



Marketing tools and experiences in the food industry



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2nd entrepreneurial discovery focus group in Eastern Macedonia and Thrace on Dairy and Meat
Arcadia Hotel, Komotini, Greece
29th - 30th January 2015

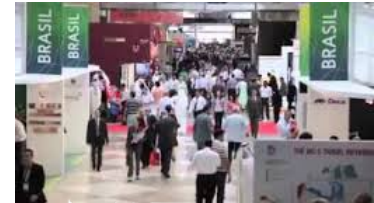


OUTLINE

- Beyond the Third Mission: the role of university to co-create sustainable development
- «Wicked problems» and stakeholders' engagement
- FARM INC project
 - Premises
 - Objectives and methods
 - Preliminary outcomes
 - The learning platform: some examples
- Next steps and your involvement
- Gastronomy and tourism?



Le Marche in Valigia



University of Macerata - Marche Region: Rural Areas / Economic Crisis
 Several promotional initiatives under the aegis of subsidiarity principles and bottom-up approaches:
 Umbrella brands, Clubs of products, ...



Marche d'ecceellenza

Forum permanente sul
 Made in Marche

BEYOND THE THIRD MISSION

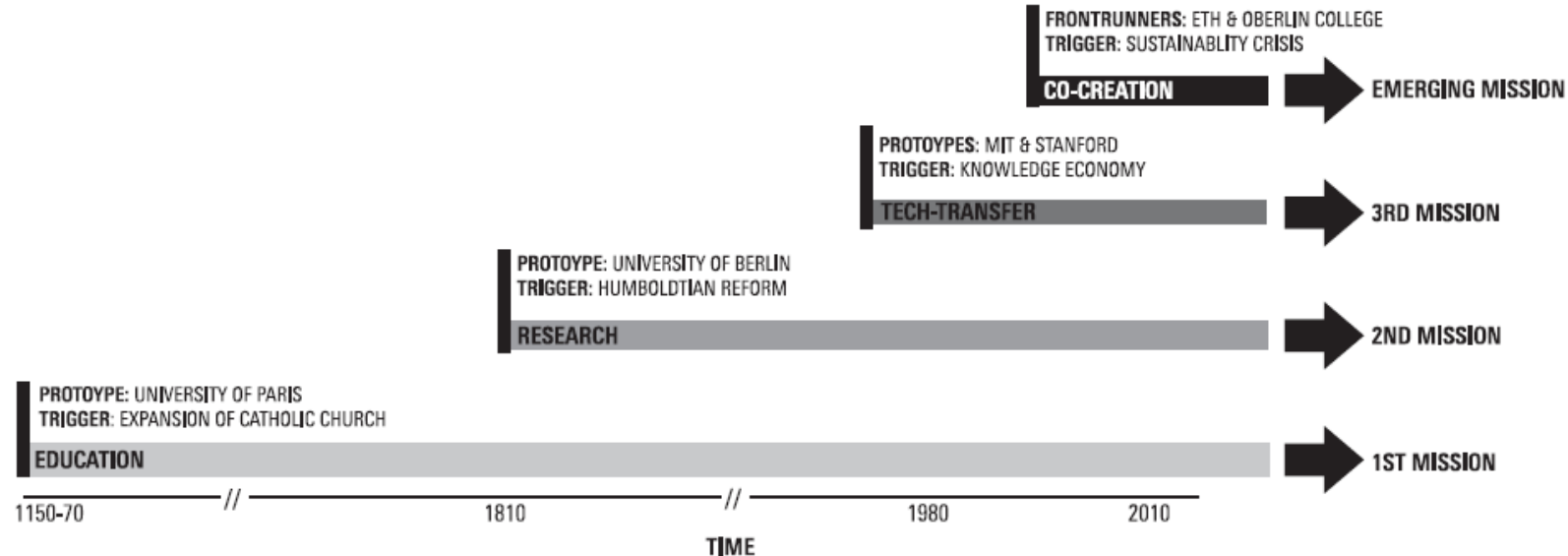


Figure 4. Emergence of four missions with triggers and institutional prototypes and frontrunners.

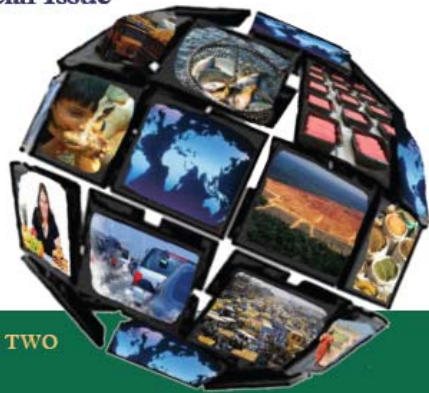
Trencher, Gregory, et al. "Beyond the third mission: Exploring the emerging university function of co-creation for sustainability." *Science and Public Policy* 41.2 (2014): 151-179.

WICKED PROBLEMS AND STAKEHOLDER ENGAGEMENT

“Wicked problems” refer to issues which are highly complex, have innumerable and undefined causes, and are difficult to understand and frame. They result in outcomes that are either uncertain or unknowable, and often affect multiple stakeholders throughout the agri-food system and beyond.

Thus, wicked problems cannot be resolved through finding “right answers” or “solutions”, but rather, they must be managed.

Agri-food sustainability, natural resource constraints and biodiversity loss, persisting poverty in peripheral areas, the growing obesity epidemic, the use of biotech in food and agriculture and how we will feed current and future generations with fewer resources—are a few examples of wicked problems.

The logo for IFAMR Special Issue features the acronym "IFAMR" in a bold, blue font with a green leaf-like graphic above the "I", and the words "Special Issue" in a smaller font below.

PART TWO

MANAGING WICKED
PROBLEMS IN AGRIBUSINESS

The Role of Multi-Stakeholder Engagement in Value Creation



COLLABORATION AND ENGAGEMENT AMONG DIFFERENT ACTORS OF THE FOOD SUPPLY CHAIN

	Input industries	Farmers	Traders	Food companies/ processors	Retailers	'Public sector'
Input industries	Bayer/AgraQuest BASF/Becker Underwood (CP) Monsanto/BASF (GM) Vilmorin/KWS (corn traits) Syngenta/Deere (Plene)	Monsanto's Integrated Farming Systems (IFS)	Du Pont/Cargill (Plenish) Du Pont/ADM (Plenish) BASF/Cargill (Canola oil)	DSM/Poet (Cellulosic ethanol) Du Pont/Brión (Bioenergy) BASF/Pronovo Biopharma Syngenta/Bonanza Bioenergy Bayer Fresh produce alliances (240) Du Pont/Japan Tobacco		SAGCOT Syngenta/CGIAR (Ug99) Syngenta/EMPRAPA Arcadia/USAID
Farmers		Farmer cooperatives	'Outgrower schemes' Marubeni/ Sinograin Oils/ Shandong Liuhe Group (Animal feed)	Unilever has 3 million farmers in supply chain		
Traders			ADM/Wilmar Marubeni/ Gavilon ADM/GrainCorp	Cargill/Provimi Olam/ Rusmolco Unilever/Cargill (sustainable verified rapeseed oil)		Olam PPPs Cargill PPPs
Food companies				PepsiCo/Unilever Ardent Mills (Cargill, ConAgra/CHS)	ASDA/Forza Morrisons/ Farmer's Boy	Unilever PPPs Collaborations with certification organizations like Fairtrade/ Rainforest Alliance (e.g. Unilever, Mars)
Retailers						USAID

Colour coding: M&A; Co-operatives; JVs; Exclusive alliances; Non-exclusive alliances; Contracts



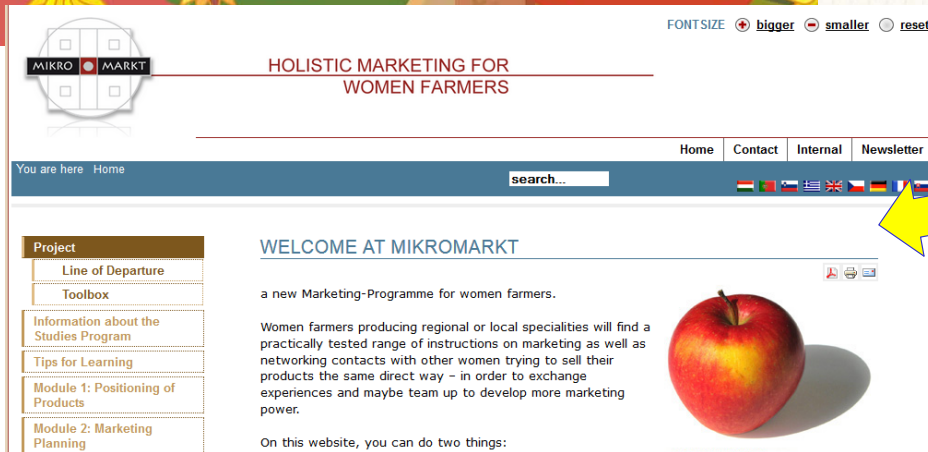
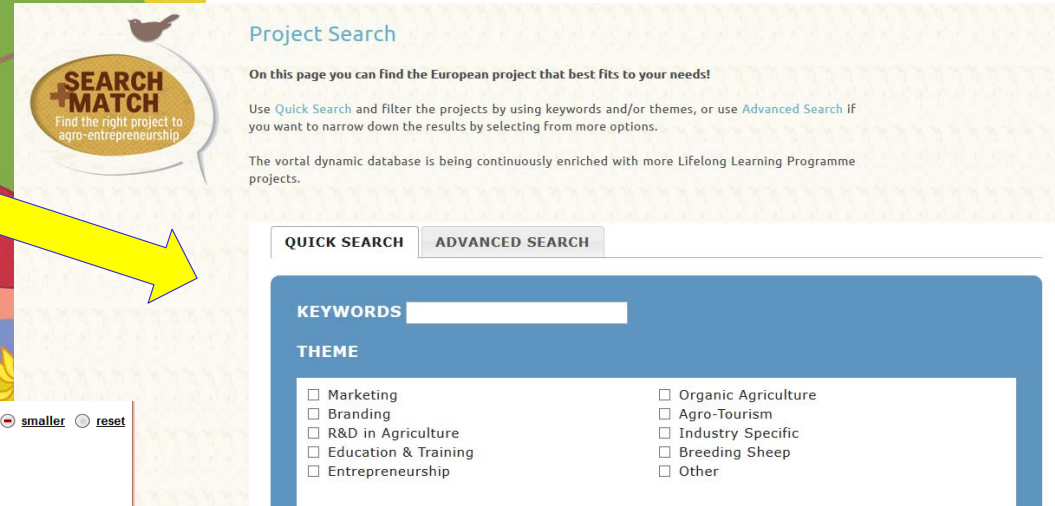
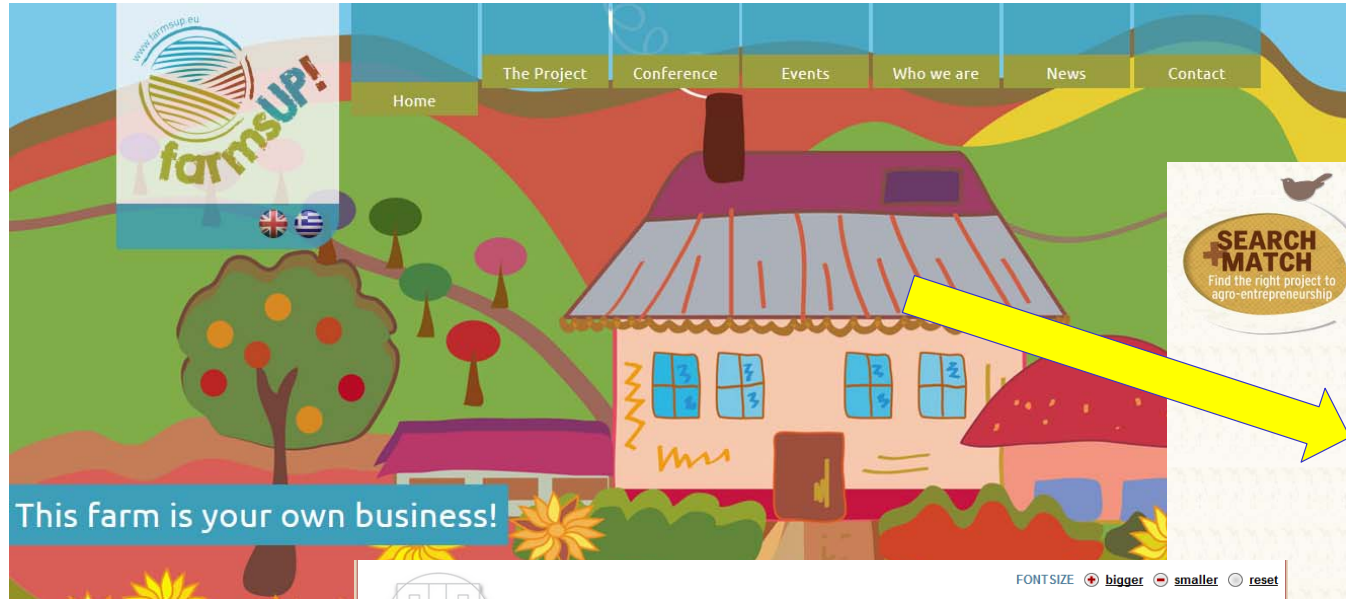
COLLABORATION AND ENGAGEMENT AMONG DIFFERENT ACTORS OF THE FOOD SUPPLY CHAIN

	Tight.....Loose					
Type of cooperation	M&A	Cooperatives	Joint ventures	Exclusive alliances	Non-exclusive alliances	Contracts
Reasons/benefits	<ul style="list-style-type: none"> • Portfolio diversification • Geographic expansion • Vertical integration to secure supplies, internalize margins • Synergy extraction 	<ul style="list-style-type: none"> • Economies of scale • Increased bargaining power 	<ul style="list-style-type: none"> • Pooling of complimentary skills • Cost/risk sharing 	<ul style="list-style-type: none"> • Pooling of complimentary skills • Cost sharing 	<ul style="list-style-type: none"> • Pooling of complimentary skills • Cost sharing 	<ul style="list-style-type: none"> • Securing supply • Extracting value adds

Source: KPMG International, 2013



HOW CAP CAN HELP FARMERS WITH STRATEGY AND MARKETING ACTIVITIES?





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THIS FARM IS MY BUSINESS



THIS FARM IS MY BUSINESS

WHAT

The Farm Inc. project highlights to the European agricultural enterprises, with a special focus on Italy, Greece, Latvia, Cyprus, Belgium, the importance of using **novel marketing principles** such as branding and internationalisation to improve their market position and expand their business internationally.

WHY

Small agricultural enterprises and farmers are often in a disadvantageous position to other bigger players in the food chain (such as food manufacturers, wholesalers, retailers). This is why many smaller businesses face a common problem: their efforts to maintain and improve their market position or to upgrade their market share and to expand their business activity internationally go unrewarded.

HOW

While it is clear and obvious that one single SME cannot compete with the marketing power of multinational companies, there are new trends, however, in the agricultural sector that potentially provides a great chance for smaller enterprises and farmers: **Rural Branding**.

Consequently, Farm Inc. develops training material to upgrade the skills to better brand and market rural products and to internationalise the business, taking full advantage of the chances that the EU Common Market has to offer. In the long term, this will help to increase their bargaining power in the existing production line and to open new possibilities in a continuously changing EU and World economy.



With the support of the Lifelong Learning Programme of the European Union. This communication reflects the views only of the author, and the Commission cannot be held responsible for any use which may be made of the information contained therein

PARTNERS





Ongoing project: what do farmers ask for?

NEEDS AND TRANSFERABILITY ANALYSIS

TASK 1: FIELD RESEARCH:

- Survey: questionnaire for target groups
 - a) Farmers and agricultural associations, and
 - b) VET experts/national-local authorities respectively);
- Focus Groups in IT, EL, LV

TASK 2: DESK RESEARCH:

Good practice examples of other relevant training initiatives at National (Web Search) and EU levels (ADAM search) reported in the data sheet.

TASK 3: ANALYSIS

Based on the information gathered from tasks 1 and 2: the transferable material has been assessed and specific transferability and adaptation have been highlighted



Needs and Transferability Analysis

To sum up:

-Some differences at country level

-Some common points:

- Understanding local consumers' needs**
- Increasing level of sales**
- Planning and updating business plans**
- Developing and positioning new products**
- Being updated about food processing and safety**
- Finding the right distribution channel for the products**
- Properly promote the quality characteristics of the products**

Another important issue freely elicited: synergy and networks



Needs and Transferability Analysis

Educational Content

	Italy	Greece	Latvia
	Cumulative % (rate 4 and 5)		
<i>Business plan</i>	84,45	91,18	52,17
<i>Price strategies</i>	75,56	79,41	65,21
<i>Product development</i>	75,55	82,36	86,96
<i>Promotion</i>	91,11	85,3	91,3
<i>Distribution Channels</i>	64,45	82,35	78,26
<i>Marketing cooperation</i>	77,78	79,41	60,87
<i>Branding</i>	77,78	85,3	60,87
<i>Legislation</i>	48,89	72,72	60,86
<i>Internationalisation</i>	80,00	64,7	56,52
<i>Traceability of products</i>	82,22	82,34	91,31



Needs and Transferability Analysis

Expected Educational Activities and Formats

	Italy	Greece	Latvia
	Cumulative % (rate 4 and 5)		
<i>Web-based training</i>	26,67	66,67	38,09
<i>Blended learning (including face to face sessions and online learning)</i>	42,22	75,75	47,62
<i>Classroom Training (Instructor Led)</i>	53,34	50,01	57,9
<i>Case studies investigation</i>	73,33	64,52	81,81
<i>Participation to conferences</i>	42,22	43,75	42,11
<i>Participation to Fairs</i>	47,73	59,38	66,67
<i>Games</i>	25,00	37,5	16,67
<i>Role playing</i>	66,67	43,75	22,22
<i>Comics</i>	8,89	40,63	5,56
<i>Stage and internships (e.g. Erasmus for Entrepreneurs)</i>	71,11	56,26	73,68
<i>Field day (practical demonstration activities)</i>	73,33	66,66	85,00
<i>Farm and study visits</i>	93,33	84,38	100



Needs and Transferability Analysis Focus Groups

Marketing Cooperation

Main issues to be considered while structuring the module:

- linking marketing cooperation to territorial promotion (place branding) in order to be able to promote different products in one single container;
- including main social economy principles (i.e. Latvia)
- module that should be taught once the basic principles of marketing are clear. In fact, this module would involve different subjects, such as place marketing, or linking tourism and agriculture (multifunctional agriculture).



Needs and Transferability Analysis Focus Groups

Branding

Main issues to be considered while structuring the module:

- make a distinction between product branding and territorial (or rural) branding and what benefits can be gained from both;
- just like marketing cooperation, branding is a subject that should be taught once basic principles of marketing are clear;
- how to develop and design brands and product certification brands;
- branding should be linked to consumers' habits;
- Training material should provide some good and bad examples;

VET providers suggested some contents to be developed in this topic: Brands traceability today; how to make consumers recognize your brand; brand costs; timeframe needed to obtain results; communication plan to disseminate the brand; rural branding added value (reputation); certifications (PDO, GPI), disciplinary, the audit, consumers' trends.



Needs and Transferability Analysis Focus Groups

Legislation

Main issues to be considered while structuring the module:

- many farmers perceive that a general module on legislation would not be useful as they complained that all legislation, from European to local level, it is not clear, it is interpretable and often some laws contrast with others making it hard to implement them. VET providers on the other hand said legislation is a domestic theme hard to implement in a transnational partnership. *It will be necessary to select some aspects of the legislation that can be useful to all partners, stressing on new opportunities rather than offering a general unit on legislation;*
- highlighting some issues of CAP and stress on new agribusiness options;
- waste management and some good agricultural practices should be included in the module.



Needs and Transferability Analysis Focus Groups

Internationalisation

Main issues to be considered while structuring the module:

-Internationalisation is a module perceived to be useful only for some farmers: farmers that actually export their products and young farmers, as traditional farmers would not want to get involved in internationalisation;

-Need to start from internationalisation basics: how to start export and how to make contacts abroad;

-Need to add some practical case studies on how to implement product internationalisation;

-It appears to be a module that, again, can be implemented only once all marketing basics are clear: internationalisation involves many different subjects and requires a certain level of marketing skills; VET providers suggested some contents that could be developed under this module: Introduction to export, Why to internationalize, What it means to export, The decision to export: the organizational implications, the process of internationalization, the characteristics and differences in markets Packaging, taxation, label, certification required Package delivery and so on.



Needs and Transferability Analysis Focus Groups

Traceability of products

Main issues to be considered while structuring the module:

- make distinctions and offer insights both about origin of products and traceability of products;
- need to start from very basic notions for farmers who have no experience or knowledge about traceability (maybe make a two-step module?);
- educating consumers about product qualities. Increasing associations between traceability and healthy food and healthy eating habits (very popular issues).



Needs and Transferability Analysis Focus Groups

Learning formats

Main issues to be considered while structuring the module:

It appears that farmers mainly prefer practical learning formats, such as: field days, farms and study visits, participation to fairs and conferences, real life simulation and stage and internships.

VET providers suggested blended learning, where theory is coupled with practical examples and simulations. Obviously, VET providers are aware of the need of some theoretical background before farmers can actually carry out practical activities, while farmers are more concentrated on actual skills they can learn from different environments.



Data Sheet

2 sheets:

Web Search: 25 projects/ training initiatives (5 IT, 8 GR, 2 CY, 5 LV, 5 BE)

ADAM Search: 23 projects.

For the aim of the report, the following dimensions have been compared:

- Training Content
- Target Group
- Format



Data Sheet comparison (Web Search + ADAM Search)

CONTENTS	FREQUENCIES
Business Plan	19
Price Strategies	21
Product Development	23
Promotion	27
Distribution Channels	15
Marketing Cooperation	8
Branding	4
Legislation	13
Internationalisation	13
Traceability of Products	12



Data Sheet

From the analysis it emerges that:

Promotion scores the highest frequency (27), followed by Product Development (23), Price Strategies (21).

These topics represent the basic 3 Ps in marketing (together with Place/Distribution Channels).



Data Sheet

Other recurrent topics:

Innovation

Entrepreneurship

Quality and Certifications

Management and Human Resource Management

Sustainability (environment, food waste, energy savings and so on)

Consumer Behaviour

Organic agriculture

Soft/intercultural skills

New technologies (e-commerce, web marketing, electronic transactions etc)

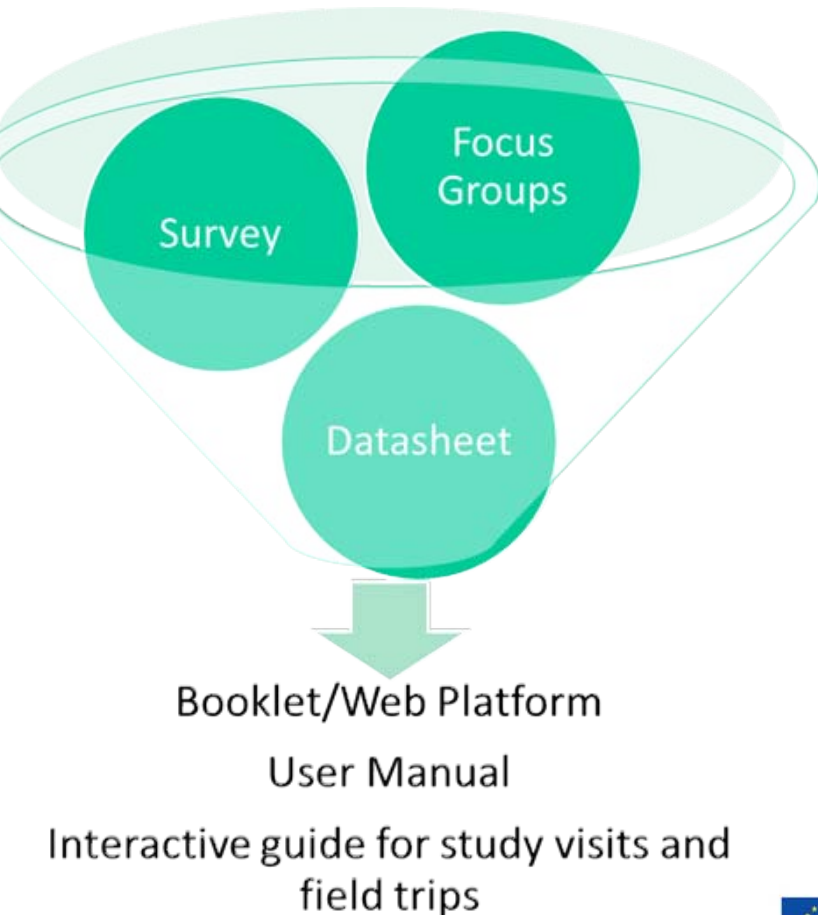


Data Sheet

Projects and training initiatives offered many suggestions on Content.

BUT

No innovation concerning the Delivery of modules: many pdf manuals, DVD, or F2F courses. Sometimes there are online courses integrated with Videos (e.g.): http://www.cicei-project.eu/en/?page_id=188



To summarize:

- This project is felt as a very important chance by farmers
- Clear request for some topics, whilst others are not considered essentials
- Differences at country and farm level
- General need for learning formats based on direct experience
- Abundance of material from previous projects, excepting Branding, Marketing Cooperation and (relatively) Internationalisation!

Proposal for the educational content and learning formats

- Interactive Booklet > Webplatform
- Experiential learning:** specific presentation in the last section of the booklet, introducing one or more study visits adapted to national context and module objectives
- Transfer material + Branding/Marketing cooperation + Internationalisation



THIS FARM IS MY BUSINESS

Welcome to the Farminc. online training area

Available modules



Module 1
What is marketing?



Module 2
A good marketing plan



Module 3
Farmers markets



Module 4
Quality



Module 5
The marketing mix



Module 6
Module 6 title



NEXT STEPS AND YOUR INVOLVEMENT!

Pilot implementation and testing

The aim of this WP is to test the adapted and developed training material on a pilot basis. **Representatives of the target groups will be identified in each of the target countries to take part in the pilot implementation.**

During the implementation of the pilot exercise continuous monitoring and evaluation will be ensured in order to identify weaknesses and/or shortcomings in the training material.

Based on the results from this monitoring and the feedback from the participants a revised and enhanced version of the MTTM will be produced, **tailor-made** for each target country.



GASTRONOMY AND TOURISM? AN EXAMPLE

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Gastronomic Cities

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NEWS

11 NOVEMBER 2014

IV Transnational Event. 13th - 14th-15th. November 2014. L'Hospitalet (Spain)

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24 SEPTEMBER 2014

Transnational Exchange Visit 29nd-30rd September 2014. Korydallos (Greece)

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THANKS!

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