

Capability of Profit and Selling in Farming Project at Malaysia

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Abstract: Analysis involving the consequences of contract agriculture on rural area nowadays been controlled by economic research of the people earnings or wellbeing results of contract involvement with small concern designated to contract agriculture programs were placed in relation to broader agrarian country. The objective of this study was considered capability of profit and selling in contract agriculture in Malaysia. The data employed in this research are from study in 2015 on 53 farmers concerned on farming program in Malaysia utilizing quantitative method to gather information and examine information. Linear regression analysis had run to fulfil the hypothesis and research question. The study discovered that selling can forecast profits for 2009, 2012 and 2013. The linear regression evaluation indicated that the connection among selling and profit for three years. This study suggests future research to search the expertise which growers require in relation to growers and those who have an interest in the farm business.

1. Introduction

Analysis involving the consequences of contract agriculture on countryside Indian small town and ménages to date been controlled by economic research of the people earnings or wellbeing results of contract involvement with small concern designated to contract agriculture programs were placed in relation to broader agrarian country. It is vague in relation to effects of contract agriculture on design of social and economic distinction at numerous degrees [1]. Aditto, Gan and Nartea [2] stated information of the attributes of threats which effect smallholder growers is essential to developing suitable resolutions to considers with threats. Nevertheless, empirical researches on growers' reactions to threats and effects of threat on growers' earning particularly in countryside Thailand are restricted.

Contract agriculture further provides regarding enhancing milk harvest and decreasing output charges. The advantages of contract agriculture differ by degree of works. Economies of degree are further vital factors of competitiveness in which big cultivation area have smaller per unit charges caused

by purchasing of inputs in large and vast access to sales [3].

2. Literature Review

Most of growers, notably small companies proprietors favor direct marketing to its buyers remove the intermediary for instance supermarkets. The selection of the selling medium is very significant determination of an enterpriser. It establishes the method of the output attains its buyers and consequently it must be depended on the buyers' desires. They possibly differ notably among various outputs, however because the buyer interest is the major standards of selling therefore the output must be readily accessible to the buyer. The choice of a selling medium is a determination which includes numerous smaller selections. Following the buyer desires are investigated it must be determined if the business demands extra medium associates to achieve the buyer desires and demands or not. Although the business is capable to achieve its buyers and distribute the output to them, they possibly not require any extra associate. This is called direct marketing. Although the business requires support for instance selling or delivery, it must have medium associates. Frequently businesses utilize a mixture of direct marketing and medium associates to achieve the whole buyers. Every medium associate must be capable to include several values to the output, because the revenue produce from the output is split among the medium associates. Medium extent concerning with the volume of medium associates. The more expanded the medium is, the high the output will be charge and the lower the portion of the producer will be. Consequently it is vital to select the accurate associates who can provide the desired qualities [4].

Online marketing contains the direct connection with the buyers which are further seen in direct reaction from them. Furthermore, through internet buyers possibly consume the output national or yet from foreign land. It is further the nearly all cost efficient selling medium. These produce several chances for instance mass buyer foundation and with the conversation and reaction from the buyer which likely to have a more appropriate output to the

buyers' desire. Internet marketing inclines to have the obstacle of reaching in relation to interaction with new buyers. Internet marketing is a direct selling medium further removes the likelihood to usage the sources of medium associates. The grower has to organize with the sources. The potential absolutely not discover the business or the output yet in fact inclines to have concerns in buying. Several buyers possibly further discover it difficult to examine for data online, produce a request, support for the output to reach and so on. Marketing in growers' sales and occasions contain the easiness of encounter new buyers and direction over markets for instance in face-to-face connection with the buyer which the markets individual has a large impact on the result. Effective occasions provide the buyer with a stronger profile of the business and acknowledging that the grower has been a section of several well-known occasions possibly a favorable remark in the future. The likelihood to gather recent connections and buyers as person frequently relate to these kinds of occasions to attempt recent things and searching for something attractive to buy [4].

Reaching in relation to connection with the buyers possibly is troublesome in the future. Although buyers have considered the output and similar to it the buyers possibly not consume because of not able to revert to the occasions to buy it and possibly not recognize where else to obtain the commodity. There will be many buyers and it will enhance the profile of the business however if less buyers it possibly damage or be profitless. There are further determinants that not able dominated and nevertheless are main problems in occasions for instance weather in exterior occasions. Retail marketing is the mass buyer basis a retail store supplies and the readiness of purchase for the buyer. Retail marketing further needs low marketing from the grower because the retail store further does marketing on commodities. The buyers will see the commodities yet excluding any selling, dissimilar for instance in online marketing. National delivery is a large chance advanced by retail marketing. It is further likely to influence the profile of the commodity or the business with the choice of retail associates. Several commodities possibly are instance profit from the profile of an organic store. The growers have to be capable to market greatly in quantity to equalize the drop portion of revenue. Although this not occurs, the growers perhaps not obtain remuneration on task. Marketing online was seen as a vital selling medium regarding markets profit, because merely 28 percent contradicted with the first articulation. Yielding profit and manage the markets were obvious benefits of online marketing because none of the awareness contradicted with these two articulations. Buyers' profile of the business was further regarded to be as planned with merely 14 percent contradicting and confidence for

its forthcoming looks great because no one contradicted with the articulation. Every person further accepted that they obtain reaction via his medium and merely 14 percent thinking that it does not assist in the projection of markets. Approximately 57 percent could not say if marketing online assists to incline new buyers even so 72 percent thinking that it is helpful in growing the previously in existent buyer connections [4].

Marketing in grower's sales and in occasions was not a vital selling medium regarding the markets volumes for majority and it was profitless for the similar volume of respondents about 43 percent. It was regarded favorable for persuading new buyers as 68 percent accepted however not supreme for growing the previously in existent with buyer connections because the volume of acceptances drop to 28 percent. Almost 43 percent thinking that they obtain vital reaction. Manage the markets and the buyers' profile of the business were consider as good elements with 86 percent and 71 percent accepting however confidence in the forthcoming of this selling medium was not great merely 28 percent accepted that it will be vital in the future. Merely 14 percent discovered this medium helpful in the projection of markets. Almost 43 percent discovered retail marketing a vital selling medium regarding profit and merely 29 percent discovered it favorable regarding revenue. The majority considered it as a favorable method of reaching new buyers and growing the connections with the in existent ones because merely 14 percent contradicted. The profile of the business was further the respondents desire to be as 71 percent accepted and nearly all of respondents which is 57 acquired reaction. Merely 29 percent perceived they have adequate management however nearly all of the respondents (58 percent) however perceived retail marketing as a vital medium in the future. Marketing directly to the buyers through internet will be a vital selling medium in the future. Consequently each small grower must concern with its online sites, Facebook and visibility online and particularly on sites devoted for relating the buyers and local growers [4].

Main attributes of the salmon agriculture industry are ambiguity in relation to biomass growth and forthcoming values. Incorporated with long-range productivity circles, these ambiguities display an urgent question for the salmon producers. It is necessary to reported for this ambiguity throughout the arrangement process [5]. Because of grower extends corn productivity, they raise the price of productivity materials for instance fertilizer, chemicals and seed. Greater input prices produce greater input surplus for agribusiness. This caused contention and extended material productivity efficiency which beyond time periods input prices and surplus. The breakeven corn value for the

growers who possess land will not rise exactly. So growers will prolong to gain extra revenues. However this revenue grows from possessing land. Not from running a farm [6].

The majority growers interviewed around 80 percent and transmit productivity directly to the agro-processor even though the marketing value is smaller than the sale. In this method growers attempt to prevent the threat of productivity and receiving the limited revenue. There prevented the condition of several growers who incline to trade productivity in the selling. In Albania there are around 133 manufactories of olive processing plant even so merely four are regarded the largest manufactories which organize to conceive a productivity of adequate great quality. These manufactories have been included more currently perceiving olive oil as a commodity which can be of high profit as it has great nutritional degree and this developed in a rise of sale need for the usage of this commodity. There are manufactories that consume the commodity to growers or to accumulation stages even though these accumulation stages in several areas do not function to any extent, in sequence continue better on it and then marketing the commodity for revenue. Growers planned to trade commodity at a price considerably greater for the purpose of optimize revenues. From another point of view, agro-processors planned buy raw inputs at a price as acceptable for the purpose of decreasing productivity costs and enhance revenues. The ambition for signing a contract relies on the desires of the revenues. From the economic point of view, the major goal of a contract is incorporated revenue optimization. Regarding a satisfactory revenue degree, any person can get stronger and ensuring that it is achievable to reallocate revenues excluding adversely influencing the conduct of the contracting individuals. Contracts generating in optimize incorporation revenues regarded as the first favorable of successful contracts. Because of growers and agro-processors further demand a higher aid from the government for the purpose of trade's commodities and enhances profit [7].

3. Methodology

The data employed in this research are from study in 2015 on 53 farmers concerned on farming program in Malaysia named as *Taman Kekal Pengeluaran Makanan* (TKPM) utilizing quantitative method to gather information and examine information. Linear regression analysis had run to fulfil the hypothesis and research question [8]. This paper present that selling in agriculture activity reduces the likeliness of presenting profit. The objective of this study was considered capability of profit and selling in contract agriculture in Malaysia. This objective is to forecast the association among

selling in agriculture activity and revenue. Selling concerns to growers' activity in vegetables trade for instance selling in tomato, chili, water chestnut, sweet potato and so forth in the time from 2009 to 2013. The question is why do some farmers present low profit than other farmers? Selling in agriculture activity influences the volume of revenue obtained by farmers. The factor parameter is selling in agriculture activity and the criterion parameter is profit of farmers. This paper examines the representing of profit from year 2009 to 2013 of nonprobability sample of farmers by questionnaire survey. Intra-class correlation was employed to evaluate the reliability of the indicator incorporating 2 raters. The intra-class correlation is a computation of the degree to which raters produce considerably the same degrees to all individual or item rated. The phrase intra-class correlation was generally created to concerns to a computation of likeliness to each of objects in several cluster or set. In agreement or reliability estimation, the group is the individual or item on which considerable degrees are produce, and it is the homogeneity of these degrees in every individual or thing that was manifested by the coefficient. Several variances of the coefficient available; even so, the one nearly all with the largest desire to be employ to estimate inter-rater agreement which the type that examine distinction grade raters selects for every *ratee*, and distinction in the arrangement of raters and does not demand that each *ratee* be rated by each rater. Intra-class correlation examines two sorts of projection agreement, which are the agreement among one rater and another single rater which classified as single criterion in the outcome and the agreement between the accepted raters' degrees and the accepted degrees by another, considerably the identical cluster of raters was classified as average criterions in the outcome. The single computation of intra-class correlation portrays the agreement between raters and consequently the appropriate an estimation degree created on the degrees of one rater likely accepts with degrees by another rater. The average criterions coefficient evaluation agreement between accepted of degrees and is related merely when estimations average the degrees of two or more raters [9].

Around 47 growers have been rated in intra-class correlation evaluation and the degree for the intra-class correlation coefficients consistency of selling equals 0.165 and 0.981. The degree for the intra-class correlation coefficients agreement of selling equals 0.126 and 0.974. The degree for the intra-class correlation coefficients consistency of profit equals 0.815 and 0.997. The degree for the intra-class correlation coefficients agreement of profit equals 0.800 and 0.996. Intra-class correlation

coefficient (2, 1) of selling in agriculture activity is 0.126. This implies that intra-class correlation coefficient (2, k), which in this instance is intra-class correlation coefficient (2,4) is 0.974. Consequently, 97.4 percent of the variance in the average of these raters is valid [10]. The objective of this paper is to ascertain valid connection among selling of agriculture activity and growers' profit. This objective attempts to describe and project the connection among the criterion and factor parameter. Null hypothesis is no significant connection among selling in agriculture activity and growers' profit. Figure 1. Association among selling and profit in agriculture project below displays the connection among the factor and criterion parameter [11] [12].

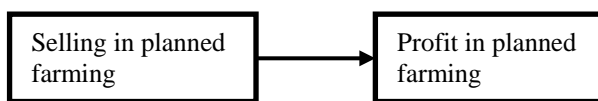


Figure 1. Association among selling and profit in agriculture project

4. Findings and Discussions

Scatter diagram which indicated association in profit and selling in 2009 to 2013 shows in Figure 1 (a), (b), (c), (d) and (e).

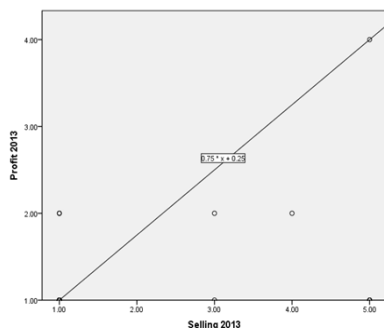


Figure 2. Association of profit and selling in agriculture in 2013

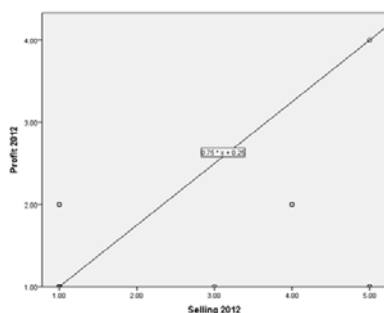


Figure 3. Association of profit and selling in agriculture in 2012

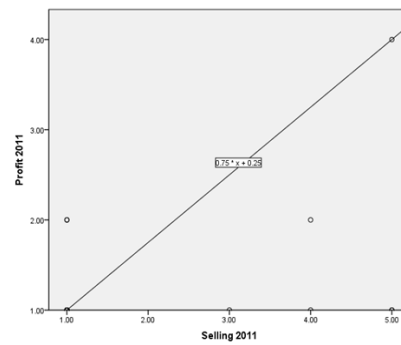


Figure 4. Association of profit and selling in agriculture in 2011

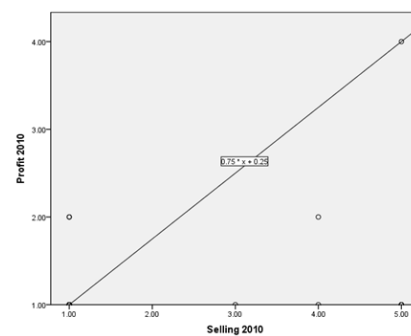


Figure 5. Association of profit and selling in agriculture in 2010

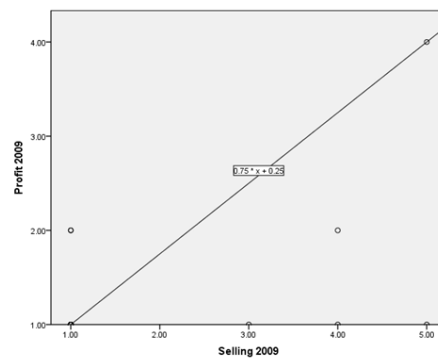


Figure 6. Association of profit and selling in agriculture in 2009

Model summary indicates R an R^2 rate. The R rate indicate the straightforward correlation and are 0.503 (2009), 0.340 (2010), 0.412 (2011), 0.493 (2012) and 0.411 (2013) which signify modest grade of correlation. The R^2 rate indicates the overall variance in the criterion parameter, profit, can be indicated by the factor parameter, selling. In this instance, 25.3 percent (2009), 11.5 percent (2010), 17.0 percent (2011), 24.3 percent (2012) and 16.9 percent (2013) can be exhibited, which are modest to low [13]. The R-squared for 2009 equals 0.253 indicates that almost 25 percent of the variant of profit is reported for by the model (selling). The t-

test for selling 2009 is 2.536 and is statistically significant explaining that the regression coefficient for selling 2009 is greatly adverse from zero. The coefficient for selling equals 0.249 explaining that for a one unit grow in selling researcher inclines to have projection a 0.2 unit grow in profit. Put differently agriculture with RM1100 cost inclines to have assumption to have profit 20 units larger than agriculture with RM1000 selling. The constant equals 0.846 and this is the anticipated rate when selling is zero. The R-squared for 2012 equals 0.243 indicates that almost 24 percent of the variant of profit is reported for by the model (selling). The t-test for selling 2012 is 2.531 and is statistically significant explaining that the regression coefficient for selling 2012 is greatly adverse from zero. The coefficient for selling equals 0.225 explaining that for a one unit raise in selling researcher inclines to have projection a 0.2 unit grow in profit. Put differently agriculture with RM1100 cost inclines to have assumption to have profit 20 units larger than agriculture with RM1000 selling. The constant equals 0.889 and this is the anticipated rate when selling is zero. The R-squared for 2013 equals 0.169 indicates that almost 16 percent of the variant of profit is reported for by the model (selling). The t-test for selling 2013 is 2.616 and is statistically significant explaining that the regression coefficient for selling 2013 is greatly adverse from zero. The coefficient for selling equals 0.176 indicating that for a one unit grow in selling researcher inclines to have projection a 0.1 unit grow in profit. Put differently agriculture with RM1100 cost inclines to have assumption to have profit 10 units larger than agriculture with RM1000 selling. The constant equals 0.941 and this is the anticipated rate when selling is zero.

ANOVA indicates that the regression model forecasts the criterion parameter greatly for 2009, 2012 and 2013. F-test is statistically significant for 2009, 2012 and 2013 which the rate of F are 6.431 (2009), 6.405 (2012) and 4.671 (2013). Coefficients signify the regression equation as profit 2009 = 0.846 + 0.249 (selling); profit 2012 = 0.889 + 0.225 (selling); and profit 2013 = 0.941 + 0.176 (selling). The selling 2009 ($\beta = 0.249$) is significant ($p = 0.001$) and the coefficient is favorable which inclines to have display that vast selling is connected to larger profit. The selling 2012 ($\beta = 0.225$) is significant ($p = 0.001$) and the coefficient is favorable which inclines to have signify that vast selling is connected to larger profit. The selling 2013 ($\beta = 0.176$) is significant ($p = 0.041$) and the coefficient is favorable which inclines to have signify that vast selling is connected to larger profit [14]. From these outcomes it inclines to have conclusion that little selling are connected with little profit.

Differ with Daniel, K. and Nestico [15], which proposed that National funding policies that assist local sales generally concentrate on stimulating local farming and assisting local growers to trade commodities within urban locality. Howley and Dillon [16] represented that the outcomes concerning farm extent and farm arrangement could possibly interpreted by the larger yielding profit of dairy farming and bigger farms comparative to other farm sort. Significantly growers have larger ability to service agriculture debts and larger likeliness of being awarded loans from loaners. It could be that growers with more business oriented manners will look for credit as a ways to raise yielding profit and more principally to enhance the farm business.

5. Conclusion

The study discovered that selling can forecast profits for 2009, 2012 and 2013. The linear regression evaluation indicated that the connection among selling and profit for three years. This study suggests future research to search the expertise which growers require in relation to growers and those who have an interest in the farm business [17]. Recommendation to raise agriculture project production, program arrangement can incorporate a series of intended activities in a particular period and influence transformations in the society. Program should comprise individual who are greatly expertise, experienced and skillful to govern the program [18]. It is vital to equip numerous safety and quality trainings and technical instruction for growers in the meantime plan good finance, credit and tax policies to grow economic companies [19].

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7. References

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