehensive role in marketing and promotion strategies, so that the sale of agricultural products is still in the marketing of the lowest level of sales promotion stage of development, in the market is still the main purpose of the cost of leading for the purpose of gaining a competitive advantage, which is the national brand building of agricultural products have a negative impact on the country. This has a negative impact on the brand building of national agricultural products.

The Quality of Agricultural Products Needs to be Improved Urgently

In recent years, the rapid development of China's economy has led to unavoidable ecological pollution, which has affected the quality and safety of agricultural products to varying degrees, especially in the production of agricultural products. Some producers use prohibited drugs for profit, which in turn poses a great risk to the quality of agricultural products. In recent years, China has repeatedly occurred like Qingdao poisonous leek, Hainan poisonous bean curd, poisonous ginger incident and other agricultural products quality and safety issues, these agricultural products food safety issues are the most concerned about the nation is also the most

intolerable food safety incidents, the national health has caused great threat to the national life has a negative impact on the national life, and at the same time also reduces the brand reputation of agricultural products. China is a multi-climatic country, the timeliness is especially important in the process of production and sales of agricultural products, so it is very difficult to achieve complete supervision in place, and it is difficult to effectively certify the quality of agricultural products.

Insufficient Brand Awareness of Agricultural Products

With the improvement of consumer demand, brand products are more likely to be favored by consumers. Consumers are very concerned about the quality and safety of agricultural products, as well as agricultural products planting, storage and transportation and other links, and the most important thing is to seize the pain point of consumer demand, agricultural operators to break the influence of the traditional concept of agricultural production and management, but also to gradually have the brand awareness of agricultural products. Nowadays, most agricultural operators in the brand building is not active enough, lack of agricultural brand awareness.

Small Efforts to Publicize the Culture of Regional Characteristics

Product homogenization in the Chinese market is the main factor causing market competition, China's vast geographical area and different geographical regions have their own regional characteristics, such characteristics include geographical factors (such as soil conditions, climatic conditions) and cultural factors. Therefore, the market positioning of agricultural products can be added to the regional characteristics of the product into the regional cultural factors for publicity, so as to form a differentiated image in the minds of consumers. However, at present, most of the agricultural products seldom incorporate regional characteristics and culture in their promotion, and there are only a few cultural products derived from the characteristic products.

Finding and Conclusion: Reflections on the way Forward

Strengthening the Construction of Management Systems and Improving the Supervision of Agricultural Product Quality and Safety

In China's agricultural brand management, there are many government departments involved, such as the market supervision department, agriculture and other management departments, the management of many different departments makes the effectiveness of the management of agricultural brands greatly affected, and the problem of too much fragmentation of the management of agricultural brands will occur. In order to address the above problems, the Chinese government should clearly delineate the powers and responsibilities of each department to improve management efficiency. For the quality of agricultural products, the relevant supervisory departments should carry out strict supervision and monitoring, and the legal department should also increase penalties for non-issuance of operators, and strictly prohibit the inflow of unqualified agricultural products in the market. For regional agricultural products to increase regional financial support, integration of special funds, optimize the expenditure structure, so that the agricultural support funds to the characteristics of regional agricultural product branding tilt, and actively guide and help the brand upward to strive for policy expenditure.

Improving Agricultural Science and Technology Innovation

In recent years, science and technology innovation needs to be emphasized in all fields, and the development of agriculture is no exception. In order to ensure the sustainable development of social economy, we must pay attention to scientific and technological innovation. Especially in the process of producing agricultural products, through continuous technological innovation, can further improve the quality of agricultural products while reducing production costs. Scientific and technological innovation can also help the traditional sales model to find new ways to obtain higher profits. Therefore, agricultural production enterprises must pay attention to scientific and technological innovation, the introduction of scientific and technological talents, and cultivate scientific and technological literacy, so as to promote the added value of the brand of agricultural products and provide the core competitiveness of the brand of agricultural products.

Improving Supportive Policies for Agricultural Products

After analyzing the experience of regional agricultural product brand building in western developed countries, it is not difficult to find that agricultural professional cooperatives, agricultural leading enterprises and agricultural industrialized organizations play a very important role in the development of agricultural brands in China. Compared with developed countries, many industrial organizations in China are not sound enough, the scale of agricultural professional cooperatives is not large enough, and the demonstration role of leading enterprises does not play the expected effect, which in turn affects the production and operation of Chinese agricultural products and the dissemination of brands. Therefore, the government should pay attention to agricultural industrial organizations and formulate relevant support policies, so that industrial organizations can give full play to the role of demonstration and brand building.

Giving Full Play to the Culture of Regional Characteristics and Tapping Geographical Indications of Agricultural Products

A regional brand represents not only the enterprise culture but also the regional culture. Only to create a distinctive brand image of agricultural products can be easily remembered by consumers. Agricultural enterprises should be good at digging local cultural history, strengthen the regional brand construction of agricultural products, the use of marketing methods such as micro-film, micro-video integrated marketing to the characteristics of agricultural products quality, regional culture and other content penetration into the relevant works for dissemination.

Strengthening policy support and resource matching. Local governments in various provinces and cities have introduced relevant policies, such as financial subsidies, tax incentives and other measures, according to the actual situation in each place, to encourage farmers to actively participate in the production of agricultural products with geographical indications; and have strengthened training and support for agriculture to enhance farmers' production management skills. Invest appropriate resources and funds to support the publicity, promotion and market development of GI agricultural products. Carry out brand positioning and image shaping for geographically marked agricultural products, emphasizing the uniqueness, locality and quality assurance of the products; enhance the brand awareness and reputation of geographically marked agricultural products through the formulation and implementation of branding strategies; and promote joint publicity and marketing of multiple agricultural products through the establishment of mechanisms, such as branding alliances or cooperatives for geographically marked agricultural products, in order to form a synergistic effect of the brand.

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