

## **Role of the Internet in the Polish Seed Trade**

**Tomasz W. BRALEWSKI, Dagmara BANASIAK**

Poznań University of Life Sciences, Department Seed Science and Technology, Baranowo,  
ul. Szamotulska 22, 62-081 Przeźmierowo, Poland; twbseed@interia.pl

**Abstract.** Role of the Internet in the trade of gardening seeds, including the marketing activities of Polish seed companies and the on-line sale of seeds was determined on the base of conducted tests: analyses of websites and e-shops and concerning questionnaire forms (B2C) conducted in most important Polish seed companies. All Polish seed companies had attractive and correctly functioning websites which apart from primary data contained a lot of additional information. The majority of Polish seed enterprises owned the online shop. The standard e-shop functioned on the market for a few years, supplied amateurs, brought 1% of all returns on seed sales and constituted only the supplement of the traditional trade. The majority of polled respondents from Polish seed companies having the e-shops predicted the increase in the on-line trade and meanings of the Internet.

**Keywords:** seed marketing, seed trade, Internet marketing, Internet trade

### INTRODUCTION

In the last few years the Internet has become the new market. It creates the enormous possibilities to develop the industries and it became an irreplaceable mean to exchange information and conduct operations which decides on the competitiveness. It provided the access to new markets, improved the communication of market subjects as well as the effectiveness of their actions (Sieja and Wach, 2003). This medium is used by all companies from all economic sectors, including the seed production (Bralewski, 2005; Bralewski and Hołubowicz, 2005a; Bralewski and Hołubowicz, 2006a)

In the age of progressive globalization there is a distinct growth of the number of Internet users and people making purchases on-line. In 2000 in Poland, according to the strategic IAB Report, the amount was 2,3 million of Internet users, and in 2004 as many as 7,8 million. According to the latest data from 2008 the number of people using the Internet has reached over 13,7 million, it means it has doubled over the 4 years. Apart from the increase of the number of Internet users, also more and more companies, which apart from traditional shops, offer their products in on-line shops. The 24 hour and simple access to the network is giving the customer the possibility of instant and easy-going availability of goods, effecting the transaction and the shopping without the need to go out. Whereas it enables the enterprise the current contact with the customers. The worldwide tendencies concerning the internet sale increase in the last few years, are also reaching Poland.

Determining the role of the Internet in the trade of gardening seeds was a purpose of this essay, including the marketing activities of Polish seed companies and the on-line sale of seeds.

## MATERIALS AND METHODS

Role of the Internet in the trade of gardening seeds, including the marketing activities of Polish seed companies and the on-line sale of seeds was determined on the base of conducted tests: analyses of websites of Polish seed companies of e-shops and concerning questionnaire forms (B2C) conducted in Polish seed companies.

Analysis of websites concerned the most important Polish seed companies: CNOS Przedsiębiorstwo Nasiennictwo Ogrodniczy Sp. z o.o. in Poznań (CNOS), PlantiCo Hodowla i Nasiennictwo Ogrodniczy Zielonki Sp. z o.o. in Zielonki (PlantiCo), PNOS Przedsiębiorstwo Nasiennictwo Ogrodniczy i Szkółkarstwo S.A. in Ożarów Mazowiecki (PNOS), Krakowska Hodowla i Nasiennictwo Ogrodniczy POLAN Sp. z o.o. in Cracow (Polan), SPÓJNIA Hodowla i Nasiennictwo Ogrodniczy Sp. z o.o. in Nochowie (Spójnia), Przedsiębiorstwo Nasienne W. LEGUTKO in Jutrosin (W.Legutko). The evaluation of web pages concerned the logo, characteristics and the contact information of the companies, characteristics of a trade offer, type of the offer presentation, lists of varieties, price list, content of advice and curiosities, the customer service and running the online shop.

Questionnaire forms concerning e-shops (B2C) were conducted over the phone in seed companies which led at present or in the past a sale of seeds through the Internet: CNOS Przedsiębiorstwo Nasiennictwo Ogrodniczy Sp. z o.o. in Poznań (CNOS), PlantiCo Hodowla i Nasiennictwo Ogrodniczy Zielonki Sp. z o.o. in Zielonki (PlantiCo) and Krakowska Hodowla i Nasiennictwo Ogrodniczy POLAN Sp. z o.o. in Cracow (Polan). From PNOS Przedsiębiorstwo Nasiennictwo Ogrodniczy i Szkółkarstwo S.A. in Ożarów Mazowiecki (PNOS) data wasn't obtained.

## RESULTS AND DISCUSSION








All assessed Polish seed companies had their own logo and data on their website, and the majority also placed data of its wholesalers. The majority of the companies introduced their characteristics in the simplified way. A trade offer above all was presented descriptively and contained colourful photos, more rarely been based only on descriptions of varieties. Practically all companies put lists of offered varieties on their website. However in the minority were enterprises giving the price list. Four of seven companies placed on its web the page of advice and recommends for the seed buyers, and additionally three of them rich their web with the titbits connected with their offer. However only one enterprise led the information service for customers. Five companies had an online shop, one of them suspended it activity (Tab. 1) (Fig. 1)

Online shops of Polish seed companies were made relatively recently - in years 2006-2008, the exception was the Polan enterprise, which shop had existed from 2000. Implementing the sale on-line according to the part of respondents increased an interests of buyers, however the part thought, that not. Exclusively amateurs were customers of e-shops. Participation of the profit on Internet sales was below 1%, and at the part of companies under 0.5% of total profits, and so constituted their marginal part. They didn't also make a note of an essential rise in on-line profits from the sale. Companies polled by the Internet approached the sale skeptically, and explained such an attempt with low profitability of leading the e-shop of seeds, the low mean of the shopping in comparing to postages, as well as convincing about the superiority of the traditional sale above the Internet. Enterprises didn't have clearly defined opinions, as for the future of the Internet sale and meaning of the Internet in the seeds trade, at least they were rather optimistic. Employees of the majority of seed companies were

convinced that the additional channel of the sale which is the Internet wasn't needed in achieving good sale results, which should be based on the traditional trade (Tab. 2).

Tab. 1

Analysis of websites of Polish seed companies

Included information	Company						
	CNOS	Plantico	PNOS	Polan	Torseed	Spójnia	W.Legutko
www	www.cnos-poznan.com	www.plantico.pl	www.pnos.pl	www.nasiona.pl	www.torseed.pl	www.nasiona-warzyw.pl	www.legutko.com.pl
Logo							
Contact information	+	+	+	+	+	+	+
Company characteristic:							
- simplified	+	+	-	+	-	+	+
- extended	-	-	+	-	+	-	-
Offer characteristic:							
- simplified	+	+	-	+	+	-	-
- extended	-	-	+	-	-	+	+
Types of the offer:							
- descriptive	-	+	-	-	+	-	-
- description + photo	+	-	+	+	-	+	+
List of varieties	-	+	+	+	+	+	+
Price list	-	+	-	+	+	-	-
Advice and recommendations	-	+	+	-	+	-	+
Curiosities	-	+	+	-	+	-	-
Customer service	-	-	+	-	-	-	-
E- shop	- (liquidated)	+	+	+	+	-	-

Note: \*- activity of the shop stayed suspended, because the merging of CNOS and PNOS companies took place.

The globalization and the development of the technology, as well as market economic transformations, caused the era of the Internet economy, for which breaking geographical and communications barriers is a distinctive feature (Sobczyk, 2004). These transformations reached all branches of trade. Seed companies also noticed the meaning of the Internet. Provided in 2000 Siutaj and Duczmal still wrote about the delay of Polish seed companies in the relationship to foreign in the area of exploiting this medium, already in 2005 (a) Bralewski and Hołubowicz informed about the universal use of the Internet as the advertising form by these enterprises. Besides that all of them had actually designed and working websites (Bralewski and Hołubowicz 2005 b). It confirms the information gained by authors of this essay which stated that all the websites of Polish seed companies met the requirements and except the after-fair data contained a lot of various information. Among them, for example contact data of wholesale companies cooperating with them. Other researchers have already written about placing such information in the sales materials of seed companies on our

market, as the element of managing of the seeds distribution system (Bralewski i Hołubowicz 2006b).



Fig. 1. Example of a website - Przedsiębiorstwo Nasiennictwa Ogrodniczy i Szkółkarstwo S.A in Ożarów Mazowiecki (www.pnos.pl)

According to Karbarczyk (2000), the Internet sale is a very young area of trade in Poland, which reflects a short time of functioning of the online shops. It confirmed, the results gained by authors, which showed that the majority of shops trading in seeds had been on the market for a few years only.

The results of different authors are presenting positive forecasts for the development of the on-line trade in Poland (Siej and Wach, 2003; Dygas, 2005). Also the majority of respondents from the Polish seed companies predicted the development of the Internet sale and the growth in importance of the Internet in the seeds trade. Seed companies started noticing how important is the Internet. It confirms the information from Frąckiewicz (2000) who claimed that marketing activity led by the Internet had let to enhancing the position of the enterprise and increasing the competitiveness. It is matching the data obtained by the authors. Also a fact of having a website by every Polish seed company and the majority of them also the e-shop is attesting it. Here a visible progress, because still in 2005 (b) Bralewski

and Hołubowicz wrote, that e-commerce with seeds is not making any difference for these enterprises and they aren't able to use this medium in the trade of their products.

Tab. 2

Characteristics of online shops of Polish seed companies

Question	Seed company			
	CNOS	Torseed	Plantico	Polan
Since when the company runs the online shop?	Since 2008 but now suspended*	Since 2007	Since2006	Since2000
Whether after implementing the Internet sale the interest of the company increased?	No	Yes	Rather not	Yes
Who is the main customer of the shop? The amateur or professional?	Amateur	Amateur	Amateur	Amateur
What percentage of company profits constitutes the profits of Internet sales?	< 0,5	< 1,0	0,5	0,5
Whether the substantial rise in profits from the on-line sale was recorded??	No	No, but the slow increase	No	Yes
Do you predict the increase of the sale through the Internet?	No	Yes	Possible	Yes
Do you predict the growth in importance of the Internet in the seeds sale??	Rather not	Yes	Possible	Yes
Since when the company runs the online shop?	Since 2008 but now suspended*	Since 2007	Since2006	Since2000

Note: \*- activity of the shop stayed suspended, because the merging of CNOS and PNOS companies took place.

From the other hand the authors show the fact that profits from the trade of this type constituted below 1% for Polish seed companies. It confirmed the Karbarczyk's thesis (2000) that the e-commerce isn't a condition of surviving companies on the market, and online shops are treated as an experiment and enhancing the offer rather than as the essential part of the sale. Respondents from Polish seed enterprises, showed that small returns on sales of seeds resulted mainly with low mean of orders, at high cost of seeds postage. In seed companies delegated persons were missing to run the e-shop what was also transferred into low results of the sale. The majority of companies conducted the two-channel sale, apart from the shop online also had traditional institutions. The majority of authors presenting low results of the Internet sale in Poland, think that it is still a young form of sale and are forecasting the development (Sobczyk, 2004, Dygas, 2005, Mirońska, 2005), also in seed production (Siutaj and Duczmal, 2000).

## CONCLUSIONS

All Polish seed companies had attractive and correctly functioning websites which apart from primary data contained a lot of additional information.

The majority of Polish seed enterprises owned the online shop. The standard e-shop functioned on the market for a few years, supplied amateurs, brought 1% of all returns on seed sales and constituted only the supplement of the traditional trade.

The majority of polled respondents from Polish seed companies having the e-shops predicted the increase in the on-line trade and meanings of the Internet.

## REFERENCES

1. Bralewski, T.W. (2005). Wybrane czynniki wpływające na jakość marketingową nasion. *Zagadnienia Ekonomiki Rolnej* 4:126-128.
2. Bralewski, T.W. and R. Hołubowicz (2005a). Importance of different forms of advertising spots in promotion activities of Polish horticultural seed companies. *Elelectronic J. Polish Agric.Univ., Hort.* Vol. 8, Issue 4, Art. 5, [www.ejpau.media.pl/volume8/issue4/art-05.html](http://www.ejpau.media.pl/volume8/issue4/art-05.html)
3. Bralewski, T.W. and R. Hołubowicz (2005b). Rola reklamy radiowej, telewizyjnej i Internetu w działaniach promocyjnych firm nasiennych na rynku polskim” *Acta Scientiarum Polonorum. Oeconomia* 4 (2) 2005: 17-26.
4. Bralewski, T.W. and R. Hołubowicz (2006). „Konkurencja na polskich rynku nasion ogrodniczych- geneza stan i perspektywy, *Postępy Nauk Rolniczych* 3: 94-106.
5. Bralewski, T.W. and R. Hołubowicz (2006b). Vegetable seed distribution on the Polish market. Part II. *Elelectronic J. Polish Agric.Univ., Economics* Vol. 9, Issue 4, Art. 08, [www.ejpau.media.pl/volume9/issue4/art-08.html](http://www.ejpau.media.pl/volume9/issue4/art-08.html)
6. Dygas, P. (2005). Polski detaliczny handel internetowy. *Marketing i rynek* 2: 34-39.
7. Frąckiewicz, E. (2000). E-marketing- bezwzględna konieczność. *Marketing w Praktyce* 5: 52-54.
8. Karbarczyk, S. (2000). Internet jako nowy rynek. *Boss-Gospodarka, Export-Import. Tygodnik Ekonomiczny* 14: 3-5.
9. Sieja, M. and K. Wach (2003). Internet jako jedna z determinant konkurencyjności firm w d obie globalizacji. *Zesz. Nauk. AE we Wrocławiu. Regionalizacja i globalizacja w gospodarce światowej* 976(2): 241-252.
10. Siutaj, W. and K. Duczmal (2000). Handel nasionami w Internecie. *Hodowla Roślin i Nasiennictwo* 3: 29-36.
11. Sobczyk, G. (2004). Rola Internetu w osiągnięciu przewagi konkurencyjnej przedsiębiorstwa. *Acta Universitatis Lodzianis. Folia Oeconomica* 179: 429-430.