Agricultural Businesses: The relationship between Competitive strategies and competitive advantage

Bikhtiyar Hussein
General Directorate of Scientific Research Center, Salahaddin University-Erbil
bakhtyar.saeed.bs@gmail.com

ادارة الأعمال الزراعية: العلاقة بين الاستراتيجيات التنافسية والميزة التنافسية

بختيار سعيد حسين
جامعة صلاح الدين – اربيل
المديرية العامة لمركز الابحاث العلمية

تاريخ استلام البحث 2022/ 11/30 **تاريخ قبول النشر** 2023/1/23 **تاريخ النشر** 7 / 4/2024

Abstract

The current study aimed to investigate the relationship between competitive strategies and competitive advantage at selected agricultural businesses. The researcher adapted Porter's generic strategies to measure competitiveness and its relationship with competitive advantage. The study developed three researcher hypotheses to measure the relationship between each (cost leadership strategy, differentiation strategy, and focus strategy) as dimensions of generic strategies with competitive advantage. A quantitative research method was employed to measure the current study. The researcher distributed 60 questionnaires to the agricultural engineers, with 53 of them being returned and properly completed. In order for respondents to comprehend the instrument, researchers translated a few questions into the local language. According to the findings of the current study, all three generic strategies have a predictive relationship with competitive advantage in the agricultural business, but the cost leadership strategy had the highest influence compared with the other strategies; therefore, the study recommended applying the cost leadership strategy to attract more customers and gain competitive advantage at agricultural businesses.

Keywords: *Competitiveness, Competitive strategy, Porter's Competitive Strategies.*

المستخلص

هدفت هذه الدراسة إلى معرفة العلاقة بين الاستراتيجيات التنافسية والميزة التنافسية في الأعمال الزراعية المختارة. قام الباحث بتكييف الاستراتيجيات العامة لـــ "بورتر" لقياس القدرة التنافسية وعلاقتها بالميزة التنافسية. طورت الدراسة ثلاث فرضيات بحثية لقياس العلاقة بين كل منها (إستراتيجية قيادة التكلفة ، إستراتيجية التمايز ، إستراتيجية التركيز) كأبعاد للإستراتيجيات العامة ذات الميزة التنافسية. تم استخدام أسلوب البحث الكمي لقياس هذه الدراسة. وزعت الباحث 60 استبانة على المهندسين الزراعيين ، أعيد منها 53 استبانة مملوءة بالشكل الصحيح. لكي يفهم المستجيبون الأداة ، قام الباحث بترجمة بعض الأسئلة إلى اللغة الدارجة. وفقًا لنتائج الدراسة، وجد العلاقة

التنبؤية بين جميع الاستراتيجيات الثلاثة مع ميزة تنافسية في الأعمال الزراعية ، لكن استراتيجية قيادة التكلفة كان لها التأثير الأكبر مقارنة بالاستراتيجيات الأخرى، لذلك أوصت الدراسة بتطبيق استراتيجية قيادة التكلفة لجذب المزيد من العملاء واكتساب ميزة تنافسية في الأعمال الزراعية.

الكلمات المفتاحية: *التنافسية ، الإستراتيجية التنافسية ، إستراتيجيات بورتر التنافسية.*

1. Introduction

Finding a viable plan that can be implemented in today's dynamic environment is a difficult task for the agriculture industry around the world. Researchers attempted to determine the influence of cost leadership and differentiation strategies, both of which provide a competitive advantage in the agricultural industry (Dombrowski et al., 2018). The competencies and structure of the business firm determine whether a plan is successful or unsuccessful. Porter (1980) made a model of generic strategies that is based on an analytical method for learning about competitors and industries. This method is used by people like policymakers, management trainers, analysts who try to understand and predict business failure and success, and advisors of managers who want to improve their skills (Abdolshah et al., 2018). Differentiation and low costs are two focal strategy parameters where diverse justifications are seen for considering and not considering both low-cost leadership strategy and differentiation inside a company together. Pranadita et al., (2022), a focus strategy tries to get a part of the market to buy a certain product instead of the whole market. It also tries to figure out what customers in the target market want so that the company can go above and beyond their expectations and gain a competitive edge.

Commercial agriculture was linked to agrarian nexus, level of living, ownership, crowding, thankfulness, and agrarian nexus (Sabbena and James, 2018). Caste, revolt, time of occupancy, and tenure were the agrarian issues that Eric concentrated on Stokes (Tavalaei and Santalo, 2019). According to studies, many male agricultural engineers in Erbil City have committed suicide as a result of the agrarian crisis and their political powerlessness following Iraq's liberalization (Mutinda and Mwasiaji, 2018). According to Vahdati et al., (2018), proponents of liberalization have cited women's participation in the workforce as a key benefit of increased liberalization. Women's participation in Iraq has been stated to be low due to a lack of consideration for women who work in agriculture as domestic workers. Agricultural engineers buy hybrid seeds from commercial companies (2018). This is a relatively new phenomenon, as Erbil is still in the early stages of development and it only began to enter biotechnology, or commercial agriculture, in the year 2002, after agricultural engineers in developed countries had been using hybrid seeds for a long time. According to Sánchez-Chaparro et al. (2020), the biotech crop has a number of features that are difficult to analyze in terms of potential risks to animal and human health. Nutritional and food insecurity are important barriers to gaining access to a position. Any technology's commercial potential is well-organized when the public doesn't know about its risks or when it's hard to use the technology because not enough people know about it.

2. Literature Review

These first cost benefits are essential for adapting to cost leadership roles successfully. Companies that have a few corporate employees, clear reporting linkages, few reporting levels, and a narrow focus on a variety of business functions will be able to reach the full potential of any cost leadership technique. Experts agree that the key to making a cost leadership approach work is to create a sustainable competitive advantage that doesn't rely on costly and infrequent copying (Anwar et al., 2019).

Businesses that successfully implement differentiation, cost leadership, and focus strategies may gain a significant competitive advantage (Danso et al., 2019). Superior technology, a reputable brand name, impressive design features, and ground-breaking product innovation are the pillars of the differentiation strategy, which aims to maximize value for consumers. Differentiation is a good strategy for marketers when the quality of a product is more important to buyers than its cost. It has been suggested that a company's ability to innovate and take calculated risks will determine how successful it is in retaining customers (Subrahmanyam and Azad, 2019). Product differentiation, as described by (Taghipour et al., 2020), is the manifestation of an organization's teams' and workers' ingenuity, which is limited to the opportunities that reveal themselves inside the industry and may bring about innovative outcomes.

As part of a successful business strategy, there are different reasons to focus on either differentiation or low costs. By knowing what customers in the target market want and need, businesses can go above and beyond their expectations and get an edge over the competition by giving better service and better products (Pavlović and Čelić, 2020).

The agrarian nexus suggests a relationship between commercial agriculture and things like income, property ownership, population density (Odhiambo and Njuguna, 2019). The agricultural themes of caste, revolt, occupation, and tenure were stressed by (Kaliappen et al., 2019). A large number of male agricultural engineers in Erbil City reportedly committed suicide as a result of the agricultural crisis and their political powerlessness as a result of Iraq's liberalization (Kasongo and Misango, 2019). Increased female involvement in the workforce has been cited as a key benefit of liberalization (Greckhamer and Gur, 2021). Some have hypothesized that the low status of agricultural domestic workers in Iraq constrains women's participation in the workforce. It would seem that agricultural engineers get hybrid seeds from private companies (Echchakoui, 2018). Since Erbil is still in its formative stages of development, it has only just begun to participate in biotechnology or commercial agriculture, both of which have been commonplace among agricultural engineers in developed countries for quite some time. Biotech crops have many unknown features, making it hard to assess their potential risks to animal and human health (Sun and Lee, 2019). Lack of access to adequate nourishment is a major barrier to employment. The economic viability of a technology is effectively maintained when the public is not made aware of the risk associated with that technology or when a lack of knowledge prevents people from using that technology.

2.1 Porter's Generic Strategies:

The general strategies described by Porter explain how a business goes about gaining an edge in its chosen market. There are three or four overarching tactics, including price reduction, differentiation, and narrowing down on a certain target audience. The basic service providers have elected to keep expenses low and pass the savings on to their consumers via reduced rates. As a result, they are able to lower their prices and increase their market share. Luxury airlines, on the other hand, devote their resources to providing the best possible service; the higher fares they charge more than cover their expenses (Kabeyi, 2018).

How a business seeks to get an edge in its chosen market is described by Porter's generic tactics. Three or four overarching techniques may be identified: price reduction, differentiation, and narrowing the emphasis. There are two ways in which businesses may get an edge over their rivals: by offering cheaper prices or by setting themselves apart from the pack in ways that consumers find more valuable. A business may operate with a narrow focus, supplying just certain niches of the market, or a broad industry-wide presence, selling to consumers in a variety of different industries. Decisions on both the nature of the competitive advantage and its extent may be seen in the generic strategy (Inthakhan et al., 2022).

Profitability above or below the industry average is based on where a company stands in comparison to its competitors. Long-term success depends on having an edge over the competition that can be maintained over time. A company might get an edge in the market via cost savings or product differentiation. Three broad approaches to outperforming the competition in an industry may be derived from the two fundamental categories of competitive advantage and the range of activities in which a business strives to obtain them: cost leadership, differentiation, and focus. Cost focus and differentiation emphasis are two examples of the focus approach (Wanjiku and Deya, 2021).

Companies may use Porter's generic strategies to address one of two fundamental problems that underlie their strategic options in the face of competition. The first inquiry concerns the long-term profitability of various sectors and the process of selecting an appropriate market for a business to join. The Five Forces Model that Porter developed is a well-known tool for this purpose (Brett, 2018). If an industry has already been selected for entry, the second issue concerns the factors that will ultimately determine the company's relative competitive position within that market. Having a presence in a promising market isn't enough to ensure your company's success; you also need to establish yourself as a market leader by adopting one of three general strategies: differentiation, cost leadership, or specialization. To avoid strategic mediocrity and mediocre performance, as Porter puts it, one must choose one of these options. Examples will be used to explain Porter's generic strategies in this article (Yuleva, 2019).

Studies of this kind have shown that intense rivalry may be a fatal blow to businesses at any stage of their development. That's why we wanted to learn more about how Porter's general methods affect company success, as doing so may help us bring down the overall rate of business failure. The results of this research add empirical data to the strategic literature and provide a window of opportunity for business strategists to choose a course of action that will ensure the long-term viability, increased profitability, and expanded market share of their respective enterprises (Castillo- Apraiz and Matey, 2020).

2.1.1 Cost Leadership

Common to all of Porter's generic strategies is the pursuit of a sustainable competitive advantage, or the cultivation of a distinguishing feature that distinguishes one business from another and ultimately leads to a sale (Nguyen and Adomako, 2021). As the name implies, the Cost Leadership approach entails taking the helm in terms of cost in a certain market or field. If a company focuses only on being one of the lowest-cost manufacturers, it leaves itself vulnerable to undercutting by other low-cost producers who may otherwise thwart the company's efforts to expand its market share (Wakhu and Bett, 2019).

An important part of every successful company's plan is figuring out how to cut costs to the point where you're the market leader and can charge less than your competitors. Efficiency, size, scale, scope, and expertise all play a role in determining whether companies can consistently provide the lowest prices (Gholami and Seyyed-Esfahani, 2019). Although cost leaders often come out on top in the end, their strategy of cutting down on marketing, consumer insights, and R&D might backfire in the long term. Cost leaders may be less adept at seeing significant changes and trends in their external environment due to a lack of market research. Meanwhile, underinvesting in R&D might hinder market leaders' responsiveness to emerging innovations. Leaders in terms of cost might lose touch with the market and run out of solutions if they lag behind their competitors in terms of recognizing and responding to external movements (Alam, 2019).

When pursuing cost leadership, it is essential for a firm to find ways to reduce its manufacturing costs so that it can sell its wares at competitive pricing. This tactic works well for corporations with substantial purchasing power but has little success for smaller enterprises (Weng, 2020). Among the three general business strategies that Porter discusses in his famous book, Competitive Strategy, cost leadership is one (1980). A company with a cost leadership strategy aims to gain profit and market share by providing its goods and services at the lowest possible cost. Achieving cost leadership calls for a relentless focus on finding ways to cut costs. Having better operational efficiency, production learning or scale economies, rare access to raw materials, or advantageous partnerships with suppliers, distributors, or consumers may all lead to lower costs (Mongkol, 2021). Vertical and/or horizontal integration into high-value-added, proprietary components and services is a common characteristic of cost leaders. With this ability, they can outperform all other processors in a given value-added process. In addition, a cost leader often has a sizable portion of the market, which provides it with several economies of scale in areas such as procurement and production.

The term "cost leadership" refers to the strategy of gaining an edge over competitors by maintaining the lowest operating costs in one's field. If pricing is a major consideration in your market, this tactic will serve you well (Arbatani et al., 2019). To achieve cost leadership, a company must become the industry leader in producing goods at the lowest possible cost. To do this, businesses may use novel manufacturing methods or engage in mass production to reap the benefits of economies of scale (Gathungu and Baariu, 2018).

The primary focus of a cost leadership strategy is to get high-quality raw materials at the lowest possible cost. In addition, high-caliber workers are needed to process these inputs into finished products (Lorenzo et al., 2018). A dedicated cost management strategy may provide a significant advantage in markets where low prices are a major differentiator. Profits will increase if a business provides a typical product or service at a price that is lower than the norm for that market. If price competition is necessary, the company's low costs will provide it with an advantage (Sabug and Pheng, 2020). Even if prices remain stable, this strategy may generate revenue that can be used to raise business standards. Producers that can keep their costs down are better able to weather a pricing war. The low-cost leader will feel less of an impact from a supplier price increase than the other firms. A prospective entrant may be discouraged from entering the market because of the established company's low-cost position, especially if the new company intends to compete on price. A low-priced product's pricing advantage may also be used as a competitive tool (Immawati and Nugroho, 2020).

2.1.2 Differentiation

The modern customer is bombarded by advertising and has an abundance of product options to choose from, making it difficult for firms to stand out. The key to expansion and continued success in today's competitive market is for businesses to carve out their own niche (Mykhailichenko et al., 2021). To differentiate one's offerings from the competition, one must make them unique and more desirable. For large firms to be successful with a differentiation strategy, they must maintain flexibility in their approaches to product innovation. Otherwise, they leave themselves vulnerable to attacks from rivals who have used focus differentiation tactics in other parts of the market.

The most successful business plans center on difference, or providing clients with something they want that rivals can't (Anatolievna and Anatolievna, 2018). However, while trying to set themselves apart from the competition, most businesses solely look at their goods or services. In reality, a business may set itself apart at every touchpoint with its consumers, from the first moment they discover they need a product or service to the moment they decide to get rid of it. We believe that businesses can position their products and services in ways that they, and their competitors, never imagined if they were willing to broaden their creative thinking to encompass the entire experience customers have with a product or service—what we call the consumption chain (Bogiday, 2019).

Marketers use product differentiation to set their wares apart from those of rival businesses. For a product to stand out from the crowd, its creators need to be able to articulate what makes their wares special and how those features set them apart from the competition. Differentiating a product and creating a compelling value proposition work hand in hand to make a product more appealing to a certain market (Kah et al., 2019).

The term "differentiation strategy" is often used to describe the process by which businesses strive to set themselves apart from the competition by creating something new and innovative. The fundamental purpose of this approach is to distinguish the company in the target market and boost its standing among consumers. The company must have a firm grasp of its capabilities, areas for improvement, and the wants and requirements of its clientele. Product differentiation is, as said, the most common approach to market segmentation. When a corporation takes this approach, they usually end up quite successful since their rivals can't keep up with them in terms of quality. That's why you can't find any other firms like them on the market (Dania et al., 2018).

2.1.3 Focus

Companies that use focus strategies narrow in on certain markets, studying the intricacies of those areas in order to meet the specific demands of their target demographic with cost-effective or highly-tailored offerings. These companies often have high levels of client loyalty due to the exceptional quality with which they satisfy the needs of their target market. Thus, rivals are less likely to enter that specific market as a result of this (Anwar and Shah, 2021). The goal of a focus strategy is to find a specific market niche and then fill it with a product or service that no one else is offering. an individual niche or subset of the larger market. Offering a specialized product that caters to the needs of a certain market segment, or niche, is an example of a focus approach. Its focus is on meeting the requirements of a certain subset of consumers (Islami et al., 2020).

To secure a strong position in the market, you may use either an aggressive or defensive approach. However, Michael Porter argues that companies may get an edge in their market and outperform the competition by adopting one of three general tactics (Firoz et al., 2019). A focus strategy is a basic marketing approach that helps businesses zero in on the unique requirements of a target market segment and design solutions to meet those demands. Still, all efforts are directed at satisfying consumers' needs in this specific market. This tactic has some similarities with specialty marketing. This fundamental approach encourages businesses to zero in on a certain subset of the market and provide them with superior value, as opposed to focusing on the masses or differentiating their offerings (Dombrowski et al., 2018). A mass marketer creates a product that appeals to the widest possible audience, whereas a niche marketer focuses on satisfying a certain subset of buyers within a given market. Businesses who decide to use a strategy of "focus" are doing so knowingly. The firm may win over a more devoted clientele by catering to a certain, typically under-served population. Unfortunately, appealing primarily to a niche audience may not garner interest from a wider audience. Therefore, these businesses are increasingly reliant on the discretionary income of a very small segment of the population. A strategy is the deliberate and calculated process through which objectives and long-term goals are established, as well as the corresponding changes in course of action and allocation of resources (Abdolshah et al., 2018). When facing an unknown future, a well-thought-out plan is important. To get the most out of a strategy, which is all about planning for the future, we need to be able to deal with the unknown tomorrow and ready ourselves for whatever may come by making preparations now. An example of a focus strategy would be one that narrows its attention to a certain subset of customers or a specific geographic region. The term "focus strategy" refers to the practice of picking one's battleground and eliminating all others. Companies may get an edge over rivals who focus on broader market segments if they choose to focus on a smaller subset of customers and better suit their demands (Sabbena and James, 2018). Focus strategies capitalize on the unique characteristics of their target markets as compared to other sectors. These distinctions are what cause the niche market to be underserved by the all-encompassing rival. The cost-oriented business may do better than the market-general one since it can eliminate extraneous features that aren't important to its target market. A second option is to tailor the product or service to the specifics of the market niche. High-performing businesses are those that capitalize on their competitive advantages in the market. They either differentiate themselves to the point where they dominate the market as a whole or a certain subset of the market. The target market segments are those where the organization has the best chance of succeeding (Tavalaei and Santalo, 2019). Using this approach, the firm will concentrate its efforts on the areas where it has a better chance of achieving its sales, revenue, and profit goals than in any other market (Mutinda and Mwasiaji, 2018).

2.2 Conceptual Framework

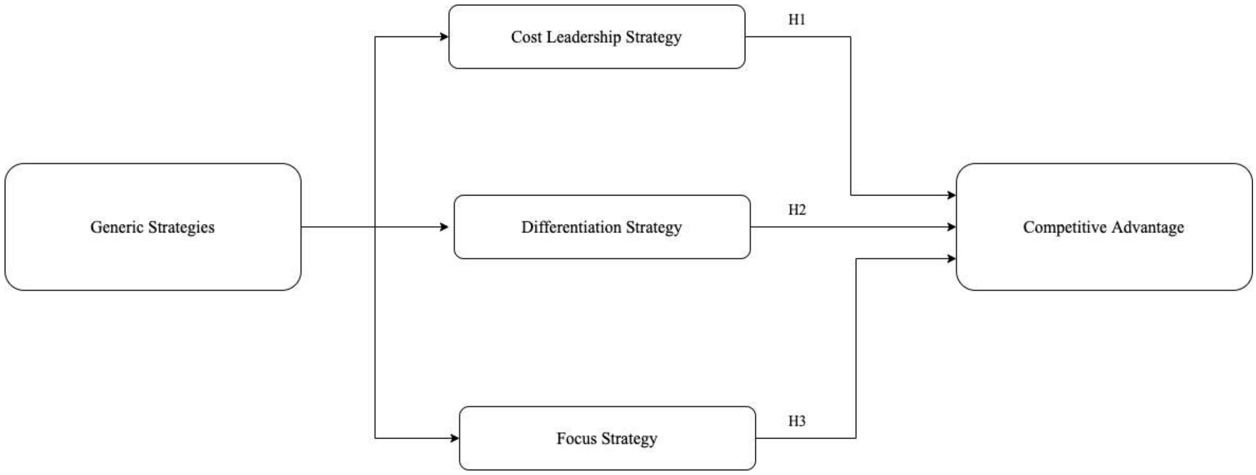

Figure 1-Conceptual Framework

2.3 Research Hypothesis

Hypothesis 1: The adoption of a cost leadership approach has been shown to increase competitive advantage in agricultural businesses.

Hypothesis 2: The adoption of a differentiation approach has been shown to increase competitive advantage in agricultural businesses.

Hypothesis 3: The adoption of a focus approach has been shown to increase competitive advantage in agricultural businesses.

3. Research Methodology

3.1 Design of the Study

The focus of this study is on how generic methods may help businesses get an edge over the competition. This research was analyzed using a quantitative technique. The first half of the questionnaire was dedicated to collecting basic demographic information, such as the age and gender of the respondents. In Section 2 of the survey, there were eleven questions about a plan for cost leadership, sixteen questions about a strategy for differentiation, thirteen questions about a strategy for focusing, and seventeen questions about a competitive advantage.

3.2 Sampling Size and Target Population

The researchers used a method called "random sampling." The people who participated in the research were local maize agriculture engineers in the Kurdistan area of Iraq. Although 60 surveys were sent out, only 53 were returned with full responses.

4. Results and Analysis

Table 1-Demographic Analysis

Items	Scales	Frequency	Percent
Age	22-30	9	18
	31-40	16	29
	40-49	19	37
	50 and above	9	16
Gender	Male	34	64
	Female	19	36

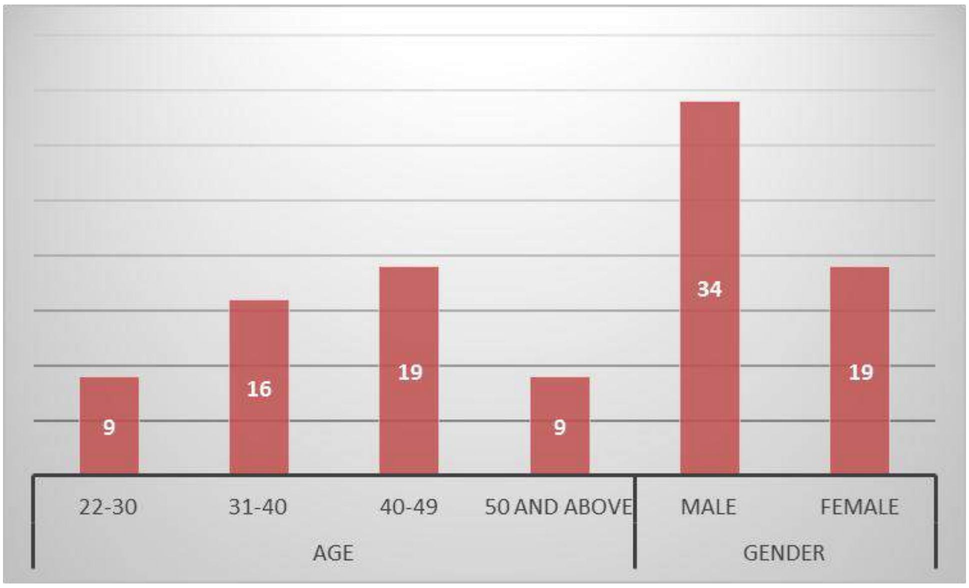

Figure 2: Demographic Analysis

The demographic breakdown of the study's respondents is shown in Table (1) and figure (2). Nine participants were between the ages of 22 and 30, sixteen were between the ages of 31 and 40, nineteen were between the ages of 41 and 50, and the other nine were at least 50 years old. There were 34 males and 19 females that took part in the present investigation.

Table 2-Reliability Statistics

Factors	Cronbach's Alpha	N of Items
Cost leadership strategy	.739	10
Differentiation strategy	.746	10
Focus strategy	.771	11
Competitive advantage	.756	17

As can be observed in table (2), the examination of dependability among cost leadership, distinctiveness, and focus as independent variables and competitive advantage as a dependent variable reveals some interesting results. The Cronbach Alpha for the cost leadership strategy was found to be.739. This indicates that the 10 items included in the strategy were reliable for this study. The Cronbach Alpha for the differentiation strategy was found to be.746. This indicates that the 10 items included in the strategy were reliable for this study. The Cronbach Alpha for the focus strategy was found to be.771.

Table 3-Correlation analysis Correlations

	Cost Leadership	Differentiation	Focus
Pearson Correlation	.687**	.591**	.527**
Sig. (2-tailed)	.000	.02	.001
Competitive advantage			
N	53	53	53
** Correlation is significant at the 0.05 level (2-tailed).			

Table 3 shows how cost leadership, differentiation, and focus strategies (the independent variables) correlate with the dependent variable, competitive advantage. R values of.687** for cost leadership strategy,.591** for differentiation strategy, and.527** for focus strategy all indicate a significant but weak correlation between these tactics and competitive advantage.

Table 4-Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.753[a]	.708	.692	.2159
a. Predictors: (Constant), Focus, Cost leadership, Differentiation				

Table 4 shows that 70% of the variables have been accounted for with R squared value of.692.

Table 5-ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	5.249	7	1.892	29.187	.000[b]
Residual	1.966	38	.037		
Total	7.215	45			
a. Dependent Variable: Competitive advantage b. Predictors: (Constant), Focus, cost leadership, Differentiation					

The value of F for an independent factor and a dependent factor is 29.187>1, as shown in table (5), indicating a statistically significant relationship between the three independent variables and the dependent component.

Table 6-Coefficients

Model	Unstandardized Coefficients		Standardized	t	Sig.
	B	Std. Error	Coefficients Beta		
(Constant)	.398	.287		1.175	.118
cost leadership	.729	.048	.721	9.773	.000
Differentiation	.633	.261	.397	2.767	.000
Focus	.524	.119	.213	1.981	.000
a. Dependent Variable: Competitive advantage					

This study employed a method known as multiple regression analysis, and the results of the coefficients analysis are presented in table (6). The table reveals that the first research hypothesis was supported by the differentiation strategy B value of =.633> 0.01, the second research hypothesis was supported by the cost leadership strategy B value of

=.729> 0.01, and the third research hypothesis was supported by the focus strategy B value of =.88> 0.01.

Conclusions

The study aimed to examine the relationship between Porter's competitive strategies and agricultural businesses' competitive advantage. Despite often coming out on top, cost leaders may regret underinvesting in marketing, consumer insights, and R&D. Without market research, cost leaders may miss significant external developments and trends. Market leaders that underinvest in R&D may be slow to adjust to industry changes. Cost leaders who take longer to notice and react to changes in the outside world may lose touch with the market and run out of ways to fix problems.

To lead in cost, corporations must reduce production costs and provide cheap products. This method works for huge enterprises but not for small agriculture businesses. Market leaders vertically and/or horizontally integrate proprietary components and services to lower pricing. In competitive markets where pricing is a significant differentiator, cost reduction may be a game-changer. If a corporation sells a typical product or service at a discount, its earnings will climb. Low operational costs provide the agriculture industry an edge in pricing rivalry. Even if prices don't change, this strategy may help improve operations. Low-cost producers can survive a pricing war. If suppliers raise prices, the low-cost leader will be less affected. If a new company wants to compete on price, the incumbent's low-cost position could make it hard for them to do so. In today's saturated agricultural industry, organizations must discover and leverage their competitive advantages. Best practices for launching an agriculture business involve standing out from the competition. Most firms just evaluate their products or services when trying to differentiate themselves. A corporation may separate itself from its clients from the moment they require a product or service until they stop using it. Marketers differentiate products from their competitors. Manufacturers must explain why their products are better than rivals' to stand out. Products will sell in a market if they stand out from the competition and offer a compelling value proposition.

Focus strategies help companies zero in on certain markets so they can offer the most relevant, helpful, and cost-effective products and services. These agricultural firms enjoy significant client loyalty due to the exceptional quality of their products. This discourages rivals from entering the market. A focus approach identifies market demands and provides a distinctive answer.

By targeting an underserved market, the corporation may win customer loyalty. Unfortunately, targeting a certain group may not interest the masses. These firms are growing more reliant on a small demographic's discretionary income. Strategy sets long-term goals and guides action and resource allocation. An unpredictable future requires a well-thought-out approach. To be effective, a strategy must be able to adapt to the future's unpredictability and prepare for whatever is ahead. A focus approach targets a certain customer group or place. "Focus strategy" means ignoring everything but one adversary. If

an agricultural firm targets a specialized market, it may have an advantage over mass-market competitors. Target market focus strategies leverage market characteristics to their advantage. Comprehensive rivals serve specialized markets due to differences. The cost-focused corporation can forgo fewer important characteristics than the market-general one.
This research made use of a technique known as multiple regression analysis, and the findings of the analysis of the coefficient revealed that, the differentiation strategy B value of =.633> 0.01 lends support to the first research hypothesis, the cost leadership strategy B value of =.729> 0.01 lends support to the second research hypothesis; and the focus strategy B value of =.88> 0.01 lends support to the third research hypothesis.

Cost leaders' approach of underinvesting in marketing, customer insights, and R&D may backfire in the long run, despite the fact that they frequently come out on top in the end. Due to a lack of market research, cost leaders may be less effective at recognizing key changes and trends in their external environment. Meanwhile, if market leaders don't adequately invest in R&D, they may be slow to adapt to new developments in their industries. If cost leaders are slower than their competitors to notice and respond to changes in the outside world, they could lose touch with the market and run out of solutions. To achieve cost leadership, companies need to identify ways to lower production costs and provide products at low prices. This strategy is effective for large firms but has little utility for smaller agricultural businesses. To keep prices low, market leaders frequently vertically and/or horizontally integrate into high-value-added, proprietary components and services.As a result, they are superior to any other processor in any value-added task. A further benefit of being the market low-price leader is the economies of scale that come from having a significant share of the market in key operational areas like procurement and production.

A focused approach to cost control might be a game-changer in competitive marketplaces where price is a key differentiation. If a company offers a standard product or service at a price that is cheaper than the going rate in the market, the company's profits will rise. The agricultural business will have an edge in the event of price competition because of its low operating expenses. It's possible that this technique will bring in money that can be utilized to improve operations even if prices don't change. Production companies with lower expenses are better equipped to survive a price war. If suppliers raise their prices, the low-cost leader will be less affected than other agricultural businesses. Due to the incumbent's low-cost position, a potential entrant may be deterred from joining the market, especially if the new entrant plans to compete on price.

The modern consumer is subjected to a barrage of marketing messages and has a wide variety of products from which to choose, making it challenging for agricultural businesses to stand out. Agricultural business growth and sustainability in today's saturated market need companies to identify and exploit their unique competitive advantages. The best strategies for starting an agricultural business revolve around setting themselves apart from the competition by offering them something unique. The problem is that most companies just consider their products or services when seeking to differentiate themselves from the competition. In actuality, there are several opportunities for a company to differentiate itself from its customers, from the time a customer realizes they need a product or service until they decide to no longer use it. Differentiating a product from the competition is a key strategy employed by marketers. To make their products stand out from the crowd, manufacturers must be able to explain why their products are superior to those of their competitors. Products are more likely to sell in a certain market if they stand out from the competition and offer a compelling value proposition to buyers.

References

1. Abdolshah, M., Moghimi, M., & Khatibi, S. A. (2018). Investigating competitive advantage in banking industry based on Porter's Generic strategies: IRANs newly-established private banks. *International Journal of Applied Management Sciences and Engineers (IJAMSE)*, *5*(1), 52-62.
2. Alam, C. M. (2019). An analysis on competitive strategies of electric vehicles in Japan and China. *Journal of Law and Political Science. Vol. XLVI No*, *3*(4), 1-17
3. Anatolievna, A. L., & Anatolievna, S. I. (2018). Strategic management of competitive agribusiness organizations model. *International Journal of Advanced Studies*, *8*(2), 9-21.
4. Anwar, A., Azis, M., & Ruma, Z. (2019). The integration model of manufacturing strategy, competitive strategy and business performance quality: A study on pottery business in Takalar regency. *Academy of Strategic Management Journal*, *18*(5), 1-7.
5. Anwar, M., & Shah, S. Z. (2021). Entrepreneurial orientation and generic competitive strategies for emerging SMEs: Financial and nonfinancial performance perspective. *Journal of Public Affairs*, *21*(1), 21-14-2125
6. Arbatani, T. R., Norouzi, E., Omidi, A., & Valero-Pastor, J. M. (2019). Competitive strategies of mobile applications in online taxi services: the cases of Snapp and Tap30 in Iran. *International Journal of Emerging Markets*, *16*(1), 113-130.
7. Bogiday, I. (2019). Justification of the competition strategy selection for agricultural enterprises. *Technology audit and production reserves*, *5*,(49), 12-17.
8. Brett, M. R. (2018). Cost leadership or differentiation? Applying Porter’s competitive strategies in ecotourism: A case study of Mkhuze Game Reserve. *African Journal of Hospitality, Tourism and Leisure*, *7*(2), 1-27.
9. Castillo-Apraiz, J., & Matey, J. (2020). Customizing competitive strategy to entry timing: Implications for firm performance in the pharmaceutical industry. *Managerial and Decision Economics*, *41*(6), 976-985.
10. Dania, W. A. P., Xing, K., & Amer, Y. (2018). Collaboration behavioural factors for sustainable agri-food supply chains: A systematic review. *Journal of cleaner production*, *186*, 851-864
11. Danso, A., Adomako, S., Amankwah-Amoah, J., Owusu-Agyei, S., & Konadu, R. (2019). Environmental sustainability orientation, competitive strategy and financial performance. *Business Strategy and the Environment*, *28*(5), 885-895.
12. Dombrowski, U., Krenkel, P., & Wullbrandt, J. (2018). Strategic positioning of production within the generic competitive strategies. *Procedia CIRP*, *72*, 1196-1201.
13. Echchakoui, S. (2018). An analytical model that links customer-perceived value and competitive strategies. *Journal of Marketing Analytics*, *6*(4), 138-149.
14. Farah, H. A., Munga, J., & Mbebe, J. (2018). Influence of competitive strategies on performance of commercial airlines in Kenya: A survey of the airline industry in Kenya. *International Academic Journal of Human Resource and Business Administration*, *3*(1), 170-189.

15. Firoz Suleman, M., Rashidirad, M., & Firoz Suleman, S. (2019). The applicability of Porter's generic strategies in pure online firms: A case study approach. *Strategic Change*, *28*(3), 167-176.
16. Gathungu, J. M., & Baariu, V. L. (2018). Competitive Strategies Entrepreneurial Orientation, External Environment and Performance of Small and Medium Enterprises in the Manufacturing Sector in Nairobi City County, Kenya. *Journal of Arts and Humanities*, *7*(9), 22-33.
17. Gholami, M. H., & Seyyed-Esfahani, M. (2019). An integrated analytical framework based on fuzzy DEMATEL and fuzzy ANP for competitive market strategy selection. *International Journal of Industrial and Systems Engineers*, *31*(2), 137-167.
18. Greckhamer, T., & Gur, F. A. (2021). Disentangling combinations and contingencies of generic strategies: A set-theoretic configurational approach. *Long Range Planning*, *54*(2), 10-23.
19. Immawati, S. A., & Nugroho, A. (2020). Green Marketing as the Source of the Competitive Advantage of The Business. *Dinasti International Journal of Management Science*, *1*(6), 944-953.
20. Inthakhan, Y., Thechatakerng, P., Srinaruewan, P., & Tulasombat, S. (2022). Creating Competitive Advantage of Small Private Tutorial Business in Lampang Province. *University of the Thai Chamber of Commerce Journal Humanities and Social Sciences*, *42*(2), 1-16.
21. Islami, X., Mustafa, N., & Topuzovska Latkovikj, M. (2020). Linking Porter’s generic strategies to firm performance. *Future Business Journal*, *6*(1), 1-15
22. Kabeyi, M. J. B. (2018). Michael porter’s five competitive forces and generetic strategies, market segmentation strategy and case study of competition in global smartphone manufacturing industry. *IJAR*, *4*(10), 39-45.
23. Kah, M., Tufenkji, N., & White, J. C. (2019). Nano-enabled strategies to enhance crop nutrition and protection. *Nature nanotechnology*, *14*(6), 532-540.
24. Kaliappen, N., Chuah, F., Gorondutse, A. H., & Moktar, S. N. A. (2019). Hybrid competitive strategy, strategic capability and performance. *Journal of Business and Retail Management Research*, *13*(4), 1-14.
25. Kasongo, P., & Misango, S. (2019). Effects of Generic Competitive Strategies on organizational performance in the Manufacturing Industry: a case of Bamburi Cement Limited, head office, nairobi. *International Journal of Economics, Business and Management Research*, *3*(2), 29-41.
26. Lorenzo, J. R. F., Rubio, M. T. M., & Garcés, S. A. (2018). The competitive advantage in business, capabilities and strategy. What general performance factors are found in the Spanish wine industry?. *Wine Economics and Policy*, *7*(2), 94-108.
27. Mongkol, K. (2021). A comparative study of a single competitive strategy and a combination approach for enterprise performance. *Polish Journal of Management Studies*, *23*(2), 321.

28. Mutinda, C. K., & Mwasiaji, E. (2018). Competitive strategies and performance of family owned supermarkets in Machakos County, Kenya. *International Academic Journal of Human Resource and Business Administration*, *3*(3), 31-51
29. Mykhailichenko, M., Lozhachevska, O., Smagin, V., Krasnoshtan, O., Zos-Kior, M., & Hnatenko, I. (2021). Competitive strategies of personnel management in business processes of agricultural enterprises focused on digitalization. *Management Theory and Studies for Rural Business and Infrastructure Development*, *43*(3), 403-414.
30. Nguyen, N. P., & Adomako, S. (2021). Environmental proactivity, competitive strategy, and market performance: The mediating role of environmental reputation. *Business Strategy and the Environment*, *30*(4), 2008-2020.
31. Odhiambo, O. A., & Njuguna, J. W. (2019). Competitive strategies and performance of insurance companies in Kenya. *International Academic Journal of Human Resource and Business Administration*, *3*(7), 198-212.
32. Ombasa, D. N., & Nzulwa, J. (2018). Effect of Competitive Strategies on Firm Performance (A Case Study Of National Oil Corporation Of Kenya). *Journal of International Business, Innovation and Strategic Management*, *2*(2), 288-310.
33. Pavlović, N., & Čelić, I. (2020). The analysis of competitive strategies from the perspective of small and medium enterprises. *Менаџмент у хотелијерству и туризму*, *8*(1), 101-110.
34. Pranadita, N., Rahayu, A., & Wibowo, L. A. (2022, July). The Effect of Work Creation Law on the Five Forces of Competition Related to the Formulation of Competitive Strategies According to Michael E. Porter. In *6th Global Conference on Business, Management, and Entrepreneurship (GCBME 2021)* (pp. 491-496). Atlantis Press.
35. Sabbena, K., & James, D. K. (2018). Competitive strategies and organisation performance a review of literature review. *International Journal of Social Sciences Management and Entrepreneurship (IJSSME)*, *1*(1), 1-13.
36. Sabug, B. J. R., & Pheng, L. S. (2020). Competitive and entry strategies for UK transnational contractors in the Singapore rail sector. *International Journal of Construction Management*, *20*(7), 737-760.
37. Sánchez-Chaparro, T., Gómez-Frías, V., & González-Benito, Ó. (2020). Competitive implications of quality assurance processes in higher education. The case of higher education in engineers in France. *Economic research-Ekonomska istraživanja*, *33*(1), 2825-2843.
38. Subrahmanyam, S., & Azad, S. (2019). Carrefour’s Competitive Strategy-Cost Leadership and Differentiation: A Case Study. *Pacific Business Review International*, *11*(8), 137-45.
39. Sun, K. A., & Lee, S. (2019). Competitive advantages of franchising firms and the moderating role of organizational characteristics: Evidence from the restaurant industry. *International Journal of Hospitality Management*, *77*, 281-289.
40. Taghipour, M., Barzegar, P., Mahboobi, M., & Mohammadi, S. (2020). Investigating the relationship between competitive strategies and corporates performance (case study: Parsian banks of Tehran). *Management*, *3*(4), 13-28.

41. Tavalaei, M. M., & Santalo, J. (2019). Pure versus hybrid competitive strategies in the airport industry. *Transportation Research Part A: Policy and Practice*, *124*, 444-455
42. Vahdati, H., Nejad, S. H., & Shahsiah, N. (2018). Generic Competitive Strategies toward Achieving Sustainable and Dynamic Competitive Advantage. *Revista Espacios*, *39*(13), 1-12.
43. Wakhu, P. O., & Bett, S. (2019). Effect of competitive strategies on performance of Uber Online Taxi firm in Nairobi, Kenya. *International Journal of Current Aspects*, *3*(IV), 80-92.
44. Wanjiku, M. L., & Deya, J. (2021). Effect of Competitive Strategies on Performance of Micro-Finance Institutions in Kenya. *Management*, *11*(1), 407-422
45. Weng, W. (2020). On the quest for supply chain competence: The impact of competitive strategy. *EasyChair Preprint*, *2621*, 1-15.
46. Yuleva, R. (2019). Competitive advantages and competitive strategies of small and medium-sized enterprises. *Икономика и управление*, *15*(1), 71-81.