

Alternative Marketing Channels

Introduction

In this cluster, the food demand connected to alternative marketing channels (AMC) is studied as a driver for the evolution of agriculture towards increased sustainability at the regional level.

The research focused on producers settled and marketing in the region, and on initiatives based on products produced, processed and marketed locally. The case studies were carried out in three locations, of which two are urban/peri-urban, and the third is an island with strong variations of population within and outside of the main tourist periods. Consequently, food demand is impacted on by those geographical situations.

- **1st area** : The city of Pilsen (Plzen in Czech) and the surrounding rural region, in the Western part of Bohemia in Czech Republic

- **2nd area** : The city of Rennes and the surrounding communes, gathered in a "Pays" (administrative delimitation gathering in France the communes of a same local territory)

- **3rd area** : the Island of Santorini, in the Cyclades Archipelago in Greece

The research considered the three primary functions of these cases: production, processing, and marketing & consumption. Additionally, the evolution toward urban lifestyles and urbanisation processes (with the specific case of tourism for the Greek case of Santorini) constitute a 4th function

which interacts with the others. The **dynamic of population (demographical, spatial and sociological evolutions)** must thus be considered as a key factor for the development pathway of AMC. The **new demands for food quality** generated by those demographical and societal evolutions are also decisive for understanding the transition dynamics. This is true for the three case studies, with some variation between the regions.

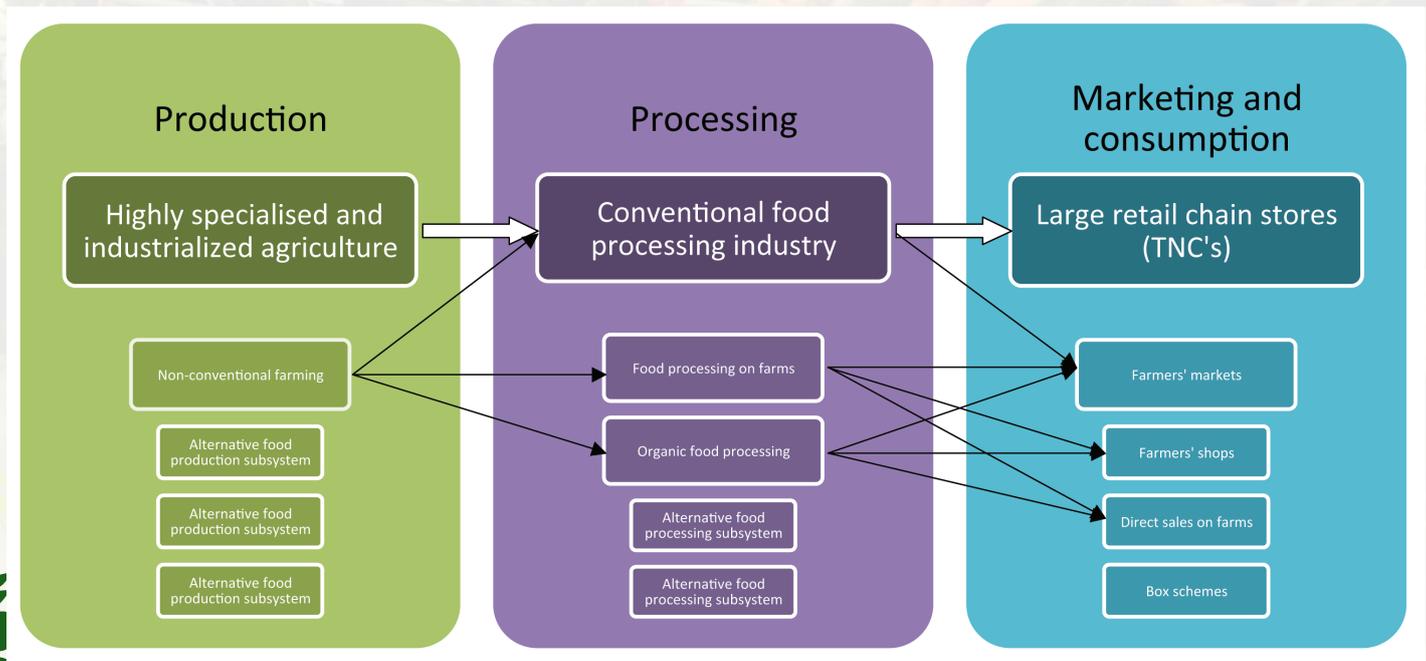


Figure 1 Agro-food regime and its structure

Background to the research

The main pressure for alternative marketing channels comes from changes in the expectations (and partially of habits) of consumers, who now expect more quality and trust regarding the origin and conditions of production of their food. This evolution can be interpreted as reflecting the limits to globalised markets and their consequences: stiff competition between the retail chains stores leads to conflicts between the stores and the suppliers about prices. As a reaction, one can observe within this globalised market a growing attachment to the locality. New governance and organisations have led to a “window of opportunity” for local marketing systems. This is true for the local winemakers marketing quality wine in the Greek case, and in the Czech Republic, public administration bodies (including state and local authorities) opened a dialogue between politicians through Facebook community in 2010 (framing the upcoming elections of 2011) creating an anchorage of the alternative initiative. In France the

“Grenelle Environment” (a series of political meetings held in France in September and October 2007, to take long-term decisions on the environment and sustainable development) led to a requirement that public procurement contracts use at least 20 % of organic products from 2012 (there was also a drive toward more local products in public restaurants: 1/3 of the farms involved in short supply chains are certified for organic production in Brittany region, whereas only 3 % of the farms Brittany are certified “organic”). The French research found that lower prices paid to producers push them to try and keep the added value on the farm, achieved through participation in short and local food chains.

What changed?

Transition through AMC represents three different types of dynamics:

In Rennes, the regime and modernisation processes were established on a long term basis, and the ecological and socio-economical negative consequences were observed over years: the transition toward

AMC and local farming can be understood as a long term reaction to those negative effects, and as a quest for adapted solutions. Each initiative of AMC in Rennes is rather stable along time, but new entries, and on initiatives permanently based on new initiatives and forms were observed. The institutions (regime) remain unchanged (i.e. same governance system) but each new initiative pushes the regime to integrate this new dimension/possibility in its internal referential. Consequently, the former initiatives appear as partially integrated, some hybrids appear with a stable trajectory, and the innovation process is pushed forward.

In the Czech Republic, the dynamic seems similar but in a much shorter period of time. The negative consequences of industrialised agriculture observed in the West were rapidly known and anticipated, a result of Czech people travelling to the EU and to social networks after the political changes of the 1990's. Consequently the AMC could be almost immediately established and experimented with, whereas it took over one generation in France (from 1970's to late 1990s-2000s). The take-off phase was identified in 2010, and 2011 is already characterised by the opening of new marketing channels such as webshops or other types of cooperation.

In Santorini, the phase of standardisation/globalisation, and replacement of peasant-like farming systems by modernised intensive farms (which characterises the food system all over urbanised areas of Western Europe) did not really occur before the transition in those Islands: consequently, the niche has developed directly as an hybrid of both the niche and the regime shown in the two other case studies (standardisation and modernisation of the production process, local optimised processing, increase of local



Tourists in Santorini can visit a winery and see a traditional 'kanava' (a cave dug in the volcanic soil, which is a wine cellar) (Source: Emi Tsakalou)

marketing resulting from links to tourism and exports to national and third world markets). The full modernisation/globalisation step (without relocalisation) observed in the French trajectory was avoided here.

As a strong indicator of transition, many **connected institutions (chambers of agriculture and extension services, education, ministries...)** had to adapt **their framework** because of the existence of such initiatives (at the regional or national levels), **and to get involved**. For example in Pilsen, this type of initiative very rapidly found an echo at the national level: in 2010: In 2011, the Ministry of environment created a grant scheme supporting newly created farmers markets for 6 months. The 10 million CZK mobilised were used to support farmers markets. Due to this support the number of places with the farmers market in the Czech Republic very quickly doubled (from 100 to 200). The Ministry of Agriculture also initiated a discussion aiming to codify the concept of farmers markets.



Fresh vegetable and dairy products from local producers bought at the Pilsen farmers' market, Czech Republic (Source: ENVIC, o.s.)

As another example, in Rennes, the development of AMC is now at the agenda of all the institutional decision making related to regional agriculture. It cannot be avoided by supermarkets as a consumption tendency. New research has been initiated since the 2000's (economy, technical, social sciences) taking alternative channels as an object, including teams traditionally dedicating to mainstream economy questions: this is an indicator of institutional framework evolution.

In Santorini, Santowines is now significantly involved in KEOSOE (Central Cooperative Union of Wine and Vine producers, the highest level of organisation of wine and vine collective organisations in Greece), and so influences policy making. The Greek Wine Federation is developing research and technological innovation in order to reinforce high quality wine production. The interprofession union (EDOAO) developed since 2000 a strategic plan for the branding and marketing of quality Greek wines: since 2009, Santorini Assyrtiko (local variety) has been designed (until 2013) as the spearhead of the four varieties ambassadors of Greek wines.

Key lessons learned:

All three initiatives were started at the local level by local actors. In Pilsen, it was initiated by local promoters of farmers markets, who gathered local farmers in order to start the first markets. In Rennes, the initiative started around local open-air markets (particularly the most important market of Rennes), thanks to initiatives of all types of farmers including young farmers. In Santorini, the initiative was started by local winemakers aiming to promote local (but also national and international) wine marketing.

Networking was particularly important to the development of AMC. In Pilsen, collaboration between organisers helped to develop a list of producers ready to get involved in farmers markets; "outsiders" actors for example involved in gastronomy (conferences, competitions, exhibitions) and/or in other alternative food networks pushed forward the initiative. In Rennes, the initiative studied was generalised, by producers themselves, to other types of AMC (e.g., box schemes, shops of producers, local products in public restaurants, marketing on the internet, pick-your-own). Those producers progressively gathered in thematic networks and associations, themselves constituting a strong regional Association of Associations (FRCIVAM), able to get involved in regional institutional decision making concerning their activities, and developing advisory services, networking, training and researchers for their members. In Santorini, the initiative was pushed forward by the Union of Santorini's cooperatives, Santowines, which has approximately 2500 members (all the producers of the island: farmers and individual winemakers, of which 1000 are active. SantoWines now handles subsidies for farmers, processes and bottles quality wine, and has opened a supermarket for direct sale of products to tourists.

Some socially-embedded limiting factors to the development of the AMC: In Pilsen in the beginning, organizers of the markets had fairly close relationships and shared their experience. The situation changed later on, when the sector grew and competition between the organisers increased (due to limited number of suitable producers). This competitive relationship undermined the potential for regional and national support and confidence by institutions. In Rennes,

after a period of very strong development of AMC during the 2000's, a question recently emerged: is the demand of consumers for local food products still exceeding supplies (as it had been), or are there now some signs of concurrence between producers, suggesting a period of stabilisation/saturation of the niche? The question is not yet clearly answered. In Santorini, at the farm level, the arrangements between winemakers and farmers are not fluid, because the project of modernisation of the wine sector for quality production sold locally, carried by the wine producers, is contested by the farmers: most of farmers still appear to be reluctant to follow directions of the cooperatives or individual winemakers: the debate is related to the technical solutions for production, processing and marketing of wine, and to the best solutions to develop the identity and marketing of local wines (i.e., should it be based on the full respect of traditional and authentic practices, or should it rely on a new hybridation between those practices and of technical innovations?) This issue is related to a question of identity of both actors and products.

Young farmers and new entrants

Young farmers and new entrants were important in all three case studies, through gaining visions of potential abroad (Czech case) and new ideas from urban education (Greek case). In Rennes, France, the role of young farmers and new entrants is identified as crucial for the development of AMC. Five types of new entrants and young farmers were identified regarding their contribution to the transition (e.g. involving new entrants in family farms, sometimes with very slow and progressive settlement process, rather in vegetable production; and new entrants starting more rapidly, and dedicating to organic farming). Four elements were then identified as necessary to the success of those new entrants and young farmers involved in AMC marketing channels: structured networks of farmers sharing an alternative vision of agriculture, new contents of education programs for farmers, a structured social demand of citizens for local products, and adapted public policies (which mostly appear at the regional level).



Traditional vineyard in Santorini
(Source: Emi Tsakalou)

For further information

See the FarmPath project web-site:

www.farmpath.eu

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