

# The HofladenBOX - Germany

EAFRD-funded projects



# **GERMANY**

# Digital futures

HofladenBOX is an online marketplace where customers can order products directly from more than 60 different farmers in the Fürth district.

#### Summary

The HofladenBOX digital platform enables customers to buy directly from various regional suppliers without intermediary trade. It brings customers who want to buy regional products together with small suppliers. HofladenBOX handles the technical solution, logistics and marketing.

Customers can individually add to their shopping cart from multiple suppliers. Farmers deliver ordered products twice a week in carpools for the HofladenBOX team to pack the ordered products in boxes and deliver them to the customer.



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# **Location**Roßtal

Programming period

2014 - 2020

#### **Priority**

P6 – Social inclusion & local development

#### Measure

M19 - LEADER/CLLD

#### Funding (EUR)

Total budget 90 000 RDP support 23 000 Private 67 000

#### Project duration

2017 – ongoing

#### Project promoter

HofladenBOX GmbH & Co. KG

#### Contact

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#### Website

www.hofladenbox.de https://www.landkreis-

fuerth.de/

#### Results

Around 60 companies now participate in HofladenBOX and over 1 500 everyday products can be found on the online marketplace.

Customers can easily select, order and pay for various suppliers' products online. More than 3 000 customers have now registered, and up to 600 orders are received weekly. In 2020, food worth approximately one million euros was sold through the marketplace.

HofladenBOX employs about 20 employees, fluctuating with the season.

For many farmers, HofladenBOX has become an important distribution channel, allowing jobs to be maintained in regional agriculture. It also makes a major contribution to the preservation of biodiversity, since HofladenBOX has also received requests for old apple or potato varieties or bread made from particular grains, for example.

Positive customer feedback has been received; product quality and freshness are unique through the avoidance of transportation and warehousing.

The  $CO_2$  balance also benefits from the reduction in transport. Packaging material is also reduced.

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#### Context

In the LEADER region of the Fürth district, there are a large number of small, direct-marketing producers and a high demand for their products. However, consumers can find it difficult to source all the regional products they would like to purchase; small farm shops, butchers, bakeries or supermarkets are usually widely dispersed and sometimes hard to find. Driving round them all takes a lot of time, causes a high amount of CO<sub>2</sub> emissions, and is not feasible for people with mobility challenges.

In large supermarkets, few products from small, regional producers are available. The term "regional origin" is not protected in Germany. Regional goods that are available in German supermarkets have often travelled across Germany and for the end user there was no transparency about the product origin.

As elsewhere, farmers in Germany often have to fight for their survival because they do not always get reasonable prices for their products. Selling from the farm, for example in a farm shop, without intermediary trade, is not always economically viable and farms often depend on large retailers and supermarket chains. Due to price pressure, farms are often forced to grow monocultures with a negative impact on biodiversity.

The purchase of food in a supermarket involves storage and thus food surplus at various levels. In the context of storage, freshness suffers, and a lot of food is destroyed before it reaches the final consumer. This project also sought to avoid that wastage.

## **Objectives**

HofladenBOX aims to improve transparency in the supply chain by bringing farmers and end users closer together. Shoppers who purchase on the online marketplace have full transparency about the food producer, contact details for questions directly to the producer and information about production conditions.

HofladenBOX also intends to support regional agriculture and biodiversity by offering a new market for regional farmers at fair prices; the supply, quantities and end-user prices are determined by the farmer. Being a 'price-setter' makes cultivating and producing various agricultural products viable.

The initiative also aimed to ensure product quality and freshness by avoiding transportation and warehousing.

#### **Activities**

The HofladenBOX is an online marketplace where customers can order products directly from more than 60 different farmers in the Fürth district. Products are delivered together twice a week (without a subscription), either to the home or to one of 40 different pick-up stations.



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The idea for HofladenBOX emerged in 2016 from the experiences of two working women who found it difficult to source regional food, especially from small producers, with the little time they had available.

Initially, the two ladies made contact with a local farmers' association together with the Fürth district administration office to discuss requirements and ascertain interest amongst farmers.

Subsequently, a customer survey with approximately one thousand potential customers was conducted by the project initiators to clarify the potential demand and customer requirements.

After LEADER funding was secured for the project, an online marketplace was developed by a local IT company, which allows every farmer, butcher and baker in the region to independently advertise their products for sale.

At the same time, an agricultural barn was set up by the ladies as a repackaging station. Here, products ordered are delivered twice a week using the principles of "Just in Time" and packed and delivered by HofladenBOX employees. Supported by LEADER funding, a delivery vehicle was purchased, the first employees beyond the project managers were hired, and a test phase with 20 pilot customers and twelve farmers was then initiated to test the user-friendliness and processes of the online marketplace. After successful completion of the pilot phase, the project was launched in March 2018 and HofladenBOX was advertised in the local press and online. There were also reports on radio and television.





#### Main results

Around 60 companies now participate in HofladenBOX and over 1,500 everyday products can be found in the online marketplace. Products include baked goods, fruit and vegetables, dairy products and cheeses, sausages, meat and fish, but also oils, spreads, cereals, coffee and wine.

Customers can easily select, order and pay for the various suppliers' products online. More than 3 000 customers have already registered, and up to 600 orders are received weekly. In 2020, food worth approximately 1 million euros was sold through the marketplace. HofladenBOX employs about 20 employees, fluctuating with the seasons.

For many farmers, HofladenBOX has become an important distribution channel, allowing jobs to be maintained in regional agriculture. It also makes a major contribution to the preservation of biodiversity, since HofladenBOX has also received requests for old apple or potato varieties or bread made from particular grains, for example.

Positive customer feedback has been received; product quality and freshness, achieved by avoiding transportation and warehousing, is highly valued.

The CO<sub>2</sub> balance also benefits from the reduction in transport. Food from the region remains in the region and is not transported to central warehouses. Customers also save themselves the drive to individual farm shops.

Packaging material is also saved as refrigerated reusable boxes are used to deliver products to the customer and are reused.

### **Key lessons**

HofladenBOX brings food producers and customers closer together. The customer can ask the farmers directly about the products and the farmer also has the opportunity to contact the costumer directly.

The HofladenBOX concept, the technology behind it and the associated processes can easily be implemented in other European regions. There are also similar approaches throughout Germany but HofladenBOX is different from most projects with its marketplace concept; the customer buys directly from the farmer and has the choice of over 60 different local farmers. The added value remains in the region and there are no "corporate headquarters" elsewhere.

During the Covid-19 peak in spring 2020, the order volume temporarily increased fivefold. With rapid increase in staff, delivery capacities, transport and cooling materials, it was possible to meet this demand. During this time, older people were also offered the option of ordering by telephone.



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Additional sources of information

www.wochenblatt-dlv.de/regionen/franken/regionales-liefern-lassen-562346

www.youtube.com/watch?v=l5lswpvDs2E



\* This project has been categorised under 'Digital futures' by the nominating National Rural Network