

Joint work for organic market development

EAFRD-funded projects

SLOVENIA



Location Murska Sobota

Programming period 2007 – 2013

Axis / Priority Axis – 1

Measure

M133 - Supporting producer groups for information and promotion activities for products under food quality schemes

Funding (EUR)

Total budget 342 840 EAFRD 149 992 National/Regional 49 997 Private 142 850

Project duration 2012 – 2015

Project promoter EKO podeželje z.o.o.

Contact silvo.pozderec@ekopodezelje.si

Website www.eko-podezelje.si www.ekoportal.si

> ENRD Contact Point Rue de la Loi, 38 Boîte n.4 - 1040

Brussels, Belgium Tel. +32 2 801 38 00 email: info@enrd.eu website: http://enrd.ec.europa.eu/

Awareness raising and sales promotion for organic crops and products

Summary

Certified organic farmers established a producer group and presence at local markets in the North- East of Slovenia. The group also helped to establish direct relationships with consumers by using a range of promotion and awareness raising actions. The project helped to increase direct selling skills, improve sales and expand regional market opportunities in the organic sector. It stimulated private investments in follow-up information promotion initiatives and raised other farmers' interest in cooperation.



Results

The volume of sales increased by 15% and the profits by 17% compared to the project start.

Cooperation with organic shops, organic markets, local market centres, schools and kindergartens has been established to allow access to their consumers/users.

The producers extended their presence at three new sales outlets.

Visits to the website is continuously increasing, in the period from August 2014 until May 2015 the visits increased by 522 % and the number of users by 692 %.

Based on provided press releases 73 free media publications were observed.

Lessons & Recommendations

- □ When producers saw the concrete effects of the co-financed EAFRD project, they became more motivated and proposed new ideas on how to proceed with joint promotion.
- Target groups and their motives and interests should be explored in advance to identify the actual needs in an area.
- □ The Media can provide valuable support but a professional approach is also required on the part of the project beneficiary.





Joint working for organic market development

Context

The cooperative EKO-podeželje was established in 2011 with the purpose of bringing organic food closer to the consumer and to raise awareness of the benefits of consuming organic and locally produced food.

The founder and Director of the cooperative realised through his years of experience that quality schemes were not widely known about by different target groups of consumers or the public in general. At the same time there was a need for organic farmers to improve their skills in presenting their products to explain to consumers the higher prices charged for organic produce compared to conventionally produced foodstuffs. The cooperative brought together 16 organic farm producers from the North-East of Slovenia who were able to offer a wide range of organic produce and by joining together they were able to overcome these barriers with support of EAFRD funds.

Objectives

The project was aimed at increasing the visibility of organically produced food at local markets and growing the knowledge about the benefits of organic farming for the environment and nature. The project worked towards building trust in certified organic products as a basis for increasing sales for the members of the organic farmers cooperative.

The core objective of the project was to increase the sales and profits of the group members and enhance their competitive position. A common marketing plan was developed which combined a range of different actions including targeting consumers to visit local markets, producers' farms and other points of purchase where their products were available. The project was also intended to raise awareness of the benefits and availability of organic produce to the general public.

Activities

A range of activities and actions were carried out between 2012 and 2015:

- Promotional events: participation at trade fairs and different events addressing agriculture, nature and environment, nutrition, health and similar.
- Organisation of their own events these were organised directly on farms or at market places and usually included food tasting.



- Production of promotional materials: a range of leaflets, videos, posters and signs were produced to be distributed at the events and to support visibility and awareness raising activities.
- Design and regular updating of the website www.ekopodezelje.si, regular distribution of e-news to the subscribers or contacts which were collected during the various events
- Advertising
- Communication actions were aimed at specific target groups for example public institutions, groups with higher purchasing power, young people and the media. The actions included organisation of workshops, lectures, personal presentations, organisation of nature & science days at schools and kindergartens. The media was addressed through invitations to the events, creation of news articles, other press releases and press conferences.
- Capacity building for producers: focus was put on how to effectively communicate with end consumers and how to present the advantages and benefits of the products, how to organise their own marketing.

55 events were organised by the project at local markets, organic farms, or for selected target groups. 27 workshops for children and teenagers were carried out. Events were accompanied by 79 tastings. In addition, the project group attended 41 national events or trade fairs.

The project was implemented by the cooperative. Organic farmers were mainly involved in the design and organisation of activities on their own farms and the activities at market places. Professional marketing support was provided by an external marketing agency.

Special attention was given to exploring the effects of promotion actions and project activities e.g. free media publicity was monitored, the number of prize coupons collected and the number of visits to the website were counted. The quantities and value of sales were also monitored.





Main Results

Overall, the project contributed to increased awareness by the consumers of the producer group, which resulted in concrete quantitative outcomes:

- Two more producers joined the producer group which today has 18 members
- Producers improved their skills for cooperation and marketing and were supported by a range of promotional materials and tools which they can now use in their own communication activities
- The volume of sales increased by 15% and the profits by 17% compared to the project start.
- Cooperation with organic shops, organic markets, local market centres, schools and kindergartens has been established to allow access to their consumers/users.
- The producers extended their presence at three new sales outlets.
- Visits to the website is continuously increasing, in the period from August 2014 until May 2015 the visits increased by 522% and the number of users by 692%.
- Based on provided press releases 73 free media publications were observed.

The concrete outcomes which materialised from the project, encouraged the cooperative to invest its own resources in the creation of new innovative tool that would allow the consumer easier access to information on organic food supply in their area. An interactive web portal was set up where organic farms in Slovenia can be located and their product range explored. The portal is accompanied by the mobile application "EKO podeželje", which allows searching by nearby organic farms and their products using GPS.

Key lessons

The project gave special attention to building internal capacities of the group members and their communications with end consumers. When producers saw the concrete effects of the co-financed EAFRD project, they became more motivated and proposed new ideas on how to proceed with joint promotion while each of them continued working on highlighting the uniqueness of their own farm and their own products.

It is important that actual promotion activities are adapted to each specific environment.

Target groups and their motives and interests should be explored in advance to identify the actual needs in an area. As part of this, direct contact between the producer and consumer proved to be very important in building long-lasting relationships.

The Media can provide valuable support but a professional approach is also required on the part of the project beneficiary. External expertise was very helpful in supporting and developing a communication plan and coordinating its implementation.

By providing advisory services to various rural development and organic farming projects and by supporting smaller and larger investors in their activities, the cooperative is able to provide co-financing for projects such as this one. The cooperative also had to take a loan from the bank to ensure pre-financing of the activities and help manage their cash flow.

Agreement was reached by all the organic farmers before applying for EAFRD funding to invest resources and they have all signed a statement confirming their involvement in the cooperation project.

"The key lesson was that in a group an organic producer could strengthen his presence in the market. Synergies can emerge when there is common trust and all members communicate the same message."

Silvo Pozderec, Cooperative director)

Additional sources of information

- <u>http://www.gargzdai.lt/vizijose-atgimstanti-dreverna/</u>
- <u>http://www.gargzdai.lt/su-veju-per-marias/</u>

Funded by the