



Unión Europea
Fondo Europeo Agrícola
de Desarrollo Rural



JUNTA DE ANDALUCÍA
Consejería de Agricultura y Pesca

Study on the Strawberry Value Chain. Season 2008/2009



For further information:

Observatorio de Precios y Mercados
www.juntadeandalucia.es/agriculturaypesca/obsprecios

Email: obsprecios.cap@juntadeandalucia.es



OBJECTIVE

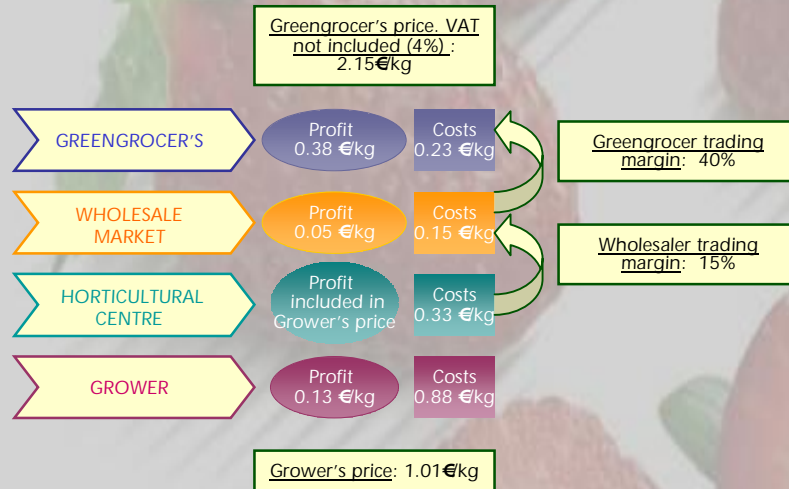
The main objective of "The Strawberry Value Chain" is to increase transparency in the food market. This is done through the knowledge of the mechanisms of price formation, costs and profit margins at each point in the distribution. For this purpose, an analysis of the two main marketing channels of strawberry in the Spanish market has been carried out.

Traditional marketing channel

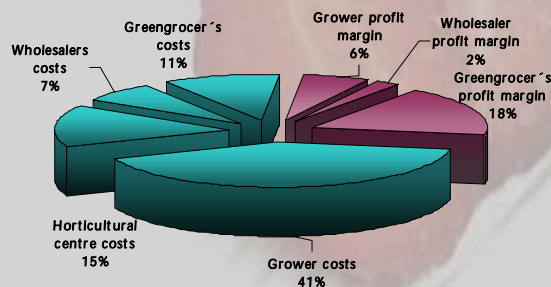


It is the predominant channel in the Spanish market and accounts for about 55% of total demand by households. The class 1 and 2 strawberries are the specific marketed product in this channel. They are standardized and packaged in the farm mainly in plywood boxes leaden with 2kg of fruit.

Prices, Costs and Margins in the traditional marketing channel of strawberry



Participation of the links in the recommended retail price



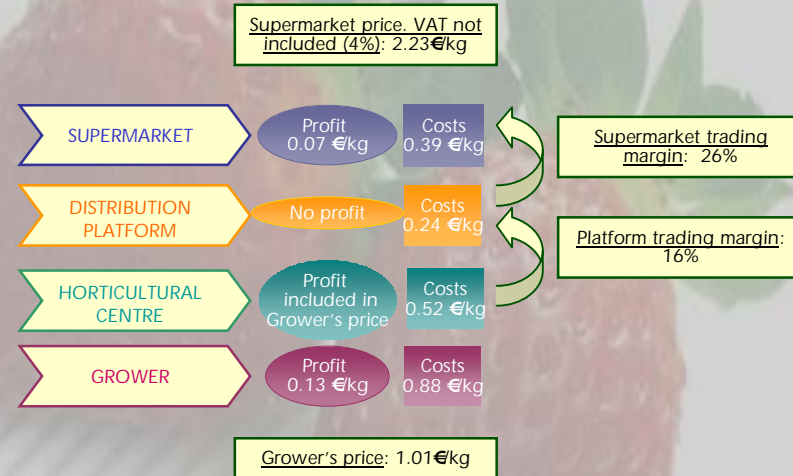
Trading margin: Percentage increasing the purchase price between two links.
 $TM = ((\text{Sale price} - \text{purchase price}) / \text{purchase price}) * 100$

Modern marketing channel

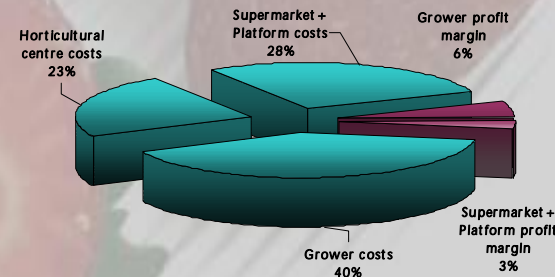


The modern marketing channel is the second channel of national significance (40% consumption). The class 1 strawberries are marketed through this channel and they are standardized and packaged in the farm mainly in plastic packaging 250-500g, finished in the horticultural centre with flow-packing.

Prices, Costs and Margins in the modern marketing channel of strawberry



Participation of the links in the recommended retail price



- The dimension of strawberry's operators is reduced. A higher level of concentration in origin would permit better businesses and contracts.
- Organized retailers need suppliers with capacity of abundance volumes and specific packaging formats.
- Strawberry suppliers who work with organized retailers have a high level of professionalization and technique.
- There is a trend towards increased vertical integration in the value chain of strawberry in order to reduce the number of operators, especially in the modern channel of marketing.
- The trading margin of strawberry in the traditional marketing channel is lower than trading margin in the modern marketing channel, due to lower costs in distribution.
- The unit profit obtained by the greengrocer's is superior to that obtained by the supermarket, as a direct result of management model.