

Analysis of Agricultural Production-related Businesses in Japan, Focusing on Location and Diversification

Megumi OHASHI and Katsuya TAKAHASHI

Summary

This study analyzes the development of agricultural production-related businesses in Japan--farmers' markets, agricultural product-processing entities, pick-your-own farms, farm restaurants, and farm guesthouses--by recalculating data from the 2010 Survey on Collaboration of Primary, Secondary, and Tertiary Industries. The study revealed that:

First, the farms can be differentiated into the specialized type having only one business activity, such as a farmers' market, and the diversification type operating more than two businesses at once, such as a farmers' market and farm guesthouse. The diversification-type farms generated much higher average sales than the specialized farms. Among farms generating high sales in the agricultural production-related sector, polarization of the sales of agricultural production was observed.

Second, we analyze regional differences by creating choropleth maps. The analytic results indicate that the rates of total sales of the five types of agricultural businesses per agricultural output tended to increase in municipalities in metropolitan areas. Although there were differences in the tendencies between these types, as farm guesthouses tended to be located in other cities, farmers' markets and pick-your-own farms had a strong tendency to be concentrated in metropolitan areas. On the other hand, using cross-tabulation tables, we find that the rates of annual sales of agricultural production-related businesses per farm in the metropolitan areas and other cities were almost identical.

In conclusion, the location diversification had some effects on the development of agricultural production-related businesses, and there were differences in the effects among the different types of businesses, such as farmers' markets and farm guesthouses.

Key words: farmers' market, agricultural product processing, location, diversification, agricultural production-related business