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Marketing Channels of Aroma Cocoa (*Theobroma cacao* L.) for the Association "ASOPROAVAL" (Ecuador) as an Axis of Social Development and Solidarity Economy

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Abstract: The economic system of the developing countries is based on the production of commodities such as the production of cocoa by small and medium producers. In the present investigation the association "ASOPROAVAL" of the canton La Maná province of Cotopaxi (Ecuador) was analyzed by means of the use of information gathering techniques (surveys and SWOT), and analyzing the current situation of the market whose objective was the elaboration of marketing channels for the fine aroma cacao through the elaboration of the strategic plan, obtaining as a strategy the insertion of the insertion of the product to the market with constant quality. After the analysis of the surveys, 64% of the producers agree that they work in their own farm with 100% in production of fine aroma cocoa, on the other hand, 50% of the producers carry out weed control by mechanical method. Also, in fertilization 77% do it with the incorporation of chemicals for the most part with advice from the selling agent. In relation to the sale, 82% of the sellers do it in dry grain. It was concluded that under the development of a good strategy based on an adequate export system presented by the association "ASOPROAVAL", the development of this activity is valid and feasible which will improve the income of cocoa producers.

INTRODUCTION

For a long time cocoa (*Theobroma cacao* L.) has been used in ancestral traditions or religious rituals in the pre-Hispanic era as described by Solís in the Aztec civilization they used cocoa to turn it into a drink called chocolate and they gave their prisoners drink, because they believed that with this their hearts turned into chocolate that was later torn from them and offered to Ekchuan, the god of the cocoa planters.

About 95% of world production corresponds to ordinary cocoa, which comes mostly from Africa, Asia, Central and South America. The rest of the production, that is to say 5%, corresponds to fine aroma cocoa; same that is produced by Ecuador, Indonesia, Papua New Guinea, Colombia, Venezuela, Costa Rica, among others.

The fruit of cocoa is melon-shaped cob, also called "pod" which has about 40 seeds inside. Annually there are two harvests, one main and the other half, once the fruits

are harvested, the seeds are extracted, they are fermented for 4-5 days in wooden boxes with periods of turning of the grain, followed by drying them in tendales or industrial drying machines, thus, dried cocoa beans[1].

According to García[2] in Ecuador, in the early 1600s there were already small plantations of cocoa trees on the banks of the Guayas, Babahoyo and Daule rivers. In 1630 a production of up to 40000 quintals was recorded, growing in the year from 1775-50000 quintals; arriving in 1821-180000 quintals.

Nowadays, cocoa has gained strength in its production as it is a product of high demand in national and international markets, thus, improving the agrarian progress of some producing families. As mentioned by Maldonado, there are two varieties produced in Ecuador: fine and aromatic (traditional and emblematic of the country for its fragrances and flavors) and CCN-51 (for its productive capacity greater than traditional and resistant to diseases). Ecuador has four major markets such as: Western Europe (Switzerland, Belgium, France, Germany and Holland), the United States, Canada and Japan[3].

Exports of cocoa beans increased by 18.8% compared to 2014, reaching the highest levels of the entire analyzed period of 236066 t. In total, exports correspond to 257350 t including cocoa liquor, cocoa paste, cocoa butter, cocoa fat, cocoa powder and chocolate.

One of the main problems of the national production is not to foresee the production and distribution of this raw material, generating large volumes of losses in the sector with the consequent risk of agri-food losses affecting the public monetary fund. For the year 2016 the Central Bank of Ecuador established that the cultivation of bananas, coffee and cocoa total $1292.19 million dollars with a participation in the total GDP of 1.86%. This same year there was a 1% decrease with respect to 2015. For this reason, control and monitoring measures have been taken in this production, generating associations and control systems.

World trade in primary products (cocoa beans) is the basis of the national economy of most underdeveloped countries. However, the relative importance of exports of primary products has been declining. Between October and November 2016, international cocoa prices fell by 30% and if we compare the 2015-2016 cocoa year with 2016-2017 the price decrease is over 40%. This decrease in prices, unfortunately, affects in a greater proportion the millions of small and medium cocoa farmers worldwide. According to what was issued by the CFN, for the year 2017 the prices that were paid at the moment ranged between $70 and $90 dollars, the dry quintal of cocoa, a price that is considered low if, we compare it with the one paid to Mid-2016 it was $135-140 per quintal of cocoa.

Considering the extensive production of the province of Cotopaxi, statistics present two production systems in terms of hectares sown and total production in the case of monoculture there are 4150 ha which generate a volume of 2057 t. Also has as an associated crop a total of 5018 ha producing a volume of 1731 t.

Considering everything previously described, it is intended to develop a chain of production of fine variety cocoa and aroma, to know its capacity in marketing in the association “ASOPROAVAL”, subjecting it to processes of distribution, coordination and planning having an enhancement of this raw material.

MATERIALS AND METHODS

The investigation was carried out with the members of the association ASOPROAVAL, established in the canton La Maná-Cotopaxi and its surroundings. This Association is purely agricultural founded in September 2016, currently consists of 26 active members and 80 passive partners, their families are led by 80% with ages between 27 and 86 years and 20% women with ages between 34 and 60 years. To obtain marketing channels, the following processes were carried out:

Population selection: The study was carried out on the population with finite characteristics, since, we have a population of 26 active members of the association. So, through selection, 10 partners were assigned to carry out the information gathering.

Preparation of the questionnaire: The design of the questionnaire was based on the use of open and closed type questions that include the study variables. The block of questions was elaborated based on models made in other investigations, taking into account that they are in the same lines of research[3, 4].

Definition of variables: The study variables were the following: Productive variables: used varieties; Environmental variables: use of pesticides and fertilizers; Commercial variables: post-harvest, form and place of sale; Social variables: personal data, link and place within the association. The investigation was of exploratory, descriptive, field type; bibliographic explanatory. This type of design helped us locate the factors of preliminary studies where information was gathered that provided us with a clue and understanding for the gathering of information; social, economic and cultural aspects, among others were considered.

Theoretical methods historical logical: This methodology was used in the collection of historical data, making known its beginnings and how it has progressed over time.

Statistical: Microsoft office Excel was used for the statistical analysis and interpretation of the data obtained.

RESULTS AND DISCUSSION

Strategy: As a main strategy, we have the insertion of the product with constant quality as required by the market, fulfilling the demands of the international market.

Marketing

Product: The main product offered to the international market is fine and aroma cocoa, besides being promoted to exporters and local factories.

Price: The prices will be established based on the New York Stock Exchange, considering the fluctuation in supply and demand of the international market.

Plaza: A direct marketing channel will be maintained in the international market where efficient transactions based on the offer of good prices and incentives will be carried out.

Promotion: The association will promote itself as an exporter which will provide better prices and services to the small farmer.

Analysis of the surveys: It was determined that 64% of the partners work alone in the farm, unlike the 36% that have another occupation as a trader. In this sense, Ullauri concludes that 89.5% of farmers depend clearly on the production of their farm.

On the other hand, 100% of the producers have their own areas of cultivation and 40% of the members own 1 to 5 ha of production, 60% have 6 to >11 ha without relying on leases. In such a way, Molina mentions that the largest number of cocoa farmers have land extensions of 1-3 ha.

In relation to the question "Variety of cocoa used, number of hectares per variety", it can be said that the presence of national cocoa has a 100% within the range of 1-5 ha. However, Cajas, etc., mentions that in the canton of Marcelino Maridueña (Guayas), cocoa producers have a greater affinity for cacao ramilla and CCN-51 due to its high production.

In relation to the cultural tasks carried out in the control of weeds. The 50% of the producers perform a mechanical control (motoguadañas), 33% employ the use of herbicide and 17% perform manual controls. As established by Ullauri weed control by farmers is done manually.

In the ASOPROAVAL association, 56% of the producers carry out pruning to help prevent the presence of diseases, 39% of the producers use the use of organic fungicides and 5% use inorganic fungicides. Estupiñan mentions that farmers from Rioverde (Esmeraldas-Ecuador) have an 80% preference in the application of organic-biological fungicides to carry out disease controls.

In relation to chemical fertilization, 77% of the producers of the association do it while 23% do it by organic fertilization. According to Molina[5] in La Maná (Cotopaxi), cocoa producers have a preference for chemical fertilizers, this being due to the fact that it improves production yield.

An 80% of producers receive technical advice from commercial houses when purchasing their supplies and 20% perform private technical contracting, coinciding with Mera where it considers that commercial houses are the ones that advise in the use and use of chemical inputs in their majority.

The incidence of diseases causes a better recognition and control by the farmer, therefore, in the research carried out by Estupiña, mentions that the greatest affectation of his crops is given by escoba bruja and monilla; presenting similar conditions in the area of La Maná where its producers have the necessary experience to recognize all diseases.

Los productores acuerdan vender el grano en estado seco en un 80% while 18% make the sale of the grain that has been lost on the same day of harvest. According to Mera in the Babahoyo growing area, cocoa producers have a low preference to sell cocoa in the dry state.

An 60% of producers prefer to sell to exporters and 40% in collection centers. On the other hand, Cajas etc., analyze that the producers of the canton of Marcelino Maridueña (Guayas), carry out the delivery of their products in greater quantity to local intermediaries.

CONCLUSION

It is noted that producers 34% prefer to make their sales in places where you get a good rating, followed by the best price and weight criteria with just 20% individually and in the set of weight and fair price only 13% of producers is governed by this criterion.

In this investigation the producers have a greater acceptance at the moment of selling their product for the qualification that they raise while Ullauri states that the greatest affinity of farmers in the area is given by the price, influenced by restrictions due to the presence of impurities. So also, 73% of producers perceive the need to improve their crops while 27% recommend research on marketing issues.

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