



Alternative circuits on agrifood market



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Introduction

The modern agro-food system is characterized by long chains. These are part of a global market where the necessity of standardization of consumer goods brought an omologation of production and consumer preferences (Brunori, 2007). Against globalization in the food sector "alternative" systems of production and consumption of local products are spreading. This study regard the empirical observation of behavior of certain groups of consumers and producers, behavior that apparently are not directed to individual utility maximization in an economic way, not leading to an improvement in the material condition of the subject. In this research we focused our attention on Solidarity Purchasing Groups as an experience of relocation from the point of view of consumers I G.A.S. (Gruppi Acquisto Solidale), **Solidarity Purchasing Groups (SPG)**, constitute social networks rooted in the territory, based on shared principles such as ethics, mutual aid and voluntary components. Within the groups social bonds are created and a strong membership sense is developed.

Aim

The research objective is to explore the social and economic relations in the new food market channels through the analysis of a case study of the Solidarity Purchasing Groups

In particular, we interpreted the systems of production and consumption by using alternative economic theories based on communication and relationship as agency theory and stewardship theory

Method

This work was developed starting from literature search, the preparation of questionnaires to be submitted to consumers and the elaboration of data from which we draw some considerations about the characteristics of consumers.

Questionnaires were sent by email to the group leaders of the Solidarity Purchasing Groups of Northeast of Italy (Trentino Alto Adige, Veneto and Friuli Venezia Giulia. The groups leaders then distributed the questionnaire to their local gas network. From this network the questionnaires were addressed to other groups not registered in Rete GAS. 202 questionnaires were collected.

The first part of the questionnaire aimed at characterizing the consumers, through a series of questions regarding both general information about consumer and the behavior of the consumers.

The second part of the questionnaire submitted specific questions on the activity of SPG (Solidarity Purchasing Groups) and the expectations that consumers have towards the group.

The last part of the questionnaire included questions about the motivation that drives consumers to participate in the Solidarity Purchasing Groups. In the end we tried to understand what was the overall satisfaction of participants.

202 questionnaires

SPG Network (Solidarity Purchasing Groups) Friuli Venezia Giulia - Veneto - Trentino Alto Adige (nord est of Italy)

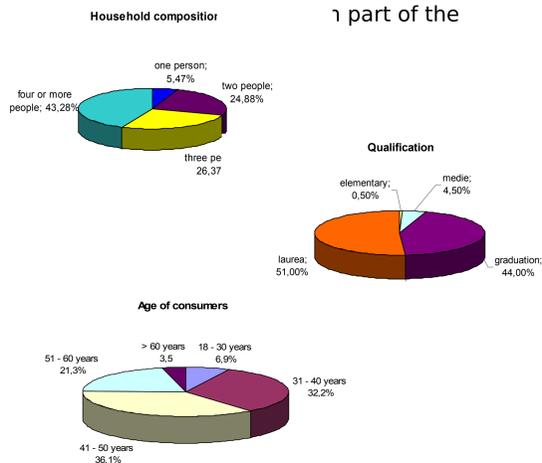
From the 64 groups recorded on the official site of SPG (www.retegas.org) in triveneto questionnaires were received from 24 groups. We also received questionnaires from 5 groups outside the SPG network.

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Solidarity Purchasing Groups

On average, each group consists of **58 units** (in almost all cases the family is composed of two or more persons with a higher concentration of families formed by 4 people, 43%). Considering the number of questionnaires collected we can estimate that members of buying groups in Triveneto are about **4500 families** composed in large part by families of 3 and more people. Overall, we can estimate that about **15000 people** may be interested in the Solidarity Purchasing Groups in north east of Italy.

Consumers who responded to the questionnaire were mostly part of a SPG for no more than 2 Years (64.4%) while few



Results

Data analysis shows that consumers who purchase in this manner has a **high level of study (51% are graduates)**, is part of **a family composed of more people** (70% had more than 3 families people) and **participate in associations** active primarily in the field of culture (34.7%), voluntary social (23.8) and environmentalism (25.2) from which often arise

Regarding the relationship with agriculture, especially with local products or short chain, **77.2% of the sample often buy local products** and **59.4% go directly to the farm** to buy products. About **35% trust the farmer**, while **55.4% did not trust completely** the farmers.

Characteristic of the consumer that is part of Solidarity Purchasing Groups is the **use of Internet (89.6% of respondents)**. 94.1% of respondents told that the group organizes meetings of various kinds, namely **90% have participated in briefings** and **64.9% in moments of conviviality** such as lunches and dinners.

The spread in recent years shows that there is a growing gap in terms of relationship between the referent and the participants in GAS. Interesting in the characterization of a new relationship between consumer and producer is the analysis of product prices. The price factor is not the only factor of choice for consumers but the influence of other



Solidarity Purchasing Groups	
Demand	Aggregated demand in groups of different sizes and networked. The categories of consumers are highly heterogeneous but linked by shared principles of critical consumption
Supply	The supply is composed of all possible goods in the market. Their production system must meet the criteria defined by the group. The circuit of sale "post-modern" (Brunori et al., 1999) is based at the same time on a form of E-commerce and also direct knowledge of the company by some consumers The market is very open to a local scale and more gradually closed increasing the distance by the group
Relationship with intermediaries and institutions	Intermediaries are people in the purchasing group that does not profit from this activity and are themselves consumers. Sometimes the consumers contact intermediary to transport goods. The relationships with the institutions are highly variable, the groups may have legal status or be represented in the form of free association
Communication and social relations	Communication is maintained through a network of contacts. It is very effective on a local basis, it becomes progressively less effective with increasing distance. Social interactions are realized in two different ways: first through a computer network and second by direct meeting of consumers. Through the computer network consumers acquire information about the producer and the product; through meetings they interact and discuss about the choice of suppliers
Pricing	Starting from the market's prices, the cost of inputs and the cost of living, consumers choose those companies engaged in a price considered fair, equitable, with respect to the parameters considered and established within the group. The price of the products can be bargained before buying

Some economic theories related to the definition of business logic that is based on the communication of two parties (principal and agent), where one person (the principal) delegates to another (agent) a portion of personal powers to achieve a certain goal (Eisenhardt, 1989) as agency theory and the stewardship theory (Davis, 1997), appear to be helpful in the study of mechanism that regulate alternative systems of production and consumption of foods such as joint purchasing groups. In particular, the stewardship theory tries to explain the reasons leading to psychological and environmental situations of cooperation between principal and agent.

In this case, producers and consumers are very sensitive to environmental issues, protection and solidarity of small farmers and share these objectives. The share objectives serves as a union between the work of producer and consumer confidence, we can say that this system has a high level of identification for both parties. In the logic of Solidarity Purchasing Groups there is no real logical hierarchy, there is rather a division of labor and cooperation among participants. These observations brought us to the conclusion that the relationship between producers and Solidarity Purchase Groups is in a logic of stewardship theory, in which producers and consumers represent a human model different from that generally described as individualistic, opportunistic and self-referential, but rather close to what underlies the stewardship theory. This man serves his existential needs through the achievement of shared goals. This type of man seeks a compromise between his own utility and the usefulness of the community to which it belongs. Its utility is maximized in the achievement of common goals

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Acknowledgements

To all wonderful people of Solidarity Purchasing Groups