Market Dynamics in the Turkish Olive Oil Industry

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Today, olive oil is known as the healthiest alternative to other edible oils. This fact has increased the consumption along with the production. The world market dynamics and growing competitiveness in olive oil lead us to know the future of Turkish olive oil performance on the international markets. To obtain an understanding of the factors influencing the olive oil industry in Turkey, SWOT analysis was conducted based on surveys of various firms. Considering these limitations, the construction of the SWOT analysis as regards Turkish olive oil production involved 117 firms. The geographic location of the survey included the regions (Aegean, Marmara, Mediterranean, South-eastern and Middle Anatolia) and the cities (Ankara, Antakya, Antalya, Aydın, Balikesir, Çanakkale, Gaziantep, İstanbul, İzmir, Manisa and Muğla) within the defined geographic regions that have the highest share in olive oil production and exportation. The data were compiled using a questionnaire collected from a random sample of the firms. Personnel interviews were performed in 2006 via structured questionnaire.

The analysis shows that the principal strengths of the Turkish olive oil industry are related to the product characteristics and new orchards. It also shows that the industry is improving but nevertheless is still confined by various constraints, mostly based on a lack of commercialization and marketing skills, which prevent Turkey from fully taking advantage of available export opportunities. In order to increase its exports and competitiveness, Turkey must differentiate its olive oil with distinctive labelling, signs and designations of origin.

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