

Opportunities for growing and selling "forgotten vegetables"

- For the case of DCW, Enschede -



Team number:
948

Project members:

Theodore Dusabiman
Bibi Lotte van der Horst
Thomas de Jong
Laura de Kubber
Tim van Oerle
Martine Verwoerd

Commissioners:
Ellen Detert (DCW)
Rolf oldejans (municipality of Enschede)

Date:
March 2012

Table of contents

Executive summary	2
1. Introduction	3
2. Problem analysis	4
3. Purpose	6
4. Output	7
5. Activities	8
6. Project management	9
References	10
Appendices	11
Appendix 1. The Logframe	11
Appendix 2. Planning	13
Appendix 3. Proposed budget	14
Appendix 4. Diabetes and forgotten vegetables	16

Executive summary

The last few years have shown an increase of people buying regional products. The region of Twente also tries to benefit from this trend and has created policy plans that try to stimulate the development of regional product lines. The municipality of Enschede, situated in the Twente area, believes that the development of a regional product line provides an opportunity to put the region on the map.

The 'Service Complementary Work' (DCW) is a company within Enschede. Currently they are developing the product of forgotten vegetables as a new regional product. So far there is a lack of understanding by the DCW on the marketing opportunities for this new product. The purpose of this project is to explore the marketing opportunities in growing and selling 'forgotten vegetables' as a regional product.

To realise this purpose four component products will be created: a literature study, practical insights, marketing plan and concluding recommendations. The literature study will create an understanding of a 'regional product' in general. Also several examples of regional products will be analysed to identify opportunities and pitfalls. The practical insights will be derived from interviews with different stakeholders and will be part of the marketing plan. Moreover, this plan will consist out of three parts: 1) SWOT-analysis; 2) the practical insights; and 3) a promotion plan. The project will in the end provide recommendations for the DCW in order to advise them on market opportunities. Besides a presentation with involved stakeholders will be given where they are invited to come up with feedback.

1. Introduction

Recent research (Technocentrum Twente, 2012) has shown an increase in people that want to buy regional products over the last few years. Even the non-users of these regional products seem to be interested in the regional products. Supermarkets try to take advantage of this knowledge by introducing regional products in their assortment. In this way regional products become more and more conventional. The research furthermore shows that consumers are buying regional products from an environmental and moral consideration. The report of Baart et al. (2011) comes up with a recommendation to promote the selling and use of sustainably cultivated regional products in the area of Twente. The region of Twente is an area in the Eastern parts of the Netherlands covering the urbanised parts of the province of Overijssel. Fourteen different municipalities are situated within the region of Twente.

Enschede is one of these municipalities, the municipality of Enschede believes that the development of a regional product line provides a good opportunity to put the region on the map, improve the maintenance of the landscape and stimulate young entrepreneurship. Especially the urban fringes are of particular importance. These areas are considered neither part of the city, nor part of the countryside. In the municipal policy plans there is often a lack of attention for these areas. The goal of the municipality is to turn the urban fringes of Enschede into attractive, reachable and accessible areas. In order to achieve this the municipality of Enschede is facilitating the development of regional product lines in the urban fringes of the city.

Within this broader context, the Service Complementary Work ("Dienst Complementaire Werken", DCW), is exploring market opportunities for growing and selling "forgotten vegetables". DCW is a so called 'apprenticeship company', this means that the organization tries to help people having occupational limitations. They are trying to underline the qualities of these people and work in a solution-based environment. At this moment the municipality of Enschede has set some new grounds available for the DCW. This provides new opportunities for the company to expand their current business.

2. Problem analysis

The DCW, as problem owner in this research project, is seeking for new opportunities to put the area of obtained farmland into useful purpose. The current agricultural activities of DCW are limited to flower production in greenhouses, from an economic perspective this is not profitable because of the high costs involved for heating the greenhouses. In the search for alternative sources of income the DCW wants to cultivate "forgotten vegetables" in open area. Yet the market opportunities for selling "forgotten vegetables" are not clear.

The problem with which this project is dealing is described as follows:

"There is a lack of understanding by the DCW on the marketing opportunities for a new regional product line with forgotten vegetables in the urban fringes of Enschede"

This specific problem is linked to a broader problem of the whole region where by there is underutilisation of opportunities for entrepreneurship, for example with regional products. The municipality wants to provide in and highlight these opportunities such as in this research case with the DCW. However, this is a problem for the DCW itself in the first place, as they have ideas of a regional product line that they want to set up. But the market for this product line and also the connection between the entrepreneurs, the consumers and DCW are not yet defined. A possible opportunity in this might be in the medicinal benefits of forgotten vegetables for people suffering from diabetes¹.

Our task is to explore the market opportunities for DCW for growing and selling vegetables as a regional product. We can contribute to this by means of gaining practical insights on the market opportunities, by conducting a literature study, by providing a marketing plan and by giving our recommendations on the project.

The stakeholders involved are shown in Figure 1 below:

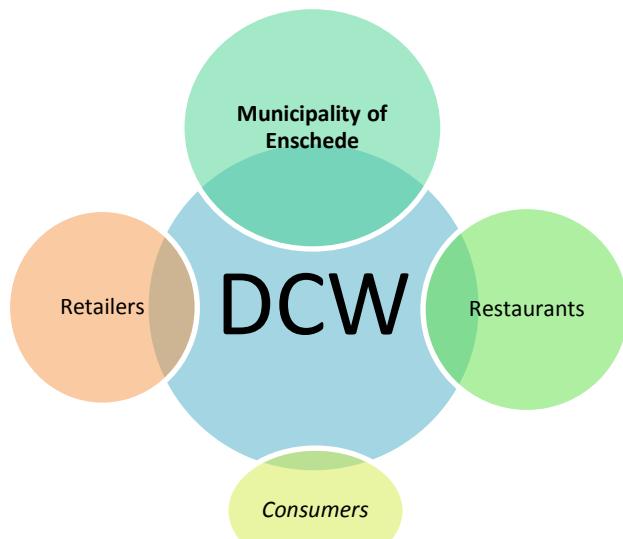


Figure 1 importance of stakeholders involved

¹ A first exploration on this topic can be found in appendix 4

Figure 1 shows the importance of the stakeholders involved in the project. The main stakeholder will be DCW as they are the producers of the new product line. Other stakeholders identified are the municipality of Enschede, which can also be seen as one of the bigger players as they provide the ground in the urban fringes of Enschede to DCW. Next to that the restaurants and other retailers are also important stakeholders as they are the ones who are the potential buyers of the products and selling it to third parties. To reach success without them will be difficult. And last but not least the consumers can be seen as a stakeholder. This stakeholder can be divided into two groups, namely: consumers without need for medicinal benefits of the vegetables and consumers with need for medicinal benefits such as diabetic people. However, whether to include this last stakeholder in the analysis will the depend on the outcome from the literature research.

3. Purpose

The purpose of the project is to explore market opportunities for the DCW (Service Complementary Work) in growing and selling "forgotten vegetables" as a regional product. This project is part of the development of a regional product line in the urban fringes of Enschede. The municipality of Enschede wants to involve more entrepreneurs in the development of the urban fringes of Enschede. A project within this overall aim is that the DCW can use an area of land that is owned by the municipality for at least ten years. The current plan is to use this land for growing "forgotten vegetables" with open soil cultivation. By growing and selling these vegetables the DCW aims to create a unique selling point. This has the potential to raise labour activities for social disabled people at the DCW and to raise the revenue income of the DCW. Yet the market opportunities or not clear enough to start developing this project.

In order to achieve the above stated objectives, research questions are made based on the problem analysis.

Main Question: "What are marketing opportunities for the DCW in growing and selling "forgotten vegetables" as a regional product?"

The sub questions as stated below are developed to answer the main research question:

1. What is a regional product?
2. What is known and unknown about "forgotten vegetables" as a regional product?
3. Are there proven medicinal benefits in consuming "forgotten vegetables"?
4. What is the potential of "forgotten vegetables" as a regional product in the municipality of Enschede and its surroundings?
5. What are proven marketing strategies in selling regional products?
6. What distinguishes the market on growing and selling of "forgotten vegetables" as a regional product from other food markets?

4. Output

This paragraph will elaborate on the component products that in our opinion will enable us and the DCW to reach the purpose of the project as described above. The different component products are:

- Literature study
- Practical insights; both internally and externally
- Marketing plan
- Concluding recommendations

The literature study (1) will focus on the concept of a regional product, and specify this for forgotten vegetables and the region Enschede / Twente. What markets are available and what are the consumer demands. Furthermore it will look at similar previous projects in order to identify successes and pitfalls other projects have dealt with. Moreover the literature study will be an input for identification of stakeholders.

The practical insights (2) will exist out of interviews with experts and stakeholders from the case study area. The output generated by this will be: 1) insights in the internal processes at the DCW related to growing and selling "forgotten vegetables". And 2) stakeholder analysis; insights in the external processes of related stakeholders such as: "catering services, retailers, producers, the municipality". And 3) insights in the external processes from a consumers perspective in relation to buying "forgotten vegetables" produced at the DCW.

The marketing plan (3) will consist 1) out of a SWOT analysis on growing and selling "forgotten vegetables" as a regional product. And 2) out of proposed offline and online activities. The offline activities can be a stakeholders meeting and an e-pitch. For the online activities it will include an online marketing plan.

The concluding recommendations (4) will be a condensed list of concrete steps to take by the DCW and other stakeholders.

5. Activities

This paragraph describes the activities that are planned during this project in order to explore the market opportunities for DCW. They are divided into four main categories: literature research, practical insights, marketing plan and recommendations.

The activities and a detailed planning can be found in appendix 1 (Logframe) and appendix 2 (planning). A budget can be found in the appendices (appendix 5).

Literature research

- Gather relevant and scientific information on the subject (e.g. the city of Enschede, big players in the area, the urban fringes) to provide a clear overview of the area concerning our project
- Find information about and give a description of DCW, to provide a background of the organisation we are working for
- Compare different projects that already took place within the Netherlands, to be able to identify possible pitfalls and threats from these previous projects

Practical insights

- Conduct interviews with possible consumers (diabetics), to gather information on whether there is a support from this target group
- Meeting with stakeholders, to gain insight on the arguments of the stakeholders on the idea of a new regional product line with vegetables

Marketing plan

- *SWOT table*: a SWOT table is a useful method in clearly organizing the Strengths, Weaknesses and Opportunities and Threats of this project. This method can clearly identify the best opportunities in the project of DSW. It is mainly an analysing scheme that will identify the most important SWOT's that are involved in the case.
- *Use practical insights to set up marketing plan*: by talking to the people out of the 'field' practical insights will be gained. These insights are of importance since these people are dealing with the project on a daily base. In our project this will be of an important role, because the commissioner has assigned this to be a really important part of the project.
- *Promotion plan*: the promotion plan consists of two parts: the offline and online marketing. Starting with the offline marketing the different stakeholders and their interests are identified and market opportunities are explored. Another aspect is that of online marketing, nowadays companies cannot deal without a clear online marketing strategy. Since almost nothing has been created on this field this project aims to contribute this as well. The online marketing plan will consist of: 1) ideas about creating a website 2) opportunities in search engine visibility and 3) social media strategies.

Recommendations

- Give recommendations to DCW, to advise them on the opportunities of the establishment of a new regional product line with vegetables.
- A presentation with involved stakeholders where the final plan is presented, stakeholders are invited to come up with feedback

6. Project management

Here the added value of the entire team and moreover the contribution of every team member for its own is given. During these two months this team aims to provide market opportunities for the growing and selling of vegetables for the DCW. The team will mainly focus on market opportunities and therefore the interdisciplinary character of the team can be of an added value. Since all team member have different backgrounds it is tried to connect the different perspectives in order to come up with one integral output.

Bibi Lotte is a fourth year Forest and nature conservation student that will be the manager of this project. She also has some board experiences outside her study that she will use during this project. She will try to come up with solutions in which the triangle of human, animal and nature are represented.

Laura on the other hand is a master student in Nutrition and Health, she will be the secretary of this project. Laura will try to add knowledge from her background on food and vegetables. She will contribute to the knowledge about the different vegetables and opportunities that arise from the 'product' side of marketing.

Thomas is a master student in International land and water management; he will be the controller of this project. Thomas is very motivated in finding creative solutions. Although the project does not really has to deal with land and water management, he is trying to challenge himself in order to do a project that is out of his 'normal' scientific scope. The experience that Thomas gained during his different internships and research will definitely contribute to this project.

Theodore is an international student in International land and water management. His background could be a real added value for the team. Theodore is from Africa, he might have other insights on group work and the content of the final paper, because in his country of birth projects are approached in another way. This project approach can help seeing the project from a different angle, which could be useful in realising the purpose of this project.

Martine is a master student in Animal sciences and is interested in the functioning of animals. She is fond of cows and is from the Twente area herself. Because she is from the area herself she will try to use this background as much as possible. Moreover Martine is often concerned with the final editing and completion of projects, she really enjoys this part and will partly take care of these tasks during this project as well.

Tim is a master student in Economy, Environment and Policy. He is involved at the starting-up of an online internet platform. The platform offers second home owners the opportunity to create an online advertisement and offer their rental to possible renters. His entrepreneurial background might be of added value during this project. He will contribute to the 'online' marketing opportunities that arise for DCW.

References

DCW (2012) Over DCW [<http://www.dcw.nl/>] 21-03-2012

Technocentrum Twente (2012) Voeding & Technologie [<http://www.technocentrum-twente.nl/voeding>] 21-03-2012

Baart, J.M. Bol, S. Van den Dries, B. Van Groningen, K. Klaver, M.N. Thus, S.M. Vet, C. (2011) Trekkers, tukkers en trends: trendverkenning voor het Twentse buitengebied en de rol voor gemeenten.

Appendices

Appendix 1. The Logframe

	Summary	Indicator (weeks)	Evidence of the outputs	Assumptions
Goal	Development of a regional product line in the urban fringes of Twente			
Purpose	Explore the market opportunities for DCW for growing and selling vegetables as a regional product			
Output	* Literature study	5	Chapter 3, 4 and 5	* Provide sufficient data to identify strengths, weaknesses
	* Practical insights	7	Chapter 6	* Provide sufficient data to identify opportunities threats
	* Marketing plan	7, 8	Chapter 7	* The SWOT table contains sufficient data to give useful recommendations on the opportunities for DCW
	* Recommendations	8		
Activities	Literature study			
	* Background (about Enschede- markets available products, description DCW, cooperate social responsibility, forgotten vegetables, medicinal vegetables, regional products)	1, 2, 3, 4, 5		* The literature research provides sufficient information for the theoretical part of the goal and purpose
	* Comparison previous projects	2, 3, 4	Ch 4	
	* Stakeholder analysis	2, 3, 4	Ch 5	
	Practical insights			

* Set up interview	3, 4	Ch 6	* The practical insights provide sufficient information for the practical part of the goal and purpose
* Visit DCW	4	Ch 6	
* Interview stakeholders (and questionnaires for diabetics)	4, 5, 6	Ch 6	* Provide insights of all different stakeholders to be able to see if there is market support
* Summary of data	6, 7	Ch 6	* We have sufficient data to identify strengths and weaknesses
Marketing plan			
* Make SWOT table	6, 7	Ch 7	* Provide up to date data on strengths and weaknesses, opportunities and threats and try to link different perspectives
* Use practical insights to set up marketing plan	6, 7	Ch 7	* Provide market opportunities that are essential for DCW
* Promotion plan (offline; including meeting stakeholders, online; including internet promotion)	7, 8	Ch 7	
Overall			
* Meeting commissioner DCW	4,6		* The meeting with the commissioner clarifies what the assignment and to monitor if we meet mutual expectations
* Meeting Expert	3, 5		
* Recommendations	7, 8		
* Market opportunities	7, 8		* SWOT analysis and marketing plan provides sufficient and quality data to give useful recommendations

Appendix 2. Planning

For this project a detailed planning has been made to make sure that all the planned activities can be fulfilled in the available time. The log frame gives a more detailed overview of all the activities, divided into five main sections: a literature study, practical insights, a marketing plan, some recommendations to the commissioner and more general activities such as meetings with the coach, commissioner and expert of the project.

To summarize this planning the important deadlines will be mentioned here. The final project proposal will be submitted on Wednesday 28th of March (12.00 o'clock). The proposed budget signed by the commissioner, needs to be submitted on Friday 6th of April (17.00 o'clock). After the project our controller will submit his final accounting on Friday 4th of May (17.00 o'clock). Each section of the logframe as mentioned above has to be completed before a certain deadline, namely:

- Literature study: Friday 13th of April (17.15 o'clock)
- Practical insights: Monday 23th of April (12.15 o'clock)
- Marketing plan: Wednesday 25th of April (13.00 o'clock)
- Recommendations: Friday 27th of April (17.15 o'clock)

A draft report will be handed in on Tuesday 24th of April (17.15 o'clock), which can then be reviewed by our coach, commissioner and expert. The final report will be handed in on the 26th of April to our coach, commissioner, and expert. A rehearsal of the final presentation will be held on Thursday 26th of April (9.00-10.00 o'clock). The final project presentation will be held in Enschede for the commissioner on the 2nd of May in the morning (10.00-12.00 o'clock). The idea was to set up a meeting with all stakeholders to present some of our outcomes, which we would like to plan on the 2nd of May in the afternoon (13.30-16.00 o'clock).

For this project we appreciate the support of our commissioner and expert. For further planning no actual dates were set for this. Therefore we would like to propose the following dates for a meeting with the commissioner and expert. In the following schedule you can find the proposed appointments.

Date	Time	With who, Location
Tuesday 27 th of March	10.30-12.00 o'clock	Meeting expert Room 3019 Leeuwenborch, in Wageningen
Thursday 5 th of April	9.00-11.30 o'clock	Meeting commissioner in Enschede
Wednesday 11 th April	9.00-12.00 o'clock	Meeting expert
Monday 16 th of April	9.00-11.30 o'clock	Meeting commissioner in Enschede

Appendix 3. Proposed budget

Project title	Regional products in the urban fringes in Twente: a search for entrepreneurship		
ID nr	948		
Controller	Thomas de Jong		
Period	5		

Code	Expenditures in €	Estimation	Realisation
1	office equipment - <i>Balpoints (20x)</i>	€ 5,00	
2	copy and print costs - <i>b&w copy (400 x €0,05)</i> - <i>color copy (100 x €0,20)</i>	€ 40,00	
3	telephone costs - <i>Prepaid card</i>	€ 30,00	
4	traveling expenses - <i>Car rental studentcar application costs (1 x €10,00)</i> - <i>Car rental studentcar monthly membership (2 x €5,00)</i> - <i>Car rental studentcar per trip (interviews with stakeholders) (9 x 85,50) (1 trip = 7 hours x €2,75 + 265 km x €0,25)</i>	€ 789,50	
5	other costs - <i>presents for stakeholders interviewed (15 x €4,00)</i>	€ 60,00	
6	unexpected costs (5% of total budget)	€ 46,23	
	overhead costs ²	€ 50,00	€ 50,00
	Total Expenditures	€ 1.020,73	
ad 1:	overhead costs covering base costs ACT. for each team 50 €		
note b	payment is based on actual costs, calculated at the end of the course		
	Commissioner (Financial)	Financial Controller	
Name	Rolf Oldejans	Thomas de Jong	
Signature		Thomas de Jong	
Date		26 March 2012	

In Appendix 4 the proposed budget for the ACT activities within this project is given. The aim of this supportive paragraph is to explain and justify the above budget estimations.

Balpoints are needed for taking the surveys. Copy cost consists out of printing: "blank survey, proposals, end report, etc". The prepaid card will be used to contact stakeholders, and to do telephonic interviews. Car rental accounts for the highest cost in the proposed budget. None of us has a car so a car has to be rented. Student car was found to be the cheapest in this. The prices are € 2,75 per hour and € 0,25 per kilometer travelled. We want to do ± 15 interviews with stakeholders and next to this will have to attend 1 or 2 meetings about the project in Enschede. We hope that 9 visits to Enschede will be enough to cover this.

Appendix 4. Diabetes and forgotten vegetables

Diabetes mellitus is a major public health problem, because of its diabetes associated morbidity [1] and premature mortality [2]. The prevalence of diabetes in the world is expected to increase with 39% between 2000 and 2030, increasing absolute numbers to 366 million people [3]. In the Netherlands, 740.000 persons were diagnosed with diabetes in 2007, including 71000 newly diagnosed patients in that year [4]. This means diabetes is a major public health problem in the Netherlands as well. A decreased risk on diabetes has been found in individuals with a high vegetable intake [5] and a high intake of green leafy vegetables [6]. Furthermore, it is also suggested that forgotten vegetables, like jerusalem artichoke, parsnip and salsify have a beneficial effect on diabetic patients [7, 8]. Diabetic patients have difficulty with controlling their blood sugar level. The vegetables jerusalem artichoke and parsnip contain inulin which does not affect the blood sugar and therefore could be beneficial for diabetic patients [9]. Forgotten vegetables seems a promising product group for diabetic patients from a health point of view. No consumer research is done in the area of forgotten vegetables and diabetic patients.

1. Van Dieren, S., et al., *The global burden of diabetes and its complications: An emerging pandemic*. European Journal of Cardiovascular Prevention and Rehabilitation, 2010. **17**(SUPPL. 1): p. S3-S8.
2. Cusick, M., et al., *Associations of mortality and diabetes complications in patients with type 1 and type 2 diabetes: Early Treatment Diabetic Retinopathy Study report no. 27*. Diabetes care, 2005. **28**(3): p. 617-625.
3. Wild, S., et al., *Global prevalence of diabetes: estimates for the year 2000 and projections for 2030*. Diabetes care, 2004. **27**(5): p. 1047-53.
4. Baan CA , P.M. Hoe vaak komt diabetes mellitus voor en hoeveel mensen sterven eraan? 2011 22-03-2012; [Prevalence diabetes in the Netherlands]. Available from: <http://www.nationaalkompas.nl/gezondheid-en-ziekte/ziekten-en-aandoeningen/endocriene-voedings-en-stofwisselingsziekten-en-immuniteitsstoornissen/diabetes-mellitus/omvang/>.
5. Harding, A.H., et al., *Plasma vitamin C level, fruit and vegetable consumption, and the risk of new-onset type 2 diabetes mellitus - The European Prospective Investigation of Cancer-Norfolk prospective study*. Archives of internal medicine, 2008. **168**(14): p. 1493-1499.
6. Carter, P., et al., *Fruit and vegetable intake and incidence of type 2 diabetes mellitus: systematic review and meta-analysis*. British Medical Journal, 2010. **341**.
7. Singalees. *Pastinaak: pastinaak is goed voor diabetici*. 2011; Available from: <http://eten-en-drinken.infonu.nl/producten/92866-pastinaak-pastinaak-is-goed-voor-diabetici.html>.
8. overheid, V. Vergeten, bijzondere groenten. 2011; Available from: http://www.atvooghduyne.nl/Groente%20wijzer_achterzijde.pdf.
9. Roberfroid, M.B., *Concepts in functional foods: The case of inulin and oligofructose*. Journal of Nutrition, 1999. **129**(7 SUPPL.): p. 1398S-1401S.