



FIGURE 1 DESIGNED BY ARNOLD LOOIJEN

Academic Consultancy Training 2013-2014
Wageningen University and Research Centre
Team 1258: Creative Ideas for a “Regional Food Strategy”-Master
Plan in Twente

Team Members:

Yvette Vermeer – Manager
Arnold Looijen – Controller
Peter van Voskuilen – Secretary
Lysanne Dias dos Santos – Member

Wesselien te Raa – Member
Chuchu Liu – Member
Michael van der Schoot – Member

Coach: dr. P. de Waard – Wageningen NMR Centre

Expert: dr.ir. W.E. Kuiper - Wageningen UR Social Sciences

January – March 2014



EXECUTIVE SUMMARY

ENGLISH

This study proposes a regional food strategy master plan for the region of Twente. A need for such a strategy arose from the lack of collaboration between stakeholders and the low sales of regional food products in Twente. The 'Groene Kennispoort' took the initiative with the demand to create this regional food strategy. The current absence of financial and marketing activities regarding the farming activities of care-farm Viermarken is a problem which needs to be solved in order to cover the potential reduction of subsidies.

Therefore, the long-term research objective is developing a basis for a regional food strategy where 'Viermarken' can fit in. The short-term research objective is to create a marketing plan for Viermarken to ensure their financial sustainability.

This study presents several theories and concepts on the topic of regional food strategies, stakeholder analysis, marketing tools and Supply Chain Analysis.

For the long-term research objective, research methods used include a case study on similar regional food strategy projects, a focus group and a stakeholder analysis. These methods resulted in the identification of several success factors: clear formulation of a strategy; a bottom-up approach; setting up a cooperative; clear certification system; broad variety of sales channels and providing secondary activities. Furthermore, it resulted in a strategy action plan with concrete follow-up steps.

For the short-term research objective, used methods include marketing analysis tools and a Supply Chain Analysis. This resulted in a strategic basis where a division is made between four possible strategies to follow.

Conclusion and recommendations for the long-term regional food strategy include: the usage of a bottom-up approach; create a solid basis including strategy, mission and vision formulation; development of a cooperative; facilitating role of (governmental) institutions; clear system of certification; broad variety of sales channels; regional involvement of customers and an important role for social values.

Conclusions for the short-term marketing plan include to seize the opportunities to exploit and ensure financial sustainability by focussing on Promotion and Product use. Conclusions of the Supply Chain Analysis include an overview of the current supply chain in which 'Viermarken' uses a push strategy and provides advice on shifting future involvement in the supply chain to a pull strategy. Recommendations for the short-term marketing plan are increasing the financial and marketing activities regarding the farming activities; focus on a limited amount of ideas by fully elaborating on them and the improvement of promotion and products.

Keywords: regional food strategy, marketing plan, care farm, local products



DUTCH

Dit onderzoek bevat een regionale voedselstrategie masterplan voor de regio Twente. De behoefte is ontstaan vanuit het gebrek aan samenwerking tussen de belanghebbenden en de lage verkoop van regionale voedselproducten in Twente. De 'Groene Kennispoort' nam het initiatief met de vraag om deze regionale voedselstrategie te creëren. Een probleem voor 'Viermarken', een zorgboerderij in Twente, is de potentiële afname van subsidies en het ontbreken van activiteiten gericht op financiën en marketing.

Daarom is het lange-termijn onderzoeksdoel "Het ontwikkelen van een basis voor een regionale voedselstrategie waar 'Viermarken' inpast". Het korte-termijn onderzoeksdoel is "Het creëren van een marketingplan voor Viermarken om hun financiële duurzaamheid te waarborgen".

Voor de lange-termijn onderzoeksvraag zijn de gebruikte onderzoeksmethoden; een case studie over soortgelijke regionale voedselstrategie projecten, een focusgroep en een stakeholder analyse. Deze methoden leiden tot de identificatie van verschillende succesfactoren; het helder formuleren van een strategie, het gebruik van een bottom-up benadering, het opzetten van een coöperatie, een duidelijk systeem van certificering opzetten, een breed scala van verkoopkanalen opzetten en het voorzien in nevenactiviteiten. Verder resulteerde het in een strategie-actieplan met concrete vervolgstappen.

Voor de korte termijn onderzoeksvraag zijn de gebruikte onderzoeksmethoden onder meer marketing analyse-instrumenten en een ketenanalyse. Dit resulteerde in een strategische basis waarbij een onderscheid wordt gemaakt tussen vier mogelijke te volgen strategieën.

Conclusies en aanbevelingen voor de lange-termijn regionale voedselstrategie bestaan uit: Het gebruik van een bottom-up benadering; een solide basis creëren inclusief de formulatie van een strategie, missie en visie; ontwikkeling van een coöperatie; faciliterende rol van (overheids)instanties; duidelijk certificeringssysteem; variatie in afzetkanalen; regionale betrokkenheid van klanten en een belangrijke rol voor sociale waarden.

De conclusies voor het korte-termijn marketingplan bestaan uit: het grijpen van uitbreidingskansen en het zekerstellen van de financiële duurzaamheid door de focus te leggen op Promotie en Productgebruik. De conclusies van de ketenanalyse bestaan uit een overzicht van de huidige keten, waarin 'Viermarken' een push-strategie gebruikt en het voorzien van advies over het verschuiven naar een pull-strategie in de toekomstige keten. Aanbevelingen voor het korte-termijn marketingplan zijn: het verbeteren van financieel- en marketinginzicht; de focus op een beperkt aantal ideeën door daar volledig op in te gaan en het verbeteren van promotie en producten.

Steekwoorden: regionale voedselstrategie, marketingplan, zorgboerderij, regionale producten.



DISCLAIMER

Students of Wageningen University produced this report as part of their MSc-programme.

This report is not an official publication of Wageningen University or Wageningen UR and the content herein does not represent any formal position or representation by Wageningen University.

Dit rapport is gemaakt door studenten van Wageningen Universiteit als onderdeel van hun MSc-opleiding.

Het is geen officiële publicatie van Wageningen Universiteit of Wageningen UR. Wageningen Universiteit neemt middels dit rapport geen formele positie in, noch representeert het haar visie of mening in deze.



TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
ENGLISH	2
DUTCH	3
DISCLAIMER	4
TABLE OF CONTENTS	5
CHAPTER 1: INTRODUCTION AND PROBLEM DESCRIPTION	6
1.1 INTRODUCTION	6
1.2 BACKGROUND	6
CHAPTER 2: RESEARCH OBJECTIVE AND RESEARCH QUESTIONS	9
2.1 RESEARCH OBJECTIVE	9
2.2: RESEARCH QUESTIONS	9
CHAPTER 3: THEORETICAL FRAMEWORK	10
3.1 INTRODUCTION	10
3.2 LONG-TERM LITERATURE ANALYSIS	10
3.3 SHORT TERM LITERATURE ANALYSIS	13
CHAPTER 4: METHODOLOGY	19
4.1 FOOD STRATEGY	19
4.2 MARKETING PLAN VIERMARKEN	21
CHAPTER 5: RESULTS AND OUTPUTS	23
5.1 REGIONAL FOOD STRATEGY	23
5.2 MARKETING PLAN FOR VIERMARKEN	32
CONCLUSION	47
DISCUSSION	49
RECOMMENDATIONS	50
7.1 RECOMMENDATIONS REGIONAL FOOD STRATEGY	50
7.2 RECOMMENDATIONS MARKETING PLAN	51
PRECEDING RECOMMENDATIONS	51
APPENDICES	52
APPENDIX 1: ELABORATED BACKGROUND INFORMATION OF SIMILAR REGIONAL FOOD STRATEGY PROJECTS	52
APPENDIX 2: BUILDING BLOCKS OF STRATEGIC PLANNING	55
APPENDIX 4: RESULTS OF THE SWOT ANALYSIS	57
APPENDIX 5: CONFRONTATION MATRIX RESULTS	58
REFERENCES	59
OVERVIEW OF FIGURES	64
OVERVIEW OF TABLES	64



CHAPTER 1: INTRODUCTION AND PROBLEM DESCRIPTION

1.1 INTRODUCTION

The non-administrative region of Twente consists of fourteen municipalities, with Enschede being the largest city. The economy of Twente consists mainly of agriculture and public services because of its agricultural and industrial past (Wentink 2006). The authentic landscape of Twente provides potential for new regional orientated business models (Lier, De Bruijn et al. 2012). Currently, almost all the local entrepreneurs are working individually on a small scale. The lack of collaboration is preventing coordinated sales of regional food products in Twente. For small entrepreneurs, it is difficult to find a collaborative opportunity to expand their production and sales. An example of such a collaborative opportunity is a regional food strategy. According to (Ilbery 2005), regional food is *“food produced within a particular geographical area and marketed as coming from that area with a distinctive quality”*. On the one hand, a regional food strategy has a potentially beneficial role that involves rural development. On the other hand, socio-cultural vibrancy will be greater due to the production and distribution activities embedded within the local community (Brunori 2000).

At the moment, there is a gap between the demand to start a cooperative and an effective food strategy plan to start this cooperative. This demand for a regional food strategy in the region of Twente is an initiative of the ‘Groene Kennispoort’. This organization mobilizes people with knowledge and expertise in order to build up this regional food strategy. Another involved stakeholder is care farm ‘de Viermarken’. Viermarken is a potential participant of a regional food strategy which needs collaboration possibilities and a marketing plan in order to enhance its financial health. The needs of ‘Groene Kennispoort’ and Viermarken lead to the following overall goal: *“Develop a basis for a regional food strategy with a potential active involvement of Viermarken, with emphasis on economic and social aspects to enhance the collaboration network in the region of Twente.”*

The outcome of this project is an end-report including a marketing plan for Viermarken and recommendations for a regional food strategy for the ‘Groene Kennispoort’. In the end, there is a presentation for interested stakeholders with recommendations for a regional food strategy. The team presents the marketing plan to the management of Viermarken. Furthermore, they will provide Viermarken with a promotional flyer, which Viermarken can distribute.

1.2 BACKGROUND

In order to conduct this research, existing literature and information on the region of Twente is fundamental. The existing information consists of general information about Twente, general information of Viermarken, and a small stakeholder overview conducted by The ‘Groene Kennispoort’. The literature study contains theories and concepts on stakeholder analysis, (regional) food- and marketing strategies.

Definitions of Local and Regional

Marsden et al. use for ‘local food’ the term ‘short food supply chain’ (SFSC) (Marsden 2000). Local food is then either defined by the local origin of the product or even by the farm where they produce the food.



Regionalism as stated by Hance means that policies should allow differences among regions to promote their individual competitive advantages and solve cross-jurisdictional problems (Hance 2006). According to Clancy a region is a broad land that has more diverse food products with greater markets than the local arrangements. As stated by Clancy and Ruhf “topography, water availability, land and other inputs, farm scale, crop options, and market proximity are operable at the regional level” (Clancy 2010).

However, regions can be a big partner to local arrangements, offering contributions in proportion and expand local production. Regional then is larger than local itself. Regional is thus the umbrella term in which quantity, supply, demands, markets and diverse land use fall. Local and regional collaboration results in multiple ‘local areas’ falling within a regional area (Clancy 2010).

‘Groene Kennispoort’

Several stakeholders are interested in the development of a regional food strategy. One of the interested stakeholders is the ‘Groene Kennispoort’. The ‘Groene Kennispoort’ is an initiative of the municipality of Borne and AOC Oost (an educational institute in Enschede). The ‘Groene Kennispoort’ aims to realize a “knowledge workplace” in Twente. This knowledge workplace collects practical issues from the region that need to be solved; furthermore, it connects different educational- and research institutes in the region (Green Knowledge Gate 2014). The focus right now is on the following themes: “Live and Work in a Rural Area”, “Regional Entrepreneurship”, “Food and Health”, and “Green Education”.

Regarding this project, The ‘Groene Kennispoort’ noticed that there are a lot of initiatives on improving the local food market in the region of Twente. Individual entrepreneurs are working on their own products. In order to find a physical space to distribute local products, some producers recently initiated the first plans for a cooperative. Furthermore, the municipality of Enschede is trying to set up a city farm. However, despite the fact that those initiatives may have a connection, guidelines for collaboration between these initiatives are missing (Essing 2014). One of the challenges for the future is to structure all these autonomous regional food sales initiatives in order to create a stable and viable market.

The municipality of Enschede

The municipality of Enschede is an important stakeholder for the development of a regional food strategy. The municipality wants to play a central role in developing a knowledge-based economy in the region of Twente. The University of Twente and several other educational institutes, located around the city borders of Enschede, give a high potential for innovative collaboration. Also, with their ‘Stadsranden’-project (city borders) the municipality of Enschede tries to improve the relationship between the city centre and the rural area surrounding Enschede. By engaging collaboration for a potential regional food strategy in the region of Twente, Enschede can play a leading role.

Care Farm ‘De Viermarken’

Viermarken is an ecological care farm that has its interests in participating in a potential regional food strategy. Because of a potential loss of 25% of their subsidies, their financial health will come under pressure. A regional food strategy will provide a network with potential



stakeholders throughout the supply chain to function as a collaboration partner for Viermarken. This network also provides more appropriate opportunities to Viermarken to explore its role in the existing regional market.

When describing the concept of care farms, it is relevant to mention the socialization of care. As specified by Torrey et al. and Bellack *“The successful socialization of care requires the provision of services that enable clients to participate actively in normal activities as long as possible and to live as respected citizens”* (Torrey 2005, Bellack 2006). Raphael et al. continues with *“The socialization of care should lead to a better quality of life for its users”* (Raphael 2001). The socialization of care can be a broad concept hence the exemplifying of the concept of care farms. *“Care farming is a growing movement that combines agricultural production with health, social and educational services”* ((Hassink 2007), (Hine 2008), (Hassink, Elings et al. 2010)).

Currently there are other known regional food networks; this means that some of their properties may be applicable to the region of Twente. These regional food networks are: ‘Kempen Goed’, ‘Oregional’, ‘Veel Luwe’ and ‘Het Groene Woud’.

‘Kempen Goed’

Cooperative ‘Kempen Goed’ started in 2006 in order to unite an estimated 300 different entrepreneurs in the region of the ‘Brabantse Kempen’. The main purpose is to preserve the countryside of the ‘Kempen’ area and the entrepreneurs also benefit from this collaboration (Kempen Goed 2014).

‘Oregional’

Cooperative ‘Oregional’ (previously ‘Stichting Streekgala’), founded in 2001, covers the region of Nijmegen, Arnhem and Kleef. At this moment, it includes 21 entrepreneurs. The goal is to strengthen the economic position of (agricultural) entrepreneurs in a 50-kilometre radius of Nijmegen ((Van der Voort, Van Dijk et al. 2011, Oregional 2014)).

‘Veel Luwe’

Cooperative ‘Veel Luwe’ is an overarching brand for Regional Products from the region of the Veluwe. It started around 2009, and this regional food strategy now comprises of an estimated 100 entrepreneurs from the region. The ‘Veel Luwe’ functioned as an overarching brand which strengthens the food and non-food products from the Veluwe region ((Van der Voort, Van Dijk et al. 2011); (Veel Luwe 2014)). However, the project has stopped now due to lack of support from the entrepreneurs involved.

‘Het Groene Woud’

Cooperative ‘Het Groene Woud’, founded in 2005, covers the region in between Eindhoven, Tilburg and ‘s-Hertogenbosch. At this moment, the cooperative includes around 70 entrepreneurs. It provides a firm partner for entrepreneurs who feel connected with the national landscape ‘Het Groene Woud’ ((Groene Woud 2014)). The number of interested stakeholders of ‘Het Groene Woud’ has been increasing (Sonneveld 2007).

All these examples emphasize that there are enough possibilities to set up a successful regional food strategy.



CHAPTER 2: RESEARCH OBJECTIVE AND RESEARCH QUESTIONS

2.1 RESEARCH OBJECTIVE

The overall goal of this research project is to *“develop a regional food strategy with an active involvement of Viermarken, with emphasis on economic and social aspects to enhance the collaboration network of the region Twente”*. The objective of the present research lies within this goal. There is an overall objective which is to create a basis for a regional food strategy for the region of Twente. This overall objective can be divided into a long-term objective and a short-term objective, due to solve both the long-term problem of the lack of a regional food strategy and the short-term problem of the lack of a Marketing Strategy for Viermarken.

Based on the overall objective, the research objectives are:

- **Long-term research objective:** *“Provide guidelines for a potential regional food strategy in Twente where Viermarken can fit in.”*
- **Short-term research objective:** *“Provide a marketing plan for Viermarken to ensure their financial sustainability.”*

The long-term objective includes the key stakeholders; however, it is not possible to include all stakeholders in the region. In relation to the short-term objective, this report focuses on advice for marketing activities concerning Viermarken in the form of a marketing plan.

2.2: RESEARCH QUESTIONS

To achieve the research objective, this project contains the following research questions:

Main long-term research question: *How do Viermarken and other stakeholders fit in a potential regional food strategy?*

The long-term research question contains the following long-term sub-questions:

- *How are similar regional food strategies established?*
- *Who are the stakeholders in the region of Twente?*
- *What are the collaboration interests of the stakeholders?*
- *What cooperating activities can contribute to a potential regional food strategy?*

Main short-term research question: *What are Viermarken's opportunities in the market to ensure their financial sustainability?*

The short-term research question contains the following short-term sub-questions:

- *What are the opportunities for Viermarken regarding the sales of regional food products?*
- *How is Viermarken's supply chain organized?*
- *How can Viermarken adapt their strategy to improve their financial sustainability?*



CHAPTER 3: THEORETICAL FRAMEWORK

3.1 INTRODUCTION

This chapter handles theories and concepts that serve as a basis for conducting research and answering the research questions. The theories and concepts used for this project resulted from literature studies and article reviews on existing theories.

The long-term literature study analyses: food strategies and stakeholder analysis. Central to the food strategy section is the descriptive definition of concepts, advantages, disadvantages and opportunities. The stakeholder analysis section consists of the introduction, methods for identifying, classifying and investigating stakeholders. The short-term literature analysis handles the Marketing tools and Supply Chain Analysis. The marketing tools section includes the SWOT-analysis, Confrontation Matrix, 5 P's, Mind Mapping and a Supply Chain Analysis. The Supply Chain Analysis includes an introduction, push and pull factors, chain drivers and Viermarken's supply chain. Table 1 gives an overview of the structure of the literature analysis.

TABLE 1 STRUCTURE LITERATURE ANALYSIS

Literature Analysis			
Long-term Literature Analysis		Short-term Literature Analysis	
Food Strategy	Stakeholder Analysis	Marketing Tools	Supply Chain Analysis
- Definition	- Introduction	- SWOT analysis	- Introduction
- Advantages	- Methods	- Confrontation matrix	- Push and Pull
- Disadvantages	- Identifying	- 5 P's	- Chain drivers
- Opportunities	- Classifying	- Mind mapping	- Viermarken's Supply Chain
- Conclusion	- Investigating		
	- Conclusion		

3.2 LONG-TERM LITERATURE ANALYSIS

3.2.1 ADVANTAGES OF REGIONAL FOOD IN COMPARISON WITH MAINSTREAM FOOD CHAINS

The goal of a regional food strategy is that businesses or entrepreneurs can develop a competitive advantage and connect internal resources to external suppliers and partners. In the 1990s, the European Union reinforced the protection of producers of certain quality foods belonging to local or regional areas ((Ilbery 2000); (Parrott 2002)). The initiative of the European Union stimulated local and regional production and rewarded collaborating producers with licensing their products and services, which led to several advantages (Van der Voort, Van Dijk et al. 2011).

One advantage of regional food production is that it offers perspective to small-scale agrarian (family-orientated) businesses. Another advantage is that it answers the increasing demand of quality products (streekproduct 2010). Moreover, the increase of local food production is a response to (international) mass production of food and the large distance between food production and consumption ((Ilbery 2006); (Marsden 2000); (Renting 2003)). The switch from mainstream distribution chains into short local chains with quality products can result in financial advantages for producers ((Goodman 2003); (Parrott 2002); (Ilbery 2005)). In addition, this switch creates a stronger relationship between the local community and the area ((Renting 2003); (Brunori 2000)).



3.2.2 DISADVANTAGES OF REGIONAL FOOD IN COMPARISON WITH MAINSTREAM FOOD CHAINS

First, the unawareness of consumers about the 'local' nature of products is a disadvantage for the existence of local food ((Marsden 2000)). A second disadvantage is that critiques arise about local and regional food strategies. These critiques are about the role of regional food strategies in the agricultural sector. The critics state that it limits individual producers who intend to differentiate as well. ((Allen 2003); (Hinrichs 2000, Feagan 2007); (Ilbery 2005); (Sonnino 2006); (D. Watts 2005)). A third disadvantage is the lack of knowledge on how to start developing food strategies and networks (S. Forsman 2002). Solving this lack of knowledge is the main challenge for regional food strategy participants.

3.2.3 OPPORTUNITIES FOR FOOD STRATEGIES

The previously discussed advantages and disadvantages of regional food strategies have led to opportunities such as; awareness of local products, co-creation and following trends in the market (SPN 2005); (van Leeuwen 2009). The initial opportunity is to make consumers aware of the local nature of products. This includes promotion towards consumers who are not aware or who are not included the region. This can be implemented by informing consumers via the promotion of a label for regional products. Another opportunity is creating a cooperative, where stakeholders can create a collaboration platform for regional food products. A third opportunity is finding what the consumers' needs are so that the regional food strategy matches the consumers' needs. A fourth opportunity is about the consumer trends regarding food in the Netherlands. Trends are 'freshness', 'traditional' and 'enjoying' which offer opportunities for regional food products. Then regional food strategy advantages can be created such as strong relationships with consumers, larger capacity of products and increasing social and cultural dynamism in the local community.

3.2.4 BRYSON'S BUILDING BLOCKS FOR STRATEGIC PLANNING

The research used the 'Building-Block view of Strategic Planning' in order to set up a strategy plan. This building-block view is a visual model and includes 'building blocks' within several phases. This visual model is a guideline and may look different in practice because several different building blocks from different phases may be worked on at any time (Bryson 2011). Not all the building blocks are relevant for the set-up of a regional food strategy; consequently, there is room for adaptation for the purpose of this study.

The figure in Appendix 2 presents a schematic overview of the building-block view of strategic planning. This model consists of four phases. *Phase one* is the basis and consists of a readiness assessment, plan the plan, stakeholder assessment, mandate analysis and a SWOT-analysis. *Phase two* establishes a clear sense of the direction of the organization. This phase consists of; the vision, mission, values, strategic issues, goals and objectives. *Phase three* gives an overview of the actions to be taken by the organization in order to address their goals. These activities are strategies, action plans and budgets. In the last phase, *phase four*, the final implementation, monitoring and evaluation takes place. Note that the elements of this model are not static and can be adapted for the purpose of this study.

3.2.5 STAKEHOLDER ANALYSIS

As an essential element of project success, a stakeholder analysis provides support for *identifying, classifying* and *categorizing* stakeholders. Next to this, the stakeholder analysis helps in understanding their behaviour. This understanding enables managers to understand and manage stakeholders more strategically (Aaltonen 2011).

Stakeholders are “individuals and organizations that are actively involved in the project or whose interest may be affected as a result of project execution or project completion” (Bourne 2009). There are two categories of stakeholders, namely internal and external stakeholders. Internal stakeholders, also called primary stakeholders, are formally members of the project that usually support the project (Winch 2010). Such stakeholders include employees, shareholders, customers, regulators and others who have power over the target organization (Shirey 2012). External stakeholders, or secondary stakeholders, are persons or groups who are not crucial to the survival of organization, but have an interest in it. A stakeholder analysis may include advocacy groups, non-government agencies and lending institutions.

According to (Littau 2010) stakeholder analysis is “*an organizational management tool used for long-range strategic planning and stakeholder management.*” (Schmeer 1999) defined stakeholder analysis as “*a process of systematically gathering and analyzing qualitative information to determine whose interests should be taken into account when developing and/or implementing a policy or program.*”

In terms of the steps for conducting stakeholder analysis (Shirey 2012) investigated a four-step method. *Step one* is to identify all potential stakeholders. *Step two* is to classify these stakeholders into meaningful groups based on their stake and influence. After the first two steps, identifying and classifying the stakeholders, there is a better understanding of the demands and interests of different stakeholder groups. *Step three* involves prioritizing stakeholders from the perspective of what should be communicated and reported to them in relation to the change initiative. *Step four* requires integrating stakeholder needs into targeted communication strategies of the organization, and appropriate action plans regarding this communication.

IDENTIFYING STAKEHOLDERS

Identifying the stakeholders and their wants and needs can be done by the ‘focus groups’ method, generated by (Prell 2008). The idea of this method is to organize a small group brainstorm session with potential stakeholders in order to obtain ideas about their needs, wants, network and influence. Since this method lacks structure, researchers normally use it combined with semi-structured interviews.

CLASSIFYING STAKEHOLDERS

According to (Shirey 2012) stakeholder mapping is the process of creating pictures to clarify the position of stakeholders (Figure 2). A two-by-two matrix is a tool to point out stakeholders based on their stake (horizontal axis) and influence (vertical axis), which consists of four quadrants: tell, consult, manage and engage. This method evaluates the stakeholder’s stake and the degree of influence. The authors positioned the interest groups in the stakeholder mapping matrix based on their stake and influence and defined both criteria ‘stake’ and ‘influence’ below.

(Shirey 2012) defines stake as: “refers to the potential impact of the decision on an influence group’s interests” and influence as: “refers to the interest group’s capacity to influence the change decision”.

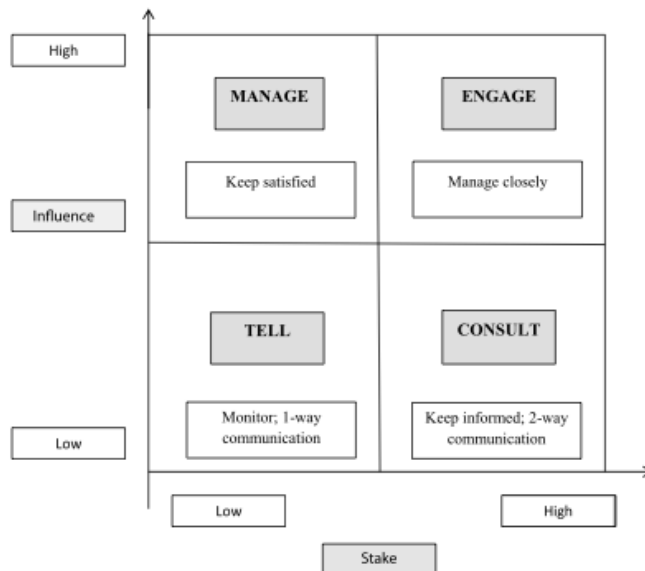


FIGURE 2 STAKEHOLDER MAPPING MATRIX

3.3 SHORT TERM LITERATURE ANALYSIS

A marketing plan is an analytical report that describes how an organization can realize their goals on the long term by means of several marketing instruments. These marketing instruments includes among others a SWOT analysis, marketing strategy, goals marketing instruments and guidelines for the execution of the policy (Verhage 2004).

3.3.1 SWOT ANALYSIS

The SWOT analysis is a commonly used tool in strategic planning. This tool is a framework that includes the analysis of strengths, weaknesses, opportunities and threats (SWOT). This analysis can be used to categorize both the internal and external significant environmental factors of an organization (Pickton 1998). The actions to be taken should match the strengths with opportunities, ward of threats, and seek to overcome weaknesses (Stacey 2000). Despite the fact that the SWOT analysis is a static tool (i.e. it is a snapshot of the current situation), the organization must not see the outcomes of the SWOT analysis as static. This is because an organization responds to a changing environment within a dynamic world (Hackman 1999). A SWOT analysis will help to get insight in the current state and possibilities in the future for Viermarken. The outcomes of the SWOT analysis are useful for making a marketing strategy for Viermarken. These outcomes are SMART formulated in order to write specifically goals. As stated by (Schut 1994): “*it is generally agreed that a good goal is specific, measurable, achievable, realistic, relevant and timed (SMART)*”. Together with a confrontation matrix, goals and eventually preference strategies can be established (Verhage, 2006). The next section describes how the SWOT analysis is transformed into a confrontation matrix.

3.3.2 CONFRONTATION MATRIX

The confrontation matrix consists of SWOT combinations and possible strategies. As stated by Verhage: *“a tool for identifying possible strategies, this matrix is the combination of (internal) strengths and weaknesses, (external) opportunities and threats”* (Verhage 2004). Furthermore, Verhage continues *“for each quadrant certain preferred strategies are listed, whether these strategies are feasible and desirable will later be critically examined when evaluating and selecting strategic options”* (Verhage 2004). Table 2 Confrontation Matrix by Verhage describes possible results of the confrontation matrix. The part that usually gets the most attention is the opportunities quadrant in combination with strengths quadrant (further written as Q1). Verhage (2004) stated: *“with the right strategy this can lead to a significant growth of the company”*. Regarding the quadrant weaknesses in combination with opportunities (further written as Q3) the strategy developed is to improve a company’s weaknesses or even bend its strengths. However, as Verhage (2004) commented on company growth: *“Sometimes that is only rapidly achievable through the acquisition of (or collaboration with) another company”*. Against threats, a strategy can be to defend with strengths (further written as Q2); for example, by adapting to a threat, an opportunity can be created. According to Verhage (2004) with the quadrant combination weaknesses and threats (further written as Q4) it is *“usually wiser to avoid these situations or retreat from the relevant market”*. In the next section, strategies are further explained with the use of the 5 P’s.

TABLE 2 CONFRONTATION MATRIX BY VERHAGE (2004)

External	Internal	
	Strengths	Weaknesses
Opportunities	Exploit, growth	Improve, bend into strengths
Threats	Defend, compete with strengths	Avoid or retreat, search for collaborations

3.3.3 THE 5-P’S

The marketing mix is a commonly used tool to provide a marketing strategy and includes the four Ps: Product, Price, Place and Promotion (Waterschoot 1992). Because the influence of people is increasingly important, the model included a fifth P, namely people (Grönroos 1997). The five P’s model is a general tool to describe the marketing strategy of an organization. For Viermarken the fifth P, People, is especially relevant, since they are a care farm where the people are very, if not the most, important part of the organization. Figure 3 shows the 5P model clearly. As can be seen, the P of People is in the centre of the figure, emphasizing the importance of this P in the marketing strategy of Viermarken.

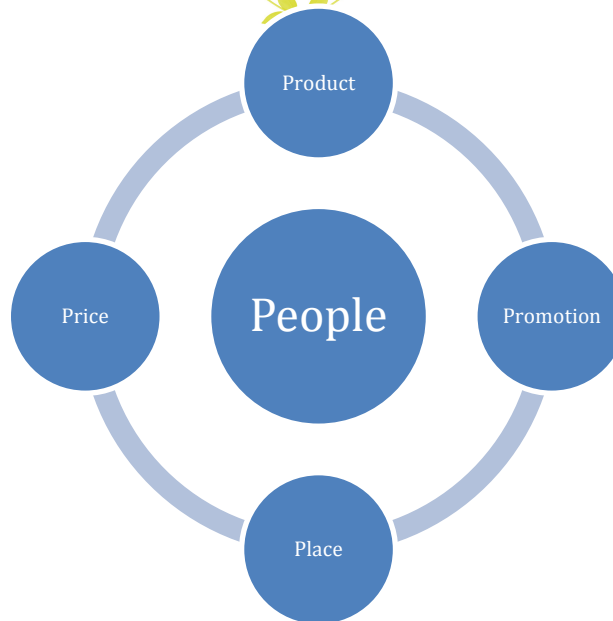


FIGURE 3 THE FIVE P'S

3.3.4 MIND MAPPING

According to Dhindsa, mind mapping is: *“a technique of representing knowledge by organizing it as a network or other non-linear diagram, incorporating verbal and symbolic elements”*. The practical use of the mind mapping technique is to create an overview of the existing knowledge. Based on this existing knowledge, inter-relating can lead to the construction of new knowledge (Dhindsa 2011).

3.3.5 SUPPLY CHAIN ANALYSIS

According to Kilger, a supply chain is *“a network of physical and decision making activities connected by material-, information- and money flows that cross organizational boundaries.”* (Kilger 2002). From the perspective of companies, on the one hand, they want to reach a high service level to satisfy customers' demands. On the other hand, companies want to minimize the total costs to ensure a higher profit. In other words, the main objective for a supply chain is to reach the optimal level of responsiveness and efficiency. Responsiveness in these terms is the ability to respond to wide ranges of quantities demanded within a short lead time. Efficiency in these terms entails the supply chain focusing on a stable predictable demand with the goal to ensure costs at a lower level.

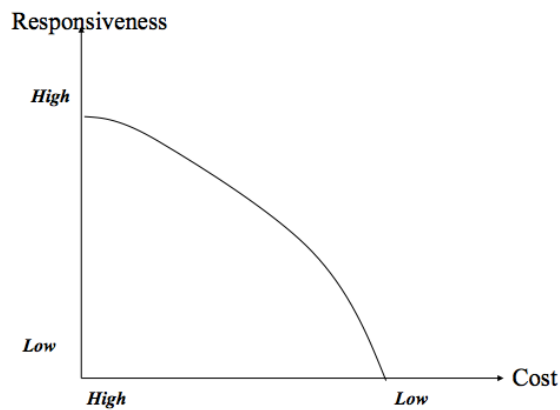


FIGURE 4 COST-RESPONSIVENESS FRONTIER (WONG, 2010)

Figure 4 provides a relationship between efficiency and responsiveness. It shows that reaching a high level of responsiveness requires high costs, a low level of responsiveness requires low costs. Every supply chain has its own preference of either high or low responsiveness is based on the type of products that it is producing or selling. In this case, food is seen as a functional product and the food supply chain focuses more on efficiency (Wong 2010). The small profit of food products is the reason to keep costs low in order to ensure the income, which is different from innovative products.

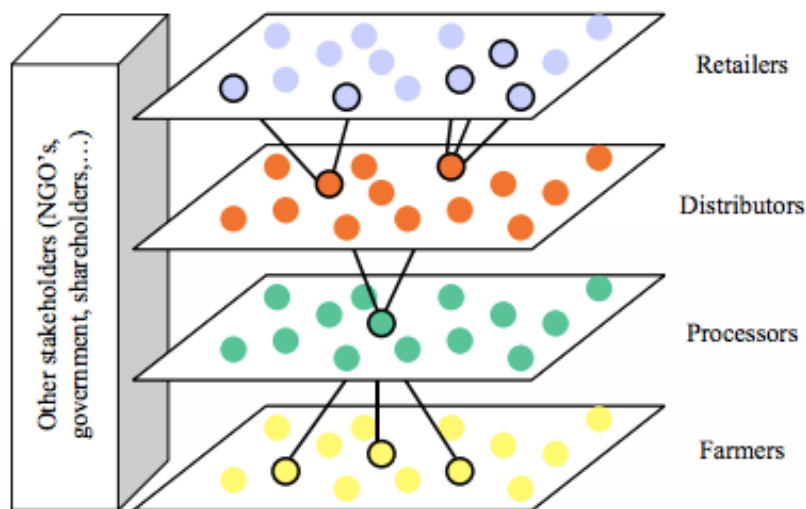


FIGURE 5 SUPPLY CHAIN NETWORKS (LAZZARINI, 2001)

Figure 5 provides an overview of supply chain network of the food industry. In general, the food supply chain consists of four layers: farmers, processors, distributors and retailers (Lazzarini 2001). The product and information flows are not only within the same layer, but also between the adjacent layers.

PUSH OR PULL STRATEGY

Regarding the supply chain processes, there are two views based upon whether they are initiated in response or in anticipation to a customer order, namely push and pull. The main

difference between push and pull strategy is the approach of inventory management (Cachon 2004).

In terms of push strategy, the product storage is in the end of supply chain in order to meet the demands as much as possible. The advantage is a more stable supply chain because they maintain a high level of inventory and a lower risk of out-of-stock. From the demand side, the push strategy normally fits for rigid demand products. A risk belonging to this strategy is that if there is something wrong regarding with the product, the backlog will cost a lot of time, effort and money.

For the pull strategy, the production or distribution activities only happen when there are orders. Thus, the companies under pull strategy have a lower level inventory but a higher risk of being out-of-stock. See table X for an overview of all pros and cons of both push and pull strategies.

TABLE 3 THE ADVANTAGES AND DISADVANTAGES FOR BOTH PUSH AND PULL PROCESS

	Advantages	Disadvantages
Push	1. high level of inventory 2. lower risk of out of stock	1. high holding cost 2. higher risk of backlog
Pull	1. lower holding cost 2. more flexible	1. higher risk of out of stock 1. more difficult on inventory management and distribution

The major drivers for assessing the performance of the supply chain consist of three logistics drivers and three cross-functional drivers (Chopra 2007). As can be seen from Figure 6, the logistics drivers are facilities, inventory and transportation, which are applicable for every function within a supply chain. The cross functional drivers are information, sourcing and pricing, which demand collaboration and negotiation between the different parties in the supply chain to obtain a win-win situation. The analysis of the current and future supply chain situation for Viermarken (Chapter 5.1) is based upon these six drivers.

FACILITIES

Facilities are the actual physical locations in the supply chain network where products are stored, assembled or fabricated. The two major types of facilities are production sites and storage sites.

INVENTORY

Inventory encompasses all the raw materials, work in progress and finished goods within a supply chain. The main objective of inventory management is to guarantee that the production process runs smoothly and to ensure the quality of products.

TRANSPORTATION

Transportation entails moving inventory from point to point in the whole supply chain. Companies can choose to build a transportation department themselves, or they can choose to outsource the transportation activities to other professional logistics companies.

INFORMATION

Information serves as the connection between various stages of supply chain, allowing all the participants to collaborate and minimize the total supply chain profitability.

SOURCING

Sourcing is the set of business processes required to purchase goods and services. These processes include assessing and selecting suppliers, building collaborative relationships and making a sourcing planning (Chopra 2007).

PRICING

Pricing determines how much a firm will charge for its products or services. Pricing affects the behaviour of the customers; therefore, it influences the performance of the supply chain (Chopra 2007).

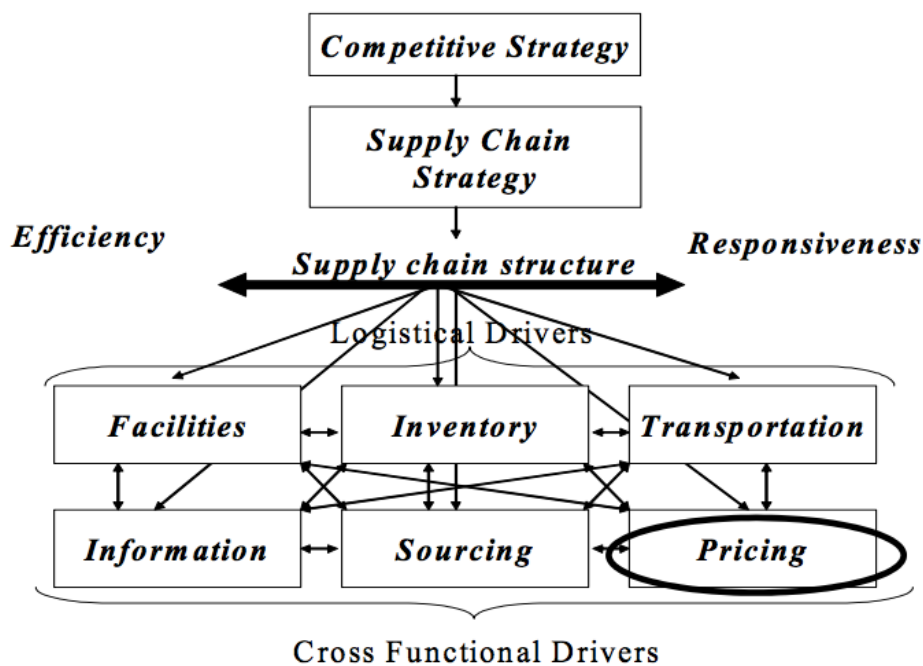


FIGURE 6 CROSS FUNCTIONAL DRIVERS (CHOPRA, 2007)



CHAPTER 4: METHODOLOGY

The research methodology used originates from the interpretive research paradigm which is a qualitative research method. It aims to understand phenomena in a comprehensive, holistic way (University of Southern (California), 2014). This research starts from the position where “knowledge of reality, including the domain of human action, is a social construction by human actors” (Walsham.G 2006). This chapter describes the methodology used to reach the research objectives.

4.1 FOOD STRATEGY

The regional food strategy Twente connects to the long-term research objective of providing guidelines for a regional food strategy in the region of Twente. To provide these guidelines, this study used three methods: Doing a case study on similar regional food strategy problems, a stakeholder analysis and writing the strategy plan on the basis of both the case study and stakeholder analysis.

4.1.1 CASE STUDY SIMILAR PROJECTS

This research conducted a case study on four similar projects in the Netherlands. Those projects are ‘Kempen Goed’, ‘Oregional’, ‘Veel Luwe’ and ‘Groene Woud’. The study analyzed both successful and unsuccessful projects. ‘Veel Luwe’ is an unsuccessful project while the other projects are successful. The report analyzes the projects by comparing them on operational variables. These variables are based on basic characteristics of business operation.

Those variables were:

- Operating at the moment yes/no
- Formulated strategy
- Formulated goals
- Number of entrepreneurs/producers included
- Initialized by who or what
- Years the project was in development
- Use of label yes/no
- Use of certification yes/no
- Customers yes/no
- Cooperation yes/no

This report identified success factors for a regional food strategy or network, by comparing the variables of each of those projects. This outcome is part of the guidelines for a regional food strategy or network in the region of Twente.

Source of data was mainly from the projects’ websites. In this study (news) articles and semi-structured interviews are used in order to collect additional information.

4.1.2 STAKEHOLDER ANALYSIS

This report conducted a stakeholder analysis in order to get a clear view of the stakeholders in the region of Twente regarding a potential regional food strategy. A stakeholder meeting was organized to find out what the interests of the different stakeholders are. Part of this was a focus

group in which the stakeholders discussed their ideas and interests regarding a regional food strategy.

Eighteen people were invited by phone calls, of which twelve were able to show up for the meeting. After calling, they received a formal invitation, which explained the content of the meeting to the participants and the invitation provided details (time, place) of the meeting. The objective was to invite a representative selection of stakeholders, but due to the time limitation of the project this was a troublesome issue. Entrepreneurs like restaurant owners, producers, and policy makers were represented. However, representation of producers was not amongst all agricultural segments. For instance, there was no meat producer and no vegetable or fruits producer. The meeting consisted of two parts; in the first part, the project was explained, then the findings so far were discussed and two examples of successful regional food strategies were shown. In the second part, the focus groups took place. In the end, the participants of the meeting together summarized the findings of these focus groups.

4.1.3 WRITING A STRATEGY PLAN FOR THE REGION OF TWENTE

The basis of setting up the strategy plan for the region of Twente is the “Strategic Strategy Plan Pyramid” provided by Bryson (2011). This study used this tool and adapted it to practice and divided the pyramid into the following four phases (Bryson 2011)(Figure 7):

Phase 1 emphasizes the necessity of setting up the strategy. Information from the ‘Groene Kennispoort’, literature, similar case studies and the results of the focus group were the basis for the content of this first phase.

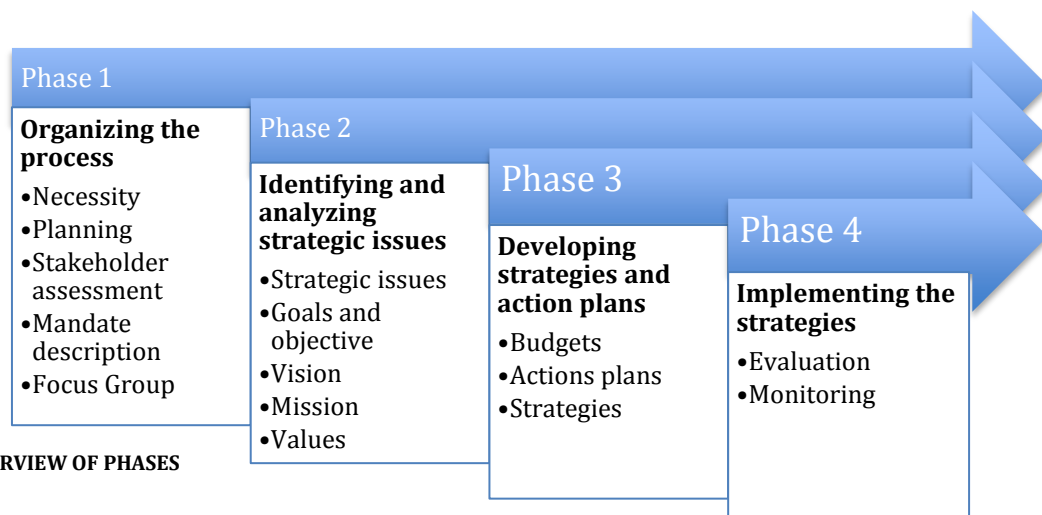


FIGURE 7 OVERVIEW OF PHASES

Another important part of the first phase was the stakeholder assessment. The large group with stakeholders was divided into smaller interest-groups, due to the large amount of individual stakeholders in the whole region. This report conducted the assessment in the form of a stakeholder analysis based upon a stake/influence matrix. The end-product is an overview of the identified interest-groups regarding a food strategy plan displayed in a mapping matrix.

Phase 2 concerns the composing of the strategic issues. This study mainly derived the input for this phase from information gathered from the focus-group. Furthermore, it used the outcome of the case study on similar projects.



Phase 3 gives a more detailed view of the strategy itself and provides an action plan. The basis of this action plan was upon the output of the stakeholder analysis, the case-study on similar projects and the information gathered from the focus-group.

The last phase, phase 4, deals with the implementation of the strategy, and the basis for this mainly was upon the experience gathered from the analyzing the similar projects. Note that Phase 3 and Phase 4 are a description of how a possible regional food strategy in the region of Twente could look like. These two phases should be constructed in mutual agreement of the involved stakeholders, and thus these phases are not static.

4.2 MARKETING PLAN VIERMARKEN

4.2.1 CASE STUDY OTHER CARE FARMS

In this study, two other care farms in the Netherlands were visited. This connects to the short-term research objective of providing a marketing plan for Viermarken. The owners were interviewed in a semi-structured way. This means the interviews were only partially prepared, leaving room for improvisation by the interviewer (Wengraf 2001). With these semi-structured interviews, this study aimed to generate ideas for the Marketing Plan of Viermarken.

In this report, the search for other care farms went via the website of “Federatie Landbouw en Zorg” (Dutch federation of care farmers). This website gives an overview of Dutch care farms. Those care farms should have some similarities with Viermarken, in order to be relevant enough to generate ideas for Viermarken. This research only used care farms located in a geographically close distance in order to save time. Eventually, two care farms were visited: ‘De Laarhoeve’ in Diessen and ‘De Willemshoeve’ in Wageningen.

The interviews conducted in this report aimed to identify activities or opportunities for Viermarken’s future. Other goals were to identify how these other care farms handle their sales, what their plans are for potential changes in subsidies and how they arrange their general activities. This study intended to use these outcomes as a basis for the SWOT-analysis; furthermore, these outcomes must serve as a contribution to the advice for Viermarken.

4.2.2 WRITING THE MARKETING PLAN

To collect information for the marketing plan (Figure 8), this study used three marketing analysis methods. The results were translated from these three analysis methods into the marketing plan. First, a brainstorm session was held to generate creative ideas for Viermarken. The outcomes of this brainstorm sessions were put in a mind map. The mind map provides a categorization and overview of the ideas. Second, this study conducted a SWOT-analysis to give an overview of Viermarken’s current situation and its external environment. The outcomes of the brainstorm sessions function as the main input of the opportunities. This study linked identified Strengths, Weaknesses, Opportunities and Threats to each other by using a confrontation matrix. This confrontation matrix identified four quadrants (linking opportunities to strengths, opportunities to weaknesses, threats to strengths and threats to weaknesses).

This report identifies the four quadrants by looking at the scores of the confrontation matrix. The most important (i.e. highest score) were seen as the important components of the SWOT-analysis. Filling in the confrontation matrix was done by seven students with different disciplinary backgrounds. The confrontation matrix is based on a ranking scale from one to

seven, where one is least important, and seven is most important. Essential in the confrontation matrix is the linkage of external with internal (i.e. no linkage between strengths and weaknesses). The opportunities, threats, strengths and weaknesses that scored the best were linked by ranking each possible combination per quadrant. This resulted in an insight for the most important aspect for each quadrant. Third, a 5P-analysis was conducted to provide a further basis for a marketing strategy on how to accomplish setting up the marketing goals for Viermarken. The literature study (chapter 3) already explains the 5 analysis.

On the basis of these results, a strategic basis followed by four SMART formulated strategic goals. From these strategic goals, four strategic options derived, determining the subsequent four marketing goals.



FIGURE 8 OVERVIEW OF THE MARKETING PLAN

CHAPTER 5: RESULTS AND OUTPUTS

5.1 REGIONAL FOOD STRATEGY

This section consists of both the results of case-studies about existing collaboration projects in the Netherlands and the development of regional food strategy Twente. Four different phases with associated activities divide the strategy plan and will ultimately lead to an action plan.

5.1.1 CASE STUDY: SIMILAR REGIONAL FOOD STRATEGY PROJECTS

This sub-section discusses similar projects of regional food strategies and networks. It identifies basic aspects of those projects and draws a comparison between them. Resulting from this, this research identifies success factors for a regional food strategy. This report entails an analysis of 'Kempen Goed', 'Oregional', 'Veel Luwe' and 'Het Groene Woud'. In appendix 1, the elaborated background information on these projects can be found. Here, the report will only present the results and outcomes. Table 4 shows the results. Table 4: Comparison of basic aspects of the projects 'Kempen Goed', 'Oregional', 'Veel Luwe' and 'Groene Woud'

TABLE 4 OVERVIEW CASE STUDY

	Kempen Goed	Oregional	Veel Luwe	Groene Woud
Operating Strategy	Yes "To promote a positive reputation in the region 'Brabantse Kempen' and the involving active entrepreneurs and institutions"	Yes "To strengthen the economic position of entrepreneurs in the area of Nijmegen. This strategy has the basic elements people, planet and profit"	No, stopped "To enhance the image and promote the area de Veluwe in the Netherlands"	Yes "To stimulate sustainable, regional and economic development."
Goal(s)	"To improve adequate involvement of regional and local authorities and other relevant stakeholders."	Not published	"To show tourists the variety of products the Veluwe has to offer and in this way improve the position of the regional economy."	"To create conditions for cooperation between municipalities for the project 'Branding het Groene Woud'"
# of entrepreneurs included	Around 300 in the whole organization, 11 in the cooperation	21	94	Around 70
Initialized by	Producers	Producers	Regional government/bureau for tourism	Producers
Years of development	Unknown, but from 2006	10	2	Unknown, but from 2005
Label Certification	Yes	Unknown	Yes	No
Customers	Restaurants & Catering (Retail) Stores Via Tourism	Care facilities (Company) restaurants (Retail) Stores	Restaurants & Catering (Retail) stores	Restaurants & Catering (Retail) Stores
Cooperation	Yes	Yes	No	Yes

Based on this, this research identifies several success factors and implications. First, a successful regional food strategy demands a clear formulation of goals and the development of a clear strategy to reach these goals.

Second, a bottom-up approach, i.e. the initiative has to come from the producers/entrepreneurs. Regional and local governments should play a facilitating role, not a leading one. This facilitating role of the government consists of contributing financially, promotion and facilitating an environment which allows regional food network to develop.

Third, forming a cooperative which represents the producers is essential. This cooperation has to be set up by a few initiators. Once created, more producers can be involved, but involving too many producers in an early stage will slow down the process. Furthermore, the advice is to include a distribution centre within the cooperative. The distribution centre creates a system of supply, and it saves substantial costs.

A fourth success factor is a clear system of certification. This serves to ensure high quality of the products and to gain trust from customers. Customers will know what they get when they buy a certified product, this creates value.

The fifth identified success factor is to include side activities like leisure activities, which contribute to the perception of the area. This also enhances the image of the area.

The sixth and last success factor identified is to make use of a broad variety of sales channels, like restaurants, catering and stores, but also care facilities like retirement homes.

5.1.2 STRATEGY PLAN FOR THE REGION OF TWENTE

The adapted strategy plan, designed according to the description of a strategy plan elaborated in chapter 3, helps to create the regional food strategy Twente. Figure 9 presents an overview of the regional food strategy Twente. Phase one consists of the activities; necessity, planning, stakeholder assessment, mandate description and focus group. Phase two consists of; vision, mission, values, strategic issues, goals and objectives. Phase three consists of; budgets, strategies and action plans. Phase four consists of the activities; implementation, monitoring and evaluation and eventually results in the actual action plan.



FIGURE 9 STRATEGY PLAN REGIONAL FOOD STRATEGY TWENTE, ADAPTED FROM BRYSON (2011)



PHASE ONE: ORGANIZING THE PROCESS AND ANALYZING ENVIRONMENT

NECESSITY

First, different stakeholders from the region of Twente stress the need of a regional food strategy. The 'Groene Kennispoort' noticed this need and passed it on as a research project to the University of Wageningen.

Second, an organized stakeholder meeting took place during the present research project. According to this stakeholder meeting, several stakeholders stressed their need for a regional food strategy in order to expand their demand, supply, power, distribution and publicity. Despite the fact that several stakeholders have different interests, there is a desire of one joint cooperative strategy.

PLANNING

In order to reach ultimate goals, a detailed planning is necessary. This detailed planning needs to be created by the stakeholders themselves. It ensures the progress of the process and due to simplified small steps the complexity of setting up a regional food strategy decreases.

STAKEHOLDER ASSESSMENT

Appendix 6 represents an overview of the identified stakeholders. This overview consists of useful input for the stakeholder analysis. For the present research, producers, distributors, retailers and consumers represent the primary stakeholders. Educational institutions, governmental institutions, communication agencies, funding bodies and several other unclassified stakeholders represent the secondary stakeholders. The analysis includes both the primary and secondary stakeholders.

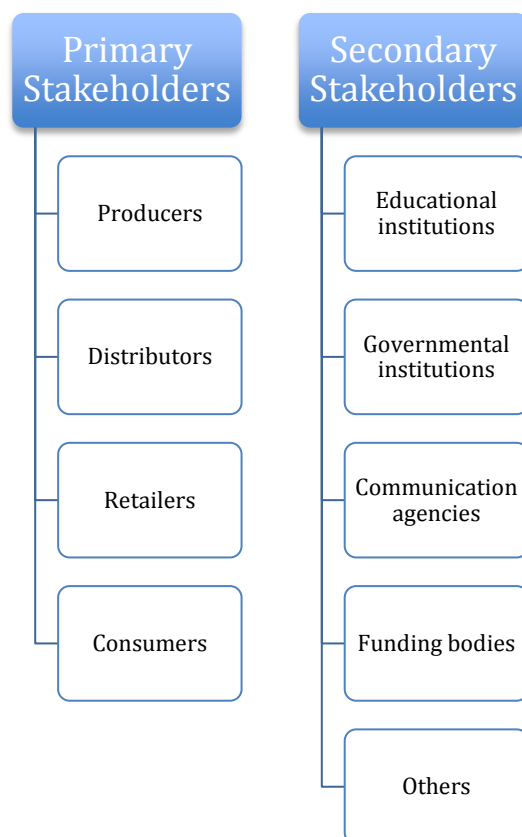


FIGURE 10 IDENTIFIED STAKEHOLDERS

Figure 10 represents the identified interest-groups with multiple associated stakeholders. However, for the goal of the present research it is not necessary to analyze each stakeholder individually; there is an analysis of the identified interest-groups instead. This analysis presents a representative overview of the identified interest-groups with regard to the regional food strategy in the region of Twente. For further steps into the implementation of the regional food strategy, it could be desirable to have a detailed analysis of each producer. Nevertheless, for the goal to develop the present strategy, it is not a priority to analyze the producers this detailed.

The first step in order to create a Stakeholder Mapping Matrix is to quantify the different levels of 'stake' and 'influence' for each of the identified interest-groups. For this quantification values from '1' till '10' were appointed to both 'stake' and 'influence'; '1' meaning relatively low and '10' meaning relatively high. An overview of this outcome can be seen in table 5. Please note that this way of working is in the form of subjective assessment. The researchers quantified the interest-groups based on their own insight. The following section describes the justification for this assessment and the focus groups, literature, similar case studies and information provided by the 'Groene Kennispoort' form the basis of this information. The 'Influence' and 'stake' position of the stakeholders regarding the actual regional food strategy Twente forms the basis of the classification of the interest-groups.

TABLE 5 SCORES OF STAKEHOLDERS

Stakeholders	Influence	Stake
Producers	8	9
Distributors	8	8
Retailers	8	7
Consumers	7	3
Educational institutions	8	4
Governmental institutions	9	6
Communication agencies	3	4
Funding bodies	9	4
Others	3	3

PRODUCERS

In general, the producers, distributors and retailers have an equally divided stake. Those three form the basis of the supply chain. Regarding the producers in general for the region of Twente, it can be stated that they have a relatively high amount of influence. A good example of their influence can be seen from the case-study of the 'Veel Luwe' project presented in section 5.1. In the project of the 'Veel Luwe', the producers felt not involved because of the used top-down approach. Because of this lack of involvement, the producers were not willing to pay a contribution to the project, resulting in the fact that the 'Veel Luwe' project slowly came to an end. This example proves that the idea itself can be promising, but if the producers do not feel involved in the plan it can still fail. For this reason, the level of influence accounted a value of '8'. Looking at the stake of the producers it can be stated that a regional food strategy has a positive effect on the marketing of regional products; thus this provides a relative high potential for an increase in their revenue (Marsden 2000). Meaning that the producers have a relatively high stake in the setup of such a regional food strategy. Their level of stake accounted a value of '9'.

DISTRIBUTORS

Looking at the distributors in general for the region of Twente, the regional food strategy encompasses a high potential for new opportunities regarding their distributing activities (Vlieger 1999). Therefore, their stake in the setting up of such a strategy is relatively high and awards a value of '8'. Looking at the influence that the distributors have in the regional food



strategy, it can be stated that their influence is slightly lower than the producers, but still relatively high. A food strategy cannot solely depend upon producers and retailers, the distributors also play a vital role (Vlieger 1999). For this reason, the level of influence of the distributors awards an '8'.

RETAILERS

As mentioned in the previous section, a food strategy cannot depend upon solely producers or distributors, but also the retailers play a vital role. In the region of Twente, there is a wide variety of identified retailers (Appendix 6). According to (Vlieger 1999) the retailers will benefit from such a regional food strategy in the long-term. For this reason, the retailer's level of stake awards a value of '7'. For their influence, the same story goes as with the distributors, because due to their place in the supply chain they automatically have a relative high stake in the strategy. The retailer's level influence awards a value of '8'.

CONSUMERS

There is limited knowledge available regarding the needs and demands of consumers regarding the food strategy. On the one hand, they have a significant influence because they have purchasing power, but on the other hand, their influence is neglectable regarding setting up a regional food strategy. Since the focus is on the regional food strategy itself, we have appointed a value of '7' for the level of influence. The stake for consumers is relatively low since there are many alternatives available. Therefore, their level of stake awards a value of '3'.

EDUCATIONAL INSTITUTIONS

The educational institutions can fulfil two roles, either providing knowledge and mobilizing students to initiate projects. In this position, their influence and stakes are both high. On the other hand, the educational institutions are not participating in the actual regional food strategy, therefore, in this role their influence and stake are low. Based on the approach in which the focus is on the regional food strategy itself, the values for influence and stake are respectively '8' and '4'.

GOVERNMENTAL INSTITUTIONS

Governmental institutions in general play a vital role since most of the legislation regarding the regional food strategy has to be approved by them. In this way, they can either play a delegating role or a facilitating role. In both roles, their level of influence is relatively high, and awards a value of '9'. The stake for governmental institutions scored a value of '6' since they do not have a direct interest in the regional food strategy itself, but indirectly they benefit from a good cooperating regional strategy. They can also position themselves as facilitators of a strong collaborative region.

COMMUNICATION AGENCIES

On one hand, the hired communication agencies only promote the regional food strategy and have relatively low influence on the content of the strategy itself. On the other hand, their capability to promote the project is part of the success of the strategy. Their level of influence awards a value of '3'. The stake of the communication agencies is relatively low until the moment someone hires them; however, when involved it is also in their stake to deliver good work. For this reason, the level of stake awards a value of '4'.

FUNDING BODIES

Funding bodies are agencies that provide subsidies. The influence of funding bodies is crucial in order to realize the project. Therefore, it scored the value of '9'. The general stake for such funding bodies is high, for example if we take the European Union they have a high interest and benefit in setting up small scale regional collaboration. However, in this project the stake of these funding bodies can be regarded significantly lower since they actively have to be involved

to see the necessity of investment. The funding bodies scored a value of '4' for their level of stake.

OTHERS

'Others' include collaborative initiatives and individuals who are identified along the research, but for which it was not possible to be subdivided amongst the previously discussed interest-groups. These 'others' have a high potential regarding their knowledge and networks. The interest-group 'others' received a general indication based upon a subjective assessment. For this reason, they scored the same values for influence and stake, namely a relatively low '3'.

Figure 11 represents the Stakeholder Mapping Matrix based on the interest-group's quantification of the 'stake' and 'influence'. The level of influence is on the x-axis and the level of stake on the y-axis. The 'tell' quadrant includes the 'communication agencies' and 'others'. Monitoring these interest-groups needs one-way communication. The 'consult' quadrant includes the 'consumers', 'educational institutes' and 'funding bodies'. Keep informing these interest-groups needs two-way communication. The 'engage' quadrant includes 'governmental institutions', 'retailers', 'distributors' and 'producers'. Managing these interest-groups needs active two-way communication. In this engaged quadrant, there are five producers who jointly form the core initiators of the regional food strategy Twente. All the interest-groups have a dynamic role and can shift to another quadrant. An example of this can be seen with the start-up of the regional food strategy; here the 'Groene Kennispoort' (educational institution) actively shifted to the engage quadrant due to an increased level of their stake. This is a good example of the triple helix in which state, industry and academia are working together (Etzkowitz 2000).

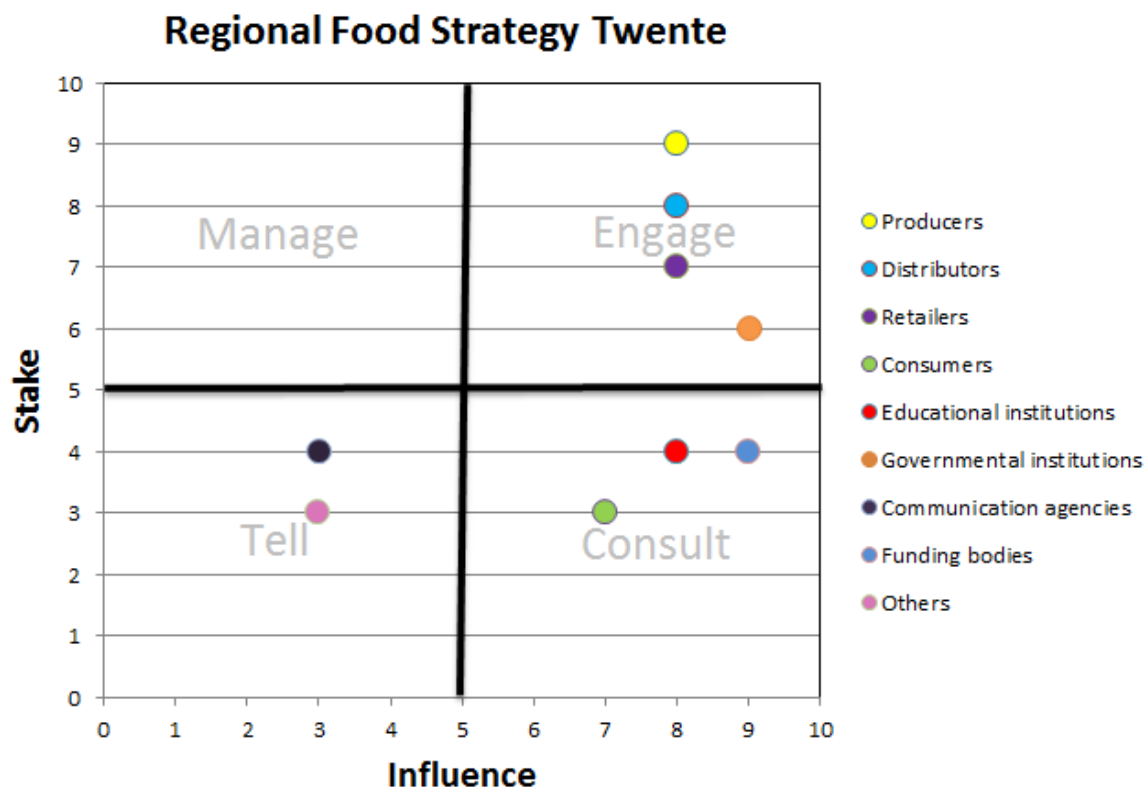


FIGURE 11 STAKEHOLDER MAPPING MATRIX

MANDATE DESCRIPTION

According to the stakeholder meeting, a clear vision about the mandate description is stressed. All the stakeholders agreed that the mandate should be at the producer's side. The producers should have the power and will be on the basis of the regional food strategy. According to the



literature analysis, similar projects in which the mandate was at the side of the government failed. This failure was due to the lack of trust which resulted in an unstable basis for a collaboration strategy. The next step in the mandate description is to decide which producers will get the responsibility in order to take the first steps in the actual implementation of the regional food strategy.

FOCUS GROUP

The stakeholder meeting consisted of small focus groups. Within the focus groups, ideas about the interests, influences and attributes of the stakeholders with a limited amount of time and budget discussed. Based on the outcomes of the focus groups, the mission, vision and values of phase two can be determined.

PHASE TWO: IDENTIFYING AND ANALYZING STRATEGIC ISSUES

VISION

'The long-term vision is to have a regional food strategy in order to increase the consumption of regional food products from the region of Twente.'

MISSION

'The mission is connecting the different stakeholders and isolated initiatives regarding the setting up of a regional food strategy in the region of Twente.'

VALUES

Important values for this regional food strategy in Twente are bottom-up approach, joint interest, collaboration, trust, persistent, clarity, accessibility, fun and experience equally important as profit

STRATEGIC ISSUES

Strategic issues refer to the unresolved matters that play an important role in determining the direction of the regional food strategy. Based on the focus group discussion, three main strategic issues emerged.

1. Create trust and collaboration between stakeholders
2. Strengthen the local economy
3. Promote the region of Twente and its tasteful products.

GOALS AND OBJECTIVES

The formulated goals and objectives are based on the strategic issues. The goals and objectives help to reach the ultimate aim of the regional food strategy. This section gives an overview of the strategic issues and associated goals.

'Create trust and collaboration between stakeholders'

Goals and Objectives:

1. Easy accessibility to participate in the collaboration
2. Place the common good above individual interests
3. Start from a small group of stakeholders.



'Strengthen the local economy'

Goals and Objectives:

1. Create a distribution centre
2. Ensure continuity of product production regarding restaurants and catering companies
3. Involve chamber of commerce

'Promote the region of Twente and its tasteful products'

Goals and Objectives:

1. Create a regional label of Twente
2. Base the promotion on core values

PHASE THREE: DEVELOPING STRATEGIES AND ACTION PLANS

Phase three and four, the development of strategies and action plans and the implementing strategies should be executed by the five core initiators themselves. The advice on how to implement these phases are based on the information of the case studies on similar regional food strategies in The Netherlands.

BUDGET

Looking at the other similar case studies of regional food strategies it is beneficial to set up a cooperative. This cooperative should consist of at least the core initiators as identified in phase 2. Next to this some other stakeholders from other interest groups can join. Another thing that can be learned from the other case studies is that some of these existing cooperatives set up a regional bank account. It is interesting to involve a contact person from a cooperative bank like Rabobank in this process, to look what the opportunities are. Next to this, there are also a number of subsidies available on a local, regional, national and even European level. Appendix 6 provides an overview of these institutions.

STRATEGY

A bottom-up strategy is the basis for setting up the regional food strategy Twente. Collaboration is the starting point of setting up the strategy. Individual stakeholders from the three interest-groups (producers, distributors and retailers) form the basis of the cooperative together with a part of the supply chain. The cooperative involves at least one entrepreneur per product-group and one distributor and retailer with a wide network. Key values for this cooperative are in line with the already identified values for the food strategy presented in phase 2. From the focus group, it became clear that enthusiasm, trust and teamwork are important aspects and that making a profit for personal benefit should not be the overruling thought. Interested stakeholders should easily access the cooperative or any other form of collaboration between producers, distributors and retailers.

The core-initiators have to make the first steps, and the second step is to set up a cooperative together with some people from the distributors and retailers. The third step is actively looking for funding. The government needs to be engaged, and if needed also the educational institutes can play a role in the setup of the strategy. One interest-group that falls to the background in the present research are the consumers. The fourth step is to get to know what the demand of consumers is. This has to be done in a two-way communication form, and for example in the form of a consumer study conducted by students from one of the educational institutes. The fifth and final step is to involve the communication agencies if there is a need for marketing and promotion. In this way, there is a bottom-up approach; first the demands are put on paper from the perspective of the cooperative, and subsequently the development of marketing and



promotion follows. The interest-group 'others' includes the individual stakeholders. If needed, the cooperative can involve this interest-group if they have an increased stake or interest. However, without action, this strategy plan will simply remain a plan. It is good to keep in mind that the strategy itself is broader than only the regional food supply chain. It is also with regard to the enhancement in other socio-economic elements of the region of Twente.

ACTION PLAN

The action plan consists of an overview of the building blocks (taken and to be taken) and of concrete follow-up steps to be taken.

TABLE 6 ACTION PLAN

Phase	Building blocks	Status
1	Necessity	✓
	Planning	✓
	Stakeholder assessment	✓
	Mandate description	✓
	Focus group	✓
2	Vision	✓
	Mission	✓
	Values	✓
	Strategic issues	✓
	Goals and objectives	✓
3	Budget	×
	Action plans	×
	Strategies	×
4	Implementation	×
	Monitoring	×
	Evaluation	×

CONCRETE FOLLOW-UP STEPS

- Plan meeting with core producers from each product-group
- Make skillful stakeholders responsible for performing specific tasks
- Create communication platform
- Invite people with experience about similar success regional food cooperatives
- Inventarisation of missing knowledge
 - Involve 'Groene Kennispoort'
 - Involve students
 - Possibly a consumer study
- Investigate opportunities for a cooperative
 - Contact the chamber of commerce
 - Involve expertise from cooperative bank (Rabobank)
 - Contact funding bodies for subsidies
- Involve the governmental bodies and keep each other informed
- Involve communication agencies in order to make a clear marketing and promotion
- Communicate clearly how 'others interested stakeholders' can join the collaboration



PHASE FOUR: IMPLEMENTING STRATEGIES

IMPLEMENTATION

The most important part of the implementation phase is action! Implementation is the execution of the action plan from phase 3. The stakeholder mapping matrix provides insight in the involvement of the right interest-groups; thereby, it is important that the local producers are able to set up and execute the action plan themselves.

MONITORING

In order to determine the successfulness of the regional food strategy Twente, closely monitoring activities and outcomes is important. It is necessary to create criteria representing a measurable outcome. Examples of these criteria can be; profit, visitors of website/webshop, participants of the regional food strategy etc. Another important aspect of monitoring is the adjustment and optimization of the strategic issues when necessary.

EVALUATION

Based on the outcomes of the monitoring process an evaluation takes place. The evaluation is an iterative process and ensures the goal of the regional food strategy keeps targeted. In order to compare the outcomes of several monitor moments, it is helpful to conduct the evaluation on fixed moments.

5.2 MARKETING PLAN FOR VIERMARKEN

This section provides the results of the SWOT-analysis and marketing tools. The conducted Supply Chain Analysis gives insight in the current and the future situation of Viermarken's supply chain.

5.2.1 SWOT

The brainstorm session prior to the SWOT analysis and the meetings at Viermarken collect marketing ideas for Viermarken. A mind map of these outcomes presents an overview in the form of a mind map in figure 18 in the appendices.

According to the SWOT-analysis, Viermarken has a proactive attitude which can lead them to great opportunities, such as participating in a regional food strategy. To get there, they will need advice and a thorough action plan since there is an absence of financial and marketing activities. In order to fill the knowledge gap of their finances and their marketing, they need a change in their management, marketing and financial policy. Because Viermarken's employees have limited working capabilities, the production scale should be adapted, so it tightly fits into their working capabilities. The location of the care farm is a strong point and it creates opportunities for collaboration with nearby sport clubs, walking routes and touristic activities.

Presented is an overview of the SWOT-analysis with the combination of the strengths, opportunities, weaknesses and threats in figure 19. SWOT-analysis results are used to fill in the confrontation matrix. There is no further elaboration on the results of the SWOT-analysis. This is because the outcomes are more detailed after the implementation of the confrontation matrix than the outcomes of the SWOT-analysis.

5.2.2 VIERMARKEN STRATEGIC BASIS, STRATEGIC GOALS, OPTIONS AND MARKETING GOALS

On the basis of the results from the SWOT-analysis and confrontation matrix (given in Appendix 4), Viermarken's main problem becomes more clear. This section starts to discuss the strategic basis using the confrontation combination quadrants as guidance. The strategic basis results in

SMART formulated strategic goals. These goals support the short-term research objective; providing a marketing plan for Viermarken to ensure their financial sustainability.

STRATEGIC BASIS

The confrontation matrix consists of four quadrants as can be seen from Appendix 5. For the completed confrontation matrix see Appendix 5. Every quadrant has a particular strategy with a corresponding focus point. By rating all strengths, weaknesses, opportunities and threats are based and ranked on importance. The highest rated components of the SWOT-analysis are then incorporated in the strategic basis.

TABLE 7 SWOT OVERVIEW

	Strengths	Weaknesses
Opportunities	S/O Q1 Exploit	W/O Q3 Defend
Threats	S/T Q2 Improve	W/T Q4 Retreat

Q1 EXPLOIT, GROWTH

In order to grow, Viermarken's focus point is to connect opportunities with strengths. Viermarken can benefit from their favorable location (Strength 2) and get involved in new activities such as establishing a lunchroom by using the kitchen (Opportunity 2).

Q2 IMPROVE, BEND INTO STRENGTHS

In order to defend, Viermarken's focus point is using strengths to counter threats from the market. One of the opportunities is that Viermarken expands their production scale by making use of the spare land (Strength 3). Hereby they are able to generate more income by growing and selling more fruits and vegetables (all Threats). Additionally the production scale reduces the fluctuations in the supply of their products (Threat 5).

Q3 DEFEND, COMPETE WITH STRENGTHS

In order to defend, Viermarken's focus point is bending weaknesses into strengths by acting upon opportunities from the market. Viermarken requires a group of students or a manager with financial and marketing insight to improve their weakness (Weakness 1). Furthermore, opportunities are to collaborate with the Tourist Information Point (Opportunity 4) or grow a special and distinctive product like Goji berries (Opportunity 6).

Q4 AVOID OR RETREAT, SEARCH FOR COLLABORATIONS

In order to retreat, Viermarken's focus point is to consolidate threats and search for collaborations. One of the main weaknesses of Viermarken is its absence of financial and marketing activities (regarding their farming activities) (Weakness 1), it is significant to turn this weakness into a strength. Together with consolidating the threats from the market such as a limited amount of selling channels, cut of subsidies, competition of other care farms and fluctuations in production output (all Threats). By improving these threats, Viermarken can increase their financial and marketing activities.

STRATEGIC GOALS, OPTIONS AND MARKETING GOALS

For each quadrant a strategic goal, option and marketing goal is discussed. Subsequent to the strategic basis the following strategic goals are a result of the completed confrontation matrix. The strategic goals further elaborated, are a result of most important ranked subjects for Viermarken to carry out. This study provides a SMART formulated strategic goal for each quadrant. Followed by a strategic option providing made assumptions and aspects to keep in mind. Resulting in the marketing goals formulated for each quadrant. A subdivision is made into four categories in order to maintain a clear and simple overview of the marketing goals per category. These are; New market; Website & social media; Collaborations; and Sales & promotion. The motivation for these four categories is based on the outcome of the brainstorm session (see section 5.2.1.). With this subdivision, it is easier to compare goals for our commissioner.

STRATEGIC GOAL Q1: EXPLOIT LOCATION

For Q1 'Exploit, Growth', the most frequent ranked aspects are S2 'Location' together with O2 'Lunchroom'. In order to use 'Location' with 'Lunchroom' from Q1 the goal is: *'Make use of Viermarken's location as an advantage by establishing a lunchroom to grow financially at the end of 2015'*.

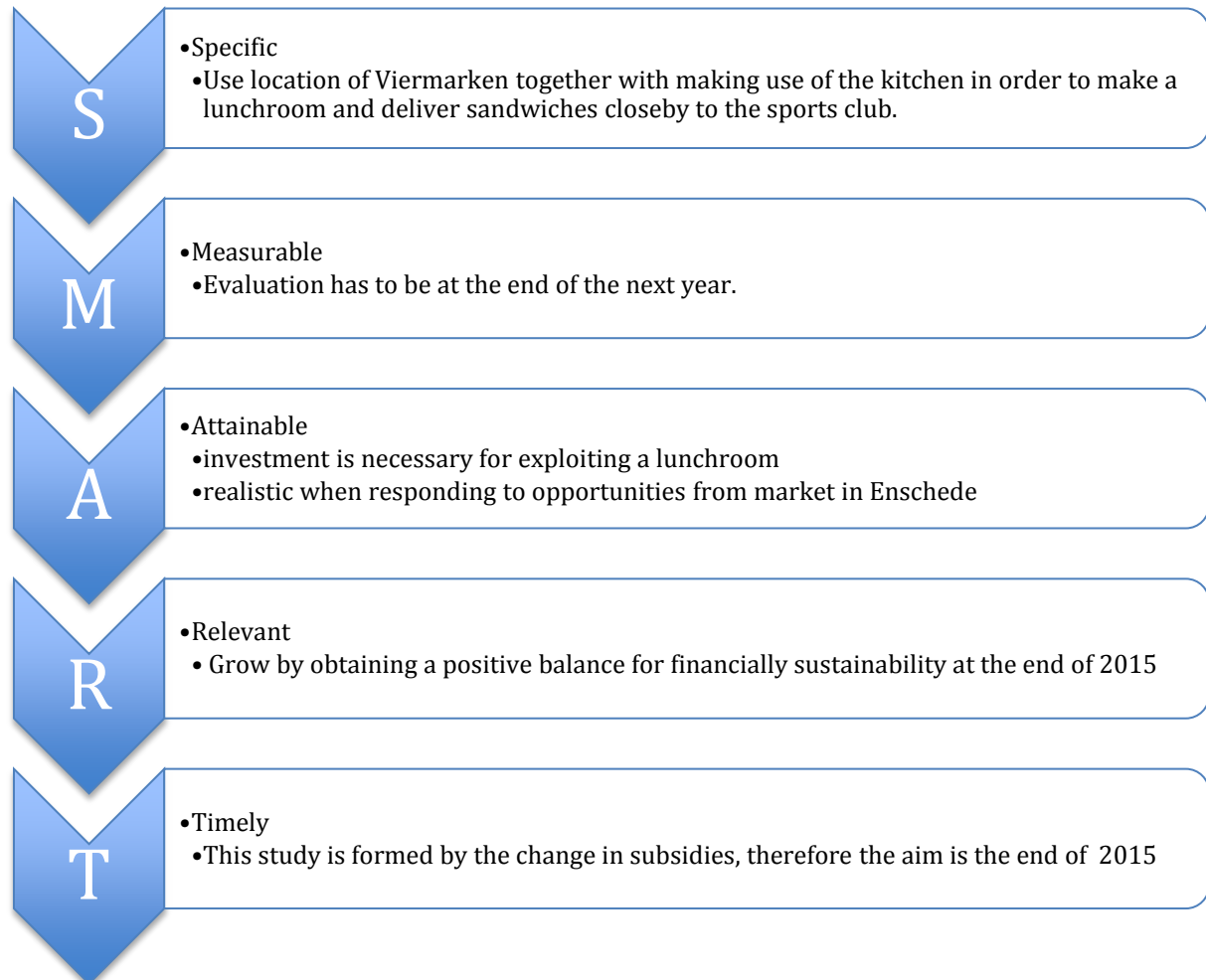


FIGURE 12 SMART MODEL FOR STRATEGIC GOAL 1



STRATEGIC OPTION Q1

Assumptions

This study assumes there is a direct need for a lunchroom and a demand from sport clubs for organic food. Together with the availability of investing obtaining a positive balance at the end of 2015. Finally, capacity, time and personnel are available to set up a lunchroom at Viermarken.

To keep in mind

The question is if acting upon these opportunities is sufficient to ensure the financial sustainability of Viermarken before the end of 2015. Other problems could be the amount and variation of work, time planning and new product development.

MARKETING GOAL Q1

NEW MARKET

- *'Establish Viermarken in a new market (start a lunchroom) over the upcoming one year period, for ensuring increasing sales of products before the end of 2015'.*
- *'Start a pilot study with local inhabitants of Twente by promoting to eat organic products from Viermarken's lunchroom during the third quarter of 2014'.*

WEBSITE AND SOCIAL MEDIA

- *'Update the website and expand social networking, to develop (new) customer relationships in nearby and targeted distant market areas in the third quarter of 2014'.*

COLLABORATIONS

- *'Develop collaborations with educational institutions such as 'Twente School of Management' for hiring interns and personnel at the lunchroom during the third quarter of 2014'.*
- *'Develop new distributor collaborations in the area where Viermarken is located before the end of 2014'.*

SALES AND PROMOTION

- *'Improve product awareness in the area of Twente before the end of 2014'.*
- *'Develop advertisements and place them at nearby locations to improve consumer awareness to increase sales of regionally targeted consumers during the first quarter of 2015'.*
- *'Continue promoting Viermarken's lunchroom and unique location to increase product awareness, sales and distributor relationships before the end of 2015'.*
- *'Increase the involvement of local inhabitants of Twente by promoting eating organic products from Viermarken's lunchroom before the end of 2015'.*

STRATEGIC GOAL Q2: BENDING HELPS GAINING INSIGHT

For Q2 'Improve, bend into strengths', the most frequent ranked aspect is S3 'Expand'. All threats are ranked equally. 'Expand' needs to be implemented to compete and defend against threats from the market. The goal is: *'Make use of the spare land of Viermarken to compete against threats from the market and to ensure financial sustainability by the end of 2015'.*

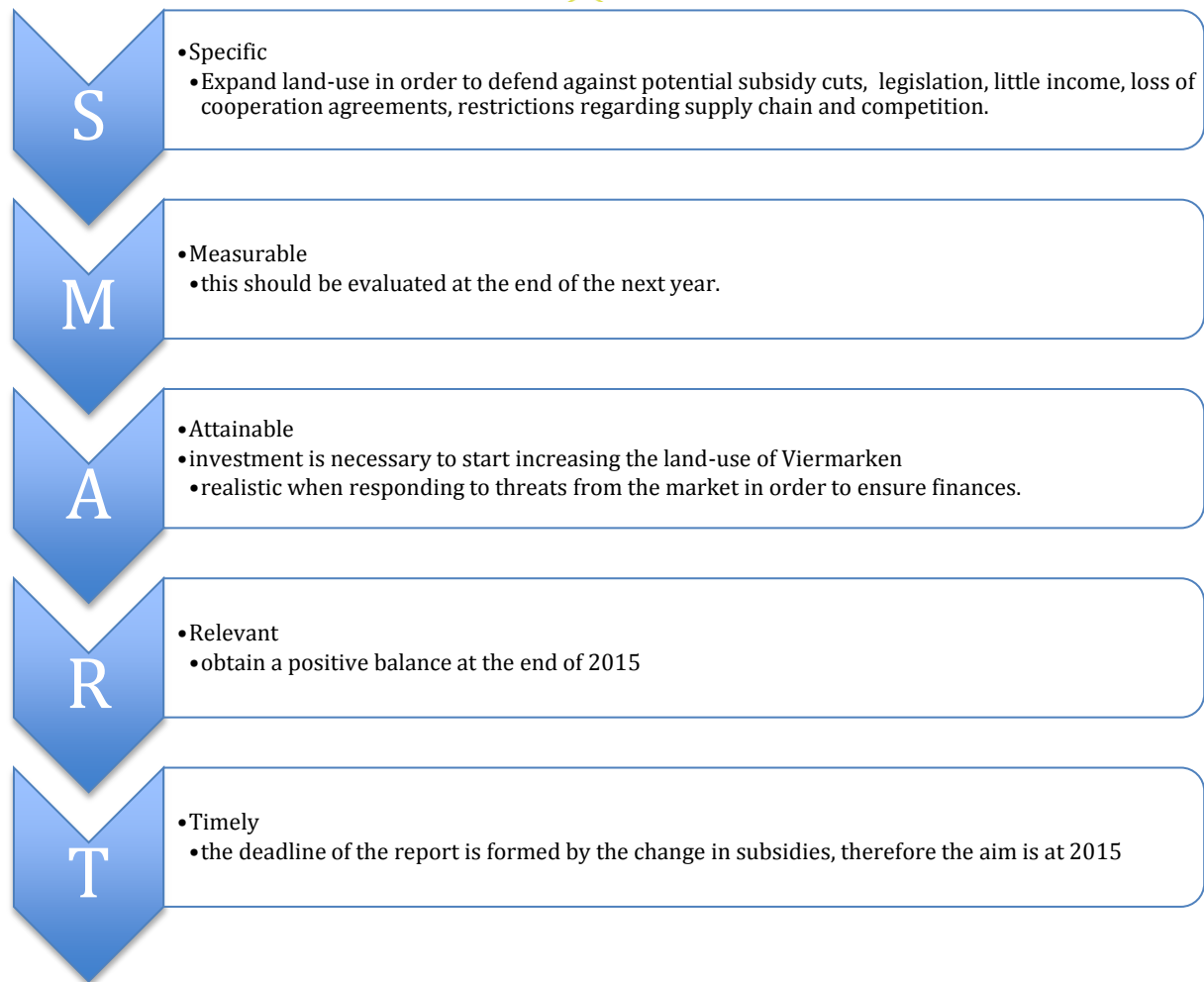


FIGURE 13 SMART MODEL FOR STRATEGIC GOAL 2

STRATEGIC OPTION Q2

Assumptions

Assuming there is knowledge of what products to grow and a linear relation between expanding and consumer demand. Adding the assumption that expanding the land is sufficient to defend against threats from the market and current cooperation agreements remain uninfluenced.

To keep in mind

With expanding the spare land, the variety of work for the employees should be guaranteed at the care farm.

MARKETING GOAL Q2

NEW MARKET

- 'Increase the production scale of organic products to position Viermarken in a new market before the end of 2015'.
- 'Expand activities by establishing outdoor activities for inhabitants, students and tourists in the area of Twente to position Viermarken in a new market of organizing parties and walking routes before the end of 2015'.



WEBSITE AND SOCIAL MEDIA

- *'Increase the awareness of inhabitants of Twente ensuing Viermarken is perceived as a tourism area by updating information and advertisements on the website or information points during the third quarter of 2014'.*
- *'Update the website and expand social networking to develop (new) customer relationships in nearby and targeted distant market areas before the end of 2014 and 2015'.*

COLLABORATIONS

- *'Develop new distributor collaborations in the area where Viermarken is located before the end of 2014'.*

SALES AND PROMOTION

- *'Increase the revenue of Viermarken's farm shop by selling and growing more products before the end of 2014'.*

STRATEGIC GOAL Q3: DEFEND BY EXPANDING

For Q3 'Defend, compete with strengths', the most frequent ranked aspect in this quadrant is W1 'absence of financial and marketing activities' and all opportunities are ranked equally. Improve W1 into strength and respond to opportunities from the market. *'The goal is to increase Viermarken's financial and marketing activities by bending the weakness into a strength and invest upon opportunities from the market to ensure financial sustainability at the end of 2015'.*

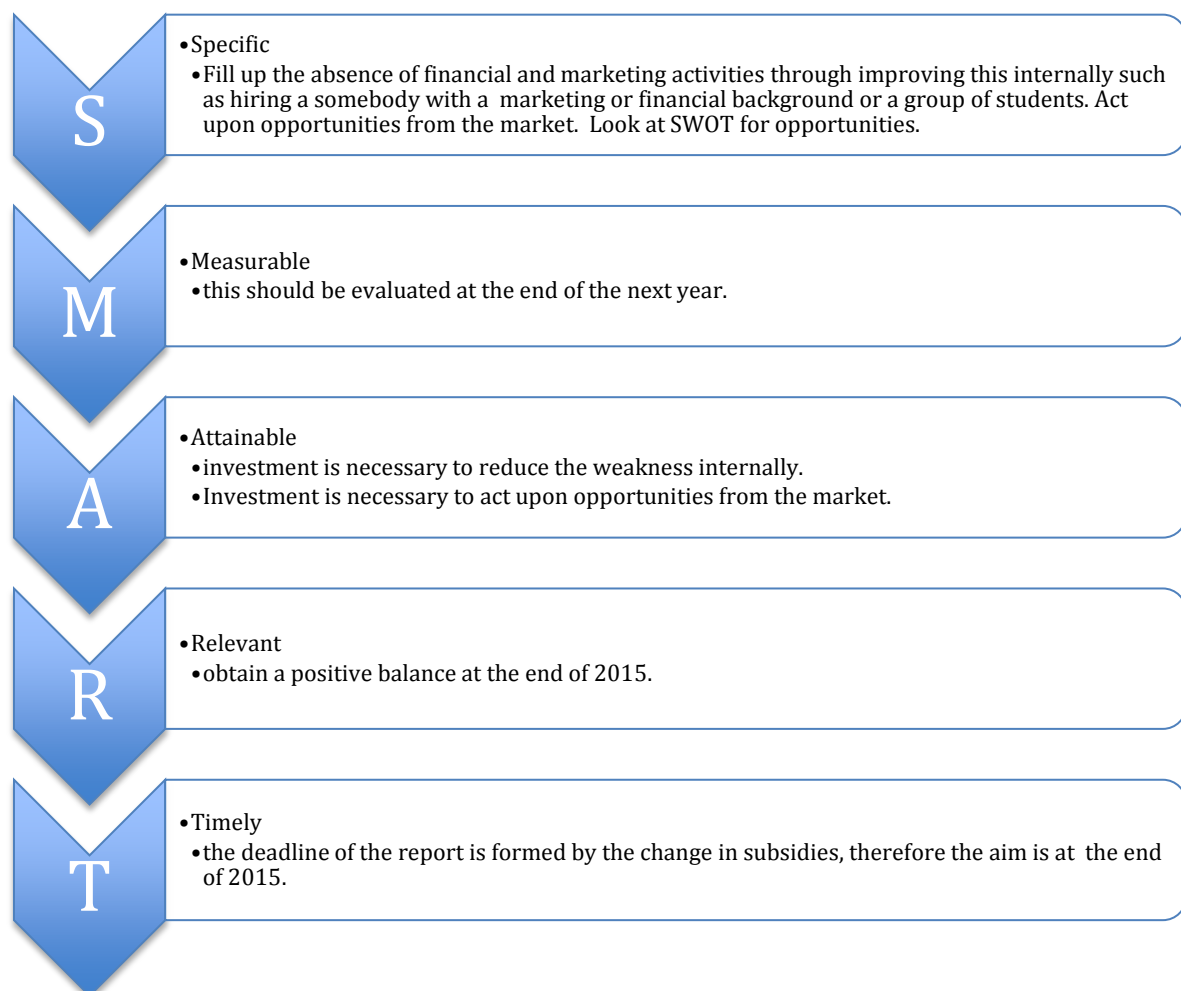


FIGURE 14 SMART MODEL FOR STRATEGIC GOAL 3



STRATEGIC OPTION Q3

Assumptions

Assuming it is possible to hire an extra person or ask students for financial and or marketing advice. Along with present demand for a webshop, lunchroom or organizing parties. Besides the assumption that collaborating with the Tourist Information Point and promotion by the use of flyers, will attract more customers. Finally assuming that there is a demand and market for new regional products, like Goji berries.

To keep in mind

In order to gain insight by hiring extra personal, it is necessary to calculate extra financial costs. New insight can result in innovative activities that require time and more funding. Routines within the organization can become less relevant and need to be revised.

MARKETING GOAL Q3

NEW MARKET

- *'Establish and position in new markets (Webshop, Lunchroom, Parties, TIP and Products) to bend and gain insight in Viermarken's marketing and financial issues before the end of 2014'.*
- *'Realize a relative share in the new market(s) in relation to other market leaders with the desired outcome to ensure Viermarken's financial sustainability before the end of 2015'.*

WEBSITE AND SOCIAL MEDIA

- *'Update the website and expand social networking, to develop (new) customer relationships in nearby and targeted distant market areas in the second quarter of 2014'.*
- *'Create a Webshop with new products, to develop (new) customer relationships in nearby and especially distant market areas in the third quarter of 2014'.*
- *'Update and synchronize the website, social media and webshop to continue customer relationships and increase sales daily from the third quarter of 2014'.*

COLLABORATIONS

- *'Improve absence of financial and marketing activities by hiring a financial/marketing counselor or group of students from AOC Oost and proceed ensuing opportunities from the market during the second quarter of 2014'.*
- *'Develop new distributor collaborations in the area of Viermarken before the end of 2014'.*

SALES AND PROMOTION

- *'Increase the amount of website visitors to increase consumer awareness about the Webshop, Lunchroom, Parties, TIP and Products before the end of 2014'.*
- *'Increase the amount of website visitors to increase sales of webshop products before the end of 2015'.*
- *'introduce the production of Goji berries to increase the sales before the end of 2015'.*
- *'Establish online promotion to improve consumer's awareness about Viermarken ensuing increase of sales before the end of 2015'.*
- *'Establish online promotion to increase the visiting customers or tourists to enlarge the customer network before the end of 2015'.*

STRATEGIC GOAL Q4: COLLABORATION AND CONSOLIDATION TO REDUCE THREATS

For Q4 'Avoid or Retreat, search for collaborations', the most frequent ranked aspect in this quadrant is again W1 'absence of financial and marketing activities' and all threats are ranked equally once again. Consolidate and reduce W1 to avoid threats from the market. *'The goal is to reduce Viermarken's absence of financial and marketing activities regarding the farming activities*

through investment and to avoid threats from the market by searching for collaborations to ensure financial sustainability at the end of 2015'

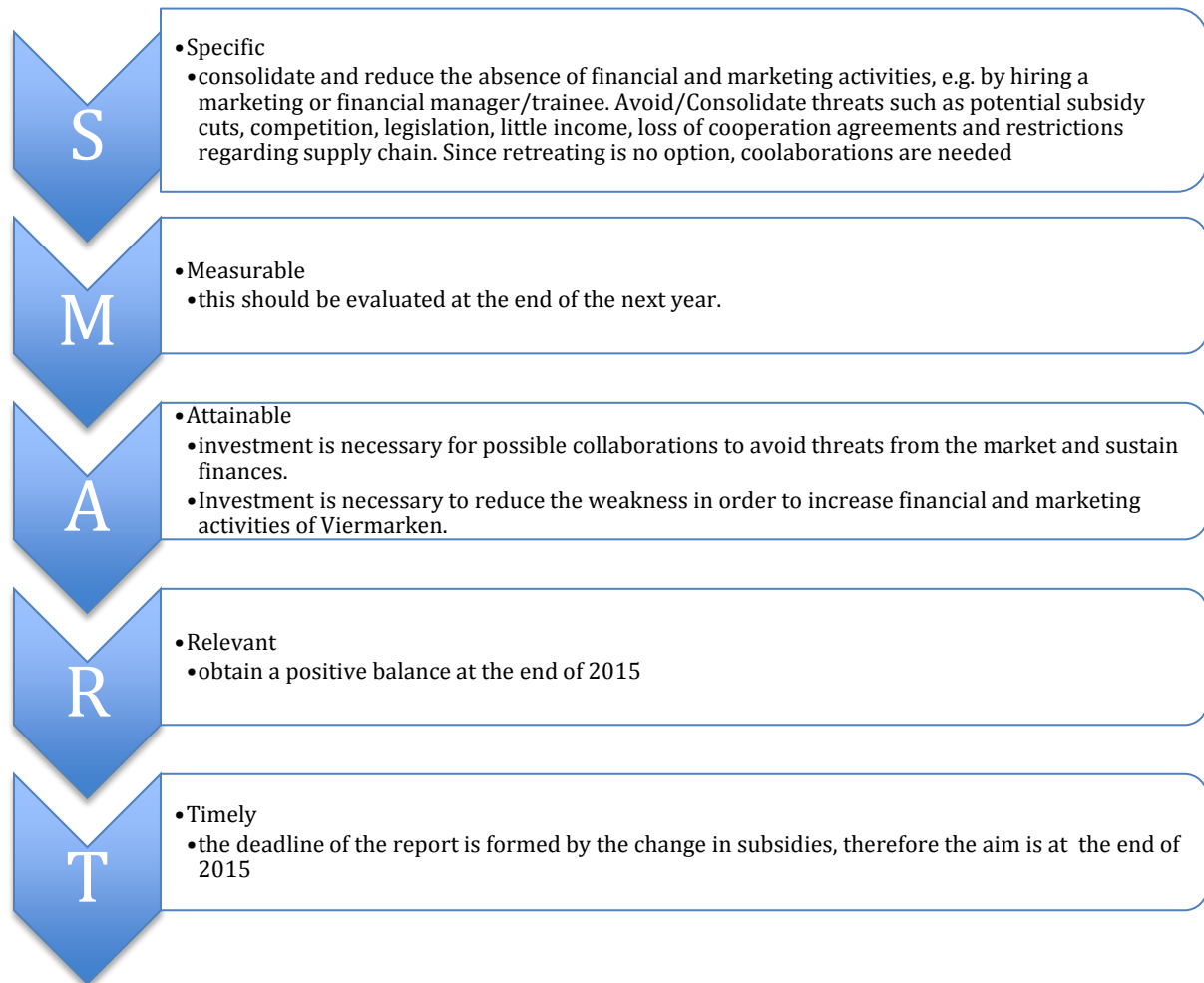


FIGURE 15 SMART MODEL FOR STRATEGIC GOAL 4

STRATEGIC OPTION Q4

Assumptions

Collaboration with other producers and distributors will strengthen the position of Viermarken and will make Viermarken more resistant against threats of the external environment.

To keep in mind

Difficulties can arise to find collaboration partners due to the small and unstable production scale of Viermarken, together with available time and effort to invest in collaborations with other stakeholders.

MARKETING GOAL Q4

NEW MARKET

- *'Establish collaboration within the new market (Goji berries) with other organic food producers to bend and gain insight in Viermarken's marketing and financial issues before the end of 2014'*
- *'Build collaboration in a new market (for defending against T5 loss cooperation) with other retailers like supermarkets, restaurants and organic shops to bend and gain insight in Viermarken's marketing and financial issues before the end of 2014'*

WEBSITE AND SOCIAL MEDIA

- *'Update the website and expand social networking, to develop (new) customer relationships in nearby and targeted distant market areas in the second quarter of 2014.'*
- *'Upload advertisements and promotions on the website and enhance communication with other stakeholders in order to prevent against loss of cooperation in the third quarter of 2014.'*

COLLABORATION

Since this is an internal oriented marketing goal, the category collaboration is not applicable.

SALES AND PROMOTIONS

- *'Fill up the absence of financial and marketing activities', due to the improvement internally and defending against threats from the market.'*
- *'It is advisable to promote Viermarken in a positive, traditional, characteristic and memorable way, maintain brand, logo and message consistent.'*

5.2.3 MARKETING STRATEGY

This section discusses the 5 P's for Viermarken as a result of the four quadrants in section 5.2.2. The four strategies generally elaborated in the model by the aspects of; products, promotions and price is to find the best suitable marketing strategy to recommend. General expectations discussed is resulting from the strategic basis as seen in section 5.2.2. The aspects people and place are discussed briefly since the intention and outcomes are similar for all four marketing strategies.

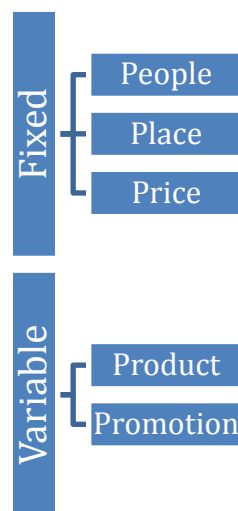


FIGURE 16 THE 5 P'S

PEOPLE

The goal of Viermarken is to provide care for (mentally) disabled people, and offer an adequate working environment at their care farm. The aspect people is considered as a fixed factor in the 5P's since this is the core competence of Viermarken.

PLACE

The location of the care farm is considered to be a strength (SWOT-analysis), since it is close to walking routes, sport clubs and it is close to the city centre. Place is considered a fixed factor because of the positive features of Viermarken's location,



PRICE

During wintertime the majority of the product prices at Viermarken is fixed since they buy the products at the wholesaler and stick to an indication of selling prices. However, during a relative short period in the summertime there is more flexibility in product pricing since Viermarken can produce their own products. For the sake of this analysis price is a fixed factor.

The final two P's, Product and Promotion will be easily affected by Viermarken. For each P, a scenario is described of how it changes when applied to the different marketing strategies (Q1, Q2, Q3 and Q4).

PRODUCT

Strategic option Q1

Research and development for further development of the new lunchroom in Twente is advisable. The product is the service of delivering and selling sandwiches to the sports club. Attracting new consumers by taste sessions at the lunchroom is an additional service. Other offered services are walking and cycling routes in the area together with the visiting of the farm shop. Therefore, the core product is the service of the lunchroom at the favorable location with benefits for consumers, to eat or order organic products. The communicated unique selling point towards consumers is the available organic regional products at the lunchroom in a typical, favorable location in Twente.

Strategic option Q2

Research and development concerning consumer demand in order for expanding is advisable. The concept is that by expanding and growing more products, Viermarken is able to strengthen themselves and defend against potential subsidy cuts, loss of income, loss of cooperation agreements or restrictions regarding supply chain and competition. By larger volumes of products, Viermarken strengthens their production process, future finances, attracts more consumers and creates possibilities to cooperate with more stakeholders. The core product is the variety of organic regional food products. The unique selling point towards consumers and stakeholders is the higher variety of available organic, regional products at the farm shop of Viermarken.

Strategic option Q3

Research and development is needed for more financial and marketing activities and occurring opportunities from the market. The broad concept is that there are many possibilities of products and services to ensure. With these opportunities, it is essential to investigate if they are feasible and possible to anticipate. By bending their weaknesses, Viermarken is able to offer more by responding to opportunities and eventually grow. The core product and unique selling point can differ when choosing which opportunity to seize. For example, when acting upon all opportunities at once, the general core product then remains the organic regional food products. The unique selling point communicated towards consumers and stakeholders is then the concept of Viermarken itself and their vision and mission.

Strategic option Q4

Due to the similarities of strategic option Q3 and Q4 this strategy is not further elaborated. This strategy does not offer any new formulated core product or new unique selling points.



PROMOTION:

Strategic option Q1

Promotion for creating awareness of the new lunchroom by advertising on Viermarken's website and leaflets or posters will be done in the area of Twente. Social media is a supportive tool by posting updates, blogs and news. Direct mailing together with special offers can be sent to current customers in order to inform them of a new formed lunchroom. The promotion of the unique location has a different approach namely by endorsing and advertising the outdoor activities present in the area of Twente. By placing Viermarken's banner on websites such as 'wandelroute Twente' or 'De Papillon' or 'Beleef Twente', they increase awareness. In return Viermarken can place stakeholders banners on their website and vice versa to start new collaborations. Social media is an additional promotion when adding updates, photos and events about what activities to undertake in the area of Viermarken. Personal selling is important to continue the promotion of the lunchroom.

Strategic option Q2

Viermarken must raise awareness among current and new customers about their products. By a newsletter and supportive social media promotions, current customers can receive updates about Viermarken. By placing Viermarken's banner, advertisements and endorsement on websites such as 'Twentse-streekproducten' and 'Visit-Twente', Viermarken gains awareness. Social media informs consumers about the new products with additional photos, news and updates. Other promotions about the farm shop such as improving the appearance is done to attract more consumers. When consumers are aware of the expansion and the demand is increasing, it is necessary to rearrange the layout of the farm shop for a good reputation. Since Viermarken's logo is not on every product, due to purchasing them from wholesalers, differentiation by a logo is necessary since Viermarken is not the only (care) farm in the region. Positive word-of-mouth promotion is essential to attract more consumers.

Strategic option Q3

Promotion of the webshop to raise awareness among new and current customers' needs to be in line with that of the website and supportive social media. The use of Viermarken's website, social media, newsletter and word-of-mouth promotion from current customers helps targeting new consumers. The webshop compensates the loss of promotion and revenue due to the closing of the farm shop in the weekends. Active promotion by means of a flyer at the Tourist Information Point enhances the awareness and attract more visitors. Flyers, website and social media must contain the same information and should not contradict each other. Finally, the effectiveness of the flyers, website and social media increases when these media are actively promoted.

Strategic option Q4

Likewise, due to the similarities of strategic option Q3 and Q4 this aspect is not further elaborated. This strategy does not offer any new formulated core product or new unique selling points.

5.2.5 SUPPLY CHAIN ANALYSIS

In this study a Supply Chain Analysis was conducted in order to verify what changes need to be made regarding the supply chain if Viermarken connects to a potential regional food strategy. For background information on theory and supply chain concepts, see section 3.3. It is difficult to apply general supply chain concepts to Viermarken given their unique character. Due to the specialty of their employees large-scale and efficient production is challenging.

INTRODUCTION TO VIERMARKEN'S SUPPLY CHAIN



Viermarken is fulfilling many roles as farmer, processor and retailer. The main production activities of Viermarken are planting fruit and vegetables (farmer), feeding chickens, collecting eggs and making wooden birdhouses. Their best selling products are vegetable packages and eggs. Viermarken has a small kitchen and a traditional oven for some processing activities, e.g. making cookies and pies and baking a special kind of bread. Besides, it has a small package room for packaging eggs and vegetables. Viermarken cultivates vegetables themselves and also sells vegetables from a wholesaler. For the selling activities, Viermarken has a small shop at the farm (retailer) for selling the vegetables, fruit, bakery products and other organic products, which are only available if visiting the farm shop at Viermarken.

PUSH STRATEGY

Viermarken's production is not based on demand since the production is a daytime activity for the disabled and psychiatric patients working at the farm. A push strategy is therefore most applicable to Viermarken because they do not have the orders from retailers to motivate production. There is limited knowledge of forecasting customer demand in order to manage and plan the production.

SIX DRIVERS OF THE SUPPLY CHAIN

Facilities

Viermarken is located nearby the city centre and thus close to the end customers. In terms of storage sites, there is a small farm shop for storing the fresh products (vegetables and fruits) and a processing room for storing eggs. Also, there is a refrigerator storage room but next to those rooms the storage space is limited. There is a small storehouse for storing non-perishable products like wooden products.

For the production sites, there are several greenhouses for cultivating vegetables and fruits, a chicken shed for feeding chickens and for collecting eggs. Also, there is a workplace for making wooden products. All these facilities are on a small scale and centrally located on the farm itself, which is convenient for the workers.

Inventory

Viermarken buys raw materials like soil for planting, seeds and manure externally. In order to produce bakery products, Viermarken buys raw materials like: sugar, flour, almonds and raisins externally together with packaging materials.

Since it is difficult for Viermarken to achieve continuity in production and the efficiency of production is relatively low, there is no safety inventory to meet the demands. Moreover, the level of inventory depends on the total output per day; thus the level of inventory is fluctuant. There are no inventory monitoring programs used. In case of an abundance of inventory, Viermarken donates the perishable products to the 'Voedselbank', or Viermarken uses them for personal purposes.

Transportation

Currently Viermarken sells most of the products at the care farm, therefore transportation is neglectable. The accessibility of the care farm by truck is limited; therefore, it is a difficult location to reach, which can cause logistical problems if they expand their sales and transport needs increase.

Information

The director of Viermarken provides all the information about production and sales to the care farm. The production is based on the amount of products sold in the farm shop and vegetable packages that the care farm provides (80 packages in the month of February 2014). Information about customer needs and demand is not present.

Sourcing



There are two categories of raw materials used by Viermarken from external suppliers. The first category consists of planting materials, including seeds, soil and fertilizer. The second category consists of bakery products, like nuts, flour and sugar.

Pricing

On a weekly basis, the care farm receives a list with purchasing prices and guidelines for selling prices for the vegetables that they buy from wholesalers. The care farm follows these advised prices, but sometimes consumers perceive quite expensive. In the winter period, they are unable to adjust their prices because they are dependent of a wholesaler for buying their vegetables. In the summer with their own production there is more space for discount pricing. The pricing strategy for own grown vegetables and fruits is a mark-up pricing strategy. The unit costs and the desired mark-up added together determine the price of the product.

VIERMARKEN'S FUTURE SUPPLY CHAIN

In case of a regional food strategy, Viermarken is part of a larger supply chain network. This section provides future possibilities according to the previously used supply chain concepts in case of a regional food strategy. To give a structured idea of the possibilities for Viermarken based on the four layers in the supply chain network, this report conducted table 8.

TABLE 8 POSSIBILITIES FOR SUPPLY CHAIN OF VIERMARKEN

Level	Goal	Possibilities
Retailer	Expand selling channels	- More stability in the supply chain
Distributor	Being part of a distribution centre	- Having the products picked up at farm - No need for long-term storage on the farm itself
Processor	Add value to the products	- Wider range of products and variation in work for the employees - Higher value of the products - Larger processing scale
Producer	Expand production and revenue	- Production according to order - Larger scale of production

When Viermarken takes part in a regional food strategy, one assumption is the increasing demand. In terms of the first layer (producer), the goal of the producer is expanding the scale of production and ensuring that production can meet orders. Viermarken receives orders from other participants such as supermarkets, organic food shops and restaurants via a central order point. This implies that Viermarken has to change its mode of production into a make-to-order method and improve the management of human resources, in order to make sure the supply is in time.

For the second layer (processor), Viermarken has to add value to the products in the phase of processing. Since the margin of food products is relatively low, the products with high additional value are key in making more profit. This is a challenge for Viermarken, because better processing requires technical guidance, equipment investment and skilled employees. Considering the financial situation of Viermarken, it is better to improve the quality of the existing products because there are fewer costs involved in improving the products than starting new ones; however, it is wise to keep looking for other opportunities at the same time.

For the third layer (distributor), the situation changes if Viermarken expands its production scale. A storehouse is necessary for storing the products to assure quality before they deliver to the distribution centre. A distribution centre is meaningful for all the participants of the



potential regional food strategy. A specialized truck or bus is responsible for picking up products from all the participants and products can be stored in the distribution centre. For Viermarken, a small storage house for short-time storage is suitable and cost-effective because they will not need to store it at the farm for a long time period.

For the final layer (retailer), being part of a regional food strategy increases the amount of selling channels for Viermarken. The orders from retailers become the driving force of the supply chain and the demand is more stable. An additional opportunity is the chance to build their brand image and increase awareness among customers by selling at supermarkets and new markets.

PULL STRATEGY

In the case of a pull driven supply chain, orders drive the supply chain from top to bottom according to market demand and consumption. In a regional food strategy, Viermarken changes the current push strategy to a pull strategy, which is more feasible. First, because demand from other retailers or customers becomes the driver of production. Since there are numerous stages of a supply chain, the lack of communication and disorganization or the errors of forecasting demand would lead suppliers create larger variance of orders. In the push strategy, the bullwhip effect would happen easier because of uncertain demand forecasting, which results in a backlog problem. Second, the inventory level can be lower which saves storage costs and reduced the risk of backlog.

SIX DRIVERS OF THE SUPPLY CHAIN

Facilities

For further development, it is necessary to expand the current facilities. Besides, a production line for baked products and formulating the quality standards for the whole production process is crucial for improving the quality. It is necessary to improve the storage conditions for end products before they deliver to the distribution centre. Currently, there is a dishwasher in the room for packaging bakery products, this causes a high humidity, negatively influencing the quality and sensory aspects of the bakery products. Possibilities to replace the dishwasher or packaging process need to be evaluated.

Inventory

In case of large scale production, the inventory management becomes more important. The amount of raw materials and processing products increase simultaneously with the increase of production scale. In order to prevent the shortage of raw materials, it is advised have a safety inventory.

Transportation

Transportation can be centrally organized via a recognizable truck or bus. This would be beneficial for Viermarken since they do not possess the means for organizing their own transportation chain.



Information

In order to make sure the continuously production and enhance the collaboration with other stakeholders, orders need centrally organizing, and information about consumers' demands require monitoring. The staff of Viermarken might need training in how to work with new monitoring programs.

Sourcing

The price of raw materials could decrease if Viermarken is able to demand larger quantities. It is possible to make agreements with one external party to source the raw materials for Viermarken. In that way, the transportation costs will decrease since all materials can be delivered in one time by one company. This strengthens the position of Viermarken in negotiating about the prices.

Pricing

In a regional food strategy prices of regional products are calculated according jointly agreed upon guidelines. Profit margins are fixed for all connected farmers to the regional network.

CONCLUSION

6.1. REGIONAL FOOD STRATEGY

The start of a creative solution for a regional food strategy master plan in Twente is a clear understanding of what a regional food strategy implies. In this project, the most applicable definition of regional food is *“food produced within a particular geographical area and marked as coming from that area with a distinctive quality”*.

As guidance for this study, four sub-research questions were formulated. In retrospective to the first sub-research questions, success factors and pitfalls of other similar cases were defined. Indicated key factors to success were; a bottom-up approach with a facilitating role for governmental bodies; a solid basis in the style of a clear formulated strategy; the establishment of a cooperative including a centralized distribution point; a clear system of certification; ensuring a broad variety of sales channels; and putting the regional food strategy into a broader perspective by providing leisure activities that stimulate the general socio-economic state of region Twente.

In answer to the second sub-question, the authors divided the identified stakeholders in the following interest groups; producers; distributors; retailers; consumers; educational institutions; governmental institutions; communication agencies; funding bodies; and others. The stakeholder mapping matrix used divided the interest groups and indicated these groups into the right side of the matrix. The two right sided quadrants in the matrix were ‘engage’ (high influence, high stake) and ‘consult’ (high influence, low stake). The participants of the focus groups were mostly from the engage-quadrant of the matrix. Their presence confirmed their active attitude towards the setup of a regional food strategy. The mapping of the interest groups within the matrix, however, was dynamic. For example, during the startup of this project the ‘Groene Kennispoort’ (as an educational institution) shifted from the consult-quadrant towards the engage-quadrant based on an increase in their stake, forming a triple helix between entrepreneurs, government and education.

The outcome of the focus groups answered sub-research question three, which gave some prerequisite values for setting up a regional food strategy for Twente. Summarized these values were: bottom-up approach; joint interest; collaboration; trust; persistency; clarity; accessibility; and fun and experience being equally important as profit. The following action steps illustrated the answer to the final sub-research question. As a first step, an actively selected group of core initiators (from each product group) should take a leading role in starting the process. In this way, the strategy equally includes each product group (e.g. fruit and vegetables, meat, dairy etc.).

The second step is to investigate the opportunities to set up a cooperative. The third step is that the group of core initiators needs to investigate the missing knowledge and approach educational institutes to further investigate the lack of knowledge. The advice is to engage the governmental institutions during the process, in order to give them the opportunity to play a facilitating role. The advice to the cooperative is, as a fourth step, to involve communication agencies for the promotion and marketing of the regional food strategy. The regional food strategy should be easily accessible to interested potential participants in the strategy.

In the case of Twente, there is a lack of action to actually start the process of setting up a regional food strategy. During the meeting with the focus groups, the first phase of the ‘Strategic

Strategy Planning' was presented. This was followed by discussing the second phase about the content of the strategy, mission, vision and values which was mutually agreed upon. However, this content is not static and can be adjusted along the way. The third and fourth phase need to be executed by the participants in an iterative way. In the course of the focus group meeting, several interested people came into contact leading to a potential basis for the initiation of the process.

6.2. MARKETING PLAN FOR VIERMARKEN

A marketing plan is an analytical report describing how an organization can use means and marketing instruments for the optimal way of responding to the market and realization of the goals on the short term. The first tool used was a SWOT analysis. Conclusive the most important 'strength', 'weakness', 'opportunity' and 'threat' are; a favorable location; the absence of financial and marketing activities regarding farming activities; possibility to expand; and the threats were perceived equally important. The output of the SWOT-analysis formed the basis of the confrontation matrix, and based on these outcomes four strategic options were formulated and further elaborated.

The providing of four goals that discusses opportunities to exploit, answer sub-research question one. One extended conclusive opportunity that is described is about the opportunity to build a lunchroom with regard to the favorable location of care farm Viermarken (Q1). Option four (Q4) discusses all the opportunities from the SWOT-analysis in order to defend against the weakness absence of financial and marketing activities.

The analysis of the supply chain of Viermarken provided an answer to sub-research question two. A considerable conclusion in the supply chain was the push strategy Viermarken is currently using. If connected to a regional food strategy this can be replaced for a pull strategy based on consumer demand. The four different strategic options provided the answer for sub-research question three. All four strategies focus on improving Viermarken's financial strategy.

By employing the 5 P's model in paragraph 5.3, the extended four strategic options concluded a division between fixed and variable P's. The fixed P's consisted out of People, Place and Price and these aspects have similar intentions and outcomes for all four directions. The variable P's of Promotion and Product can differ per strategic option. Important conclusions are for Product; creating the service of available organic regional products with the use of a lunchroom (Q1), a higher variety of available organic regional products due by expanding spare land (Q2) and other strategies do not offer new products or services (Q3)(Q4). An essential conclusion for Promotion is; that regardless of the strategy Viermarken chooses, promotion is essential to raise awareness and attract new or more customers to improve the financial sustainability.

The marketing plan elaborates about the conclusion to the main short-term research question. It is significant that Viermarken decides whether to focus upon one opportunity mentioned such as organize and establish a lunchroom, (Q1) or whether to improve internally in order to anticipate on some opportunities from the market (Q2). The marketing plan provides four strategies with further insight. It is essential for Viermarken to decide which strategy fits them best and is most viable to ensure their financial sustainability.

DISCUSSION

This academic research project was commissioned by two different organizations. On the one hand 'de Groene Kennispoort' and on the other hand care farm 'De Viermarken'. Since both commissioners had different interests, it was a challenge to combine all interests in one research question. The study carries out a research which both satisfies the interests of 'Groene kennispoort' and 'Viermarken, resulting in a comprehensive assignment regarding the limited amount of time. A shift of focus in the project resulted in a change in advising expert. Due to this change, the authors were not able to ask for advice during the first three important weeks of the project. In retrospective to the performed project, some points of discussion need to be evaluated. Firstly, regarding the extensive literature studies for conducting a food strategy and marketing plan, a lot of models taken into consideration did turn out not to be applicable for this research. Models analysed but eventually not used in this report are: Network analysis (Schiffer and Peakes, 1999), Rainbow Diagram (Chevalier and Buckes, 2008), Power-leadership matrix (Schmeer, 1999), Stakeholder analysis table (Schmeer, 1999), Actor Linkage Matrix (Biggs & Matsuert, 2004). The rainbow diagram is moreover a general model for classifying stakeholders, and it is difficult to make a clear distinction of who affects or is affected by the results. The Power-leadership matrix is a tool to make categories of stakeholders according to its degree of power and leadership. Considering the collaboration relationship between stakeholders and the limited information available, this matrix is not applicable. The stakeholder analysis table is too complex to work through and requires extensive detailed information that was unavailable; therefore, it is not suitable for this study. Linkage matrix is a tool for analysing the relationship between stakeholders who already have some linkages or collaboration. In this case, Twente lacks current collaboration; therefore it is difficult to analyse their linkages.

Secondly, regarding the methodology used for conducting a regional food strategy case studies on existing similar projects were studied. However, considering the fact that Twente is a different region with different consumer behaviour and its own particular culture, it is not possible to apply the experiences directly to the regional food strategy in Twente, but it is possible to use as input for ideas.

Visiting other care farms prevail learning from similar care farms experiences for the marketing plan. However, other farms did not have a marketing plan to address the subsidiaries changes. Moreover, each care farm has its own business model which relates to the location, culture, manager etc. Therefore, these care farms are not completely comparable to Viermarken. After taking these limitations into account, in this study it is decided not to use the interviews for the SWOT analysis.

Thirdly, there are no concrete measurements outcomes. Reasoning that for the marketing plan, the SMART formulated strategic goals are not quantifiable and that results in difficulties with measuring or testing the results properly. Another reason is that there is no "full" measurable and or quantifiable internal and external (analysis) research about Viermarken's SWOT analysis and stakeholder analysis. Besides, the interviews did not provide insight for further external input resulting in a relatively general SWOT analysis. Therefore in this study the brainstorm-sessions, mind mapping and focus groups generated more ideas. It needs to be acknowledged that there is a lack of measurable or quantifiable data, in both the internal and external analysis for SWOT analysis and stakeholder analysis.



RECOMMENDATIONS

7.1 RECOMMENDATIONS REGIONAL FOOD STRATEGY

Based on the results and conclusions of the research on a potential regional food strategy in the region of Twente, this research provides the following recommendations regarding this regional food strategy:

1. Usage of a bottom-up approach, this implies considering the project to be set up by the producers themselves. This approach creates a feeling of active involvement for the producers.
2. Create a solid basis including a clear formulation of strategy, mission and vision, which this research already provides. This solid basis involves key stakeholders. These key stakeholders have to be willing to change and willing to put the general interest above their individual interest. However, this basis is not static, and there is room for adjustment by the involved stakeholders.
3. The development of a cooperative ought to take place in an early stage. A distribution centre has to be a part of this cooperative since it creates substantial cost advantages and performs the function of a centralized supply point. An important aspect of this cooperative is that it represents every product group within the agricultural sector, i.e. including a producer of meat, fruit & vegetables, dairy products and preservable products like wine. The key stakeholders need to contact the Chamber of Commerce to realize the cooperative.
4. The key stakeholders play a leading role in the cooperative. Furthermore, it is considered that the government and other institutions play a facilitating role. This role consists of financial support, facilitation of promotion, acting as a 'lead user' and support of knowledge. For example in the form of the involvement of students within the project, facilitated by the 'Groene Kennispoort'.
5. The regional food strategy requires to make use of a clear system of certification and possibly including a label. Producers who want to join the collaborative have to meet these qualifications. The certification both ensures quality of the products and increases consumer trust and loyalty since consumers will know what they get.
6. Include a broad variety of sales channels by not only thinking of 'basic' sales channels such as retailers and restaurants. Possible other sales channels are care facilities, schools and sport associations.
7. Next to the primary activity of producing and selling local food products, it is necessary to include secondary activities like leisure activities. Secondary activities contribute to the regional involvement of the potential customers. Potential customers can experience how the products they buy are made which creates customer loyalty and trust.



8. Next to the goal of making profit, other (social) values need to play an important role in the Regional Food Strategy. These values are:

- Joint interest
- Collaboration
- Trust
- Persistency
- Clarity
- Accessibility
- Fun
- Experience

These values and profit can complement each other.

9. When the set-up of the regional food strategy is complete, it is necessary to involve communication and promotion agencies like the Twents Bureau of Tourism (TBT), the VVV and 'Bewust Twente'. These communication agencies can promote the regional food strategy among the public.

7.2 RECOMMENDATIONS MARKETING PLAN

Based on the results and conclusions from the marketing plan, this research provides the following recommendations with priority on the short-term for care farm Viermarken:

1. Hire someone with a background in finance and/or marketing in order to fill the knowledge gap regarding this. If this is financially not feasible, another option is in the form of a project or (voluntary) internship, performed by students from educational institutions (e.g. AOC Oost or Saxion).
2. Improve and update the website from Viermarken, make sure it is attractive, start with using social media and create a basis for promotion and awareness among consumers. Spread flyers at several places in the region of Twente like the Tourist Information Point (VVV).
3. Focus on a limited amount of ideas and or initiatives and fully elaborate on them, this in order to prevent many not truly functioning initiatives.
4. Provide products from the Viermarken with a clear logo from the Viermarken, possibly with a sentence such as 'made with care' or Viermarken cares'. This will increase the familiarity with the care farm and contribute to the promotional goals.

PRECEDING RECOMMENDATIONS

5. Choose a concrete strategy to follow, provided in section 5.2: *the marketing plan*.

In case that recommendations one to four are accomplished, it is advised to implement strategy Q1 (combine the favorable location with a lunchroom), reasoning when completing recommendations one to four, Viermarken is already improving its own weaknesses and other aspects from the other formulated quadrants (Q2, Q3, Q4).

6. Find collaboration opportunities and connect to the potential regional food strategy, as seen in recommendations for a regional food strategy in section 7.1.



APPENDICES

Appendix 1: Elaborated background information of similar regional food strategy projects

Kempen Goed

'Kempen Goed' is a private organisation which promotes local products. It is located in the region of the 'Brabantse Kempen', which is the area underneath the cities Eindhoven and Tilburg in the Dutch province of North Brabant. Local producers started the initiative and currently Kempen Goed has around 300 members (Kempen Goed, 2014). Part of this organisation is the cooperative 'Kempen Goed', which has 11 members at the moment. They produce agricultural products like dairy, meat, vegetables and bread. "Kempen Goed" sells products to consumers via restaurants, (retail) stores and tourism.

The strategy from 'Kempen Goed' is to promote a positive reputation in the region of the 'Brabantse Kempen' and to involve active entrepreneurs and institutions (Kempen Goed, 2014). The goals are to improve adequate involvement of regional and local authorities and other relevant stakeholders. Reaching this goal is done by:

- Facilitating conditions for this adequate involvement.
- Supporting the stakeholders with secretarial, project development and management advice, regarding subsidies, sponsorship, coordination of products & services, and certification of products & services

Three local entrepreneurial institutions initialized Kempen Goed, namely: 'Land van Oirschot', 'Land van de Hilver' and 'Land van de Zalingheden'. These are also the institutions in which Kempen Goed is divided. By this division, the initiators created a certain structure. A producer/entrepreneur has to be a member one of the three above mentioned institutions in order to be able to make use of the activities of Kempen Goed.

Kempen Goed also developed a label for their products, which is subject to a certification methodology. This label consists of certain qualifications which products have to meet before they are allowed to put the label on their products. There is both a label for 'Certified Kempen Goed Products' and 'Certified Organic Kempen Goed products' (figure ## and ##). Certification covers the products & services itself, not the company producing them.

Oregional

The cooperative 'Oregional' is a regional food network in the region of Arnhem, Nijmegen and Kleef, which is in the south of the Province of Gelderland in the Netherlands. Its strategy is to strengthen the economic position of entrepreneurs in the area of Nijmegen. The sustainable implementation of this strategy has the basic elements people, planet and profit (Van der Voort *et al.*, 2011; Oregional 2014). This cooperative currently consists of 21 entrepreneurs, producing a wide variety of agricultural products like meat, dairy, vegetables, fruit and wine.

'Oregional' handles the import and sales of products from this region and is the link between producer and consumer. Important activities regarding the strategy are; research about the marketing of local products, business plan for regional cooperatives, pilot test supplying and grading products in a hospital, establishment and official launch of the initiative and meetings with (possible) involved farmers. These activities took place from 2001 till 2010. Factors for success are (Van der Voort *et al.*, 2011):

- Integral approach with themes about sustainability, health, regional economy and the connection with the society.
- The organisation of a cooperative area including the organisation of sales, marketing, communication and contact with customers. This is all conducted by 'Oregional' and not by the farmers themselves.
- Membership



- Actively involving citizens and open access for citizens besides farmers
- Financial and knowledge support by governments and other public institutions
- Choosing the marketing channels (sales channels) is done with great care. The care industry (i.e. care institutions like retirement houses) is the main sales channel. Furthermore, they sell the products also sold to catering companies, restaurants and consumer markets, however, this is still in development.

There have occurred some logistic problems because supply by the farmers themselves seemed to be inflexible for customers. In order to reach a certain scale a balance should occur between logistics, marketing, current and expected income (Van der Voort, van Dijk et al., 2011). Products needed to be distributed more effectively.

Further opportunities regarding this project are (Sint, 2011):

- Strengthening the economic position of rural entrepreneurs
- Sustainable rural development through regional agriculture
- Marketing of local products in the region
- Access to professional entrepreneurs outside the area
- Strengthen the relationship between rural and urban side

The year 2013 was the first year 'Oregional' had their first full year of activity after the official launch in 2012. In this year, their sales volume was €500.000, but the aim is to double this sales volume in 2014 (De Correspondent, 2014). This aim emphasizes the fact that this project is still in development and wants to grow in the near future.

Veel luwe

'Veel Luwe' is a project which was an initiative of the 'Veluws Bureau of Tourism', located in the Veluwe which is an area in the west and central part in the Dutch Province of Gelderland.

Its strategic vision was to enhance the image and promote the area de Veluwe in the Netherlands (Van der Voort *et al.*, 2011; Veel Luwe, 2014). The Bureau of Tourism presented a strategic vision for a product line from the region 'de Veluwe' for entrepreneurs who wanted to be involved. Its goal is to show tourists the variety of products the Veluwe has to offer and in this way improve the position of the regional economy.

Several catering companies have made use of products from this area. The products had to meet the following requirements (Veel Luwe, 2014):

- Tells an authentic story
- Had to be marketed through modern media use
- Fully consistent with the values and the logo of the brand 'Veluwe'
- Is produced in the region 'de Veluwe'
- Mainly produced from commodities from the area
- Uses raw materials in a responsible and sustainable manner
- Positively contributes to the image of the area

However, problems arise about the structural use of these products due to accessibility and marketing of their products individually (Van der Voort *et al.*, 2011).



Important activities from this strategy were the presentation of the strategic vision and communication plan, launch of the website, kick-off during the 'Landleven Dagen', an excursion day, regular meetings organized for entrepreneurs and a meeting with a cooking workshop. These activities took place from March 2009 until the end of 2010. An important aspect was the organisation of an excursion day for visiting companies from the initiative. People including entrepreneurs could taste products, exchange ideas and knowledge with the aim to get to know each other. Considered successes of this initiative are (Veel Luwe, 2014):

- The cost-free participation for entrepreneurs
- The personal touch including the time and attention divided for every farmer
- The pace and investment of the initiative
- The strengthening of the image of the area de Veluwe.

Unfortunately, in 2011 the funding from the province of Gelderland stopped and the initiative had to ask for contributions from entrepreneurs to continue. Other obstacles and problems were (Van der Voort *et al.*, 2011):

- Keeping the involved entrepreneurs engaged
- The resulting dropout rate of entrepreneurs in 2011 due to requested financial contributions
- Several segregated visions and strategies from involved entrepreneurs
- Distribution costs problem, entrepreneurs were having trouble with the costs of supplying products. A distribution partner was needed, but this seemed to be hard because of the high variety of products, which made cooperation difficult
- Lack of a central distribution location together with a meeting place for business and private market
- For catering companies, time and money was an issue; they had to receive their products in time and were in need of a constant supply. They also had difficulties with contacting several entrepreneurs.

A solution to this problem was implementing a channel from the company 'Willem&Drees', which forms the link between producer and supermarkets. Currently, 'Willem&Drees' products are available at 100 locations. These locations are supermarkets chains like; Jumbo, Spar, Plus and Super de Boer (Food Personality, 2014; Willem&Drees, 2014). Opportunities mentioned are connecting the agriculture sector with landscape management and attract tourists (Sint 2011).

However, this solution was not able to save the project, because the project has stopped now. Four years after the launch of the project, producers were not willing to financially contribute to the project anymore. According to Dagmar Kroezen from the Bureau of Tourism there was too much initiative coming from the regional and local government. Because of this, producers felt less involved in the project and thus they were less motivated to participate actively. In this way the project has slowly come to an end.

Het Groene Woud

Cooperation 'Het Groene Woud' is located in the planologically designed area the 'Groene Woud' in the Dutch province of North-Brabant. The area covers the municipalities between the triangle of 's Hertogenbosch, Eindhoven and Tilburg. Its strategy is to stimulate sustainable, regional and economic developments. The goal is to create conditions for cooperation between municipalities for the project 'Branding het Groene Woud' (Sonneveld 2007; Groene Woud 2014). Resulting of this, municipalities and regional entrepreneurs can improve the results on their policy goals to be more efficient, in compliance with involved parties who can conjointly explore opportunities in the area. Conclusions (Sonneveld, 2007) from the initiative show that:

- Goals between the involved parties are in accordance
- Knowledge of regional branding is insufficient
- There is a request for more involved governments by private and public spheres.
- There is a lack of interregional exchange of experience and knowledge. This is problematic because, even though there are enough initiatives, there is a lack of exchanging information; furthermore, accessibility of information is non-transparent for external actors.

Formation of the cooperation was initiated by a few entrepreneurs, who saw the need for a platform which could connect and strengthen the position of the local farmers (Groene Woud, 2014). Currently, around 70 entrepreneurs became a member of the cooperation.

Appendix 2: Building blocks of strategic planning

The Building-Block View of Strategic Planning

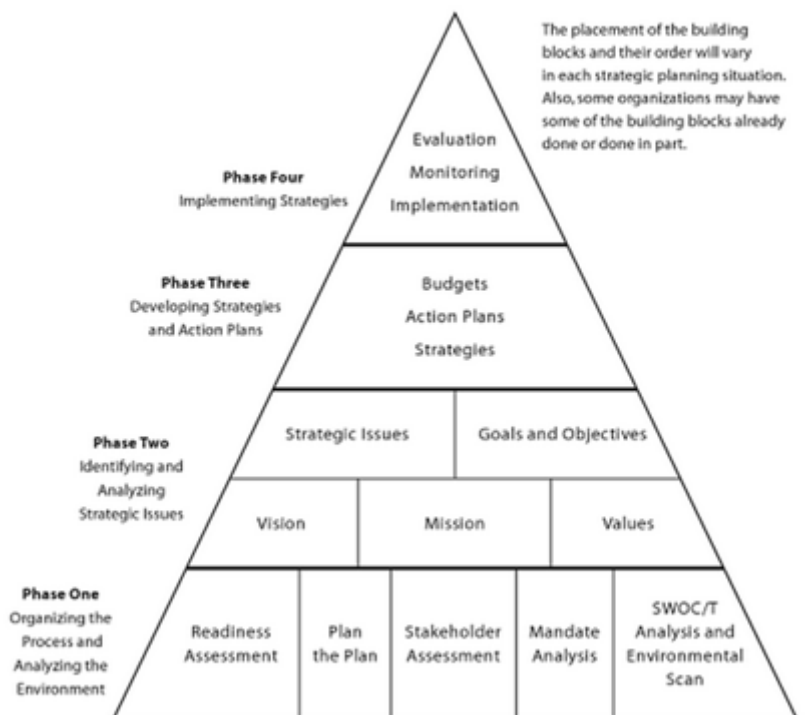


FIGURE 17 SCHEMATIC OVERVIEW OF BRYSON'S MODEL (2011)

Appendix 3: Mind map of brainstorm results

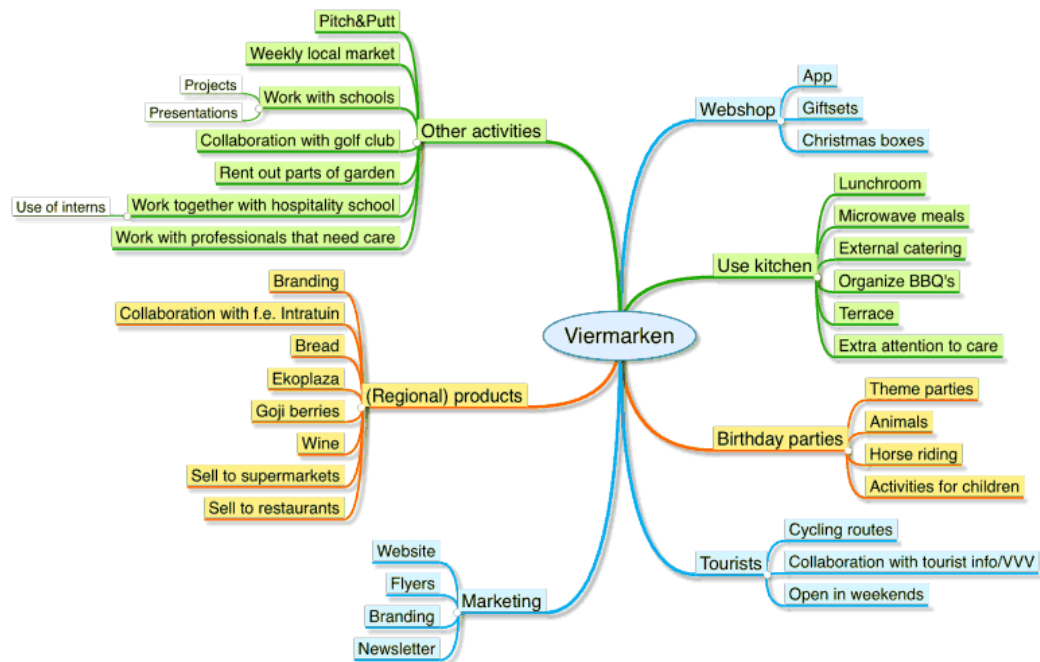


FIGURE 18 MIND MAP OF BRAINSTORM RESULTS

Appendix 4: Results of the SWOT analysis

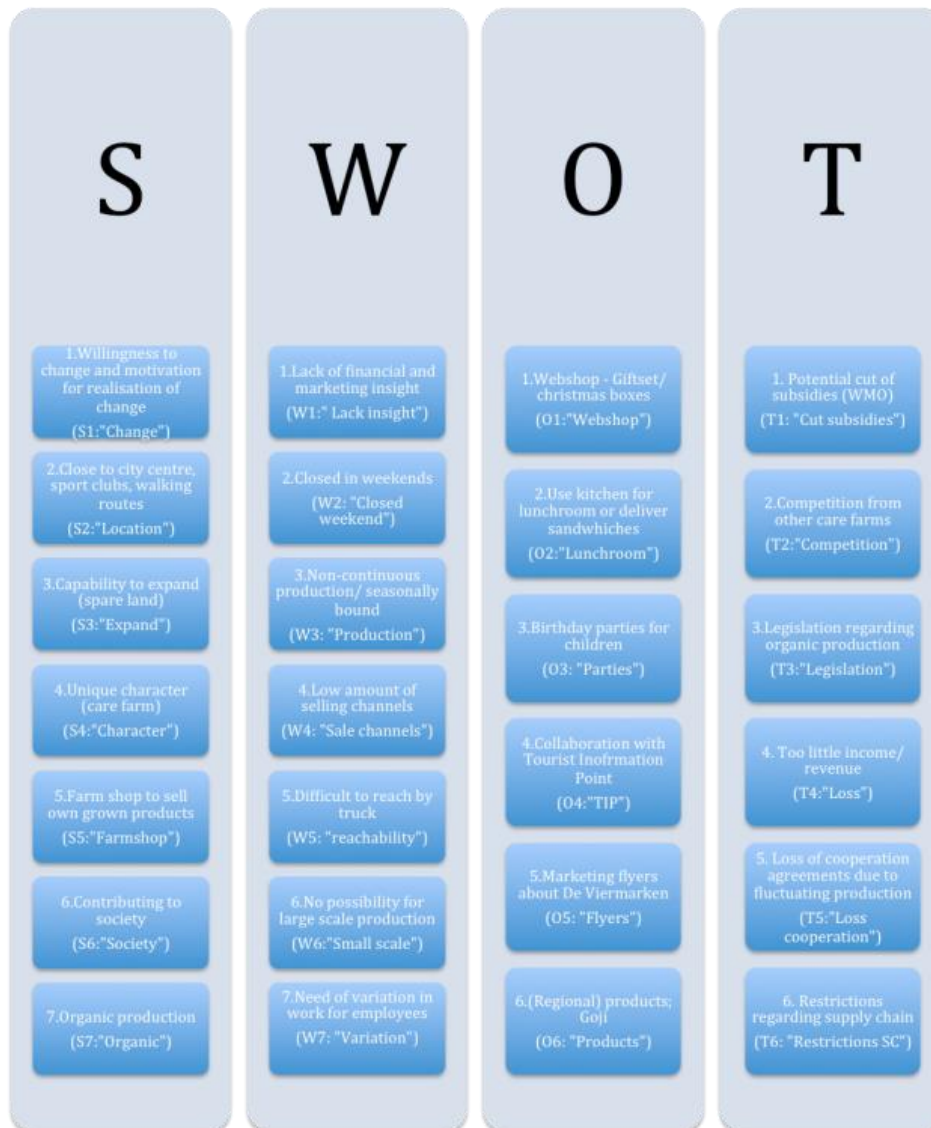


FIGURE 19 SWOT ANALYSIS

Appendix 5: Confrontation matrix results

The confrontation matrix was filled in by a ranking scale from one to seven. The ranking of one was seen as least important and the ranking of seven most important. Every combination possible for each quadrant was ranked using this scale. After each member filled in the confrontation matrix, the highest scores for the combinations of opportunities and strengths; threats and strengths; opportunities and weaknesses; and threats and weaknesses was summed together. The highest outcomes for each combination in the four quadrants was marked red to give an indication of the importance of the combination.

Consequently per quadrant the total scores was summed (see in table “highest score red”), the quadrants with the highest score are on the left upper corner Q1 “exploit, growth” and right lower corner Q4 “avoid or retreat” with a total score of 277 and 252 (indicated with the orange boxes). Since the division of the scores is quite homogenous, the focus is on the highest scored strength, opportunity, threat and weakness.

TABLE 9 CONFRONTATION MATRIX

		Opportunities							Threats						
	Q1 Exploit, Growth	o1	o2	o3	o4	o5	o6	Q2 Defend, compete with strengths	t1	t2	t3	t4	t5	t6	Total horizontal
Strengths	s1	31	37	36	21	19	28	35	35	31	28	32	32	33	367
	s2	17	37	41	40	32	17	13	31	15	22	14	32	32	311
	s3	25	19	15	12	11	30	32	26	36	43	43	36	36	340
	s4	27	33	33	35	34	21	26	32	20	25	27	28	28	345
	s5	36	20	16	26	36	39	37	37	33	37	37	33	33	387
	s6	15	19	27	33	28	13	27	14	21	10	12	13	13	232
	s7	45	32	28	29	32	38	22	25	41	27	31	21	21	370
Most frequent strenght:		S2						High score red:							
Most frequent opportunity		O2						277		Most frequent S3					
										Most frequent threat: equal					
Weaknesses	Q3 Improve, bend into strenghts	w1	45	27	36	45	46	31	47	46	33	46	34	33	468
		w2	16	36	43	43	34	11	33	28	10	30	24	16	321
		w3	36	26	29	27	30	35	28	31	38	28	41	32	381
		w4	29	26	21	24	36	34	29	38	31	39	30	35	372
		w5	28	19	12	15	9	18	12	13	14	10	15	33	198
		w6	28	31	29	25	24	36	30	27	39	32	35	33	369
		w7	18	31	26	17	15	31	17	15	31	11	17	12	241
								High score red:							
								246		Most frequent weakness: W1					
										Most frequent threat: equal					



REFERENCES

Aaltonen, K. (2011). "Project stakeholder analysis as an environmental interpretation process." International Journal of Project Management **29** (2011) 165–183.

Allen, P., FitzSimmons, M., Goodman, M., Warner, K. (2003). "Shifting plates in the agrifood landscape: the tectonics of alternative agrifood initiatives in California " Journal of Rural studies **19**: 61-75.

Bellack, A. S. (2006). "Scientific and consumer models of recovery in schizophrenia: concordance, contrasts and implications." Schizophrenia Bulletin **32**, 432-442.

Biggs, S., Matsuert, H. (1999). "An acotr-orientated approach for strengthening research and development capabilities in natural resource systems." Public administration and development **19**, 231-262.

Bourne, L. (2009). "Stakeholder Relationship Management." A Maturity Model for Organizational Implementation, Farnham.

Brunori, G., Rossi, A. (2000). "Synergy and coherence through collective action: some insight from wine routes in Tuscany." Sociologia Ruralis **40**: 409-423.

Bryson, J. M., Alston F.K. (2011). Creating your Strategic Plan: A Workbook for Public and Nonprofit Organizations, John Voley & Sons.

Cachon, G. P. (2004). "The allocation of inventory risk in a supply chain: Push, pull, and advance-purchase discount contracts." Management Science **50**(2): 222-238.

California, U. o. S. "<http://libguides.usc.edu/content.php?pid=83009&sid=615865>." Retrieved 2/26/2014.

Chevalier, J. M., Buckles, D.J. (2008). SAS2: a guide to collaborative inquiry and social engagement. Los Angeles, Sage publications.

Chopra, S., Meindl, P. (2007). Supply chain management. Strategy, planning & operation, Springer.

Clancy, K., Ruhf, K. (2010). "Is local enough? Some arguments for regional food systems. ." Agricultural and Applied Economics Association (AAEA) Choices: the magazine of Farm, Food and Resource issues **25**.

D. Watts, B. I., D. Maye (2005). "Making reconnections in agro-food geography: alternative systems of food provision." Progress in Human Geography **29**: 22-40.

Dhindsa, H. S., Anderson, O.R. (2011). "Constructivist-visual mind map teaching approach and the quality of students' cognitive structures." Journal of Science Education and Technology **20**(2), 186-200.

Essing, D. (2014). Personal Communication.

- Etzkowitz, H. (2000). "The dynamics of innovation: from National Systems and "Mode 2" to a Triple Helix of university-industry-government relations." Science Direct **9**(2): 109-123.
- Feagan, R. (2007). "The place of food: mapping out the 'local'in local food systems." Progress in Human Geography **31**: 23-42.
- Goodman, D. (2003). "the quality 'turn'and alternative food practices:reflections and agenda"." Journal of Rural studies **31**: 23-42.
- Green Knowledge Gate (2014). "Website: Kenniswerkplaats." Retrieved 01/16/2014, 2014, from <http://www.kenniswerkplaats.eu/groene-kennispoort-twente>.
- Groene Woud (2014). "Website: In het Groene Woud." Retrieved 01/17/2014, 2014, from <http://www.hetgroenewoud.com/>.
- Grönroos, C. (1997). "Keynote paper From marketing mix to relationship marketing-towards a paradigm shift in marketing." Management decision **35**(4): 322-339.
- Hackman, J. R. (1999). "Thinking differently about context." Research on managing groups and teams: Groups in context: 233-247.
- Hance, A., Ruhf, K. (2006). "Regionalist approaches to farm and food system policy: a focus on the Northeast. Belchertown." Northeast Sustainable agriculture working group and the northeast ag works!
- Hassink, J., et al. (2010). "Care farms in the Netherlands: Attractive empowerment-oriented and strengths-based practices in the community." Health & place **16**(3): 423-430.
- Hassink, J., Zwartbol,C., Agricola, H.J., Elings,M., Thissen, M., J.T.N.M. (2007). "Current status and potential of care farms in the Netherlands." Netherlands Journal of Life Sciences **55** (1), 21-36.
- Hine, R., Peacock, J., Pretty,J. (2008). "Care farming in the UK: contexts, benefits and links with therapeutic communities." Therapeutic Communities **29** (3), 245 -260.
- Hinrichs, C. (2000). "Embeddedness and local food systems: notes on two types of direct agricultural market." Journal of Rural studies **16**: 295-303.
- Ilbery, B., Kneafsey, M. (2000). "Registering regional speciality food and drink products in the United Kingdom: the case of PDOs and PGIs." Area **32**: 317-325.
- Ilbery, B., Maye, D. (2005). "Food supply chains and sustainability:evidence from specialist food producers in the Scottish/English borders"." Land use Policy **22**: 331-344.
- Ilbery, B., Maye, D. (2006). "Retailing local food in the Scottish-English borders: a supply chain perspective." Geoforum **37**: 352-367.



- Ilbery, B., Maye, D. (2005). "Alternative (shorter) food supply chains and specialist livestock products in the Scottish - English borders." Environment and Planning **37**: 823 - 844
- Kempen Goed (2014). "Website: Kempen Goed haalt méér uit de Brabantse Kempen." Retrieved 01/17/2014, 2014, from <http://www.kempengoed.nl/>.
- Kilger, C. (2002). Supply chain management and advanced planning. Heidelberg, Springer.
- Lazzarini, S. G., Chaddad, F.R., Cook, M.L. (2001). "Integrating supply chain and network analyses: the study of netchains." Journal on chain and network science **1(1)** 7-22.
- Lier, G., et al. (2012). Leader Zuid Twente -rendement van projecten- Eindrapportage, Saxion Kenniscentrum Leefomgeving.
- Littau, P. (2010). "25 years of stakeholder theory in project management literature (1984-2009)." project management **4**: 17-29.
- Marsden, T., Banks, J., Bristow, G. (2000). "Food supply chain approaches: exploring their role in rural development." Sociologia Ruralis **40**: 424-438.
- Oregional (2014). "Website: Natuurlijk uit eigen regio." Retrieved 01/17/2014, 2014, from <http://www.oregional.nl/>.
- Parrott, N., Wilson, N., Murdoch, J. (2002). "Spatializing quality: regional protection and the alternative geography of food." European Urban and Regional Studies **9**: 241-261.
- Pickton, D. W., Wright, S. (1998). "What's swot in strategic analysis?" Strategic Change **7(2)**: 101-109.
- Prell, C. (2008). "Who's in the network? when stakeholders influence data analysis." Systemic practice and action research **21**: 443-458.
- Raphael, D., Renwick, R., Brown, I., Steinmetz, B., Sehdev, H., Phillips, S. (2001). "Making the links between community structure and individual well-being: community quality of life in Riverdale, Toronto, Canada." Health & Place **7** 179-196.
- Renting, H., Marsden, T., Banks, J., (2003). "Understanding alternative food networks: exploring the role of short food supply chains in rural development." Environment and Planning **35**: 393-411.
- S. Forsman, J. P. (2002). "Local food supply chain: a case of rural food processing firms and catering business in Finland In: Magid Jakob, Granstedt Arthur, Durmundsson Olafur, Kahiluoto Helena, Ruissen Theo (Eds.) DARCOF Report no. 3/2002: 71-80.



Schiffer, E. (2007). Net-Map toolbox Manual - Influence mapping of social networks, International Food Policy Research Institute.

Schmeer, K. (1999). "Guidelines for conducting a stakeholder analysis."

Schut, H. A., and H. J. Stam. (1994). "Goals in rehabilitation teamwork." *Disability & Rehabilitation* 16.4 (1994): 223-226."

Shirey (2012). "Stakeholder analysis and mapping as targeted communication strategy." *Journal of Nursing Administration* 42(9): 399-403.

Sonneveld, M. (2007). "Branding het Groene Woud: een privaat regionaal initiatief op zoek naar samenwerking met de publieke sector." Een rapport in opdracht van de provincie Noord-Brabant in het kader van het project Sturing op duurzame plattelandsontwikkeling, Interactive, Geervliet.

Sonnino, R., Marsden, T. (2006). "Beyond the divide: rethinking relationships between alternative and conventional food networks in Europe." *Journal of Economic Geography* 6: 181-199.

SPN, L. N., WUR-Lei, WUR- Rurale Sociology en Stichting Agro Keten Kennis (2005). "Koepelproject Kennisontwikkeling Streekgegoeben Productie en Vermarkting." ACB/ACD Wageningen / Den Haag.

Stacey, R. D. (2000). "Strategic management and organisational dynamics."

streekproduct, E. (2010). "Erkend streekproduct, wat is SPN?" Achtergrond SPN.

Torrey, W. C., Rapp, C.A., Tosh, L., Mc Nabb, C.R.A., Ralph, R.O. (2005). "Recovery principles and evidence-based practice: essential ingredients of service improvement." *Community Mental Health Journal* 42 (1): 91-100.

Van der Voort, M. P. J., et al. (2011). Het opzetten van korte ketens met streekproducten - Een inventarisatie van kansen en knelpunten van vijf korte ketens, Wageningen University.

van Leeuwen, M., van der Schans, J.W., Dvortsin, L., Jansma, J.E. (2009). "Inventarisatie regionale initiatieven korte ketens." Praktijkonderzoek Plant & Omgeving.

Veel Luwe (2014). "Website: Veel tijd; veel aandacht: Streekproducten van de Veluwe." Retrieved 01/17/2014, 2014, from <http://www.veelluwe.nl/over-veelluwe/wat-is-veelluwe.html>.

Verhage, B. (2004). Grondslagen van de marketing. Atlanta, Stenfert Kroese.

Vlieger, J. J. d. (1999). "Streekproducten: van consument tot producent." Rapport LEI, Den Haag.



Walsham, G. (2006). "Doing interpretive research European " Journal of Information Systems, **15(3)**, 320-330.

Waterschoot, W. V. (1992). "The 4P classification of the marketing mix revisited." The Journal of Marketing, 83-93.

Wengraf, T. (2001). Qualitative research interviewing: Biographic narrative and semi-structured methods, Sage publications.

Wentink, I. (2006). "Regiobranding: richting een duurzame, relevante en onderscheidende positionering van Twente."

Winch, G. M. (2010). Managing project stakeholders. New Jersey, Wiley.

Wong, H., Eyers, D. (2010). Innovative Quick Response Programs in Logistics and Supply Chain Management. Berlin, Springer.



OVERVIEW OF FIGURES

FIGURE 1 DESIGNED BY ARNOLD LOOIJEN	1
FIGURE 2 STAKEHOLDER MAPPING MATRIX	13
FIGURE 3 THE FIVE P'S.....	15
FIGURE 4 COST-RESPONSIVENESS FRONTIER (WONG, 2010)	16
FIGURE 5 SUPPLY CHAIN NETWORKS (LAZZARINI, 2001)	16
FIGURE 6 CROSS FUNCTIONAL DRIVERS (CHOPRA, 2007)	18
FIGURE 7 OVERVIEW OF PHASES.....	20
FIGURE 8 OVERVIEW OF THE MARKETING PLAN.....	22
FIGURE 9 STRATEGY PLAN REGIONAL FOOD STRATEGY TWENTE, ADAPTED FROM BRYSON (2011).....	24
FIGURE 10 IDENTIFIED STAKEHOLDERS	25
FIGURE 11 STAKEHOLDER MAPPING MATRIX.....	28
FIGURE 12 SMART MODEL FOR STRATEGIC GOAL 1.....	34
FIGURE 13 SMART MODEL FOR STRATEGIC GOAL 2	36
FIGURE 14 SMART MODEL FOR STRATEGIC GOAL 3.....	37
FIGURE 15 SMART MODEL FOR STRATEGIC GOAL 4	39
FIGURE 16 THE 5 P'S.....	40
FIGURE 17 SCHEMATIC OVERVIEW OF BRYSON'S MODEL (2011).....	55
FIGURE 18 MIND MAP OF BRAINSTORM RESULTS.....	56
FIGURE 19 SWOT ANALYSIS.....	57

OVERVIEW OF TABLES

TABLE 1 STRUCTURE LITERATURE ANALYSIS	10
TABLE 2 CONFRONTATION MATRIX BY VERHAGE (2004).....	14
TABLE 3 THE ADVANTAGES AND DISADVANTAGES FOR BOTH PUSH AND PULL PROCESS.....	17
TABLE 4 OVERVIEW CASE STUDY.....	23
TABLE 5 SCORES OF STAKEHOLDERS.....	26
TABLE 6 ACTION PLAN	31
TABLE 7 SWOT OVERVIEW.....	33
TABLE 8 POSSIBILITIES FOR SUPPLY CHAIN OF VIERMARKEN.....	44
TABLE 9 CONFRONTATION MATRIX	58