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Short channels: a brand strategy for the Piana del Sele

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Abstract

This paper aims to give a contribution in building a brand strategy for a big cooperative company operating in the fruit and vegetable production field in the South of Italy willing to launch new sales channels, namely box-scheme and e-commerce, in order to increase the sells on local scale and partially reduce the dependence from the large scale distribution.

The main expected effects of such a choice will deal with the brand identity, the possibility to repositioning the brand and open new sales opportunities. Social media marketing will also play a crucial role in both the analysis and the marketing practices.

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Introduction

The zero mile food production and distribution theme is an issue that entered the mind of the people who take in highest consideration the sustainability as lifestyle. Nevertheless everyday consumption behaviours are pushed by well built communication strategies that at the end of the day fill the shopping baskets with plenty of products which are out of local seasonality and might come from the other side of the world (Codeluppi, 1990). Producers and distributors willing to operate on both B2B and B2C markets and invest into zero mile business must then retune their industrial and logistic procedures and to investigate the identities of those consumers who make the psycho-physic wellness a lifestyle in order to guarantee economic growth, contribute to rural areas development, reduce waste and to abide to the prescriptions of those sciences which take the idea of sustainability as milestone of their theories (Kotler, Roberto, 1989). The main effort for the communication professionals will increasingly be that of designing brands which are strongly attached to local identities and that are able to clearly represent themselves to consumers: this paper proposes a case study of qualitative research on consumers from Campania (a big southern Italian region) to whom introduce both brand and products of a big fruit and vegetable producer located on Piana del Sele (within the same regional territory) which implemented short distribution channels, namely the box scheme; the

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research is aimed to provide the preliminary instruments for building a brand and corporate strategy for these new services.

As in other similar experiences, fruit and vegetable producers operating in Campania must face the challenge to differentiate on both the fields of typical products (by definition meant as the field of identity) and consumer goods, which remain a crucial asset for companies that base their business model on quality of quantity.

1. Brand and Corporate identity: three features

The identity is the main leverage pushing any marketing strategy including the brand and corporate identity of agricultural companies. The brand identity refers to companies' strategic and differential aspects, an all-embracing entity introducing an organization to the users as something different if compared with other organizations on the market: the consumer will compare similarities and differences of the organization and will begin to state his judgements.

Let's stress this point again: the brand identity is a differential concept and it does not make sense to define the identity of a company and its position in the minds of consumers as not as in opposition to other company identities. It is an abstract concept not easy to define although it is the lever that decides whether or not a product will be remembered. In a highly competitive market – as the vegetable wholesale – the brand identity will have to convey the positioning elements and give a solid base to the advertising activities.

The corporate identity refers to the communication outputs: logos (which might be considered the summa of the brand identity), graphic guidelines, all the elements transferred through the media. B-side of the brand identity, the corporate comes as result of the market research and the creative activities of communication strategists, whose main aim is that of hitting the targets in such a way that all the outputs cooperate – which is another way to say that the corporate identity must display a first, crucial feature, uniformity.

Once the identity is established in differential terms, it is necessary to stimulate behaviours and attitudes with audiovisual messages and text: the corporate identity must display easy and immediate recognizability in order to transfer the values of the fruit and vegetable production of the territory.

Least but not last, the corporate identity will generate confidence on consumers' mind: the targets will be aware and open to receive the outputs of the campaigns and buy if the corporate identity is able to transfer them as positive feedbacks of the corporate values.

2. Identity, rural areas, short channel distribution

The case study refers to the cooperative company Terra Orti: the brand design will entail a complex work since it involves activities, interests, attitudes and procedures of several subjects grouped by the industrial sector as well as by production techniques, commercial choices, industrial ethics. In a highly competitive environment the identity becomes the unavoidable prerequisite to distinguish from the competitors, utter a brand existence, mark the market. The questions this study must keep in consideration are such as “how to identify the positioning of these companies? what kind of identity should they build? how to turn positioning and identity into easy and recognizable messages? how to make efficient these adverts in terms of market penetration and sells?”

According to Terra Orti economics, only 5% of its fruit and vegetables production is actually sold on the Campania's markets: this data shows the opportunity to empower local markets by activating new and alternative channel generally referred as short chains or short channels, which is another way to say that small portions of productions might be shifted from B2B to B2C markets.

E-commerce has generally a strong impact on sales optimization with the online transactions since it carries good effects on logistic and time-to-market; e-commerce might also open further opportunities in selling canned high-quality products when they are sold in bundle with fresh products mixing both box-scheme and e-commerce. Brand and corporate identities play a fundamental role in these new channels as they bring with them symbolic values that traditional channels don't: the sense of belonging to a world which cares about the environmental issues, to give an example we are concerned of in this paper (Douglas and Isherwood, 1984).

The research starts from the role that short chains play in representing a system of values rather than simply state the mechanisms of single industrial subjects. On the supply side, short chains imply a partial reorganization of

production and logistics, but on the demand side they trigger symbolic systems related for example to the growing attention to the waste systems, organic farming and so on. Also, if as said before only 5% of the production remains on the regional markets it would be useless and wasteful hitting the whole region population with untargeted communications, so it is more appropriate to focus the research on areas with the following characteristics:

- high population density: density helps logistics
- medium-high spending capability and cultural level
- metropolitan areas with weak direct bonds with the countryside

3. Methodology: a proposal

In order to do that we propose an integrated qualitative-quantitative analysis scheme (ISTAT, 1989). In this paper we will also present a draft of the qualitative analysis.

The qualitative phase will be executed with the help of the interviews with experts. The idea behind this choice is that opinion leaders and experts will give information being able to directly trigger actions in terms of communication (Bates et al. 1968).

4. Qualitative phase: interviews with experts

Interviews with experts are a variant of clinical interviews: the interviewed are not studied as consumers but as experts in certain market sectors (e.g.: journalists, politicians, sociologists, entrepreneurs, trade unions, and so on). This research technique shows similarities as well as differences when compared to the classic clinical interviews (D. Jobber, D. et al. 2012): interviews with final consumers are aimed to deeply enter the motivational experience consumers have of a good or of a service to explore; interviews with experts and opinion leader are instead more focused on cognitive aspects, in particular on the professional vision experts have on the objects of study (Trentini, 1995). This approach is strongly marketing cut as the experts can give powerful mixes of information immediately useful in terms of communication (Fabris, 1998).

Between March and June 2015 we set up a list of topics to perform interviews administrated to experts in the field of sustainability and agriculture economy. The experts are::

- Michele Buonomo, Legambiente Campania president;
- Emilio Ferrara, Terra Orti managing director;
- Anna Cuomo, Terra Orti box-scheme client and p.o.i. referent;
- Terra Orti box-scheme client and CRAL TLC Olivetti president;
- Odilla Casale, brand strategist of main Italian bio brand;
- Fabio Miletto Granozio, Azienda Agricola La Morella

4.1 Territory

The Piana del Sele territory shows features that might be extremely interesting and useful to develop an effective campaign. The Piana is indeed described by the respondents as a unique mix which enjoys its proximity to the Amalfi and Cilento Coasts, rich in history and culture, ideal for high quality crops thank to its rivers, mountains and climate.

It also has important mobility and logistic infrastructures, which make the territory capable to compete on national and international scale.

4.2 Values

The Piana del Sele expresses extremely positive values such as quality, credibility, trust, sustainability, cooperation, vision. Nevertheless, respondents keep referring to quite a surprising yet useful value, the style,

described as the attitude of communicating positive approaches to the wellness issues. This value might be used as leverage for advertising as it is always crucial while deploying advertising campaigns to only focus on a few concepts and turn them into messages. What emerges from the talks is that it will be useful to highlight aspects of style, coolness, the feeling of being trend setters in terms of awareness, intelligence, civilization. The environmental issues look like remaining on the background in the conversations.

Most of the values quoted while talking about the Piana del Sele spill into the brand identity of Terra Orti. As in other similar marketing experiences, the identity is an asset of both the territory and the company no more nor less than tangible goods such as land or machinery or intangible assets such as organizational models, know-how, etc.: this is another feature to remind while deploying the communication campaign.

4.3 Culture

In most of the interviews experts keep recalling the practices related to the short chains as parts of a larger cultural process involving the consumers and their behaviours. Under this conditions, the implementation of services such as the box-scheme and e-commerce are parts of a framework in which producers and consumers consistently dialogue. This dialogue suggests the need of a communication plan tailored on individual needs.

5. Strategy

The case study of implementing new channels as short chains in Piana del Sele looks like a typical marketing case in which coexist little awareness of and high confidence in the brand (Brasini and Tassinari 1999). The brand Terra Orti wouldn't be that well known among consumers in Campania; on the other hand, the brand would enjoy high reputation among those who know the brand and use the box-scheme.

In these cases marketing requires to synthesize the characters of the brand and realize an extensive communication campaigns in order to increase and extend the high confidence the brand has for the restricted and qualified target to the campaign target.

Given the identity, the values, the culture of the brand sketched before, the brand strategy will have to:

- a) increase the awareness among the target (brand campaign);
- b) communicate the new sale channels, namely box-scheme and e-commerce (product / service campaign) (Mattiacci, 2000).

6. Topics

A recurring topic from the interviews is the human side of the case-study company, which is perceived as an organization composed by people: the personalization of the brand – that is the possibility of using real human faces of people working in the company – is a possible theme of the advertisements (Losito, 1996).

6.1 Wellness as style

Respondents also refer to wellness as lifestyle as written before: organic food, zero mile, quality in food industry are rising issues for the target and all of them cooperate and sum up into a higher concept of wellness. According to the experts, consumer behaviours shifted from a general interest into environmental issues to a more localized interest on well-being issues.

6.2 Transparency and quality

Transparency of production processes is another recurring topic which will be used as communication lever. The theme of the quality transversally cuts all the others: interviewed often say that they would pay more in order to get quality and to know where what they eat comes from.

7. How and why

The medium-high target that innovative sales channels select requires more sharpened efforts in communicating the positioning features of the new services under investigation. Increasing the awareness, which is the first point of the strategy seen before, will be pursued through above the line actions on the large scale of Naples metropolitan area.

The second main goal of the strategy (product campaign: communicating the new sales channels) is rather matter for web and social networks. These are quite powerful media for telling stories and build satisfaction.

The main idea here is that of using the power of social media in terms of creating and reinforcing formal and informal groups to convey the value of both the company Terra Orti and the new distribution services.

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