



## Document Title

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## FOCUS GROUP WORKSHOP DATA

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6				



<b>7</b>				
<b>8</b>				
<b>9</b>				
<b>10</b>				
<b>11</b>				

## FOCUS GROUP DISCUSSION

### Educational content area: BUSINESS PLAN

#### Input/suggestions regarding CONTENT

Some farmers considered very important the business plan only for newborn farms. The ones who already have an established farm believe that some choices have already been made and therefore business plan can be useful only to perform a cost-benefit analysis and therefore improve price strategies. The latter feel business plan can be useful only to maintain price and quality of the product. They underlined that in order to understand future trends, it would be more useful to talk about market analysis, rather than business plan. Business plan is considered as an overall process from A to Z, while the market analysis serves to understand what the market is asking now and adapt strategies accordingly (to understand, for instance what is the best channel and so on). Business plan should have a strong flexibility because you foresee something but you never know if it corresponds to what the market is asking (they said there's no point in producing red wine if the market asks for white).

Moreover, it has been put forward that while some farmers are already structured as agricultural entrepreneurs (defined product, defined channels, defined structure of enterprise to address the market), others have to face the problem to pass from a classical farmers model to an entrepreneurial one. This implies a transformation of the farm structure and recalculation of costs and definition of evaluation criteria of labour costs. Especially it implies to study all these systems to pass from the old selfish perspective made by farmers to an equity and profit conceptualisation of work. This perspective is necessary because once the labour costs were almost zero given that there was the family involved in the farm (they worked essentially for free), while now labour has to be considered into the cost variables inside a balance sheet.

#### OTHERS



## Educational content area: PRICE STRATEGIES

### Input/suggestions regarding CONTENT

The difficulty in the sector is to impose the price. Through direct selling farmers can choose the price, but for some products it is the market that gives the price. Therefore price is perceived as something that is already imposed from the market. Others think that if you have for instance 400 hectares of wheat you could actually enter the market and impose the price because you have a great quantity. The main problem is that farms in the region are mainly small, therefore they have no power to impose prices. The farmers should take selling phase back, as everything has been delegated to retailers. The farmer doesn't sell anymore: it is the retailer who sells products and set prices. Production concentration allows to have a real bargaining power [Chiara Ri1]. Some others put forward the problem that it would be already a good thing to obtain a price able to cover all production costs, while this does not happen often.

The perception is that bargaining power is almost zero. Training in price strategies is perceived as something not necessary, especially in the short term. It seems more important to program the production so that the price can be a consequence. As it is now, there is either a shortage or an overproduction of some products.

### OTHERS

## Educational content area: PRODUCT DEVELOPMENT



## Input/suggestions regarding CONTENT

They perceive that product development is important for some categories of products (such as wine), while it is not for others (such as fruits). Fruit producers do not pay much attention because if the product is good, this happens because farmers made it right, but everybody could potentially grow a good fruit.

## OTHERS

## Educational content area: PROMOTION

### Input/suggestions regarding CONTENT

It is perceived as the first objective as with the right promotion it is possible to achieve results. Promotion can be used to create a trend towards a product, but the ability to do that again depends on the kind of productions: to adequate products like fruits to what the market asks is not easy as it takes a long time before the product can grow and be sold. Intuition on what is going to be the next trend is very important, but is not easy to achieve. There is a difference if promotion is seen as an institutional strategy or merely as a commercial strategy: a first form of promotion is food education and it represents an institutional strategy. On food products institutional promotion is slower but it is more on the longterm as it enters in the consumption habits of population. Commercial promotion is considered as direct promotion through advertising for example and it is something that our small producers cannot perform as they have not enough money to carry it out. Best promotion happens when people can actually try the products and realize they are of a good quality. People from Marche are unable to sell products that are not a trend in the market, while other countries are able to do that: they explained the example of a wine produced in France. The vineyards used to grow in an environment so humid that the grapes would always go rotten. Producers have been able to find a production process able to avoid this and now they sell this product for 40 euro per bottle. This is an example of promotion and strategy. In the Marche region we have products of a quality way greater, but still we sell the wines for 1.50 euro per bottle. Some others put forward that some products such as pink apple was disappearing, while now it is a



trend. "Italian agriculture stopped 40 years ago, when research on agriculture has stopped".

**OTHERS**

**Educational content area: DISTRIBUTION CHANNELS**

**Input/suggestions regarding CONTENT**

Not perceived as important because once distribution channels and market are known, people cannot modify them anyway. Important but not fundamental. Distribution channels are already known. Not as important as it used to be. Less important than promotion. Can be important considering how distribution is changing: what are mechanisms through which distribution thinks and how distribution is going to change in a ten-year period and what kind of new distribution channels are arising in other Countries, can be useful.

**OTHERS**



## Educational content area: **MARKETING COOPERATION**

### Input/suggestions regarding **CONTENT**

Marche region is constituted by many small farms. Having a container able to promote all these different independent realities would be very welcome, but it seems really hard to implement. An example put forward as a good practice is that of Trentino Alto Adige: their promotion works because they promote a territory, rather than a farm. Place marketing would work better. The problem is to figure out an entity that can lead the marketing cooperation. Moreover it is perceived that in order to carry out marketing cooperation all producers should produce the same product. Marketing cooperation could work only as a territorial promotion, because otherwise it will inevitably lead to standardisation of productions.

### OTHERS

## Educational content area: **BRANDING**

### Input/suggestions regarding **CONTENT**

Considered as very important. Not training on single product brands, but on how to develop a brand for the territory able to work as a container on which to recollect all products. Farmers need to sell a territory. A territorial brand can be useful because it is a registered trademark, but it is not disciplined like European certifications, leaving people much freer.

### OTHERS



## Educational content area: LEGISLATION

### Input/suggestions regarding CONTENT

Legislation in farming is perceived as strongly bad. Farmers 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. Legislation is seen as something very abstract made by people who have no idea about farmers' real problems. There are a lot of limits imposed by the laws, but on the other hand there are no controls to make sure people actually follow the rules (so-called *enforcement*). Ironically farmers state that a certain level of education should be given to legislators to make them connected with real problems farmers have: laws are perceived as a series of limits made by people who have no idea of real farmers' issues. Distance between legislation and people who have to apply it. Laws should be made by people who work in farms, by actual workers, not by theorists. It seems hard to have a module on legislation as according to participants the laws are extremely fragmented and there is not a single interpretation.

### OTHERS

## Educational content area: INTERNATIONALISATION

### Input/suggestions regarding CONTENT



Some farmers (fruit producers) state that their products not even reach other Italian regions, therefore internationalisation is considered useless. Other say that – for the products that allow it – it can represent an important diversification of income. Moreover now it happens to look to foreign markets because in Italy there is the crisis and people do not buy so much. Wine sector for example has to look for internationalisation because 30% of wine is exported. Another problem is how internationalisation is linked with legislation: Italian producers have to export products following very strict rules, while incoming products are not subject to the same rules (such as tomato sauce coming from China).

## OTHERS

## Educational content area: TRACEABILITY OF PRODUCTS

### Input/suggestions regarding CONTENT

It is necessary to understand how traceability is implemented. So far traceability doesn't work. For example, PDO wine is controlled in this way: they control where grapes are grown and communication of numbers of the bottles. Once the product is bottled, traceability is finished, while, according to respondents, it should be from the bottling phase on that controls should start in order to understand if the product actually matches with the policy document. Sample controls should be carried out once the products leave the farm and enter the market. Otherwise it can happen that the wine leaves the farm as table wine and then it enters the market as PDO or PGI because there are no controls. Some other suggested that rather than talking about traceability, it would be useful to talk about origin of the product. Traceability is on paper, while origin is real. Information should be given to consumers about origin of products.

## OTHERS



**GENERAL DISCUSSION: In your opinion, which learning formats are more useful to farmers?**

- Web-based training
- Blended learning (including face to face sessions and online learning)
- Classroom Training (Instructor Led)
- Case studies investigation
- Participation to conferences
- Participation to Fairs
- Games
- Role playing
- Comics
- Stage and internships (e.g. Erasmus for Entrepreneurs)
- Field day (practical demonstration activities)
- Farm and study visits
- Other

Farmers put forward the need of very practical learning formats.

Their preferred learning formats are:

- Blended learning;
- stage and internships;
- farm and study visits;
- case studies;
- real life simulation

**Important notes:**



First of all it seems important to underline that farmers' perception on the learning needs is quite different between younger and older farmers. Younger farmers (in their 30s) are aware of the need to increase marketing skills, while older entrepreneurs are more skeptical about the results of the training.

Moreover, the perception on issues like branding, internationalisation and the overall marketing planning changes according to the specific kind of products sold: farmers involved in wine production for example strongly support these topics, while fruit farmers feel they could benefit less from the training materials due to the structure of the farm and to the limits linked to products sold.

Cooperation is seen as very important, but so far it is perceived as an environment on which politicians have gained money, while producers did not gain much from these operations.

**Missing topics:**

it is necessary to teach how to pass from farm to agricultural enterprise. Farmers still think like peasants, not like entrepreneurs. Entrepreneurial mindset and management need to be transmitted to farmers in order to make a real difference.