Value propositions by organic specialty stores and customer response in the region of Utrecht.

Research proposal by: Ralph Poldermans (Student number: 970113661010)

Wageningen University KTI chair group

Supervisor: Annemarie van Paassen

September 2020 – March 2022

Abstract

Our society is constantly developing in a lot of ways, including the food sector. The European union and the United nations put forth goals for Europe to strive for. A more sustainable, clean, less wasteful way of living is the way to go and there are goals that specifically deal with organic agriculture. By 2030, 25% of the total agricultural land in Europe has to be organic and we are not even close to realizing this goal in the Netherlands. Moreover, the organic sector is stagnating. Due to this development this thesis focusses on how organic specialty stores can improve their position on the food market which will result in higher sales, more return customers and (as a result of increased interest in organic products) more organic farming.

The main research question that is formulated in this thesis is about improving the position of the organic specialty store niche's position relative to the mainstream regime. The relationship between organic specialty stores and big retailers is researched using the Multi Level perspective (MLP) and the six intertwined structural dimensions to determine how the organic specialty store niche can develop these dimensions to move closer towards the regime. Additionally, extra attention is given to the market and user preference dimension because it is the only dimension (together perhaps with the culture dimension) that the organic specialty stores are capable of influencing themselves and has proven to be a dimension that is very different between big retailers and organic specialty stores. The Customer Value Propositions (CVP) is used to determine how organic specialty stores can create a "hospitable environment" which results in a better market, user preference dimension.

Using a semi-structured interview to interview organic specialty store company directors and their organic customers this thesis found that there are differences between the company directors perception of their customers and the priorities of their customers. When company directors have an incorrect idea about where the priorities of their customers lie, the value they propose which creates the store environment will not be optimal. Only by addressing the differences established in this thesis will organic specialty stores be able to create the optimal hospitable environment that improves the market and user preference dimension of the organic specialty store niche.

The semi-structured interviews with organic specialty store company directors and their customers also revealed the strengths of the six dimensions of both the big retailers and the organic specialty stores. This makes it possible to evaluate strategies for organic specialty stores to improve upon their configuration of the six dimensions. The main strength the big retailers have over the organic specialty stores is in the convenience the bigger assortment gives customers, there are plenty of products that can not be bought organically and the customers need to visit the big retailers for those products anyway. However, with the introduction of web stores, food delivery services and the way organic specialty stores are organized the specialty stores become a more convenient store to shop for products as well. Strategies by organic specialty stores to improve upon the three types of convenience value propositions will increase the market, user proposition dimension of the organic specialty stores which can bring them closer to the regime and help increase the interest in organic food.

Acknowledgements

This thesis would never have been possible without the many people that have helped me throughout the process, who I am all truly grateful for.

First, I would like to thank all the organic specialty store customers that were willing to talk to me despite being busy. You were all willing to listen to me and your openness and honesty while answering all my questions is something I am still thankful for to this day.

Second, I would like to thank the company directors of the organic specialty stores who despite it being the early stages of the Covid-19 pandemic still took the time out of their busy schedule to meet with me. A lot of other company directors were too busy with figuring out the consequences of the pandemic and did not have the time for the interviews, but every single one of you that came out to talk with me despite the circumstances I would like to thank from the bottom of my heart. I will never forget you and the pleasant conversations we had.

Third, I would like to thank my supervisor Annemarie van Paassen from Wageningen University and Research. Thank you for supervising me, the kind words you speak, the feedback you provide and especially the patience you had with me. Having to put the thesis on hold due to starting an internship might have made your commitment to my thesis longer than you first anticipated. Lastly, I would also like to thank my friends, my family and especially my girlfriend for their support. Especially my girlfriend who sat behind me during the writing of my thesis and made sure I did my job properly.

Ralph Poldermans

Table of contents

1. Introduction

1.1. Organic agriculture

Organic agriculture was defined by the FAO in 1999 as "a holistic production management system which promotes and enhances agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity. It emphasises the use of management practices in preference to the use of off-farms inputs, taking into account that regional conditions require locally adapted systems. This is accomplished by using, where possible, agronomic, biological, and mechanical methods, as opposed to using synthetic materials, to fulfil any specific function within the system" (FAO 1999). This means that organic agriculture is a way of agriculture that prioritizes non-exhaustive, non-damaging ways of cultivation on the soils using non-synthetic, only natural methods. Farmers are thus tasked to ensure soil fertility and product health via other means like crop rotation, the use of resistant cultivars and nutrient binding crops (Smith, 2007).

1.2. Developments in the organic sector

The organic food market has gained momentum since 1990 when the concept was first introduced. Consumption of these organic products was in the beginning, in 1990, an "alternative lifestyle" based on certain ideologies. Nowadays it is a much more common option in food consumption because it is an entrepreneurial phenomenon that can produce profits to satisfy a continuously growing market(Canavari et al., 2007). Research done in 2004 saw organic product sales being roughly 20 billion US dollars and this number was growing with close to 20% annually in North America AND European markets (Raynolds, 2004). In 2015 Europe had 11.1 million hectares in use for organic food (which was 6,2% of all the agricultural land in Europe) with an increase of 500.000 hectares per year (Kranjac et al., 2017). Europe's Farm to Fork strategy is important in the European Green Deal for better food systems and a healthier environment, which contributes to reaching the Sustainable Development Goals (SDGs) (Purnhagen et al, 2021). On the roadmap towards a better future via the Farm to Fork strategy is that 25% of the agricultural land in Europe should be organic by 2030 (Purnhagen et al, 2021).

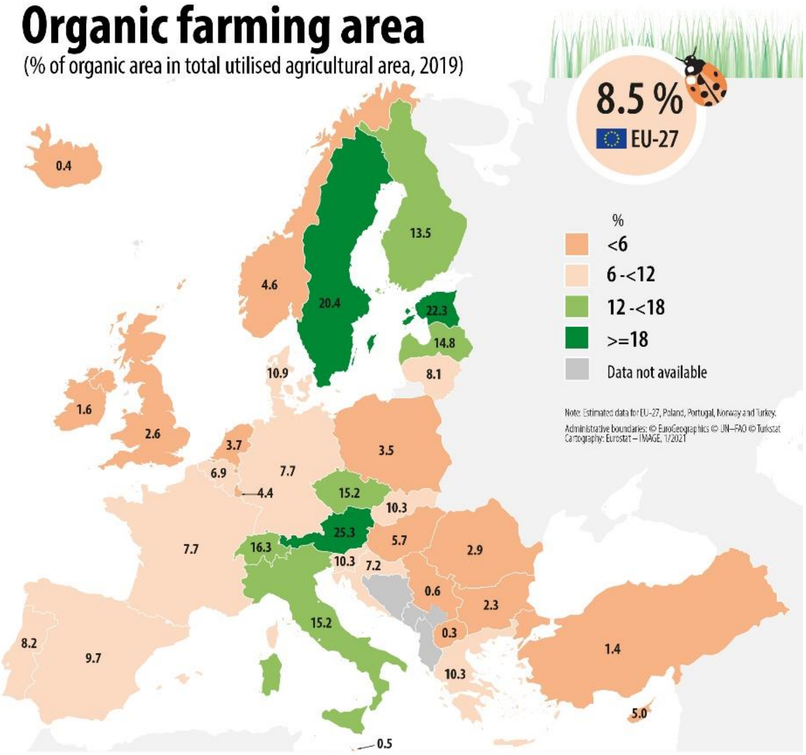


Figure 1: Organic agricultural land in percentages of the total available agricultural land for each European country in 2019. Source: Eurostat

Figure 1 shows that the amount of organic agricultural land in 2019 8,5% was of the total agricultural land in Europe, which is a long way of from their goal of 25% (Eurostat, 2019). Only Austria has hit the goal so far as seen in Figure 1. The different European countries have developed themselves differently throughout the years. The French organic market for example saw a significant increase in production and sales since the introduction of the Plan ambition bio 2017. This plan stimulated the production of organic products, improve communication with consumers to increase interest and change the previous regulations surrounding the organic market (Plan ambition bio, 2013). The organic sector in France has significantly grown as shown in Figure 2. In 2020 the agricultural certified agricultural area is a little below 2.000.000 hectares with an additional 800.000 hectares in conversion and there are 53.255 organic farms (agenceBio, 2021).

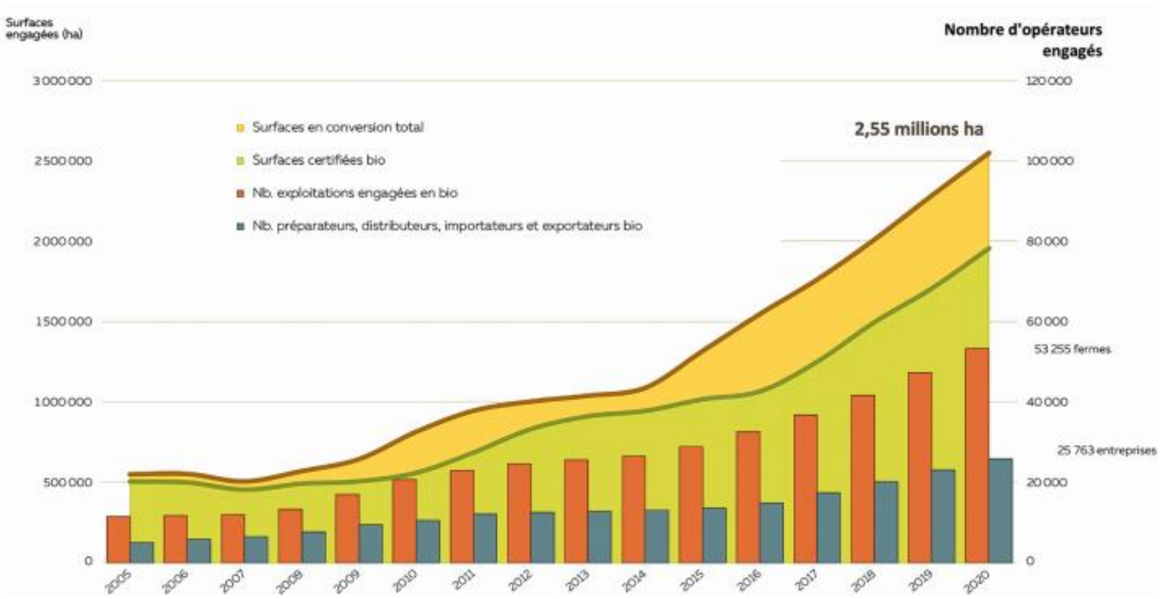


Figure 2: Evolution of area, farms and businesses which have been active since 1995. Source: Agence BIO.

The organic market of Denmark has also developed throughout the years, especially with respect to their consumers. In 2020 the total sales of organic products in Denmark was 18,3 billion Danish crowns, but what is important is the purchasing behaviour (organic Denmark, 2022). Figure 3 shows that Danish customers have increasingly shopped for more organic products until in 2020 roughly 13% of all food purchases was organic (organic Denmark, 2022). Denmark is a global leader in the field of organics, no other country has a higher percentage on organic products purchased of total purchased products.

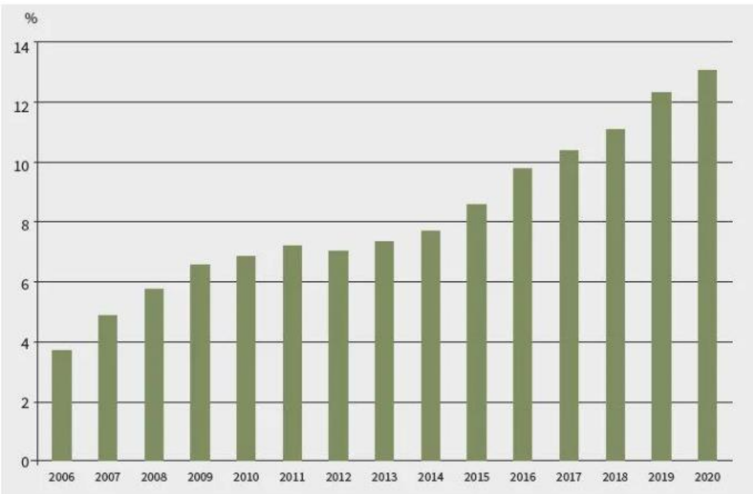


Figure 3: Percentage organic products of the total foodsales. (Online shopping added in 2017) Source: Statistics Denmark 2021.

1.3. The Dutch organic sector

The Dutch organic market however, is underdeveloped compared to the two organic markets of France and Denmark. Since the “Plan ambition bio 2017” in France organic production increased and more farms and enterprises turned organic. Meanwhile, the consumers in Denmark are increasingly buying more of their products organically. This can not be said of the organic market in the Netherlands. As you can see in Figure 1 the agricultural organic land in the Netherlands was far below average at that time and even further away from the Europe’s goal of 25%. The most recent rapport by BioNext (The branch organization for the Dutch organic sector) shows that the Netherlands has 1.814.450 ha of certified organic agricultural land in 2020, which is 4,1% of the total available agricultural land (BioNext, 2021). The amount of farms and area in conversion to organic has decreased from 2019 to 2020. In 2019 there were 124 companies in conversion towards producing organically, but in 2020 there were only 96 (BioNext, 2021). That might mean that more companies became certified organic, but the gap left behind by them was not filled by companies entering the conversion period to become organic, showing the decreasing interest in producing organically. Meanwhile, the market share of organic products only increased with 0,05 percent to 3,26% between 2019 and 2020 as well (BioNext, 2021). The customers are not buying a lot of organic products (especially when one compares it with Denmark), making it not appealing for farms to make the expensive switch towards organic agriculture. Based on the data by Eurostat and BioNext, not only does the Netherlands have a smaller organic market compared to other European countries, but apparently the interest in transitioning to organic companies is becoming smaller as well for Dutch companies.

Organic consumers in general eat organically for three primary reasons: Health reasons, concerns for quality of conventional food and environmental concerns (Rana & Paul, 2020)(Lea and Worsley, 2005) (Lohr, 2000). Whether or not these primary reasons hold up for Dutch organic consumers will be researched in this thesis. In the rapport by BioNext on the organic market it is said that 65% of people shopping for groceries would shop for more organic products if they would be cheaper. The next prime incentive for more organic shopping is ‘if there would be more different types of organic foods. This is requested by 18% of grocery shoppers (BioNext, 2021). The gap between the first two incentives is significant so the main obstacle for consumers in the Netherlands to consume more organic products is the price of the products. The organic revenue in the Netherlands was 1.005,3 million and 355,8 million for big retailers and organic specialty stores respectively (BioNext, 2021). Big retailers in the Netherlands already sell more organic products than the specialty stores (73,8% of all organic sales are done in big retailers) and the gap is only widening (BioNext, 2021). The revenue growth of big retailers on organic products in 2020 was 12,9% whereas it was 8,7% for the bigger organic specialty stores (BioNext, 2021). The big retailers in the Netherlands sell more organic products and their market share continues to increase compared to organic specialty stores, for this master thesis a closer look is also given to the organic specialty stores in the Netherlands and whether or not they still have a future in light of this development. The reason for focusing on organic specialty stores over big retailers despite big retailers having a larger organic market share is because big retailers are less committed to the organic market. When the organic market becomes less popular their focus can shift away from organic products. Their decisions and policy changes do not always revolve around organic products.

1.4. Problem statement and research aim

The main developmental transition that is at the centre of this thesis is the switch of Dutch society that mainly consumes non-organic agricultural products towards a society that consumes more organically produced agricultural products. The European Green Deal cites that 25% of agricultural land has to be organic in 2030, but data by BioNext on the organic sector in 2020 has shown that the Dutch organic sector is not only very far behind, but also suffers from a stagnating growth (Purnhagen et al, 2021)(BioNext, 2021). Research on the entire transition however, is too big of a task for this thesis and thus a small subset of this transition shall be researched. The focus of this thesis is therefore on organic specialty stores. The organic specialty stores sales might be less than organic sales in big retailers, but these organic stores promote the organic sector by being the specialists in the field. Additionally, what makes them easier to research is that their policy changes and decisions always revolve around organic food whereas big retailers might prioritise other shopping aspects when organic products do not sell as much.

This thesis is about the organic specialty stores and their relationship with the big retailers. Nearly 75% of all organic sales are done in big retailers and the gap with the organic specialty stores is slightly increasing. Research is done in ways for the organic specialty store niche to move closer towards the mainstream regime. Another part of this thesis is about the organic specialty stores and their relationship with their customers. The aim is to visualize the current relationship between the organic specialty stores and their customers in order to look for optimal company policies to maximize organic sales and convince people to adopt organic lifestyles in the Netherlands. This would benefit the Dutch organic sector and stimulate its growth.

2. Theoretical framework

Our society that mainly consumes non-organic agricultural products has to gradually develop into a society that consumes more organically produced agricultural products if we want to meet the goals stated in the European Green Deal. For this thesis the relationship between organic specialty stores and both their customers and the big retailers is researched. Below the theoretical framework of this thesis is given in which this relationship between organic specialty stores and big retailers/their customers is researched.

2.1. The Multi-Level Perspective & Niche transitions

This section will elaborate on the theory behind developmental transitions and niche development (like the organic niche) for the research into the continued existence for organic specialty stores and niche translations. The developmental transition can be represented using the Multi-level perspective (MLP), which will be explained using the figure below. The MLP is a method to analyse socio-technical change and can thus be used for developmental transitions like the integration of the organic niche into the mainstream regime (Geels, 2011).

Figure 4 shows the socio-technical landscape. This is the place in the figure where pressure is formed on the mainstream regime, it shapes our society. The landscape determines the “rules” so the speak for our society to function in, you can think of rules and regulations, norms, values and political preferences as things determining what is “mainstream” in our society (Geels, 2011). Below the socio-technical landscape is the socio-technical regime and thus what is mainstream in a domain, determined by landscape pressures. As already mentioned before the mainstream regime for the food sector consisted of increasing farm income by using chemical fertilizers, pesticides and more which is strictly forbidden in organic agriculture and allowed several conveniences for customers like shopping all groceries at big retailers (Smith, 2007).

Organic food is only a small niche, (when compared to Smith’s definition of the mainstream regime in the food sector) which is the last level below the regime. Niche elements are novel and they hope to have a good business idea that helps them incorporate themselves into the existing regime. When an idea is good and innovative it can be incorporated in the regime via different transitional pathways (Geels, 2011). The mainstream regime for the food sector as explained above has started incorporating the organic niche: big retailers started incorporating organic products in their stores and now nearly 75% of organic products are sold at big retailers in the Netherlands (BioNext, 2021). When the organic niche emerged those products were not sold at big retailers (Smith, 2007). Farming that revolved around increasing income provided conveniences for the customers: they could purchase products at a single supermarket, lower prices and out of season fruit and vegetables for example (Smith, 2007). However, organic products nowadays are mainly sold in big retailers in the Netherlands where organic products can benefit from the “convenience factor” that drives customers to the big retailers. This development in the organic sector is important for this thesis because we look at how the organic sector in the Netherlands might grow and what organic specialty stores can do now that organic products can be shopped with all the conveniences of a big retailers as well.

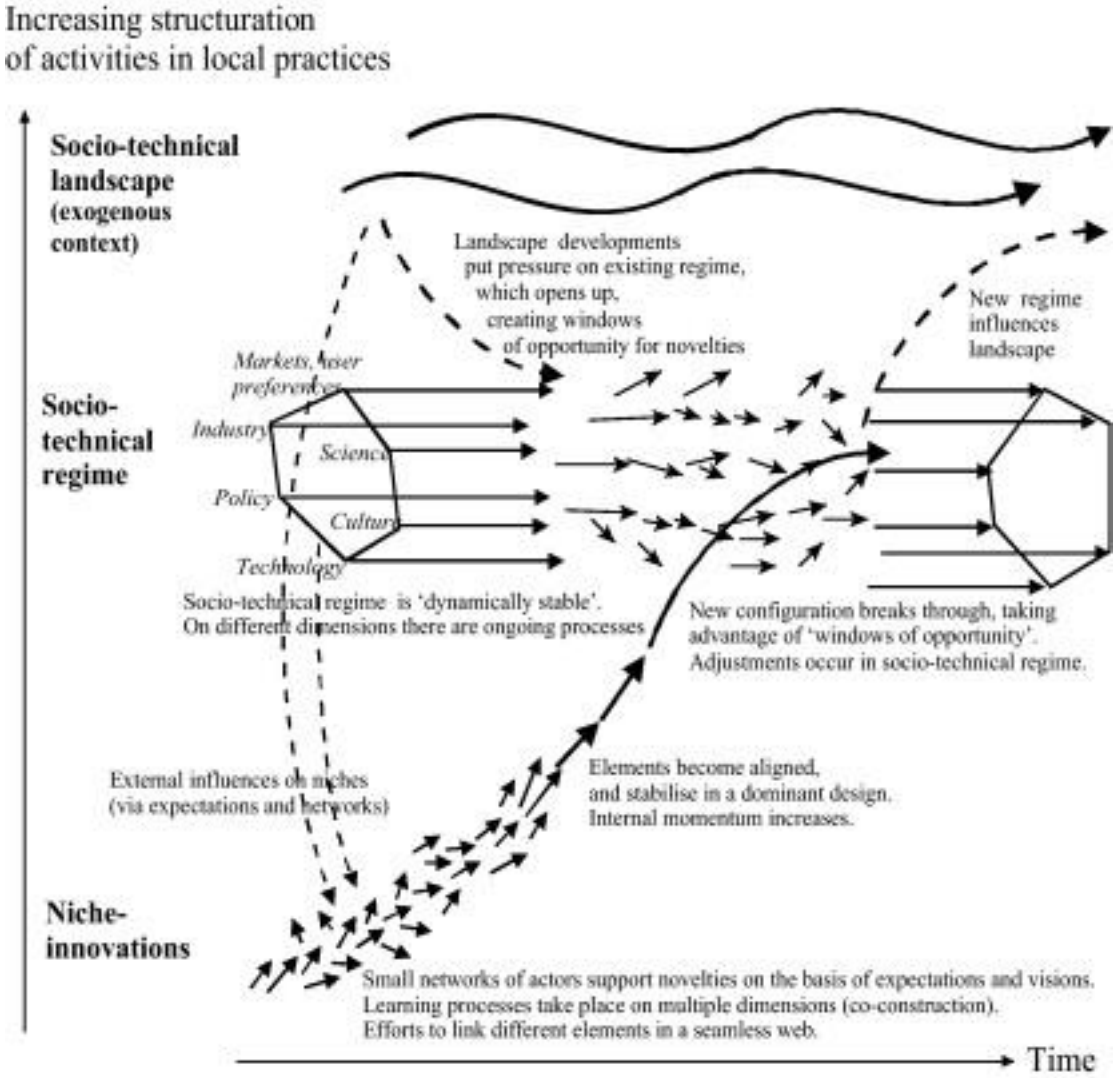
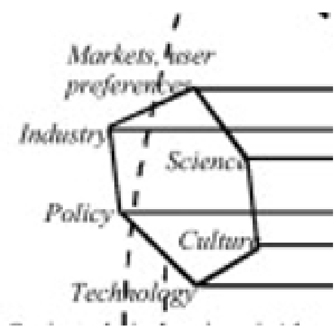


Figure 4: Multi-level perspective (Geels, 2011).



In Figure 4 you see a variety of dimensions that shape a mainstream regime: market, user preferences, industry, science, policy, culture and technology (displayed again to the right). These six intertwined dimensions form a hexagonal configuration in the figure and everything that fits within the hexagonal configuration is considered part of the mainstream regime. These six intertwined dimensions provide direction for learning processes for niches like the organic specialty stores (Schot & Geels, 2008). Which means niches have to develop their configuration of the six dimensions in order to become stable and make a transition towards the regime (Schot & Geels, 2008). As already established by Smith the current regime in the field of food sales is for agricultural products that are produced with the aim of generating maximum profit. The mainstream way of selling these products is in big retailers. This is the state of the food regime in the Netherlands, this type of food (which is sold in big retailers) currently has the most stable configuration of these six dimensions. Organic agricultural products (sold in organic specialty stores) are a niche, unstable and not truly aligned with the six dimensions shaping the hexagon in Figure 4. However, the six dimensions provide a direction for learning processes for the organic niche so that it can grow towards the mainstream regime (Schot & Geels, 2008).

The landscape can exert pressure on these six dimensions, when these dimensions take on a different value a new regime is formed (Geels, 2011). When the regime changes or breaks down that means that one or more of these dimensions has radically changed resulting in the downfall of the current regime (Schot & Geels, 2007). The relationship between niches and regime is complicated: they can be competitive when niches aim to overtake the regime, but they can also be symbiotic when niches can be partially adopted by the regime. There are 4 different ways niches can be translated into the regime: transformation, reconfiguration, technological substitution and de-alignment and re-alignment (Schot & Geels, 2007). The pathway that is important in case of the organic niche transitioning to the regime is the reconfiguration pathway: the most symbiotic pathway of the 4 pathways. Niche innovations are adopted into the regime and spark subsequent adjustments until a new combination of niche-regime is established. This form of co-evolution of regime actors and the organic niche sees the regime adapt elements of the organic niche (Smith, 2007). Just like the big retailers adopting organic products in their business model. Figure 5 shows the reconfiguration pathway. The square (organic niche) is added to the existing regime and sparks change in the big retailers with products revolving around increasing farm income. This resulted in a new configuration of a regime with organic products.

In 1990 the organic niche was an alternative lifestyle and the mainstream regime in big retailers consisted of agricultural products produced by farms that prioritized income. Organic products were not sold in big retailers, but in small, separate stores (the first organic specialty stores) or directly from the farm. Nowadays, big retailers have incorporated the organic products (which was at first exclusive to organic specialty stores) via the reconfiguration pathway and have sparked change in the big retailers. These changes range from new promotional strategies for selling organic products and changing the supply chain arrangements in order to procure organic products. The introduction of the organic niche to the big retailers and the subsequent changes led to a new configuration of the food regime.

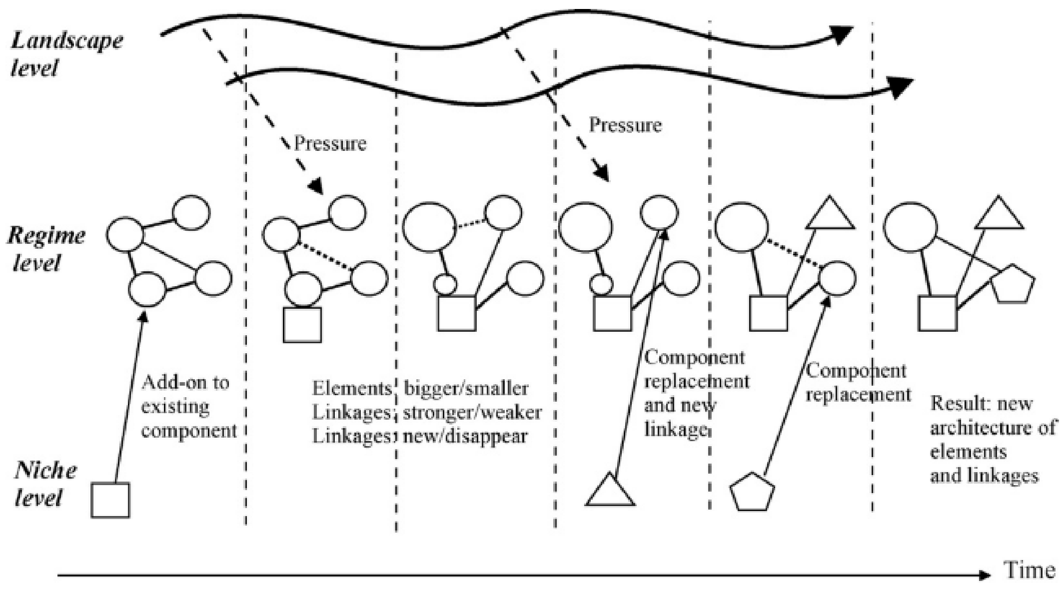


Fig. 10. Reconfiguration pathway.

Figure 5: Reconfiguration pathway (Schot & Geels 2007).

2.2. Niche development

In the Netherlands 3,26% of food sales is organic, of which 75% is sold in big retailers (BioNext, 2021). The organic sales in big retailers is also growing more compared to the sales in organic specialty stores (BioNext, 2021). Organic practices are drastically different from mainstream food, highlighting the fact that organic practises are niche (Smith, 2007). Ever since 1940 the mainstream way for food production consisted of increasing farm income by using chemical fertilizers, pesticides, mechanization and everything else that is strictly forbidden when compared with organic agriculture (Smith, 2007). Consumers accepted this mainstream way of food production because it permitted them the conveniences of shopping all of their products in the supermarkets, shopping at low prices and year-round out of season products (Smith, 2007). In this thesis the strengths of both the big retailers and the organic specialty stores will be determined in order to see whether or not the organic specialty stores have a future. This is important because if the organic specialty stores will lose their place in the Dutch food market then we are dependent on the big retailers to drive the organic transition towards the goals set in the European Green Deal. However, the big retailers follow the customers and are not committed to the organic sector when compared to the organic specialty stores.

For this thesis it is also important to look at the future of niches like the organic sector when compared to the mainstream way of producing food. According to the Strategic Niche Management (SNM) approach sustainable innovations can be facilitated in safe spaces where experimentation and nurturing of the niche innovations is possible since new technologies are often crude and have a hard time in reaching the market (Schot & Geels, 2008). When niches develop, various scenarios are possible of which the following are the most extreme: they never reach the market and fail or they completely take over what is currently mainstream (Schot & Geels, 2008). These two options are extremes because niches that generally are not better than what is currently mainstream are rarely supported and a complete take over of what is currently mainstream relies on the inability to react by the mainstream instances. However, most of the time co-evolution happens which means that both the niche and the mainstream activities evolve with the emergence of new developments and innovations. A study done by Raven on the Dutch electricity sector shows that novel ideas are integrated in the mainstream way of energy production and changed the field from within through continuous learning by the main actors (Raven, 2006). What most likely is to happen to the Dutch organic specialty stores however, is the process of niche translation as described by Smith in his paper where the mainstream actors adapt to elements of the organic niche (Smith, 2007). Certain elements of the organic niche will be incorporated in the mainstream way of food production and consumption. You can already see this happening with the organic products that the big retailers started selling. The big retailers started selling organic products to take the niche that the organic specialty stores occupied. With the big retailers translating the organic niche into their own business model the question arises whether or not the organic specialty stores who have build their stores entirely upon this niche can remain in business. In order to research this in this thesis the strengths of both the big retailers and the organic specialty stores with respects to their configuration of the six dimensions is investigated to determine how organic specialty stores can improve their current position and remain relevant in the future.

The 6 dimensions are not elaborated

2.3. Organic specialty store niche location.

In order to improve the organic specialty store niche and ensure its future it is important to first determine the current position of the niche using transition theory. In order to determine the position of the niche relative to the mainstream regime we use six intertwined dimensions (Schot & Geels, 2007). These dimensions are: market and user preferences, science, culture, technology, policy and industry. These dimensions determine the mainstream regime since regime actors have a stable organisational field and stable, well articulated rules and regulations whereas niches do not (Schot & Geels, 2007). Niches are novelties that are still subjected to change and therefore "unstable", their rules and community are still changing (Schot & Geels, 2007).

Firstly, the regime is established. The current regime in the food sector is: products produced with increasing farm income in mind by using chemical fertilizers, pesticides, mechanization and everything else that is strictly forbidden when compared with organic products (Smith, 2007). This type of food is sold in big retailers which is why this type of store is the mainstream type of store where grocery shoppers shop their products instead of specialty stores. This is the mainstream regime in the food sector and has the better combination of the six intertwined dimensions. Meanwhile the organic specialty stores are a niche and can develop these six dimensions to move closer towards the more mainstream regime (Schot & Geels, 2007).

After establishing the regime (farm income focused agricultural products sold in big retailers which is the mainstream type of grocery store), here the six intertwined structural dimensions are mentioned for the organic market niche and their difference to the regime. Because in order to establish the place of organic specialty stores compared to the regime it is important to first establish the place of the organic products they sell relative to the mainstream food products. 65% Of grocery shoppers in the Netherlands mentioned that they would buy more organic products if they would be cheaper, which is the main reason people do not buy organic products (BioNext, 2021). This means that for the organic niche to become more mainstream the price needs to drop which falls under user preferences. However, user preferences are closely related to culture which is why the six dimensions are "intertwined". They influence each other. BioNext also argues that the Dutch government should lead by example and order instances to serve organic food which would result in further professionalization of the organic sector because other instances will follow (BioNext, 2021). This is related to the policy dimension and shows that more initiative by the government could result in further development in the organic food niche overall (including the food sold in organic specialty stores). The government providing subsidies to the organic sector (which falls under the policy dimension as well) can also result in lowering the prices of organic products and improving the market, user preference dimension for organic products further proving the interdependence of the six dimensions. Organic products sometimes have a different value chain and different type of suppliers: for a lot of specialty stores "organic" also means "local" for example (Lokesh, Ladu & Summerton, 2018). This means that the industry dimension is different for between organic products and mainstream products as well on occasion. Attention is also given to this dimension in this thesis to see whether it is important for this research. The dimensions science and technology are relatively less important when compared to the other dimensions. However, there is still a yield gap between organic products when compared to products produced by the mainstream way of agriculture (Ponisio et al, 2015). Reducing this yield gap may increase the position of the organic niche because people can object to organic agriculture because of it's less yield per ha when there is this much global hunger and food insecurity in the world (Ponisio et al, 2015). This means that the science and technology dimensions are not much different between organic products and mainstream food products, that the policy dimension is not really involved yet and that the biggest difference is in the market, user preferences/culture dimensions.

After establishing the regime and determining which of the six dimensions differ the most between mainstream food products and organic food products now we elaborate on the differences between organic specialty stores and the mainstream big retailers. The differences between big retailers and organic specialty stores are also found in the market, user preferences/culture dimensions. Shopping at big retailers allows for more conveniences, you can buy out of season products, all your groceries at once and slightly lower prices when compared to specialty stores (Smith, 2007). According to this paper by Smith this is why shopping at big retailers is more popular which falls under especially market, user preferences but can perhaps also be attributed to the culture dimensions. The biggest difference between organic specialty stores and the mainstream big retailers is thus in the market, user preference/culture dimensions according to the paper by Smith.

The mainstream regime as mentioned by Smith in his paper is the stable regime most people consume food from which is sold in big retailers. Organic food is a niche compared to the products produced by the mainstream way of agriculture and there are notable differences in the six intertwined dimensions. Especially in the market, user preference/culture dimensions. There are additional differences in the six intertwined dimensions between big retailers and organic specialty stores (also on market, user preference/culture dimensions) on top of the differences between the dimensions for organic and mainstream food. Compared to the mainstream regime in the food sector of food products revolving around improving income sold in big retailers the organic specialty store niche is far removed in terms of the market, user preference/culture dimensions. The industry dimension can also be different between big retailers and organic specialty stores: there can be differences in the value chain. However, this does not always need to be the case. Based on the compositions of the supply chain for both big retailers and the organic specialty stores there can be differences in the industry dimension that put the organic specialty stores behind the big retailers even further. The other dimensions however proved to be less relevant: policy dimension is irrelevant due to no government involvement and the science/technology dimensions are less important because the differences between the regime are small: the small yield gap for example. Market, user preference/culture dimensions are the dimensions that the organic specialty stores should develop better to move closer towards the regime, luckily these dimensions are also the organic specialty stores appear to be able to influence. Organic specialty stores can not do much about technology development in the field of organics and policy changes are most evident in governmental bodies. However, organic specialty stores can play into culture and user preferences and therefore this thesis will mainly look into how these stores can improve these dimensions to get closer to the regime.

2.4. The Customer Value Proposition

This part of the theoretical framework will be about the customer value proposition (CVP). The CVP is a tool used by businesses to communicate the value their products give to the consumers (Payne et al, 2017). The CVP will be important in my research because it is used to determine how company directors (both for organic specialty stores and big retailers) create the shopping environment in their stores and what attracts their organic customers. This is important to create more return customers and increase organic sales for organic specialty stores which can stimulate the stagnating Dutch organic market and improve the position of the organic specialty stores when compared to their competitors. The position of the organic specialty store niche in the MLP can also improve if a hospitable environment is created for organic specialty stores because customers are more likely to return because the user preference dimension has improved.

After an extensive literature study on the CVP with papers of both qualitative and quantitative nature, Payne et al came to the conclusion that the existing literature regarding the CVP is fragmented with three different takes on the concept (Payne et al, 2017). These three takes on the CVP model are: The supplier-determined CVP, the transitional CVP and the mutually determined CVP. With the supplier-determined being value oriented for the supplier, revolving about how companies create, implement and translate their added value to the consumers (Payne et al, 2017). This supplier-determined CVP model brings their value to the consumers. The transitional CVP model has an additional emphasis on consumer perspectives and their possible usage of the products (Payne et al, 2017). The companies might even do research on what consumers deem important, however the companies still decides on the added customer value themselves. The mutually determined CVP model is the model on co-creation wherein consumers can also exert influence on what they themselves deem important added value (Payne et al, 2017).

Another paper suggested that the CVP has four dimensions of customer value: economic, functional, social and symbolic value (Mitronen et al, 2007). Based on these four evaluative dimensions a customer value proposition is constructed that is then tested for competitive advantage with respects to the company's competitors (Mitronen et al, 2007). This paper by Mitronen et al. provides a basic framework for using the CVP because it clearly defines what is important in the CVP. Mitronen et al also mentions that customers should play an active role in the CVP of a retailer and that customer input is important for a company to grow and gain a competitive advantage. It is in line with this research that aims to look at the added value by organic specialty stores and big retailers to create optimal environments in their stores which is then compared to their customers interest. That's the reason the paper by Mitronen is used as a reference. The paper by Payne et al. described that the literature on CVP's are fragmented and that there is not one specific CVP model. The paper by Mitronen et al. must be one kind of framework for the CVP that Payne mentions but it is important to take away that there are different takes on this model and that in this thesis we will focus on the framework provided by Mitronen et al. With the CVP framework we can determine what value is created by stores, what value attracts and retains their customers and what value the organic specialty stores possess to adapt in the future.

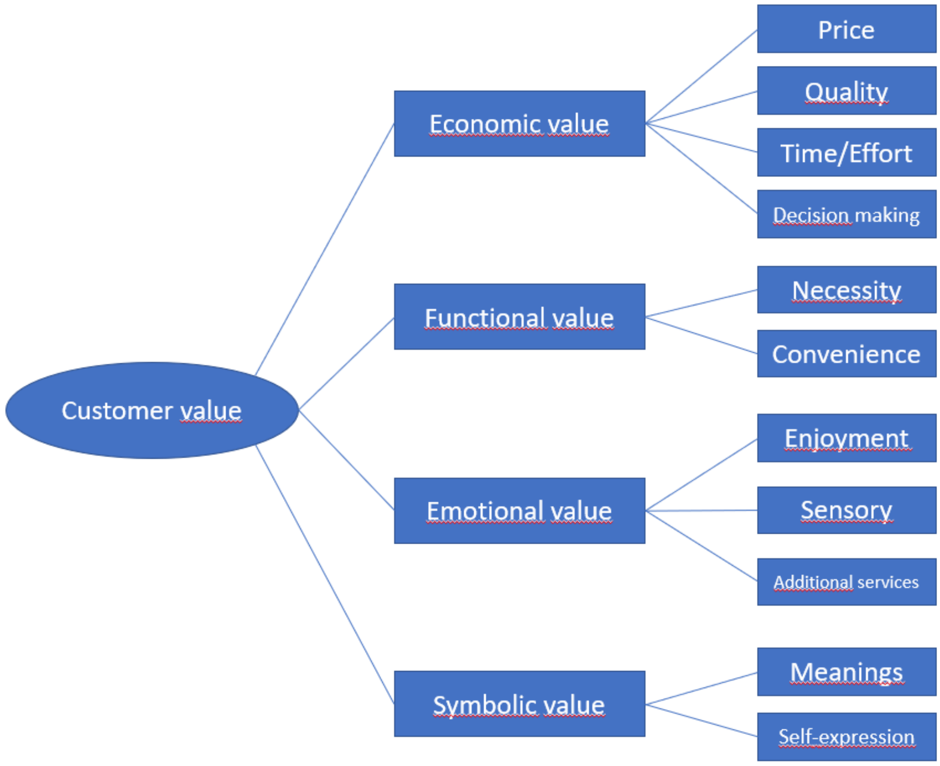


Figure 6: Conceptualization of the concept of Customer value.

Figure 6 above shows the conceptualization of the four dimensions Mitronen et al. described in his paper on the CVP. As already mentioned, added customer value comes in four forms: Economic, functional, emotional and symbolic. The added value is always with respect to the competitors. For this thesis the competitors to the organic specialty stores are the big retailers and vice versa. But economic value can also be created by cutting down on time and effort that customers need to spend to acquire the product or by making decision processes easier as you can see in Figure 6. Functional value can be added to a product if there is a necessity which caters to the consumer's needs, or by adding different types of convenience during the buying and consuming stages (ease of acquiring the product, smooth customer service). Emotional value can be added through enjoyment of shopping for the products, there are people that enjoy looking for bargains and the right place to shop. Emotional value can also be added through the senses by providing the products with visually pleasing aesthetics or more pleasant smells than the competitors. The last point of emotional value in Figure 6 is the additional services that can be added that not necessarily have something to do with the product in itself. Mitronen et al. gives in his paper an example of a library that besides providing a large amount of books (the "primary" source of added value) also provided additional services in a pleasant ambiance and comfortable chairs to relax in. The last dimension of customer value is symbolic value which is arguably the most vague one. In Figure 6 meanings refer to added value that transcends the use of the product, the value comes not from the obvious function of the product but rather for what the product stands for (produced locally, better for the environment). The last point of symbolic value is self-expression value, this type of value is added for people to express themselves. When a product or company states their principles and views for example people can buy those products as a way of aligning themselves with it and make it a way to express themselves.

The CVP is a theory that companies can use to create and communicate their store's environment via their combination of the four value types to their customers. These value propositions are reasons for customers to choose this specific store over their competitors. This theory should also work the other way around, which is why this theory is perfect to research the relationship between the organic specialty stores, big retailers and both their customers. The value propositions that the organic specialty stores and big retailers offer to their customers are also the reasons upon which customers decided to which store to go. This is important for this thesis especially for the second and third sub research questions. An example of this would be a big retailer with very low prices. One of the value propositions by this big retailer would be that they offer very low prices compared to their competitors. Customers in turn decide to go to this big retailer because of their very low prices compared to the competitors. This means that value is created via low prices by the big retailer and that customers visit the big retailer because of this created value. For this thesis the CVP is crucial in researching the relationship between organic specialty stores, big retailers and the organic customers. Additionally, this framework is important to determine the value an organic specialty store possesses to adapt in the future. When company directors of organic specialty stores have a good understanding of their customer base and their motivation to buy in their shop then their business policies and value propositions should be in line with what their organic customers want and their shopping environment should already be close to optimal and hospitable. However, when the company directors have a wrong idea or understanding about their customers or when their value propositions are based on wrong assumptions then the environment is further from hospitable and more work is needed to create the most profitable environment in the stores.

2.5. The environment of a store to increase market share

The relationship between organic specialty stores and their consumers is important to increase the market share of organic products. Research done by Kothler back in 1973 already mentioned that "the environment offered by a store can influence consumer's decision to visit the store" (Sharma & Stafford, 2000). The environment within a store can strongly influence the customers and motivate them into buying products. This empirical study by Sharma & Stafford show that store atmospherics have an influence on customer perception of salespeople and customer persuasion (Sharma & Stafford, 2000). For example, salespeople in stores with higher "prestige" are perceived to be more credible compared to salespeople in discount stores. Manipulations of the stores atmosphere seem to afflict customer buying behaviour. The environment of the store leads customers to make conclusions on the merchandise and the service quality of the store itself (Baker, Grewal & Parasuraman, 1994). Customers are even impacted by salespeople's expressions and apparel, that is why a dress code is mandated by some companies (Dechow & Douglas, 2000). Many aspects go into the selling of products according to these papers, the "atmospherics of sales" play a role in convincing customers to shop at the stores and how much. The environment of the organic specialty stores is important if more organic products are to be produced and sold on the market. An organic specialty store with accurate company policies, an inviting environment and hospitable salespeople will have more revenue. Contrary to this point a store without these will have less revenue. In light of both the overarching transition this thesis focusses on and the potential future for organic specialty stores with big retailers selling more organic products, it is important that the overall policy of the organic specialty stores is well thought out to maximize customer patronage because it would maximize organic sales.

2.6. Influence of other people, creating recurring customers

The above section mentions the importance of the environment and additional added value by businesses that lead to customer attraction and more revenue. Besides maximizing customer patronage a hospitable environment in the organic specialty store could also result in people adopting an organic lifestyle. A hospitable organic environment and trustworthy salespeople might convince new customers to start consuming organic products since people are easily influenced by a lot of things in life, most especially other people. Research has shown that children influence dining out choices for parents (Ahuja et al, 1998) and product shopping. In single parent families, grocery shopping is done more by the children (9.2% vs 3.2%) who then influence the consumer behaviour of their parents. This is one instance of other people having an influence on other peoples consumption patterns. Research on consumer behaviour is done a lot already since Charles Atkins researched the interactions between parents and their children when shopping for breakfast cereal in 1978. A similar, more recent, study to Charles Atkins' research was done again in 2010 by Gaumer & Arnone that saw children initiating cereal purchases in nearly 70% of the cases when shopping for cereals with their parents (Gaumer & Arnone, 2010). This shows again the impact other people can have on buying behaviour since the children influenced the cereal buying behaviour of their parents. When children hear from friends at school that "at their home they only consume organic products" the child can request to try organically produced food at his/her own home. The parents will be introduced to the concept of organic food and when the environment in an organic specialty store is optimized as mentioned in 2.5. then they might become return customers. This was an example of how people (children in this example) can influence other people's purchasing behaviour. Even at the store, the consumers are influenced by other people in their purchasing behaviour via the salespeople. When the first visit of the customers in the organic specialty store is satisfactory then these people are inclined to come back and become repeat customers. This would also result in more sales of organic products and progress towards the development of the organic sector. Additionally, the organic specialty store would gain more support, solidifying their position on the market and giving it a better chance competing with big retailers.

2.7. Organic customers

We took a look at literature on organic specialty stores and found that their environment and policies by the store owners can influence customers in buying more products and motivate customers to return to the store. This leads to a higher market share for organic products and organic specialty stores which is important for both the development of the Dutch organic sector and for the future of organic specialty stores. However, for both increasing organic sales and ensuring the future of organic specialty stores information on consumers that buy the organic products is necessary. When trying to formulate an "optimal environment" to maximize customer patronage an accurate idea of who the customer is is mandatory. Literature on the socio-demographics of organic consumers is divided. Kranjac et al. held a survey for quantitative results concluding that organic food consumers are dependent on socio-demographic characteristics and it is possible to generate a "universal organic food consumer profile" (Kranjac et al., 2017) However, this is contrasting with work done by Diamantopoulos et al. that started their research with the notion that socio-demographics might not be as useful in determining organic consumers. Socio-demographic variables are only useful to some degree on profiling organic customers, but are of limited use when other variables like behavioural aspects and environmental consciousness become involved (Diamantopoulos, 2003). The literature states that to a certain extend socio-demographic are important when defining organic customers and this thesis aims to uncover the socio-demographics of the Dutch organic consumers in the region of Utrecht.

Diamantopoulos makes an important observation however, perhaps variables like behavioural aspects and environmental consciousness are more important than socio-demographic factors when identifying the organic customers (Diamantopoulos et al., 2003). Diamantopoulos et al. describes that there is not just one socio-demographic class that purchases organic products (assuming research on green products also includes organic food), which would mean that grouping Dutch consumers based on socio-demographics would not make sense. Diamantopoulos et al. has a clear focus on socio-demographics in his paper with results produced from qualitative means. This study which was carried out in the United Kingdom was highly qualitative and descriptive in nature as a lot of semi structured interviews and focus groups were held before the official structured interview was mass distributed. When this paper was written back in 2003 it already argued about environmental concerns being so widespread that they were not something of a single 'enlightened' group of people, but were present in every demographic group (Diamantopoulos et al., 2003). Another point put forward towards the claim that there is not a single specific socio-demographic when it comes to organic consumers is that people who are the most impacted by environmental consequences also have bigger reasons for consuming organic, green products (Diamantopoulos et al., 2003). In this case the perceived impact of environmental consequences is the reason people buy organic products rather than socio-demographic variables.

Socio-demographic variables are useful in determining a profile on organic consumers, however as we have seen above other variables are MORE useful in determining organic consumers. For this thesis an accurate description of the Dutch organic consumer is important to create the optimal environment within organic specialty stores to maximize profit. This is why it is important to find what binds organic customers if not socio-demographics: the reasons for purchasing organic products. Literature shows that the reasons for purchasing organic products are similar across all countries (Lohr, 2000). The reasons from customers to shop organically is then be used as something that binds organic customers. According to research done by a plethora of different researchers the main reasons people buy organic food is because of health reasons, concerns over the quality of the currently available conventional food and environmental concerns (Rana & Paul, 2020)(Lea and Worsley, 2005) (Lohr, 2000). During this thesis research will be done on the socio-demographics and shopping reasons of the Dutch organic customers to gain insight into the customers for whom the company directors have to create the optimal environment.

2.8. The link between the theories

The CVP theory is used to determine what value the company directors add in creating the shopping environment of their store for the customers. Simultaneously, it is used to determine what created value in the stores environment appeals (or does not appeal) to the customers. When the customers answer what drives them to the organic store or what the store is missing it is possible to categorise their answers under aspects that are shown in Figure 6. For example: when the customers shops organically because of the higher quality of the products, then this reason is categorized under the “Quality” aspect in Figure 6. This categorises customer answers on store environment to the individual determinants of the CVP. If company directors learn about what appeals to their customers they can create a hospitable environment which results in more profits and more return customers. Optimizing the store environment is a way to improve the market, user preference dimension from the six intertwined dimensions because a more hospitable environment is created by listening to the “users (organic consumers) preferences”. This thesis will focus a lot on this dimension of the six intertwined dimensions because this dimension differs a lot between the regime of big retailers and the organic specialty store niche and is perhaps the only dimension of the six dimensions the organic specialty stores can influence as explained above.

3. Research aim & questions

3.1. Research aim

The main developmental transition that this thesis focusses on is the development of the Dutch organic sector by researching the relationship between organic specialty stores, their customers and the big retailers in the region of Utrecht. This research is about visualizing the relationship between organic specialty stores and their customers with the aim of optimizing the environment of these stores to maximize profits by increasing organic sales and creating more repeat customers. Which in turn improves the user preference dimension resulting in the organic specialty store niche moving a little bit closer to the regime. This first part focusses on the market, user preference dimension specifically because literature has shown that this dimension differs the most for organic specialty stores when compared to big retailers. Another part of this research is on the relationship between organic specialty stores and the big retailers that have more organic sales. This part of the thesis investigates what differences in value propositions by big retailers makes the big retailers more successful compared to the organic specialty store niche and what can the organic specialty stores do to improve upon their configuration of the six intertwined dimensions to improve their position in the MLP framework in general.

3.2. Research questions

Following the key aims displayed above the main research question was formulated:

How can organic specialty stores in the region of Utrecht play a more important and bigger role in the transition towards a more organic agricultural food system?

This main research question is about the relationship between the organic specialty stores and the big retailers that via co-evolution adopted organic niche elements into their own business policies. This development may make organic specialty stores obsolete and question their right to exist. By doing research into the six dimensions it is possible to slightly improve the position of the organic specialty store niche in the MLP framework by making their configuration of the six dimensions more stable. As already mentioned before, specific attention is given to the market, user preference dimension which will be researched via creating the optimal environment for organic customers to shop in. This will be researched by visualizing and comparing the relationship between organic specialty stores and their customers. By researching the six dimensions of organic specialty stores and especially the market, user preference dimension it is possible to determine how organic specialty stores can start playing a more important role in the transition of our society towards consuming more organic products.

Along with that main research question four sub research questions are formulated to help in answering the main research question:

- *How does the perception of organic specialty stores company directors in the region of Utrecht on what binds their organic customers compare to reality?*
- *What is the impact of the value propositions by organic specialty store owners in the region of Utrecht on their customers' shopping experience?*
- *What difference in structural dimensions make organic customers choose to shop for organic products at big retailers instead of organic specialty stores?*

- *What strategies can organic specialty store company directors in the region of Utrecht use to improve their configuration of the six intertwined structural dimensions?*

The first sub research question is about the perception of company directors on what binds the organic customer of organic specialty stores in the region of Utrecht in the Netherlands and the second sub research question is about the proposed value by the organic specialty stores. In order to create the optimal environment for increasing organic sales and creating return customers an accurate idea about the (likely/potential organic) customers is necessary. Similarly, knowing what created value by the organic specialty stores is appreciated by the customers is important. Knowing what created value is important to their organic customers the company directors can implement changes in their stores policies to create the most hospitable environment. The most hospitable environment results in a better user preference dimension and shifts the organic specialty stores niche closer to the mainstream regime. The optimal store environment is determined by using the CVP to research their organic customers and their shopping experience in this research. The third sub research question is about the dimensions for which customers decide to shop at big retailers instead of at organic specialty stores. It is important to determine what makes the big retailers more successful compared to the organic specialty stores because then the organic customers have an idea how to develop their dimensions to move closer towards the regime. When the right to exist is threatened by competitors it is important to know what composition of the dimensions the regime has, because it can give ideas for the development of your own dimensions. The fourth sub research question is about strategies the organic specialty stores can make themselves to move closer towards the regime using the six intertwined dimensions. Besides looking at what makes the big retailers a stable regime it is important to asses how the organic specialty stores themselves can improve upon their six dimensions using the industry organization.

3.3. For who is this research relevant?

This research is especially relevant for organic specialty stores. It is possible for these stores to recognize ways in which they can improve their policies that would increase the environment in which their customers shop. Which in turn would lead to more return customers and organic sales. Additionally, this thesis is interesting to them because they can find ways to stay relevant in a future where big retailers are adopting the organic niche into their policies. Besides organic specialty stores however, also stores contemplating a (partial) switch to organic food might be interested as information on what the organic consumer values a lot might help them make the transition. By looking at this research they can more easily identify ways to create an optimal environment for organic sales whereas previously did not know to create such an environment, this can stimulate stores to start selling organic products (partially). Organic customers will be less inclined to follow my thesis, but my thesis does influence them, stores can adapt their strategies influencing the customers. This thesis is also interesting for them if they want to gain insight into their own decision making process and what drives them to shop in these organic specialty stores.

4. Research methodology

The information to answer our research questions will be conducted through semi-structured interviews with company directors from stores that claim to be (largely) organic in the region of Utrecht (for lack of a better description). The reason for picking these stores is because their policy changes and decisions always focusses on organic food, whereas big retailers might prioritize other aspects of their store when organic sales drop. Semi-structured interviews were also held with customers of these organic specialty stores (Appendix 1). The reason for interviewing customers of organic specialty stores is because customers of organic specialty stores are confirmed *organic* customers, whereas customers leaving big retailers might not have bought organic products and therefore might not have an opinion on organic products. With semi-structured interviews we have a few key questions that can be asked, but there is also the liberty to explore interesting statements made by the company directors and their customers (Nanda, 2005). The questions regarding customer composition, value propositions to create the optimal environment in stores and strategies the organic specialty stores can employ to adapt in the future were asked in semi-structured interviews with company directors of organic specialty store owners (Appendix 2). The questions on store environment appreciation for both types of stores and suggestions for improvement were asked through semi-structured interviews with organic specialty store customers. Due to corona it was not easy to get respondents and because there were only 12 organic specialty stores in Utrecht to approach, convenience sampling for the company directors of organic specialty stores was used. Unfortunately, convenience sampling is a form of non-probability sampling and is prone to bias (Nanda, 2005). But it was necessary due to the small amount of available organic specialty stores in Utrecht. Not all of the organic specialty stores were willing to cooperate unfortunately and that is why the semi-structured interviews also had to be done outside of Utrecht with additional organic specialty stores outside of the city of Utrecht. Every company director that was available and willing to be interviewed was interviewed. Purposive sampling was used for the interviews with organic specialty store customers and is also a form of non-random sampling (Nanda, 2005). Because of researchers observations and decisions it was possible to determine most organic customers and they were approached for participation in the research. The researcher obtained permission by the organic specialty stores in the vicinity to stake out between the stores with view of the entrances. By observing the people that entered and left the organic specialty stores the researcher was able to determine which people were organic customers and a target for this research.

Now we will start to give an overview of the wide variety of organic specialty stores that were interviewed for this thesis. Out of all the organic specialty stores that were interviewed there were 3 organic butchers and 7 organic stores. Due to the lack of organic specialty stores in one particular place 2 organic butchers and 5 organic specialty stores (one of which through a mailed-in structured interview, found in Appendix 3) were interviewed in Utrecht, 1 store and 1 organic butcher in Arnhem and 1 additional organic specialty store in Ede to get to 10 stores in total. Inclusion of more stores would have led to further expansion of the area and adding more cities to the research.

Now the background of the place of research: the region of Utrecht (which includes 1 store in Ede and 2 in Arnhem). Most of the stores that were interviewed were in Utrecht, but in order to have a bigger sample size a few organic specialty stores outside of Utrecht were sampled as well. Originally the research location was just Utrecht, but only 7 organic specialty stores were willing to help in this research, which was deemed insufficient for this thesis. Additional organic specialty stores in Ede and Arnhem were thus interviewed out of necessity because enough organic specialty stores could not be found in Utrecht alone. The primary reasons for picking this region were its close proximity to the researcher who resides in Wageningen and limited transport options that restricted the options for the researcher. Wageningen was not used in this research because the city and its people would not be representative because of the high amount of (ex-)students from Wageningen university living there. However, the region of Utrecht is a feasible region for this research: even though the organic sector is underdeveloped in the Netherlands the province of Utrecht has the second highest relative organic agricultural land to total agricultural land and their share has grown with 9,2% between 2019 and 2020 (BioNext, 2021). However, the total organic agricultural land (including agricultural land in conversion) is 3.998 ha in 2020 which is the third lowest of all provinces in the Netherlands (BioNext, 2021).The relative growth shows that this region has an interest in the organic sector, while the total organic agricultural land is still relatively low. This shows that the region is invested in organic agriculture based on their growth, but in absolute numbers the region is not much ahead of others making the region a good representation of the Dutch sector because this corresponds to the average state across the Netherlands. Across the Netherlands the interest in the organic sector is growing, but absolute numbers are still small. This is also the case in Utrecht, making the region representative for the rest of the Netherlands.

Additionally, according to Utrecht-monitor (the statistics office for the municipality of Utrecht) Utrecht currently has 357.719 inhabitants making it the fourth biggest city behind Amsterdam, Rotterdam and Den Haag in that order (Utrecht-monitor, 2020). Figure 7**Fout! Verwijzingsbron niet gevonden.** shows that Utrecht is also a young city with most of its inhabitants being between the age of 20 to 30 years old. This is in part because of the high number of students that study at the university of Utrecht with an apparent larger amount of woman compared to men (Utrecht-monitor, 2020). The demographic of Utrecht also shows that a lot of the people between the age of 20 to 40 stay in Utrecht because of the high amount of little kids being born (Utrecht-monitor, 2020). This is also important when determining the research location since in the Netherlands the typical organic purchasers are between 25 to 50 years of age and either live alone or are in dual-income households with children (Lohr, 2000). This means that the people that live in Utrecht fit the prime demographic for organic specialty stores which makes the city and it's surroundings a valid reason for doing this thesis in this region. Earlier it was determined that behavioural aspects and environmental consciousness are more important when determining organic customers, however information on this for the municipality of Utrecht is unavailable and information on demographics in this case is the only thing to go on.

All the interviewed organic consumers for this thesis were interviewed in Utrecht and Utrecht alone. Contrary to the organic specialty stores (for which additional shops in Ede and Arnhem needed to be interviewed) there were enough organic consumers in Utrecht to do research on and that is why all organic customers were interviewed in Utrecht and Utrecht alone.

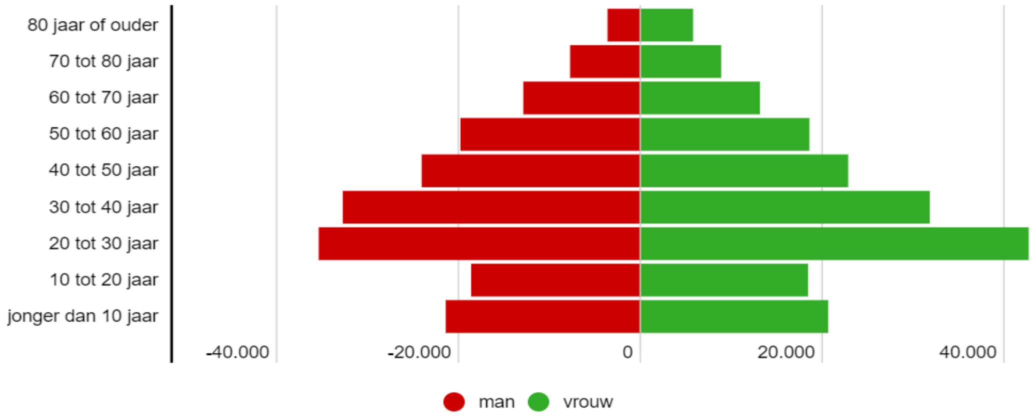


Figure 7: Population structure of Utrecht based on gender (red is male, green is female) on the first of January 2020. Source: BRP, gemeente Utrecht.

The first level of analysis were organic specialty store company directors with stores in Utrecht and surrounding cities. Observations were made about their perception on their customers, their stores environment and their ability to adapt in the future based on the six dimensions that form the regime. Organic specialty stores in this thesis are stores that specialize in organic products and for whom over 90% of their assortment is organic: this can be a variety of stores like organic supermarkets, or organic butcheries. These stores were interviewed in the region of Utrecht, including the main city Utrecht, Ede and Arnhem. The second type of units of observation for the research questions are consumers that shop at organic specialty stores. Their socio-demography and motivations to shop at either organic specialty stores or big retailers was researched. The amount of possible respondents was larger for these questions when compared to the questions for the organic specialty store company directors. The questions asked during the semi-structured interview with the company directors include questions that reveal, their thoughts on customers' drive to shop for organic products, customer base demographics, what value propositions they use to create the environment in their store and how the organic specialty stores can adaptation in the future. The questions asked during the semi-structured interview with the customers revealed what they thought of the environment of organic specialty stores and big retailers, what can be improved, what motivates them to shop here, what motivates them to come back and what value they find lacking in the organic specialty stores. The main questions encompassed these topics but by nature of a semi-structured interview additional, in-depth questions were asked depending on the individual answers the customers gave.

The interviews were done anonymously in order to ensure the privacy of the people involved. Recordings were made with permission of the interviewees and from this interview a transcript was made. The answers to the questions are evaluated and small calculations were made to determine what value is created the most based on the CVP framework for Economic, functional, emotional and symbolic determinants. Similar small calculations were made based on what dimensions the organic specialty stores could improve to nudge closer to the regime. This together gives us the answer to the sub research questions, which will lead to answering the main research questions.

5. Results

5.1. Improving company directors perception of customers for value creation

This segment will deal with the results of the sub research questions. The first sub research question on what binds organic customers of the abovementioned organic specialty stores was answered using the semi-structured interviews. It is about whether or not the company directors have a good understanding of their customer base because it is important to know for who they have to create the most profitable, hospitable environment that can help the organic specialty store niche move more towards the regime. This is researched by interviewing company directors on their perception of their customers and comparing it to their organic customers that were also interviewed. The question was: *How does the perception of organic specialty stores company directors in the region of Utrecht on what binds their organic customers compare to reality?*

5.1.1. Company directors perception on their customer composition

The shops customers come from every demographic imaginable according to all ten of the interviewed company directors. Afterwards some company directors try to pin down more specific demographics, with one saying that their most prominent customer group are "the households with (recently) graduated one or two earners." However, they further elaborate that "as soon as they start having children of a respectable age they will leave the organic store for cheaper alternatives but that they almost always come back as soon as those children are living on their own." This was an example of an organic store company director trying to pin down a specific target demographic for their organic specialty store but even the company directors that try to pin down demographics like this have to admit that their customers come from a variety of demographics. It is difficult for the company directors of all the interviewed organic specialty stores to pin down a specific demographic. One of the interviewed company directors said this about her customers: "It is actually very diverse these times. The group of people that are more aware in their consumption is actually only growing. I would say it's from the ages of 0 till 99 years of age, but yeah it's actually all ages. The only thing that binds them is their awareness whilst shopping in this store" According to this interviewee what binds the customers is them "being aware" about the environment. Figure 8 shows that 8 out of the 10 interviewed company directors are convinced that their customers come to their stores for the environment. Rather than a demographic value being the common denominator, it is their convictions (regarding the environment) that binds the customers. 2 of the 3 interviewed organic butchers note that besides the environment benefits, animal welfare is of great importance for their customers.

Besides the perceived demographic variety amongst their organic customers and their shared focus on environmental awareness another interesting concept which binds the customers was introduced by multiple organic specialty stores as you can see in Figure 8. Four of the ten company directors note that their store is heavily geared towards the neighbourhood specifically. A lot of people in the vicinity are drawn to the stores: "It is mainly some sort of Island here." is a quote by one of the company directors stating that he feels like his shop is located in a separate area and that is where he gets the most of his customers from. Another company director notes that "What binds is the organic part, but also the fact that it's a local store of this neighbourhood." Further enunciating that locality plays a big role in attracting customers besides the organic nature of their products in their opinion. The last factor in what attracts customers is the health and quality aspects of organic products. "What binds them especially is their need to put high quality, nutritious food on the table" is what one of the company directors said. This opinion is shared by 5 out of the 10 company directors that were interviewed. They mention that "healthy food is important" for their customers.

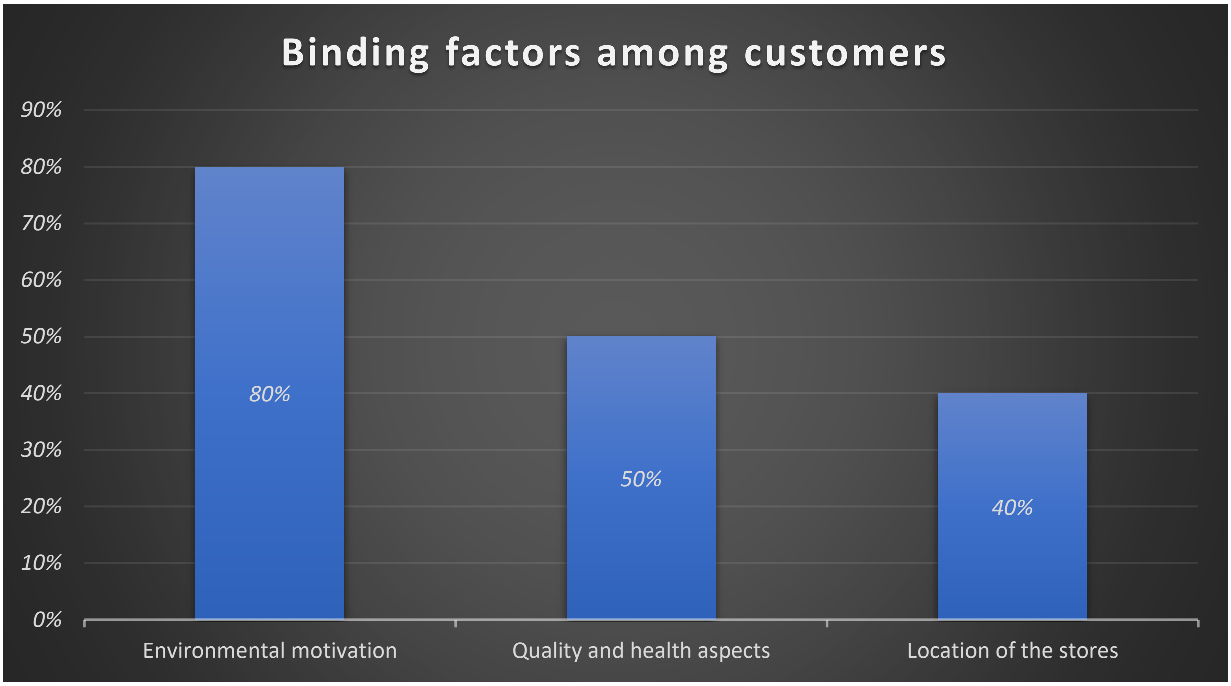


Figure 8: Percentage of company directors that mention that environmental motivation, quality and health aspects and location of the stores are what binds all their customers rather than socio-demographic factors.

5.1.2. Organic customer composition in reality

Above we have described how the company directors of organic specialty stores generally see their customers, what they think binds their customers and to what social class they think the customers belongs. This is important because the company directors create their stores environment based on these perceptions of their customers. This section deals with what consumers actually did shop at the organic specialty stores in Utrecht. 20 organic specialty store customers were interviewed and out of the 20 interviewed customers 12 of them were male and 8 of them were female. 7 out of the 12 males that were interviewed were estimated to be between the ages of 35-60 years old which makes it the majority of the male participants. Three of them were around or before the age of 35 and two of them were retired. Half of the female interviewees was of retirement age, with three of them being from the age between 35-60 and the last one from before 35 years of age. The distribution of the socio-demographics of the customers of organic specialty stores are displayed below in Figure 9.

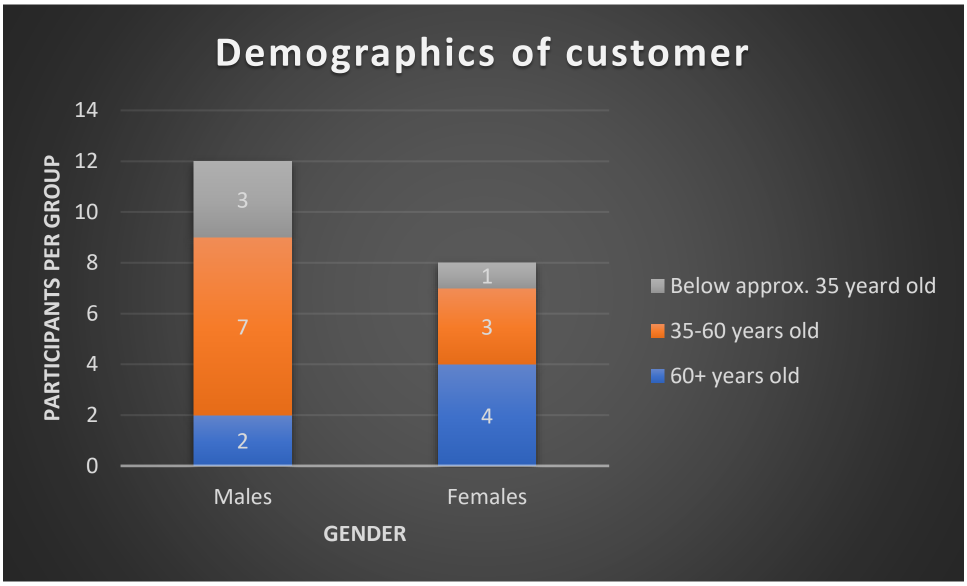


Figure 9: *Demographics of organic customers that visit the organic specialty stores. There were 20 interviewed customers and the division here is on gender and age group.*

The vast majority of the interviewed people were from the neighbourhood, in a big city like Utrecht with multiple stores people tend to go to those closest to them. This was also the case for the majority of (if not ALL) the people that were interviewed for this thesis. When dividing the consumers based on buying behaviour there are three types of people that were encountered. The first type of people buy (almost) everything organically. The second type only buys primary products which is organic meat, fruit, vegetables and dairy. The third type only buys meat organically. The distribution is visible in Figure 10**Fout! Verwijzingsbron niet gevonden.**. Out of all the people that were interviewed 7 out of the 20 gave a definite answer as to that they belong to the first type of people. They say "If I do the groceries, I do them organically" or "If it is available I buy organic". These are the people that only buy organic products and those that try to buy as much organic products as possible. 9 out of the 20 people that were interviewed belonged to the second type of consumer. These consumers did not claim to buy everything or as much as possible but they rather focused on the primary products: meat, dairy, vegetables and fruit. They said "I don't eat much meat, I buy vegetables and occasionally a little sausage" and some keep it more simple when asked about the products they buy organically and they say: "meat and vegetables" or "especially meat, vegetables and fruit". The last category is decidedly smaller and consists of only 3 people that claim to only eat meat organically. They say "I come here for the meat, the red meat" or "I consider meat the most important, that [the meat] organic. When it comes to vegetables there is less suffering". The last person that was interviewed never buys organic products and is thus in a category of their own.

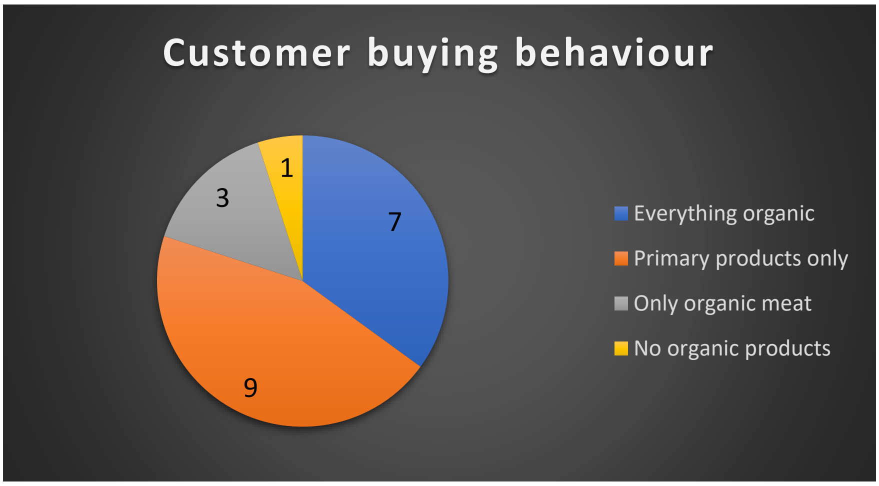


Figure 10: *Distribution by customer buying behaviour of the 20 interviewed customers of the organic specialty stores.*

Sometimes their motivation for (or history of) buying organic products was touched upon during the interviews. A few of the customers made the decision because they had seen things that made them change their behaviour. One of the people commented: “I have seen the inside of a pigsty and I was shocked by what I saw there” and another person said that they “had seen a documentary on organic products from the South of Spain, but they are using a lot of plastic there and they are using it slovenly”. This last person focused his shopping patterns on local organic products because organic products from further away were also not sustainable according to him. That same person started buying organic products from a young age. He said: “I visited my grandpa’s farm and I always liked the life of a farmer” that’s why this person was more considered towards the farmers and their practises. Stories like that are not uncommon for the customers that were interviewed. Another customer that was interviewed responded that “a friend of mine worked at McDonalds and when he removed the meat from the freezer he had to grill it very quickly otherwise it would spoil immediately”. Whether or not this was the reason this particular person switched to organic products is unclear but it is striking that multiple people remember specific stories they heard and saw and seem to be taken aback by them. It is a common phenomenon that customers that shop for organic products have more of these type of stories and backgrounds. This section was about the actual customer base of organic specialty stores in Utrecht which the researcher questioned to compare the customer base to the perception of the company directors.

5.2. Value propositions in creating a hospitable environment

Above we have the results of the first sub research question about the customer base of organic specialty stores. The next sub research question is about the value that company directors propose to create a hospitable and profitable environment within their store and the value propositions that their customers attract to (and are missing from) the stores. By optimizing the organic specialty store environment via the value propositions the dimensions “market, user preferences” and “culture” of the six intertwined dimensions will be improved for organic specialty stores. This would bring the organic specialty stores slightly closer to the mainstream regime and create more profit for the stores. This is researched by interviewing company directors of organic specialty stores in the region of Utrecht on their value propositions and interviewing the organic customers on their opinion on the value propositions. The associated sub research question is: *What is the impact of the value propositions by organic specialty store owners in the region of Utrecht on their customers’ shopping experience?*

5.2.1. Value propositions made by company directors

The most important part of this thesis is the primary value that the company directors use in creating their store environment and that is depicted in Figure 11. The majority of the company directors realized immediately that their shop uses “a little bit of everything” referring to all four of the value’s from the customer value proposition. The other stores responded either with a single value or a combination, but not all of the proposed value types. Six out of ten company directors argue that their store has every value type, that leaves four with a different combination of primary value types. Nine out of ten company directors said that economic and symbolic values are the most important ones that they focus on. Functional value is mentioned the least. When we disregard the six company directors that said they used all value types then functional value is never mentioned.

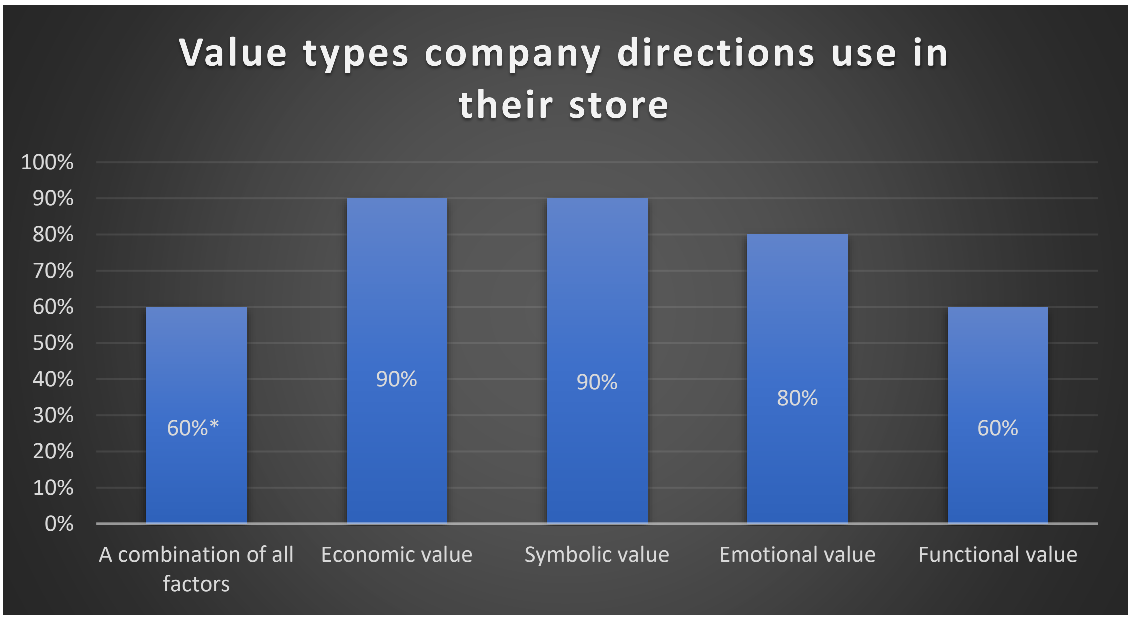


*Figure 11: The value types the company directors use in their organic specialty store. *60% of the company directors mention that they use all value types. This means that for “Economic value” this 60% is incorporated in the 90% for economic value because “combination of all factors” includes economic value the same can be said for the other value types.*

When talking about economic value, price and quality of the products is mentioned the most by the company directors, in relation to their stores. One interesting concept in relation to economic value is that of customers benefits, one of the bigger chain stores for organic food has a system in place where customers “can join and become a member of the cooperation. […] they can pay a monthly fee and then they can shop with special “members only” prices” as explained by one of the company directors. This leads to possible economic benefits for people with a subscription. However, for normal customers the price is still slightly higher than conventional prices. Further economic benefits are related to the quality of the products. One of the company directors noted that “we are more expensive than most, but we deliver quality products.” This is generally true for the majority of the stores that were interviewed. The big cooperation is only cheaper for their members, but most stores right now focus more on the quality of their products as evidenced by their answers. Organic butchers for example note that “the making of our own products and the care that we put in it results in high quality products.” That is why they focus so much on their quality because they admit that “our prices of course are higher than the market price”. However, besides organic butchers, organic specialty stores also focus a lot on the quality of their products with one company director mentioning that they offer “high quality products that either had a qualitatively good life or a good production” and another mentioned that they have “higher quality products compared to other retailers”.

When asking the company directors about the symbolic value there really was only 1 distinctive answer that the company directors gave. It is about the customers associating themselves with the principles of the store. These principles could be further divided into 3 categories. People associate themselves with the stores because it is better for the environment, less animal cruelty (in case of the organic butchers) and because it is better for the producing farmers. One of the company directors said that people buy there because “they can show that they are willing to contribute to a better environment or fairer prices” and another one said that “we work with shorter supply chains, this is important for our company and we want our customers to know that”. This shows that company directors, when talking about symbolic value, think environmental problems and the shorter supply chain are why people align themselves with their store. When interviewing organic butchers however the response was slightly different: “Symbolic value is the fact that they come here out of their beliefs around animal and environmental welfare”. The focus in their case is also shifted towards less animal cruelty which is of course another cause which people can align themselves with.

Emotional value was mentioned by 8 of the 10 company directors that were talked to. Figure 11 shows that besides the 6 company directors that mentioned they used all value types 2 additional company directors specifically mentioned emotional value. When talking about this type of value it also became clear that emotional value and symbolic value for the store owners were similar. They had a hard time drawing the line where emotional motives to visit their store stopped and where symbolic motives started. The most important emotional motives were the motives around people wanting good food. One of the company directors of an organic butcher said “we sell emotions, people feel good when they buy organic meat” and then goes on about their treatment of the animals and how people feel good because of this. However, this can also be considered as people aligning themselves with less animal cruelty, making this argument symbolic in nature. This is an example of where the company directors mention something that can both be considered emotional value and symbolic value. Furthermore, there is a lot of variety in what people consider emotional value, but another popular response mentioned by the majority of company directors was about small food tastings and information. One company director said “without corona we would have a wide variety of products to taste test” and other company directors are similar and mention putting small tastings on the counter “to tell something about the products and the area it comes from”. This way they give information about the products that they sell and the locality aspect evokes emotional value. When asked about emotional value store owners responded in a wide variety of ways but feelings associated with the products (that blurs the line with symbolic value) and food tastings with background information were mentioned the most.

Functional value is the value that is mentioned the least amount of times by the company directors. As you can see in Figure 11, besides the six company directors that mentioned that they used al value types, none of the company directors mentioned they focussed on functional value. However, when the company directors that mentioned a combination of all value types were asked for examples of functional value, they still came up with examples of functional value that they used to create their stores environment. The examples the company directors came up with were almost equally divided between readymade meals to go in order to boost convenience for saving time (which can be considered economic value as well), the stores location and customers drive to buy organic food bordering on necessity when trying to explain functional value in their store and products. The first example is illustrated by one of the company directors in this statement “we are making rendang at the moment, that’s for the customer that want to eat beef stew tonight but doesn’t want to spend three hours in the kitchen”. Another point company directors focus on is their location or in other words their “ease of access”. Certain company directors mention that “we are located in the city centre so that makes it easy to come to us”. Other company directors are more interested in their location relative to others. One of the interviewed company directors mentioned that their butcher works "in combination with the organic supermarket across the street" noting that organic supermarkets and organic butchers cluster together to create a (what he called) "Two-man formation" for people that want to eat organically. The last relevant point of functional value brought up is about necessity to buy organic products. A few company directors noted that necessity for people also manifests in their buying behaviour. One of the interviewee's mentioned that "for these people it is a necessity to take care of this world" and that "the line is blurred", this indicates that the necessity aspect in buying organic food is not found in the product itself but in the emotions and thoughts behind it. One company director mentioned that their customers have "an internal need to buy organic products" which makes them feel better. In this way the line between functional value and emotional/symbolic value is also blurred.

5.2.2. Impact of the value propositions on customer shopping experience

This section will be on the results of the semi-structured interviews with the customers of the organic specialty stores. It is about the customers satisfaction that comes from the proposed value's and subsequent store environment. The company directors had ideas about what the customer wanted and find important. The values propositions for why the customers actually visits the store and what value they think the store can improve on is answered in this segment. The answers by the customers will be broken down to the relevant aspects of the CVP.

Here it will be determined what the most important reasons from customers were to go to organic specialty stores in the region of Utrecht. There are a lot of reasons as to why people go to these organic specialty stores rather than big retailers. But the most important reason according to the interviews was the quality and health aspect of the products which are both aspects of Economic value. They come there "because I trust it [the food] more, the meat is always more delicious and I don't fall ill because of it", "It's [the food] healthier for me" and "the quality is much better, the difference [with big retailers] is sooo big that I wonder whether their organic label actually checks out." As you can see the interviewees express their opinions in a different way but it all boils down to them noticing a difference in quality and the last person even expresses doubt about the legitimacy of the big retailers organic label. This person was not alone as a select few others shared a similar sentiment, commenting that organic products in big retailers are perceived to be less "organic". For a lot of people locality is another important factor for customers visiting the stores which is related to functional value via the convenience aspect (the store is convenient for the customer because of its close proximity to the customers home and saves time for the customer). The customers responded with similar answers like: "well… I live down there, it's ideal and we don't need to go to the supermarket", "these are the closest shops" or "first and foremost is location, I live close by". The location of the organic specialty store played a role according to 9 out of the 20 customers, but a similar reason: familiarity with the store, knowing the people behind the counter is also a big reason for people to shop at the organic specialty stores. Familiarity with the shop is related to enjoyment of the shopping experience which falls under emotional value in Figure 6. As seen in Figure 12, eight customers mentioned that they shop at the organic specialty stores out of habit or because they are familiar with the people behind the counter. They mention things like "It's smaller, so you know the people" or "I've been going to this store since I arrived here in Utrecht, I don't see a reason to change it". Both show a different kind of "familiarity" with the store but it both comes down to a feeling of familiarity.

The higher quality products was mentioned by more than 60% of the interviewed customers in some way as a reason for visiting organic specialty stores. However, there were other reasons that were mentioned just a little bit less often but are also important: for example the locality of the products and the familiarity a lot of customers have with the store(owners). Some concerns certain customers have and why they visit the organic specialty store is about the farmers, where the food comes from and the environment. These people are aware of certain environmental/societal problems and try to make a difference by shopping organically. This falls under symbolic value because the organic customers do not shop at organic specialty stores for the products necessarily but because of the idea behind the products. When asked why they shop here at the specialty stores they answer with things like: “We have in that sense a little bit of a mission and we have a grandchild. So it’s also a little bit because of the future.”, “It’s better for the planet” and “It’s better for the farmer… euh.. and the environment”. This last person included both better conditions for the farmer and for the environment in their motives but a lot of people also move for only one of these reasons, depending on what they think is most important. There are also a few quotes of people that consider fair prices and better conditions for the farmers as their main drive to buy organic products: “I think that the farmers over there [big retailers] are getting extorted”, “I think they [organic specialty stores] have a shorter food chain and they have more control” and “I prefer organic, I think it’s better for our economy”. These examples all show that people care about the farmers and the economy which falls under symbolic value as well because these people buy organic products in organic specialty stores because of the idea behind the products (better treatment of farmers and economy). There appears to be a wide variety in reasons and combinations of reasons as to why organic specialty store consumers shop there.

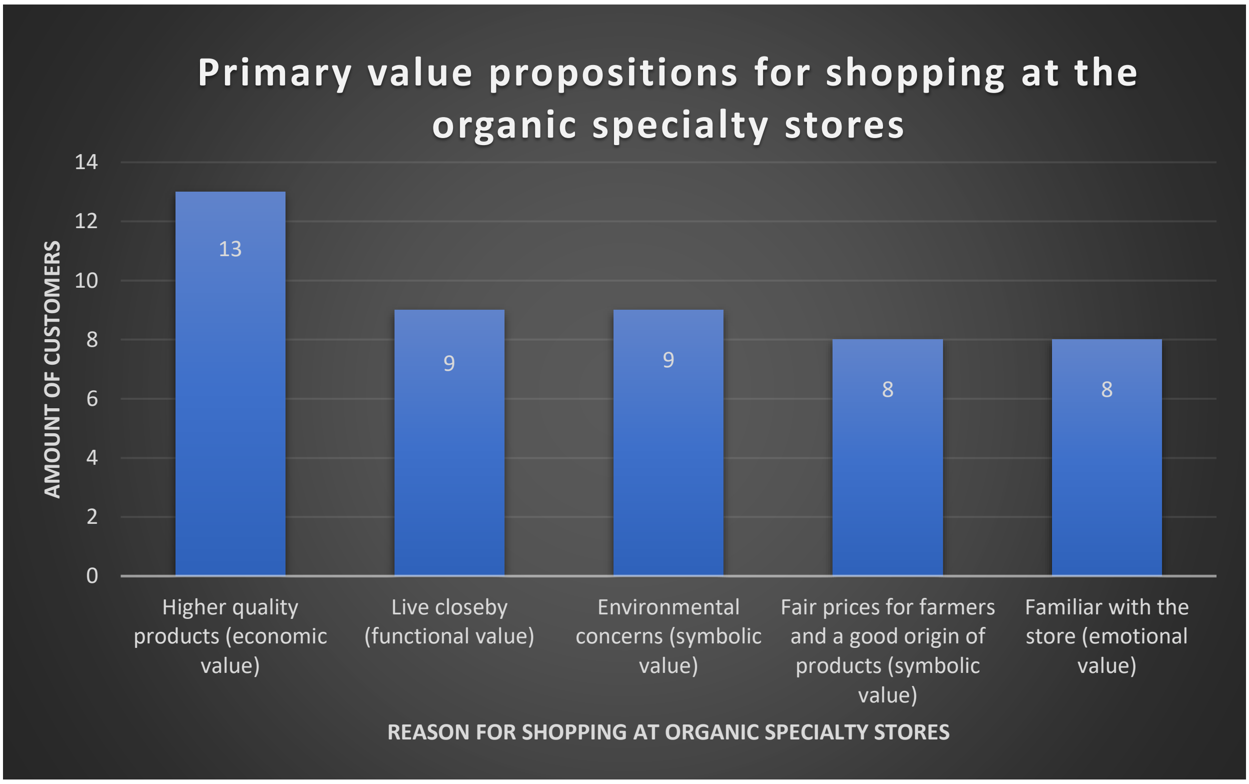


Figure 12: Value propositions that organic customers appreciate which are the reasons they shop at organic specialty stores. On the Y-axis it shows the amount of customers that appreciate the specific value propositions for shopping at the organic specialty stores that are put on the X-axis.

There are more reasons as to why people go visit these organic specialty stores, but these reasons are mentioned the most by far. Other, less often mentioned reasons, include: ”I don’t always fancy certain stores, especially now during corona. I pick the store based on my mood, now it’s often 1 times a week the Albert heijn XL” expressing mood being important and the corona impacting store decisions., “I have money enough” or “I’m pensioned, I have all the time in the world”. They are indicating that they have the time and/or money to go and buy organic products. However, the most important reasons for the customers shopping at organic specialty stores are in the previous two paragraphs.

5.2.3. Value propositions wanted by customers

Previous paragraphs were on what values the stores focussed on and what value drove people towards the organic specialty stores. This paragraph will elaborate on the results surrounding what value people think the organic specialty stores should create or still improved to establish the optimal environment in the stores. They are the value propositions they would like to see (removed) in the organic specialty stores environment, but that is currently lacking or too much. In other words, this paragraph covers the “negative reactions to the proposed values by the organic specialty store or those that they would like to see but are not proposed or insufficient”. As is clear in Figure 13, most of the customers could not think of a way to improve the organic specialty store. They responded like “I find the way they do things fine” or “I wouldn’t know how they could improve their business”. They had not thought about this. However, some could give reason as to why people do not shop at organic specialty stores. The most often mentioned value which is lacking for organic specialty stores is the “assortment of products compared to the competitors” which falls under the convenience (because of a bigger assortment) and necessity factors of functional value. “At the Jumbo they have other things that I need, I need dishwasher salt and they don’t have that here”, “they have it there as well and some products they don’t have here” are the responses you get the most and one Italian person said that “the Jumbo has Italian brands, so they have a lot of Italian products they use in my country”. So people tend to go to the competitors because their assortment of products is bigger which is convenient because they do not have to visit multiple stores or they need to go there anyway for products that are not found in the organic specialty stores which is related to necessity from Figure 6. The other major reason as to why people do not shop in the organic specialty stores is because of the prices (which is related to economic value). Certain interviewees say things like: “it’s too expensive, I’ve only bought here once. A small sausage and it costed me 4 euro’s and I didn’t even taste the difference”, “sometimes I still think the difference in price is too big” and “I think that the prices sometimes are a bit higher” and when asked what can be improved they respond with similar answers saying “just drop the prices!”. These are the 2 main reasons that people have doubts about when shopping for organic products at specialty stores and they are related to functional value and economic value from the CVP.

Besides these main reasons as to why people do not like the products or the stores as much and what can be improved upon there are also a few lesser mentioned reasons. These reasons are not mentioned as much but cover a wide variety of topics. For example the “they can improve on the ambiance a bit, some stores just give a better feeling”, besides these feelings a lot of people also see value in stores being privately owned saying “going back to privately owned I would like”. These were just examples that were all mentioned by 1 or 2 people at most, and so were not mentioned that much in my research. Points of improvement and negative points were not mentioned that much in general anyway. The people that were talked to were generally very positive of the organic stores, so even the complaints on the assortment of products in the organic specialty stores and the prices is mentioned less than the general positive comments and lack of improvements that the customers can come up with. The full distribution can be seen below in Figure 13.

Figure 13: Primary answers to the question: What can your organic specialty store still improve upon? A lot of people did not have anything in mind, but lower prices and expansion of the establishment or the assortment take an important part in the answers of the customers. These answers are broken down to the individual values from the CVP that the answers belong to in the text above.

5.3. The difference in dimensions between big retailers and specialty stores

The previous sub research questions dealt with the value propositions of organic specialty stores in environment creation and subsequent appreciation of these value propositions by their customers. The third sub research question is about what differences in the six dimensions bring organic customers to visit the big retailers over organic specialty stores. The organic products in big retailers are sold more often than organic products in organic specialty stores. By determining the strengths of the big retailers the organic specialty stores might find a way to move closer to the regime. The reasons for organic customers shopping at big retailers is researched with this sub research question: *What difference in structural dimensions make organic customers choose to shop for organic products at big retailers instead of organic specialty stores?*

5.3.1. Customer choices on shopping at big retailers over specialty stores

The CVP is used in this research question to determine why big retailers have a "better environment" in their store which leads to consumers buying more organic products in big retailers. This better environment leads to more sales and more return customers for big retailers which is the mainstream way of selling products when compared to the organic specialty store niche. By looking at the value that organic customers like in big retailers over the value in organic specialty stores it is possible to learn what makes the big retailers a regime and what the organic specialty stores are still lacking. Making it possible to determine which of the six intertwined dimensions need to be improved for the organic specialty store niche to move towards the mainstream regime.

Out of all the organic specialty store customers that were interviewed for this thesis 5 of them shop all their organic products in organic specialty stores and not in big retailers. That leaves 15 interviewed organic customers that shop at big retailers. The value propositions which are the reason for shopping at big retailers shows overlap with the value propositions that people want to see in the store environment for organic specialty stores. Because if the organic customer is missing a crucial value in the organic specialty stores environment he/she may decide to shop elsewhere (big retailers for example) where the stores environment does have that certain value.

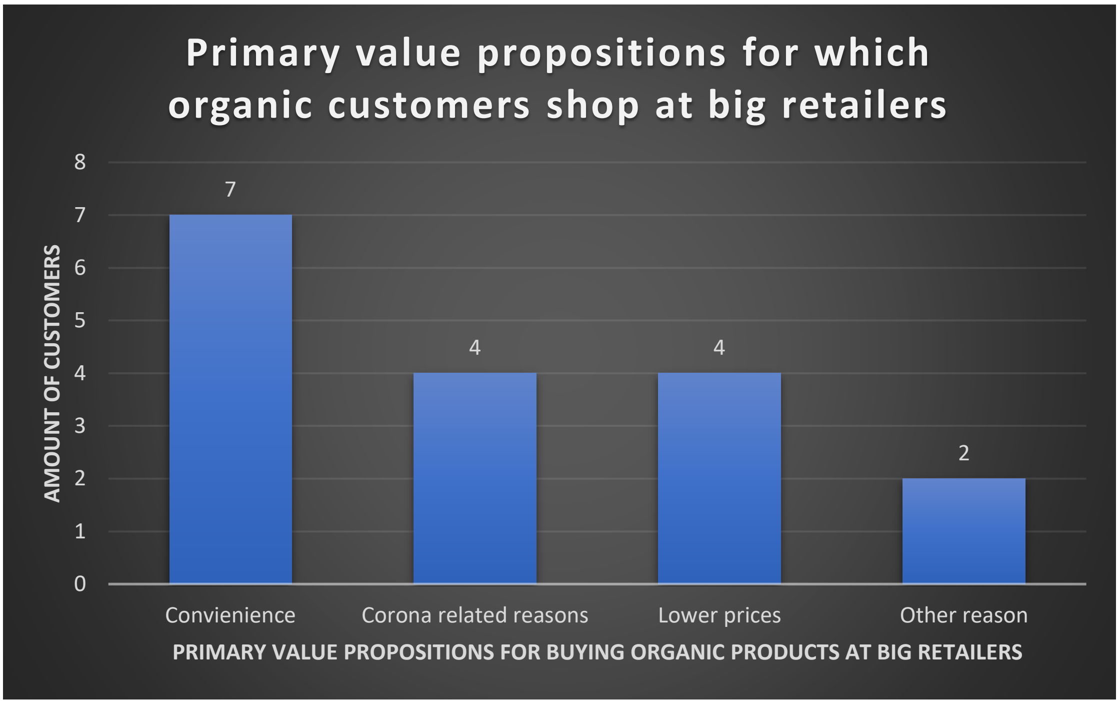


Figure 14: Primary value propositions for organic customers to shop at big retailers. On the Y-axis it shows the amount of customers that agree with the proposed values for shopping at the big retailers that are put on the X-axis.

Figure 14 above shows that the most important value proposition for organic customers to shop at big retailers over organic specialty stores is for convenience by having a larger assortment of products which falls under functional value. A lot of the interviewed organic customers mentioned that they either: had to go to the big retailers anyway or it is simple more convenient for them to go there. As already mentioned the responses in this category are along the line of "At the Jumbo they have other things that I need, I need dishwasher salt and they don't have that here [organic specialty store]" or "at the supermarket I occasionally buy vegetables and things like the TV-guide". This last consumer went to the big retailers for the TV-guide which is an item that is impossible to get organically, a similar case was of one Italian person that said “The Jumbo has Italian products. So they have a lot of Italian brands that they use in my country and that's also why i'm more open to the jumbo”. For these people it is a case of “I need to go to the supermarket anyway” that sees them shopping for organic products in big retailers but that is still a part of functional value. They mention that it is “simply easier” and “more convenient” to do the groceries there. 7 out of the 15 people that shop for organic products in big retailers mentioned this convenience by larger assortment as a primary reason for shopping at big retailers. These reasons, mentioned by the organic customers, fall under the market, user preferences dimensions in of the six intertwined dimensions. The hospitable environment in the big retailers is mainly higher because their convenience level is higher for consumers because of the bigger assortment of products, which means that the organic products sold in big retailers have more return customers and sales. The organic specialty stores can improve upon the 6 intertwined dimensions by improving their convenience level, this way they will move more towards the regime.

Another important reason organic customers visit big retailers over the organic specialty stores are the lower prices (which falls under economic value) as you can see in Figure 14 and also falls in the market and user preference category of the six intertwined dimensions. The customers prefer a lower price but improvements can also be made for organic specialty stores in other dimensions: the government might offer subsidies to lower the prices (policy dimension) or a change in the supply chain can make the products easier (industry dimension) for example. The lower prices are another example of what organic customers would like to see in organic specialty stores and why they go shopping for organic products in big retailers. The customers that mention lower prices for organic products as their main drive for buying at big retailers made statements like: “ My husband talks about organic biscuits, they have those at both the Jumbo and the Odin, but at the organic specialty store they are more expensive by 75 cents” and “ I find the difference in price [between big retailers and organic specialty stores] sometimes too big […] I personally find that the increase in quality is not in proportion to the higher price”. These people mention that for some products the higher price is a clear reason for shopping in big retailers over organic specialty stores.

The last prominent reason in Figure 14 for people to shop at big retailers over organic specialty stores are corona related reasons which falls under emotional value and a combination of the policy and user preference dimensions (policies imposed by the government and the user preference to do their groceries in one go in stores that make it easier to maintain the 1,5 meters apart rule). This type of value propositions are only relevant in times of corona and whether or not these propositions remain relevant after the pandemic remains to be seen. These propositions relate to the layout of the big retailers giving the organic customers more space to keep 1,5 meters apart and do groceries in bulk without having to visit many stores. The organic customers that mentioned this as a reason for shopping at big retailers mention things like: “I don’t like the organic specialty store […] the 1,5 meter rule is not enforced over there and I don’t feel safe there”, “I don’t feel like going to the store in times of corona […] nowadays I just go to the Albert Heijn XL once a week for all my groceries” and lastly “I only do groceries twice every month now in corona times”. The people that visit big retailers over specialty stores mentioned this because they can do all their groceries in 1 place and not have to visit multiple places, which is desirable in times of a pandemic. They also mentioned that organic specialty stores in general have less space in their stores to enforce the 1,5 meter distance between people as a reason for shopping at big retailers.

The last category on other reasons in Figure 14 is for reasons that fall in neither of the other 3 categories but were mentioned nonetheless. There was one person for example that mentioned that “the Albert Heijn for example has a more pleasant ambiance then the organic specialty store … I don’t know why, it’s just a feeling that I have”. For this particular organic customer the atmosphere in the big retailers stores environment was better than the atmosphere in the environment of his local organic specialty store.

5.4. Organic specialty store strategies to adapt in the future

The previous section was on the reasons organic customers visit the big retailers over the organic specialty stores. This was researched for the organic specialty stores future, because in order to make a correct decision on a future course it is necessary to gain insight in what attracts organic customers to the big retailers in Utrecht. This next segment however relies on the strength of the organic specialty stores and what strategies they can use to secure their future. This is researched by identifying the organic specialty stores strength and using the six intertwined dimensions to identify ways for the stores to develop these dimensions. The associated sub research question is: *What strategies can organic specialty store company directors in the region of Utrecht use to improve their configuration of the six intertwined structural dimensions?*

5.4.1. Development of the six dimensions by specialty stores in the early years

For this thesis it is important to look at previous strategies on adapting to changes of organic specialty stores and how they improved their position on the MLP framework in the past. Therefore we start with the history of organic specialty stores in this section. Insight into the history of organic specialty stores in the Netherlands will reveal the development of the organic sector that has already taken place. The early years of the organic niche can both help in painting a better picture of the overarching developmental transition of the organic niche in the Netherlands and reveal how the organic niche dealt with changes in the mainstream regime in the past.

Many of the company directors of organic specialty stores that were interviewed were not in their position for a long time or were not able to tell much about the history of the organic market, however there were a few that could provide some insights. One of the three company directors of an organic butcher had his organic butchery for over 30 years and was able to elaborate on his earlier years. Most notably his lack of competitors in the field, stating that: “30 years ago I had no competitors whatsoever” and “people came from Limburg to do their groceries here [Utrecht]”. Furthermore he noted that “the game was entirely different than it is now and I could do what I wanted” and that he is grateful towards the big retailers because they increased the scale in which organic products are available, because 30 years ago he had to “start saving up organic tenderloin in May to be able to give everybody who demanded it around Christmas […] now I can just buy fresh tenderloins for Christmas”. He states that the growing interest in organics by big retailers helped his business by selling the concept of organic to the general public because this led to a higher organic meat production. He mentioned that he did not have to save up his meat anymore afterwards. This clearly depicts the earlier stages of the organic (meat) sector, organic products were scarcely available in the beginning and for special occasions like Christmas pieces of meat were rationed otherwise they would run out. The rationing of organic meat can already be thought of as a way to adapt to the lack of interest in the organic market by the general Dutch consumer back then and is related primarily to the market and user preferences dimension. Saving up tenderloins was this company directors way of developing his stores market and user preferences dimension by learning about the market dynamics in the earlier days and consumers request for tenderloins with Christmas.

As for the normal organic specialty stores 1 particular company director of a bigger chain of organic specialty store was aware of his stores history and noted that at the very early stages it started with so much as convincing the farmers to farm organically. He noted that as time moved on his cooperation "turned into an im- and export business of organic products" before "around the year 2000 a few stores had difficulties staying in business and our cooperation decided to manage around 5 of these stores". It was at this point that apparently the focus of im- and export became less and around the year 2010 more and more stores joined the cooperation. People as well, could join the cooperation. Ever since the beginning the intended goal was to become a cooperation and this company director (together with others from the same cooperation) states that since the beginning the goal has not changed. This paints a picture of a big organic cooperation in the organic food market, which faced troubles in the earlier stages as well. This particular cooperation has primarily developed the industry dimension in the past by incorporating different actors along the value chain in the past. They both mention that a lot of work and resourcefulness was necessary to start their organic businesses back then. In the case of this cooperation takeovers of organic specialty stores was a way to adapt to the current market.

5.4.2. Developments in the six dimensions in more recent years

When talking about the history of their organic specialty stores certain adaptations to their environment already became apparent. Due to the small organic sector the organic butchery had to be smart about preserving and saving up their organic meat. Strategic purchasing and preserving of organic meat got them through the earlier stages of the organic market. The company director of the bigger cooperation mentioned that in the earlier stages of the organic market the cooperation expanded their business by starting to manage retail stores. The adaptation strategies of a single organic butchery and an organic im- and export cooperation prove to be different, with the bigger cooperation expanding its business in the earlier stages of the organic sector and the butchery had to be strategic to stay in business. One of the company directors expressed a focus more on market, user preference dimension and the other expressed a focus on improving the industry dimension. The next passage will be about more recent events and how the organic specialty stores adapted to the changing organic market.

Throughout the years the organic specialty stores changed their policies, value additions and their enterprises in general but not only their own enterprises and stores changed, their competitors did as well. Especially interesting are the big retailers because "In 2017/2018 they [big retailers] were very aggressive with organic products" as one interviewee mentioned. There "was a hype around superfoods" and this was noticeable for the interviewed company directors. This segment will be about who the organic specialty stores see as their competitors, the instances they feel they have to pay the most attention to, and their actions in the past and the present to stay ahead of these competitors. 6 out of the 10 company directors mention other specialty stores as their competitors. Company directors say things like "I think the Ekoplaza's. However, I do not feel as if big retailers are our competitor, I believe the people make a conscious choice whether to buy here or at big retailers and not sometimes here and sometimes at the big retailer" or "Other organic stores could be a competitor, however since our store has the biggest product range I doubt even they are". When asked about the big retailer stores 7 out of 10 company directors say that they are also competitors, albeit less than other organic specialty stores: "of course the other big organic supermarket is our competitor and the big retailers as well" or "Look… we experience a nuisance from the big retailers and of course the Ekoplaza is the biggest player, but we are adamant that our content is the most important". These results seem to indicate that the majority naturally see the other organic stores and big retailers as their competitors. However, a big part also does not seem to think that way. A few stores work with the idea that their business model is either too different from the way big retailers do business, they have the better position or they have other ideals than the big retailers. This last issue is portrayed by one of the company directors as “we are a commercial enterprise that makes money, but the our basis is not the making of money”. This company director mentions that the ideals the company strives for is so much different from the normal big retailers that he feels that they are not even a competitor anymore. So 70% of the interviewed company directors mentioned that big retailers are their competitors whereas the other 30% mention that the premise of their own organic specialty store is so significantly different that they are not.

In the previous paragraph it was established that 60% of the company directors see other organic specialty stores as their competitors and 70% sees big retailers as their competitors. In order to guarantee a future for your organic specialty store you have to stay ahead of these competitors and have strategies to adapt to your environment. The strategies to improve the six intertwined dimensions a store can take is determined by the way the store is organized and ingenuity of the stores. Some of the stores have interesting responses to the changes in the organic food market over time. The focus here is on one of the most important (recent) changes in the market that was already touched upon earlier and that is the “hype around superfoods” when the big retailers started to aggressively sell organic products. As was already said above some stores do not view the big retailers as competitors and thus did not really change their business plan to improve on the six dimensions. The aggressive strategy by the big retailers was not important to them because they were not considered competition to their own stores anyway. However, one store in particular noted that “when that happened, our store didn’t do so well actually […] it was a difficult period”. They had to adapt and improvise. The company director said this about the necessary changes they made “we decided to stop selling certain products, we took a kilo and we wrapped the products ourselves but then we didn’t have perfect packaging anymore” and “we have lettuce without the organic mark but then I marked it as: *produced without pesticides and washed clean.* For some things you’ll try to find your own way through things.” These examples were very specific to the change of big retailers entering the organic market. These store specific measures are in line with the organic butchery that had to save his tenderloins for Christmas and shows development in the market, user preferences. This particular store developed this dimension by making small changes to increase the customers preferences dimension to get closer to the regime (packing products themselves to lower prices for example). Other stores kept the changes more vague. One organic butcher said that “my focus shifted towards more functional value and specialism” because “I’m more of a specialist and I differ from the supermarkets because I have more expertise” This response by becoming more specialized is one that more company directors mentioned. Roughly 4 out of the 10 company directors mentioned that they “have a wider product range now” in some way, which is an adaptation strategy by improving the user preference dimension as well. One of the interviewed company directors that consider big retailers to be competition mentioned that “big retailers are nowadays a big competitor. But they operate on the 80/20% rule. 80% of their income comes from 20% of their assortment. Their focus is on the 20% that generates the most money.” They say that the big retailers focus on the 20% of the assortment that generates 80% of the income. The same company director mentions that highly specialised products do not fit in the big retailers’ principles because it costs a lot of money to procure those products and generate little income and that is why consumers still need to go to the specialists. That is why the company directors increased their assortment and formulated a strategy on becoming more of a “specialist” to ensure patronage by making changes in the user preference dimension.

The company directors affiliated with a chain mention things like: “From the beginning we only relied on our own strengths. We follow the philosophy of the company”. These types of companies leave these decisions up to the higher-ups of the company and they follow what is passed down from above. So even though they mention that they did not change their policy when the big retailers started selling organic products perhaps the higher ups did. The company directors of these types of stores had less liberty to change their own stores and that is why they provided less interesting responses to questions on policy changes and adaptations to the six intertwined dimensions.

Section 7.4. began with the history of organic specialty stores and moved into the current state of the organic stores, their competitors and subsequent responses in the six intertwined dimensions by the organic specialty stores to these changes over time. The organic specialty store company directors only perceive the big retailers to be a competitor for 70% of the time despite the big retailers nearly having 75% of the total organic product sales in the Netherlands (BioNext, 2021). The other 30% of company directors is assured of their stores own strength and believe their premise is constitutionally different from the big retailers. When asked about adapting to the organic market in previous years the most common answer was to become more specialistic in nature. Big retailers do not have the more “rarer” organic products, but focus on the 20% of food products that generate the most money. By providing organic alternatives for the rarer products people that have an organic lifestyle are still motivated to go to organic specialty stores. The dimension “market, user preferences” was developed the most by organic specialty stores. However, as was already established in this thesis this might be one of the few changes that the company directors can actually influence.

5.4.3. Strategies to improve the six dimensions using industry organization

After talking about the history of the organic sector as told by the interviewees and how they adapted to changes previously using the six dimensions, here we will talk about the organic industry organization. The way organic specialty stores are organized is discussed in two parts. The first part is in how the stores are structurally organized and the second part is on services the store provides. The way the organic industry is organized can help the organic specialty stores in developing the six intertwined dimensions, which is what will be looked at in this segment. This section is on certain aspects of the organic specialty stores that can help them in formulating a strategy to remain relevant after organic niche integration.

First we will talk about the assortment of food of the organic specialty stores because 25% of the organic customers mentioned that expansion of some sort would improve their experience in their favourite stores. Out of all the organic specialty stores only 3 company directors commented that the full 100% of what they were selling was organic with one of these three expressing doubt about his 100% claim: “perhaps I’m forgetting one or 2 articles in our entire product range, but I don’t know”. One store sells only 80% organic products but the other six stores exclaim that their product range is between 95-98% organic. This is because certain products are impossible to get the organic certification for. “We make small exceptions for sustainable products that are uncertifiable” is a claim that one of the company directors made that sums up the majority of these people. This person gave an example about the growing of fungi which has to be done on coffee grounds but for certification, cultivation on soil is mandatory. According to the respondents the remaining 2-5% that is not organic is for example: minerals like salt, bottled water, some ingredients in salads, toothbrushes and supplements. Products that are impossible to make organic. The organic products in organic specialty stores are often local, which is good for the organic image. However, this leads to a limited variety of organic products in organic specialty stores because of cultivation limits in the Netherlands. Organic customers often argue that “what they sell in the organic specialty stores they also sell at the Jumbo”. Improving the percentage of organic products in organic specialty stores is not a suitable strategy to improve the position of organic specialty stores on the MLP framework because for most organic specialty stores almost everything is already organic. However, as we saw earlier expansion of the assortment can improve the position of organic specialty stores but this means that there is a possibility the stores can lose their "local" image.

Besides the assortment of products the supply chain for the organic market is also important because it shapes the organic specialty stores and it is where the competition with the big retailers starts. Differences in the supply chain between big retailers and organic specialty stores can indicate that organic specialty stores can form strategies to improve the industry dimension to become slightly closer to the mainstream regime. Along the supply chain organic specialty stores might have an edge that can help them in formulating a strategy to remain in business. Out of all the interviewed organic grocery stores and butchers only 2 of the stores mention the big retailers having a distinct advantage due to being able to buy in bulk. One of the company directors said the following "I went to talk to my suppliers about having the same products, same certification, but they are selling the goods at my purchase price" and according to this company director the suppliers answered with the fact that the big retailers buy in bulk. The organic butchers get their products from a lot of specialists and most of the time they are regulated by a franchise called "de Groene weg". All the butchers that were talked to know this organisation. "It started as a single butcher shop, but they gradually opened more, they also opened their own slaughterhouse and they set up the contracts with the farmers with predetermined prices". They are by far the biggest player in this region for organic meat and they have such a good position that big retailers can not get a discount on their organic meat, they pay the same predetermined prices as the organic butchers. Since the big retailers demand organic meat from the same organization as the organic butchers one of the company directors mentioned that "this increase in the scale of organic meat resulted in better selection of meat". The example he gave with this was about the increased demand of organic meat and thus they started slaughtering 100 cows instead of 5 and then he can pick higher quality of meat because the high standard that he is looking for is more likely to be somewhere within the 100 cows than that it is in 5 and his expertise lets him find the highest quality meat among it. This shows that the upscaling of the organic sector had an influence on the supply of organic meat and the experience of the company director in the field helped in raising the quality of his products. One of the other respondents commented on the inner workings of the supply chain by saying that "The other organic stores are up to a degree self-sufficient in their food supply". This refers to the interviewed stores that are franchise stores of bigger companies that have their own wholesale section, one company director said that "purchase goes via our main supplier UDEA, besides that we get our products from Odin and some smaller suppliers". Meaning that the big wholesale suppliers (UDEA and Odin) are supplemented by the smaller regional suppliers but still do most of the work, also for organic specialty stores. The organic sector is strong in their supply chain with bigger cooperation's having their own wholesale section and the organic butchers having a supply chain with equal prices for specialty stores and big retailers. The organic specialty stores are about equal in strength in their supply chain as big retailers, so the reason that big retailers are regime and organic specialty stores are niche is not found in the supply chain. Strategies to improve this dimension via the supply chain is also not clear, the current state of the supply chain is considered favourable or "similar to big retailers" according to the company directors.

Besides the assortment of products and the comments on the supply chain it is also interesting to look at subsidies the organic specialty stores might have gotten or are still getting. The government might want to stimulate "green" niche's and help them with monetary investments towards the regime you can see in **Fout! Verwijzingsbron niet gevonden.**. This would be an intervention in the policy dimension of the hexagon that shapes the regime in the MLP framework. This would help in creating a safe space for the organic niche according to the strategic niche management (SNM) theory. However, none of the stores that were interviewed ever received supplementary money for their “green” stores. There was only one notable response on this topic, from the same organic butcher that elaborated in detail on his supply chain. He said that when he tried purchasing his butchery that “conventional banks didn’t want to invest in him, but at the time there was something called greenfund financing at the Triodos bank […] these funds were obviously only available for enterprises with a “green” character”. This helped him in the early stages. Besides these funds there have never been any form of subsidies. In the past it was more difficult to start “green” enterprises as it was difficult to get funded. Today it is easier as these kind of funds “are nowadays also available at the Rabobank and the ABN Amro for example” according to this company director. Subsidies are difficult to come across in this field however. It is apparently difficult to receive funding for the organic businesses, making it not easy to innovate using subsidies. Strategies using subsidies for “green enterprises” is difficult because these kinds of funds are not usually given and developing the six intertwined dimensions is also difficult this way. According to the company directors knowledgeable about subsidies for organic specialty stores the policy dimension is almost non-existent as the government is not invested in the organic sector either.

The assortment of products, supply chain and investments rely on the structure of the organic specialty stores, but a big part of the potential of organic specialty stores can also lie in services that the stores offer. The option to do your shopping online for example. Many of the interviewed company directors saw that “in recent year the web shops have grown substantially” and some mentioned that “our web shop is standing by, ready for launch” indicating that existing web shops are doing really well and stores without them might start with this concept. The introduction of web shops is a direct response to consumer preferences and therefore a strategy to improve the market, user preference dimension. A lot of organic specialty stores mentioned that online shopping at their store was an option in some form. 7 out of the 10 stores that were interviewed had an option to sell their products online (either from their own store or from the supplier that is affiliated with the store) with one of them having an online shop ready within the next few months. An example about an online shop managed by the suppliers was given by one of my respondents like this: “We don’t sell our products from this store, but rather from the overarching organization.” This indicates that sometimes the overarching cooperation directly delivers to the customers, the products do not get send from the store itself. Many of the interviewed company directors involved with organic chain stores operate like this, the 3 stores that did not have an online store were independent stores. The organic chain stores all had an online option for selling products, but this was regulated by the suppliers rather by the individual stores like was mentioned previously. Another company director made a statement that can be seen as an addition to the previous one “It’s not so much that we sell from within our store, but our cooperation has a delivery service and their products are delivered to the people”. The big concerns have a distribution centre within their cooperation and whatever is ordered is delivered straight from the distribution centre to the people, bypassing the stores. Three of the interviewed company directors brought up the issue of having “online order forms where they can order products and they come here to pick up their orders”. This way (despite not having an elaborate online store) people can still place orders to come pick up their products at the store. Most organic specialty stores have already established the web shops, but for those that have not yet implemented the web shops it might be an interesting strategy to look into because it has the potential to boost the stores market, user preference dimension which can push the organic specialty stores closer to the regime.

All of the interviewed chain stores have a delivery service but not out of their own stores. Delivery services are another interesting development in the sector next to the appearance of web stores. The delivery services of the organic chain stores are combined with the website where they can sell their products online. This development is both interesting for the market, user preference dimension and the industry dimension because the organic specialty stores hope to play into user preferences with this development and the introduction of food deliveries changes the organic market. In addition to that three stores that were interviewed do deliveries now in times of corona. But some only deliver for their most faithful customers because they are sick or because they are older and they still want to enjoy their food. “For the people that have been ordering our products for a while now and are growing older we deliver our products” is what one of the company directors said. He uses couriers on bike or sometimes he does it himself because of the time. Another independent company director however, operates based on profitability. He always had a delivery service for restaurants but only recently has he opened up that part of the business for the customers. However, he says that “a delivery service is unable to make profits, not for any store, not for big retailers either” and that is why he charges 10 additional euro’s for every delivery trip that he makes regardless of the amount of food bought. Both the development of web shops and food delivery services are innovative strategies by the organic specialty stores to adapt to the organic market which improves the user preference dimension and complicates the organic industry (a new way of delivering products to the end customers therefore in a way elongating the supply chain again). Introducing delivery services has the potential to improve the market, user preference dimension but decrease the industry dimension.

This section investigated the assortment of organic products, their supply chain and subsidies before it explored additional services that organic specialty stores can employ to change the six intertwined dimensions into a better configuration. The company directors themselves were asked about their ideas on the future of the store and how they would adapt if they had to. By far the biggest response that was received either was “we rely on the cooperative” or “I don’t know how to how we would do it”. This ties in with the company directors that were interviewed that leave a lot to the higher ups of their cooperation. The company directors themselves have not given it too much thought and are thus unable to provide a concrete plan for the future and how they see their market evolving. Besides the responses above the most mentioned response was in relation to the customers and the market, user preference dimension. 3 out of the 10 company directors explicitly mention their customers in their plans for the future. They say things like “we look at what the customer wants rather than what the competitors do”, “I think you have to stay focused on what your customer wants” and “We ask: what do you want? And then we order their requests”. This shows that most company directors do not have a particular strategy for the future and that if the future does changes they will rely on their customers to give them input as to how to evolve. However, with the insight in the different factors and services of organic specialty stores given here and the answers on why organic customers visit big retailers over organic specialty stores it is possible to devise ways for organic specialty stores to remain relevant in the future. This is because only with an assessment of the strengths of your competitors together with a clear introspective view into the inner working of the organic specialty stores it is possible to determine a way for the organic specialty stores to remain relevant by improving their configuration of the six intertwined dimensions.

6. Analysis

The Dutch organic sector has a stagnating growth, despite the aim of the European Union to increase the amount of organic products. This thesis aims to establish a way for the organic specialty store niche to improve upon the six intertwined dimensions that would let them move closer to the mainstream regime. The value propositions by company directors which creates their stores environment and how the customers responded to these propositions was researched. Improving the environment in organic specialty stores leads to more return customers and more organic sales. Improving the store environment helps in improving the market, user preference dimension for organic specialty stores because an optimal store environment tries to maximize user preference. This special focus on the market, user preference dimension via the creation of the optimal store environment is because the organic specialty stores can influence this dimension the most as was previously established. According to BioNext big retailers make up for 75% of current organic sales in the Netherlands and the gap with organic specialty stores is widening. The Multi Level Perspective, Strategic Niche Management and niche translations were at the heart of this part of the thesis. In the sections below the conclusions to the sub research questions are given which lead to answers to both aims of this thesis.

The first sub research question was: *How does the perception of organic specialty stores company directors in the region of Utrecht on what binds their organic customers compare to reality?* This question is about the company directors perception of their customers and what binds the actual customers, which is necessary to research for the relationship between organic specialty stores and their customers. When creating an optimal environment for increasing organic sales and creating return customers an accurate idea about the customers is necessary. When company directors have an incorrect view of their customers it is possible they create value propositions for a wrong demographic and motivation. By observing and reporting on the discrepancy between the ideas the company directors have and the actual customer base it is possible for company directors to understand their clients better and make a better store environment that leads to more profits and more return customers. The organic customer group of below 35 years of age was largely absent in this research even though the company directors mentioned that they are an important part of their customers, but the biggest discrepancy between the company directors and the customers was in customer motivation. As previously established by the literature by Lohr, what binds the organic customers are their reasons for shopping organically. 80% of company directors are convinced that environmental concerns (belonging to symbolic value) are the main drive of customers to visit their stores, but the quality of their products is actually the reason most of them visit the stores (which belongs to economic value). Only 45% of the organic customers see quality of the products as a primary value proposition for them to visit the organic specialty stores. Additionally, customer motivation is more diverse than the company directors envisioned. They state that (besides environmental motivation) other primary drivers for organic customers are the quality of the products (50% of the company mention it as a primary drive, but for 65% of the consumers it is actually the **MAIN** drive) and the location of the store. Whilst the location of the store is important to 45% of the organic customers there are other motivations that the organic specialty stores company directors do not even take into account. Customers familiarity (relevant for emotional value) with the stores and the people behind the counter together with the fair prices organic products provide to the farmers (relevant for symbolic value) are other major reasons for shopping organically (both important to 40% of the interviewed customers). The fact that organic specialty stores fail to see that familiarity with the store(owners) and fair prices for farmers is important to their customers is evident of the fact that customer motivation is more diverse than the company directors first envisioned. There are some differences between the company directors perception of the customers and the actual customers which means that the current store environment was based on an incomplete idea of their organic customers. By improving the perception of the company directors on what binds their customers they can formulate better value propositions for their customers which will result in a better market, user preference dimension.

The second sub research question was: *What is the impact of the value propositions by organic specialty store owners in the region of Utrecht on their customers' shopping experience?* This question is also about the relationship between the organic specialty stores and their organic customers and deals with the value propositions to create a hospitable environment in the store and the subsequent reaction of the customers. The previous research question was about the perception of the company directors on what binds their customers, this research question is about improving the market, user preference dimension by improving the store environment via better value propositions to these customers. The value propositions manifest in the stores environment, simultaneously customers visit the store because they are attracted to certain aspects (a certain value) of the stores environment. In order to have the most optimal, most profitable, most hospitable store environment it is important to take a look at the value propositions that make up the stores environment. Simultaneously it is important to take a look at what value propositions in the environment the organic customers are attracted by the most. Perhaps certain value propositions in reality do not matter to the customers or perhaps certain value propositions matter more than the company directors initially envisioned. These type of discrepancies can be overcome to make the environment within the store better which leads to a bigger market share of organic specialty stores by improving the market, user preference dimension.

The value propositions that the company directors use the most in creating the store environment are the economic and symbolic value types (90% of the company directors found these important). On the other hand emotional value and functional value are mentioned less (80% but with a lot of overlap with symbolic value and 60% respectively). Economic value and symbolic value propositions are the most important types of value propositions for customer to shop at the organic specialty stores. The high quality of the products (falls under economic value) is the most important reason for customers to visit organic specialty stores. Which is followed by the environmental concerns and fair prices for the farmers (falls under symbolic value). However, the close proximity of the store to the organic customers' household is just as important as environmental concerns for the customers. This falls under the tag "convenience because of close proximity" in Figure 6 which means that functional value is also an important type of value for the customers and can certainly not be neglected in creating the optimal environment for organic specialty stores. The same can be said for the familiarity with the store(owners) which falls under emotional value. In order to optimize the store environment perhaps the stores should realize the worth of the emotional and functional value types better. 60% of the company directors might have realized that all value types are used, but when asked for specifics and examples the answers were superficial for both of these value types. For the company directors the worth of the symbolic and economic value types seems clear, but there is more to gain from the functional and economic value types. When the potential of these value types is realized then a hospitable environment in the stores is better realized and the market, user dimension is better developed.

The most important economic value aspect for customers to visit organic specialty stores holds another discrepancy with the perception of the organic specialty store owners. The fact that organic specialty stores put emphasis on the quality of their products is no surprise as they are the "specialists" and know their trade. However, it must be noted that almost no company directors that were interviewed mentioned that the organic products are better for your health than conventional products (which is also not scientifically proven). They do not connect their claims of their higher quality organic products to actual health benefits. This is not strange, since health benefits to organic products is not yet proven scientifically (Rana & Paul, 2020). However, this is something a lot of people consider important when shopping for organic food. The company directors of the organic specialty stores appear to know that their products are not necessarily better for the customers' health but they approach the topic of "quality" with terms of "self-made", "locally produced" and "fresh" rather than in terms of actual health benefits. The organic customers however, associates the better quality of the organic products with **health** benefits. So even though the company directors and the organic customers do agree that the quality of the organic products are important, they both have a different idea on what the "quality" of organic products gives them. Self-made, local and fresh versus health benefits, the "quality" aspect of economic value is important for both the company directors and the consumers but both parties assign different values to this aspect.

Above we have described the value propositions for environment creation by the company directors and what the customers find important. However, it is also important to take a look at the value aspects of the CVP that the customers would like to see incorporated in the store. These value propositions would improve the environment according to the customers which would also benefit the market, user preference dimension. Which results in the organic specialty stores moving closer to the regime. When taking a look at what organic customers would like to see in the store besides what they already value in the store you might find ways to improve the store environment. The organic customers of the organic specialty stores would like to see lower prices (economic value) and a bigger assortment of organic products (economic/functional value) in the organic specialty store. When organic specialty stores would lower the prices and increase the assortment of products that they sell it can thus be expected that more customers would visit the store according to the organic customers. However, when the assortment of organic products rises then products are perhaps not from local farms anymore and value is lost elsewhere. When prices drop and the amount of different products increase the organic specialty stores might have a more inviting environment which more people might visit leading to a higher market share of organic products. The market, user preferences dimension can be optimized this way which results in organic specialty stores getting closer to the mainstream regime. However, (like with the assortment increase mentioned above) when value is gained sometimes value is lost somewhere else in return for organic specialty stores. Improving the environment of organic specialty stores alone to improve the market, user dimension for organic specialty stores is important because this is perhaps the only dimension (together with culture) the stores can influence. However, all the six dimensions are "intertwined" and affect each other and merely improving the market, user preference dimension is not enough to bring the organic specialty stores to the mainstream regime. However, it can improve the position of the stores in the MLP framework and bring it closer.

The third sub research question was: *What difference in structural dimensions make organic customers choose to shop for organic products at big retailers instead of organic specialty stores?* This research question was made to research the relationship between the organic specialty stores and the big retailers. The aim of this thesis is to judge whether the organic specialty stores have a future because the organic niche is translated into the mainstream regime. The big retailers have the most organic sales in the Netherlands and that is why it is important to do research on the reason why organic customers choose to do their organic groceries at big retailers over organic specialty stores. With this research it became possible to determine what dimensions determine why customers prefer shopping at big retailers over organic specialty stores. This helps the organic specialty stores because they can learn in which direction to develop their six structural dimensions to a more stable configuration. That is why determining what attracts your customer base to the competitors (big retailers in this case) is important in researching whether or not organic specialty stores have a future.

The main reason for the organic customers of this thesis to visit the big retailers over the organic specialty stores is for reasons that are related to convenience because the big retailers have a bigger assortment of products. They mention that most of the time they have to visit the big retailer anyway for products that are not possible to make organically (a TV guide for example). If they would go to the organic specialty stores they would have to go to the big retailer later on anyway, but instead they decide to visit the big retailer immediately and shop for organic products there. This “convenience factor” was also described by Smith to be important for establishing the mainstream regime (Smith, 2007). Another reason the organic customers shop for organic products at the big retailers are the lower prices. In section 8.2. it was mentioned that if the prices were to drop the people would be more inclined to visit the organic specialty stores, but the prices for organic products are already lower in the big retailers (big retailers have an advantage in economic value aspects over organic specialty stores). A part of the store environment in the big retailer is created by lower prices for the products. This attracts organic customers to the competitors. Another reason for people to pick the big retailers over the organic specialty stores is for corona related reasons which falls under emotional value. The organic customers mention that it is easier to adhere to the 1,5 meters social distancing in corona times and that they can do their groceries at the big retailers once every two weeks so as to limit the amount of interactions with other people. The organic specialty stores are less strict in adhering to the rules laid out during the pandemic. These are the main value propositions the organic customers visit the big retailers over the organic specialty stores. All three “major value propositions” that see organic customers shopping at big retailers can be attributed to a better developed market, user preference dimension. This is (for a large part) because “user preferences” were researched by interviewing customers because for organic specialty stores this is one of the dimensions they can actually improve themselves. However, the six dimensions are intertwined and because of this organic customers could also have focussed their “reasons for shopping at big retailers” around other dimensions while at the surface the focus may have appeared to be on the user preference dimension alone. The corona related reasons for shopping at big retailers is also related to the policy dimensions and the cultural dimension for example. All dimensions play a role for consumers to shop at big retailers over organic specialty stores, however market and user preferences play the biggest role. The big retailer regime with organic products attracts more customers because of a better market, user preference dimension. If the organic specialty stores learn from this they can develop their own market, user preference dimension in a similar way to move closer towards the regime.

When looking at whether or not the organic specialty stores have a future we need to assess both the strengths of the competitors (which we do with the third sub research question) and we need to clearly define the strengths of the organic specialty stores in order to come to a conclusion.

The fourth sub research question was: *What strategies can organic specialty store company directors in Utrecht use to improve their configuration of the six intertwined structural dimensions?* This research question was also made to research the relationship between the organic specialty stores and the big retailers. There are 2 aspects that are important when determining if organic specialty stores have a future when the organic niche is translated in the regime: what are the strengths of the competitor and what are your own strengths on which you can build. With the previous research question we concluded that the convenience of being able to do all your groceries in one place, the lower prices and the better adaptability to Covid-19 measures are the value propositions that attracts the organic customers to the big retailers over the organic specialty stores which is related to the market, user preference dimension. This dimension is different between big retailers and organic specialty stores and improvement in this dimension in particular can move the regime closer to the mainstream regime on the MLP framework. In this section we will take a look at the way organic specialty stores are organized and what they can use in strategies to improve upon their configuration of the six intertwined dimensions.

The organization of the organic specialty stores can be divided into two categories, the way the specialty stores are structurally organized and the services the stores provide. The way in which organic specialty stores are organized can also reveal possibilities to improve upon the six intertwined dimensions. When comparing the organic specialty stores with the big retailers the assortment of products is completely organic and they have more expertise in the field of organics. Certain company directors mentioned that in their store they can answer questions on organic products, questions employees of big retailers can not answer. Interviewees on occasion did talk about doubting the quality in the organic products of big retailers and their feelings of farmers still somewhat being extorted when compared to the organic products of specialty stores. This means that the image of the organic specialty store is important alongside the expertise. The fact that the store is nearly 100% organic and that it is run by knowledgeable store owners is a strength the organic specialty stores can capitulate on. Although strategies to improve in terms of increasing the percentage of organic products is impossible, the fact that the store (nearly) only sells organic products coupled with the knowledge of organic products can be a way to increase the market, user preference dimensions. This is a value proposition unique to organic specialty stores and not found in big retailers, strategies related to take advantage of this benefit can improve the user preference dimension.

In order to provide a safe space for niches to develop, the government can choose to subsidize the niche in accordance with the SNM (which would fall under the policy dimension), however the organic niche was never supported in this way according to the organic specialty stores company directors. The possibilities for strategies for organic specialty stores using subsidies and the policy dimension are therefore small. Research into the supply chain of organic specialty stores (which is linked primarily to the industry dimension) also has little potential for strategies to move the organic specialty store niche closer to the regime. Improving the industry dimension along the supply chain is difficult since the current configuration of the supply chain is already relatively beneficial according to most company directors. Only 2 of the interviewed company directors mentioned the big retailers having a slight advantage over the organic specialty stores in the supply chain. The other 8 interviewed company directors see no difference in the supply chain for organic specialty stores and big retailers. For organic meat the big retailers pay the same price as organic specialty stores and a lot of the organic specialty stores have their own affiliated supplier that sometimes also deliver to the big retailers. However, when the government might stimulate organic specialty stores in the future and perhaps come with subsidies then the policy dimension can move the organic specialty stores to the regime because these subsidies can be used perhaps to develop other dimensions (like the market, user preference dimension). The current supply chain already has a positive configuration for the organic specialty stores, strategies to improve this dimension via the supply chain will prove difficult.

Another strategy the organic specialty stores use to the best of their abilities is actually their customer base. When being asked on what would they do if they needed to change in the future most of the company directors actually mentioned that they would ask their current customers on what they would like to see. Which indicates that when innovating to remain relevant in the future they would mostly develop their market, user preference dimension by directly responding to their demands where possible. Because they want to retain their customers, they ask for their opinion. When talking about other possible services the organic specialty stores offer to their customers two services were explored. The service of web stores and food delivery which increases the convenience and time/effort (associated with economic value) levels for the organic customers (by making shopping easier and reducing time spend shopping) improves the user preference dimension again/culture dimensions again. Big retailers are already active in online sales and food delivery and the same can be said for the organic specialty stores affiliated with a bigger cooperation. However, the smaller organic specialty stores either do not have an online website and food deliveries or is setting up a website and started doing deliveries because of Covid-19. This is where progress can still be made for the smaller organic specialty stores. By introducing web stores and delivery services (in times of corona) they can attract more organic customers and some of the organic specialty stores have realised this and are already making the switch. Strategies about the introduction of these services to more organic specialty stores that do not yet have these services has effect on the user preference dimension and the industry dimensions. As was already established, the big retailers have a different market, user preference dimension than the organic specialty store niche because the big retailers have higher convenience levels because of their assortment of products. The current regime with products from farms that maximize profits is focussed on convenience as we saw in the paper by Smith as well. Strategies about adding web shops and delivery services increase the convenience and time/effort level for customers and thus the market because the customers can reduce, user preference dimension develops for the organic specialty stores. This can (potentially) help the organic specialty stores improve their position towards the mainstream regime, however these strategies also influence other dimensions. The industry dimension is also influenced because the supply chain (from raw materials to consumer) increases by adding a food delivery aspect to it. Strategies around web shops and food delivery can increase convenience and time/effort levels for customers (therefore improving the user preference dimension) but it can also lead to other dimension levels developing backwards.

7. Conclusion

This thesis and the main research questions were about the increasing the Dutch organic sector by investigating the optimal environments in organic specialty stores to analyse the strategies organic specialty stores can employ to develop their configuration of the six intertwined dimensions. By investigating the relationships between the organic specialty stores and their customers on value propositions and subsequent environment creation this study found that the organic specialty stores environment can still be improved therefore improving the market, user preference dimension of organic specialty stores. There are discrepancies on the company directors ideas on what binds their customer base and what actually binds their customer base. There is also a difference between what the company directors believe their customers find the most important value propositions and what value the customers actually find the most important in the stores environment. When these discrepancies are resolved the company directors might have a clearer idea on what their customers appreciate and can improve their company policies for value creation. This results can result in better market, user preference/culture dimensions which brings the organic specialty stores closer to the mainstream regime.

This thesis wanted to establish which dimensions are different for the big retailers when compared to organic customers and what strategies the organic specialty stores have to improve upon their own configuration of the six intertwined dimensions to improve their position in the MLP framework. The organic customers mainly visit the big retailers because of the convenience of being able to shop for other products besides organics. This way they do not have to go shopping at multiple stores. This is the biggest strength of the organic specialty stores which means that the biggest difference between big retailers and organic specialty stores is the user preference dimension because the big retailers store environment is better for its higher convenience in their assortment of products. The knowledge and quality on organic products and the organic sector is something that is only available in organic specialty stores, this is the primary strength of an organic specialty store. Strategies to capitulate on this can result in an improved user preference dimension for organic specialty stores. They also utilize their customer input better than big retailers and the organic specialty stores can use these advantages over the big retailers to create a better configuration of the six dimensions that would improve their position on the MLP framework. However, an additional development for organic specialty stores is the emergence of more food deliveries and web shops. With the majority of grocery shoppers being interested in the three different types of convenience (convenience in bigger assortment of products, convenience in the close proximity of the store and convenience in reducing time spend shopping) this development is a strong move by the organic specialty stores in retaining their importance on the organic market. This is because the web shops and food delivery improve the convenience for organic customers for saving time and improves the user preference dimension for the organic specialty stores. However, the six dimensions are related to each other, for example: adding delivery services increases the supply chain and thus also leads to a (possibly negative) change in the industry dimension of the specialty stores configuration of the six dimensions. Similarly, the emergence of web shops and delivery services can promote laziness in the customers resulting in a shift in the culture dimension for the organic specialty stores. There are certainly strategies that organic specialty stores can use to improve their position on the MLP framework by improving the six dimensions, but it is important to realise that the dimensions are related to each other and these strategies (that might increase one dimension) can also influence other dimensions in a negative way.

8. Discussion

8.1. Discussion of the results

This part of the discussion deals with the results in relation to other literature. Previous claims in this thesis mentioned that the typical Dutch organic purchasers are between the age of 25 and 50 years old and either living alone or in a dual-income household with children(Lohr, 2000). For this thesis a lot of the organic customers were between the age of 35-60 years and a lot of them were pensioned and had time to do their groceries. Perhaps this was because of the time constraints the researcher had (having to make it back home and therefore perhaps missing out on the working class that do groceries after work) but this is different from the literature by Lohr, perhaps this is because her paper was written in the year 2000 and it is now outdated. However, when checking with the International Trade Centre (the original source for her claim) there was no newer version of the document unfortunately. The slight difference between the literature and this thesis is not due to the population structure in Utrecht, Figure 7**Fout! Verwijzingsbron niet gevonden.** shows that there are ample people between the age of 20-30 years old. So this change is not because the amount of 25-35 year old people is relatively lower in Utrecht. The fact that they are under represented in this thesis then must either be because the typical Dutch organic purchasers as Lohr described has changed since the year 2000, due to the research setup (perhaps the neighbourhood where the interviews were conducted had a high percentage of older residents for example) or something else.

The main three reasons organic products are purchased are for health reasons, concerns over the quality of food produced in the conventional way and for environmental concerns (Rana & Paul, 2020)(Lea and Worsley, 2005)(Lohr, 2000). Data on consumers reason for visiting organic specialty stores is unavailable but these reasons for organic consumption are partly similar to consumer reasons for shopping at organic specialty stores. Organic consumers mention higher quality products and environmental concerns as primary reasons for visiting organic specialty stores. Another reason for shopping organic products in organic specialty stores is for the fair prices for the farmers, this is the only reason mentioned in the thesis that could also apply to the scenario in the literature. Close proximity to the store and familiarity to the store are not applicable to the scenario "three main reasons people consume organic products" as presented by the literature. Fair prices for farmers could also be a reason for people to consume organic products, but that was not mentioned in the literature as an important factor for customers to shop organically. Perhaps the interviewed organic consumers were more aware of this problem by chance. One of them did grow up on an organic farm for example and that is why this person was so engaged with the fate of the farmers.

Reasons for organic customers to visit big retailers over organic specialty stores specifically is not found in the literature. However, as previously mentioned in this thesis the mainstream regime of farming focussed on increasing farm income by using chemical fertilizers, pesticides and more which is strictly forbidden in organic agriculture, this allowed for several conveniences for customers like doing all the groceries at big retailers (Smith, 2007). This is in line with what was found in this thesis. This mainstream regime became mainstream because it allowed for shopping in big retailers which allowed for several conveniences (Smith, 2007). When organic customers were asked why they visit the big retailers for their organic purchases their primary motive was also "for convenience" since they had to do other groceries there anyway. This way they could shop for their non-organic products (like the TV guide) and do their organic groceries there anyway. With the organic niche being integrated into the mainstream distribution regime, shopping organically at big retailers has similar types of conveniences as the mainstream agricultural.

8.2. Discussion on the used theory

The Multi level Perspective by Geels is an important theory that supports this thesis. As already explained in the theoretical background; there are three levels to this theory in addition to the six intertwined dimensions (see Figure 4). The socio-technical regime is the most important level, it refers to the space that is occupied by regime actors. This regime has the most stable composition of the six intertwined dimensions: culture, science, policy, technology, industry and the user preferences that decides what is ”mainstream” (Geels, 2011). The landscape is another level and puts pressure on the regime to change, but the niche level (the third level) is more important to this thesis. As already explained the niche level is important because for this thesis the organic niche enters the mainstream regime via the reconfiguration pathway on niche translations. Niche’s have difficulty becoming the regime, because they might mis-match with some strong existing regime dimensions but they are also crucial for transition and change (Geels, 2011). When niches are introduced and adopted they might be the reason behind systemic change. The theory suggests that landscape pressures on the socio technical regime make room for niche innovations to be incorporated in the regime as indicated by the arrows leading from the landscape to the niches(Geels & Schot, 2007). In this thesis the organic specialty stores are regarded as a niche innovation because the big retailers are the regime with a better, more stable composition of the six dimensions. This regime refers to the way of farming that prioritises farmer income using fertilizers, pesticides and other practises that are prohibited in organic agriculture (Smith, 2007). Organic production is yet different from the norm and not widely accepted in the Netherlands based on the numbers that BioNext provides. However, one might also argue that the organic market is already a part of the regime (there are organic products sold in big retailers). Whether or not the organic market is either a niche, or already part of the regime can be up for debate. It is decidedly blurry when something is considered a “niche” or when something is “within the regime”, there is no clear “benchmark” not a clear “quota” for a niche to surpass before it can be called “mainstream”. Whether or not an agricultural practise, practiced on 4,1% of the total available agricultural (BioNext, 2021) land is niche is unclear. There is no quota or benchmark that says “15% (or 0,2% or another value) has to be fulfilled in order for a niche to be recognized as mainstream”. The theory of Schot & Geels and Smith on development transition mainly elaborates on the MLP and different possibilities of the organic niche merging with the regime. Since a clear definition of niche and regime is open for interpretation it is important to discuss this. This is something that was missed during this thesis. A clear distinction between WHEN is something a niche and WHEN does that specifically translate towards a regime. Definitions were given to the both concepts but they were abstract and at some points when something is a niche or part of the regime can be left to interpretation. Nonetheless was this theory useful for this thesis because it does provide an accurate framework to research niche transitions towards becoming mainstream.

One of the reasons one might call the organic market more mainstream instead of a niche is the pressure by the landscape that already has been applied to make room for the organic niche. Landscapes put pressure on the regime and create openings for niches to fill via the four different transitional pathways. International voices are already calling for a change in food systems. The call for more sustainability is a hot topic amongst many layers of society. This is represented in the Sustainable Development Goals (SDG) by the United Nations for example. The European Commission implemented the Farm to Fork (F2F) strategy under the European Green Deal which is supposed to help Europe towards these goals. This deal expresses a great commitment to biotechnology and Organic farming. It mentions that 25% of the agricultural land in Europe needs to be organic by 2030 (Purnhagen et al, 2021). As you can see the United Nations and the European commission are putting forward sustainability goals and more concretely: goals to promote organic agriculture. This can be seen as pressure by the landscape on the socio technical regime to include more organic alternatives. These strategies to promote the organic sector can be seen as changes in the policy dimension for all organic players in Europe as well. Other people might view this as the organic market having its place amongst the regime since for a few years now multiple countries have started working towards this goal. However, in this thesis organic food is regarded as a niche innovation.

When the CVP was mentioned in the theoretical background it was mentioned that there are three ways the model could be interpreted according to Payne et al. For this thesis the mutually determined CVP perspective that focusses on cocreation between the suppliers and the customers was used. This method is taking into account the importance of customers influence, with the customers influencing the decisions of the stores. During this thesis the answers of the interviewed customers was broken down to the four types of values. Another option would have been to use determinants for customer decision making to research consumers decisions to consume organically. However, that would have been just another way of categorizing consumer behaviour that showed overlap with the CVP. The research by Payne et al. mentions that the mutually determined CVP perspective extends beyond traditional notions of value delivery and that it looks for more engagement by the customer (Payne et al. 2017). However, whether or not we can break down customer decisions to the customer value parameters, like was done for this thesis, is not done before. The CVP framework is in essence a framework for companies to make business decisions on what to offer their customers to gain a competitive advantage. Breaking down customer reasons for shopping at organic specialty stores to value proposition parameters is not done before.

8.3. Discussion on research design

For this thesis a wide variety of organic stores were interviewed in three different cities. In total a number of 10 company directors were interviewed and some of the company directors from organic stores that were interviewed had less relevance to the topic then initially desired. This is because there were less organic specialty stores as previously thought that were willing to be interviewed. Out of the 10 interviewed company directors, three were from an organic butcher, but there were more shops that were not your typical organic supermarket as well. This makes the results less reliable as the sample is both relatively small in number and the sample has a wide variety amongst the units of analysis (Nelson, 1980). Normally, when conducting research the unit of analysis needs to have their observations as homogenous as possible, but there is a significant difference between the units of observation in this thesis. This was because the amount of available stores to interview was low to start and due to corona some people did not have time to answer questions. Cooperation by company directors was surely not a given, some of the stores had to be e-mailed and called repeatedly before an appointment could be made and some of them refused outright. This was because of other obligations, but more often than not the corona pandemic left them with a lot of extra work and they could not expend the time. This is the reason different types of organic stores had to be included which is the reason for the less homogeneous sample group. Naturally this leads to less reliability for the thesis (De Vaus, 2001). Additionally, because of the limited amount of organic specialty stores 2 more cities had to be added to this research in order to be able to interview 10 company directors of these already decidedly heterogenic organic specialty stores. Despite the fact that the situation and results from these stores do not differ that much per city it should be noted that it affects the results because the stores operate in a different city. The fact that these stores operate in a different city adds an additional level of heterogeneity between the interviewed company directors that further decreases the validity of the research. As already mentioned there are a few instances that increase the amount of non-random aspects thus decreasing the validity of the research. The reason for adding more cities and other types of organic specialty stores was made because otherwise the sample size was not sufficient. That is why these changes were made despite the drawbacks to the validity of my research.

In this research 20 customers were interviewed on a street corner between a big retailer, an organic butcher and a organic supermarket. The people that were interviewed were people that did their groceries at an organic specialty store and could provide good information, however the information was obtained only from one particular spot. The reason for that is because it was accommodating and well located between the three different types of stores. The people that would come there almost surely do their groceries and they make conscious decisions to shop either organic or not. The surrounding stores were representative for the field of research because organic stores and organic butchers pair up more often to create an "organic front". The interviews with customers were only held in Utrecht despite also doing interviews with company directors in Ede and Arnhem, the choice for that was made due to time constraints and the fact that by far the most company directors that were interviewed were in Utrecht. Despite having a wide difference between the individual units of observation for the interviews with the company directors, the addition of more cities to the research to increase the sample size and the overall limited amount of company directors interviewed it is still the best that could be done at that moment. Interviewing organic specialty stores company directors was a difficult task to make relevant for research. At first when deciding on the stores that were going to be interviewed purposive sampling was suggested. However, due to the limited organic stores that were available in the end it became convenience sampling. This included a bias to my research, the volunteer bias, where people that volunteer to be interviewed might differ from the people that do not want to be interviewed. For the interviews with the customers purposive sampling was used in the end. When customers visited the organic specialty store they became eligible for this research. It is possible for the researcher to commit an error of judgement, an additional bias, to his or her research when employing this method of sampling.

8.4. Recommendations for future research

For future research if time and resources allow it more cities can be added to this research. By expanding the research area more organic specialty stores can be added to the research. If this can be achieved the sample of organic specialty stores company directors can increase to more than 10. However, when increasing the research area the unit of analysis could also become more homogenous by excluding organic butchers that were now added out of necessity and 3 additional organic specialty stores supermarkets could be added. What could also help is doing this research outside of the Covid-19 pandemic because some stores were hesitant to lend their help to my research and a lot of them were busy with managing their stores during these uncertain times. Similar recommendations can be made about the interviews with the customers, if time and resources allow it the interviews could be held on more locations and on different times. The interviews with the customers were only conducted during a certain timeframe because the researcher was limited to his school hours and a lot of people who normally shop for organic products were also at work during that time of the day.

Because this research was not done before the pandemic, the only data that was collected was collected in the pandemic. The influence of the pandemic and the governmental measures to deal with it could have an influence on the consumption of organic products. This was evident in the results: one of the main reasons for people to shop at big retailers over organic specialty stores was the fact that 1,5 meters social distancing could be better maintained at the big retailers. That is why it might be important to do a similar research after the Covid-19 pandemic. That way we can measure the influence the pandemic had on the sector.

Besides expanding the region of the research for the interviews with company directors and adding additional locations and multiple timeframes for interviews with the consumers another important suggestion is the addition of interviewing consumers that do not shop for organic products. During this thesis only one person was included that did not shop for organic products, however that should have been more. For future research it is important that interviews are held with customers that do not shop at organic specialty stores. The market share of organic products will only increase if people that do not (regularly) shop for organic products make the transition towards shopping (more) organic products. Their opinion could give valuable information on why people do not shop at organic specialty stores and what needs to change in order for them to do so. However, this was only thought of after the interviews were completed.

8.5. Small reflection on the development of my thesis

The aim of this thesis has changed a lot over time. The outline of this thesis was written at the start of the Covid-19 pandemic and was about advertisements by organic restaurants to improve their position in the food sector. The customer value proposition would then be used to determine what value's the customers saw in the advertisements that led to them visiting the restaurants However, as time passed the restaurants remained closed and the aim of my thesis had to be changed to doing research on organic specialty stores (because they could remain open in the pandemic). During the interview process it became apparent that organic specialty stores did not advertise their stores often and that is why the main aim was shifted again, this time to the current aim on environment creation in stores and the six intertwined dimensions. However, due to Covid-19 the area of research had to change as well. A lot of stores had difficulties managing their stores and were too busy to lend their assistance to this thesis, and bigger organic stores did not want to offer insight into their market strategies altogether. This led to having to increase the field of research to "the region of Utrecht", another unforeseen change. When this thesis started it was about advertisement strategies of organic restaurants, which is entirely different from what it is now. Due to this it was sometimes difficult to keep track of the overall aim of this thesis

9. Sources

Agence Bio (2021) LE BIO, ACTEUR INCONTOURNABLE DE LA SOUVERAINETÉ ALIMENTAIR AGENCE-BIO-JUILLET2021-V08-interactif.pdf (agencebio.org)

Ahuja, R. D., Capella, L. M., & Taylor, R. D. (1998). Child Influences, Attitudinal and Behavioral Comparisons between Single Parent and Dual Parent Households in Grocery Shopping Decisions. *Journal of Marketing Theory and Practice*, *6*(1), 48–62. https://doi.org/10.1080/10696679.1998.11501788

Akram, U., Hui, P., Kaleem Khan, M., Tanveer, Y., Mehmood, K., & Ahmad, W. (2018). How website quality affects online impulse buying: Moderating effects of sales promotion and credit card use. Asia Pacific Journal of Marketing and Logistics, 30(1), 235–256. https://doi.org/10.1108/APJML-04-2017-0073

Atkin, C. K. (1978). Observation of Parent-Child Interaction in Supermarket Decision-Making. *Journal of Marketing*, *42*(4), 41–45. https://doi.org/10.2307/1250084

Bain, L. E., Awah, P. K., Geraldine, N., Kindong, N. P., Sigal, Y., Bernard, N., & Tanjeko, A. T. (2013). Malnutrition in Sub - Saharan Africa: Burden, causes and prospects. Pan African Medical Journal, 15, 1–9. https://doi.org/10.11604/pamj.2013.15.120.2535

Baker, J., Grewal, D., & Parasuraman, A. (1994). The influence of store environment on quality inferences and store image. *Journal of the Academy of Marketing Science: Official Publication of the Academy of Marketing Science*, *22*(4), 328–339. https://doi.org/10.1177/0092070394224002

Bionext, (2021). BIONEXT TRENDRAPPORT 2020. BIONEXT_TRENDRAPPORT_2020.pdf

Bowden, J., (2009). Customer Engagement: A Framework for Assessing Customer-Brand Relationships: The Case of the Restaurant Industry. *Journal of Hospitality Marketing & Management*, 18(6), pp.574-596.

Byrom, J., Medway, D., Wang, X., Boys, K. and Hooker, N., (2018) *Case Studies In Food Retailing And Distribution*. pp.137-158.

Canavari, M., Centonze, R., & Nigro, G. (2007). Organic food marketing and distribution in the European Union. *Deiagra Working Papers*, *3*. Retrieved 8 September 2020, from https://www.researchgate.net/publication/4983804_Organic_food_marketing_and_distribution_in_the_European_Union.

Carl, F., & Donald, R. (1997). The long-term impact of promotion and advertising on consumer brand choice. May.

Cullen, F., 2005. Factors Influencing Restaurant Selection in Dublin. *Journal of Foodservice Business Research*, 7(2), pp.53-85.

Daries-Ramon, N., Cristobal-Fransi, E. and Mariné-Roig, E., 2017. Deployment of Restaurants Websites' Marketing Features: The Case of Spanish Michelin-Starred Restaurants. *International Journal of Hospitality & Tourism Administration*, 20(3), pp.249-280.

Dechow, P. M., & Douglas J, S. (2000). Reproduced with permission of the copyright owner . Further reproduction prohibited without. *Journal of Allergy and Clinical Immunology*, *130*(2), 556. http://dx.doi.org/10.1016/j.jaci.2012.05.050

Diamantopoulos, A., Schlegelmilch, B., Sinkovics, R., & Bohlen, G. (2003). Can socio-demographics still play a role in profiling green consumers? A review of the evidence and an empirical investigation. *Journal Of Business Research*, *56*(6), 465-480. https://doi.org/10.1016/s0148-2963(01)00241-7

De Ponti, T., Rijk, B., & Van Ittersum, M. K. (2012). The crop yield gap between organic and conventional agriculture. Agricultural Systems, 108, 1–9. https://doi.org/10.1016/j.agsy.2011.12.004

FAO. (n.d.). *Organic agriculture glossary*. http://www.fao.org/fileadmin/templates/organicag/files/Glossary_on_Organic_Agriculture.pdf

Gaumer, C. J., & Arnone, C. (2010). Grocery store observation: Parent-child interaction in family purchases. *Journal of Food Products Marketing*, *16*(1), 1–18. https://doi.org/10.1080/10454440802537207

Geels, F. W. (2011). The multi-level perspective on sustainability transitions: Responses to seven criticisms. Environmental Innovation and Societal Transitions, 1(1), 24–40. https://doi.org/10.1016/j.eist.2011.02.002

Geels, F. W., & Schot, J. (2007). Typology of sociotechnical transition pathways. Research Policy, 36(3), 399–417. https://doi.org/10.1016/j.respol.2007.01.003

Geurts, M., van Bakel, A M., van Rossum, C T M., de Boer, E., & Ocké, M C. (2017). Food consumption in the Netherlands and its determinants. *National Institute for Public Health and the Environment,* 1-69.

Hamilton, K., & Hekmat, S. (2018). Organic food and university students: a pilot study. Nutrition and Food Science, 48(2), 218–227. https://doi.org/10.1108/NFS-06-2017-0127

Harris, J. L., Bargh, J. A., & Brownell, K. D. (2009). Priming Effects of Television Food Advertising on Eating Behavior. Health Psychology, 28(4), 404–413. https://doi.org/10.1037/a0014399

Hyun, S., Kim, W. and Lee, M., 2011. The impact of advertising on patrons' emotional responses, perceived value, and behavioral intentions in the chain restaurant industry: The moderating role of advertising-induced arousal. *International Journal of Hospitality Management*, 30(3), pp.689-700.

Jensen, Ø. and Hansen, K., 2007. Consumer values among restaurant customers. *International Journal of Hospitality Management*, 26(3), pp.603-622.

Kelly, B., Halford, J. C. G., Boyland, E. J., Chapman, K., Bautista-Castaño, I., Berg, C., Caroli, M., Cook, B., Coutinho, J. G., Effertz, T., Grammatikaki, E., Keller, K., Leung, R., Manios, Y., Pedley, C., Prell, H., Raine, K., Recine, E., Serra-Majem, L., … Summerbell, C. (2010). Television food advertising to children: A global perspective. American Journal of Public Health, 100(9), 1730–1736. https://doi.org/10.2105/AJPH.2009.179267

Kranjac, M., Vapa-Tankosic, J., & Knezevic, M. (2017). Profile of organic food consumers. Ekonomika Poljoprivrede, 64(2), 497–514. https://doi.org/10.5937/ekopolj1702497k

Labrecque, J., & Ricard, L. (2001). Children's influence on family decision-making: A restaurant study. Journal of Business Research, 54(2), 173–176. https://doi.org/10.1016/S0148-2963(99)00088-0

Lea, E., & Worsley, T. (2005). Australians' organic food beliefs, demographics and values. British Food Journal, 107(11), 855–869. https://doi.org/10.1108/00070700510629797

Leng, G., Adan, R. A. H., Belot, M., Brunstrom, J. M., De Graaf, K., Dickson, S. L., Hare, T., Maier, S., Menzies, J., Preissl, H., Reisch, L. A., Rogers, P. J., & Smeets, P. A. M. (2017). The determinants of food choice. Proceedings of the Nutrition Society, 76(3), 316–327. https://doi.org/10.1017/S002966511600286X

Lin, F., Blum, S. and Dodd, T., (2002). Fast Food Television Advertisement Formats. *Journal of Foodservice Business Research*, 5(4), pp.27-44.

Litvin, S. W., Blose, J. E., & Laird, S. T. (2005). Tourists' use of restaurant webpages: Is the internet a critical marketing tool? Journal of Vacation Marketing, 11(2), 155–161. https://doi.org/10.1177/1356766705052572

Lohr, L. (2000). Factors Affecting International Demand And Trade in Organic Food Products. Changing Structure of Global Food Consumption and Trade Economic Research Service, USDA, FEBRUARY 2001, 67–79.

Lokesh, K., Ladu, L., & Summerton, L. (2018). Bridging the gaps for a "circular" bioeconomy: Selection criteria, bio-based value chain and stakeholder mapping. *Sustainability (Switzerland)*, *10*(6). https://doi.org/10.3390/su10061695

Ministére de l'agriculture et de l'alimentation, (2013, 31 May). The Ambition Bio 2017 program | Ministry of Agriculture and Food

Nelson A. A., Jr (1980). Research design: measurement, reliability, and validity. *American journal of hospital pharmacy*, *37*(6), 851–857.

Organic Denmark. (2022, Februari).FACTS & FIGURES ABOUT DANISH ORGANICS. Facts and figures about Danish Organics (organicdenmark.com)

Payne, A., Frow, P., & Eggert, A. (2017). The customer value proposition: evolution, development, and application in marketing. Journal of the Academy of Marketing Science, 45(4), 467–489. https://doi.org/10.1007/s11747-017-0523-z

Ponisio, L. C., M'gonigle, L. K., Mace, K. C., Palomino, J., Valpine, P. De, & Kremen, C. (2015). Diversification practices reduce organic to conventional yield gap. Proceedings of the Royal Society B: Biological Sciences, 282(1799). https://doi.org/10.1098/rspb.2014.1396

Poulston, J., & Yiu, A. (2011). Profit or principles: Why do restaurants serve organic food?. *International Journal Of Hospitality Management*, *30*(1), 184-191. https://doi.org/10.1016/j.ijhm.2010.04.004

Purnhagen, K. P., Clemens, S., Eriksson, D., Fresco, L. O., Tosun, J., Qaim, M., Visser, R. G. F., Weber, A. P. M., Wesseler, J. H. H., & Zilberman, D. (2021). Europe's Farm to Fork Strategy and Its Commitment to Biotechnology and Organic Farming: Conflicting or Complementary Goals? Trends in Plant Science, 26(6), 600–606. https://doi.org/10.1016/j.tplants.2021.03.012

Rana, J., & Paul, J. (2020). Health motive and the purchase of organic food: A meta-analytic review. *International Journal Of Consumer Studies*, *44*(2), 162-171. https://doi.org/10.1111/ijcs.12556

Raynolds, L., (2004). The Globalization of Organic Agro-Food Networks. *World Development*, 32(5), pp.725-743.

Rintamäki, T., Kuusela, H., & Mitronen, L. (2007). Identifying competitive customer value propositions in retailing. Managing Service Quality, 17(6), 621–634. https://doi.org/10.1108/09604520710834975

Schot, J., & Geels, F. W. (2008). Strategic niche management and sustainable innovation journeys: Theory, findings, research agenda, and policy. *Technology Analysis and Strategic Management*, *20*(5), 537–554. https://doi.org/10.1080/09537320802292651

Scialabba, N. E. H., & Mller-Lindenlauf, M. (2010). Organic agriculture and climate change. Renewable Agriculture and Food Systems, 25(2), 158–169. https://doi.org/10.1017/S1742170510000116

Sharma, A., & Stafford, T. F. (2000). The effect of retail atmospherics on customers' perceptions of salespeople and customer persuasion: An empirical investigation. *Journal of Business Research*, *49*(2), 183–191. https://doi.org/10.1016/S0148-2963(99)00004-1

Smith, A. (2007). Translating sustainabilities between green niches and socio-technical regimes. *Technology Analysis and Strategic Management*, *19*(4), 427–450. https://doi.org/10.1080/09537320701403334

Szolnoki, G., Taits, D., Nagel, M., & Fortunato, A. (2014). Using social media in the wine business: An exploratory study from Germany. International Journal of Wine Business Research, 26(2), 80–96. https://doi.org/10.1108/IJWBR-09-2013-0031

Tanamas, P. & Hussain, K.' (2012). Online marketing opportunities and challenges for restaurants. *TEAM Journal of Hospitality and Tourism, 9*(1), 39-53.

Utrecht monitor. (n.d.). Samenstelling naar groepen. https://www.utrecht-monitor.nl/bevolking-bestuur/bevolking/samenstelling-naar-groepen

Utrecht monitor. (n.d.). Stand & ontwikkeling. https://www.utrecht-monitor.nl/bevolking-bestuur/bevolking/stand-ontwikkeling#:~:text=Utrecht%20groeit%20hard%3A%20nu%20circa,gemiddeld%2013%20personen%20per%20dag.

Xu, Y., & Jeong, E. (2019). The effect of message framings and green practices on customers ’ attitudes and behavior intentions toward green restaurants. https://doi.org/10.1108/IJCHM-05-2018-0386

Appendix 1

This appendix is for the small semi structured interview that I used to interview the customers of the organic specialty store customers. The interview was semi-structured in nature and consists of 2 parts: an introductory part about the customer and what they think about the specialty stores that they frequent.

Appendix 3: Semi-structured interview for customers

Section A: Identifying questions

	Question	**Code**	**Answer**
A.1.1.	How often do you shop for organic food products in Utrecht? **In case they never do go to question A.1.3.**		
A.1.2.	Where do you shop for organic food products in Utrecht? **Go to question A.1.4.**	**1: specialty store** **2: big retailer** **99: Other**	
A.1.3.	Where do you do your grocery shopping mostly?		
A.1.4.	Can I ask you to tell me something about yourself to get a picture about the person I am interviewing? Think about age, gender job anything.		

Section B: About the store

	Question	Code	Answer
B.1.1.	Why do you shop for organic products there?		
B.1.2.	What kind of benefits do those stores offer you that their competitors cannot?	**1: economic** **2: functional** **3: emotional** **4: symbolic** **5: combination** **99: other**	
B.1.3.	How do you feel about these benefits by the stores?		
B.2.1.	Why do you go to specialty stores over the big retailers?		
B.2.2.	What can they add to convince you to shop there? (more often)		

Appendix 2

This second appendix is for the semi structured interview that was conducted with the company directors of the organic specialty stores. The interview was semi-structured in nature and consists of 3 parts. This interview setup looks structured, but the way of questioning was semi-structured. Questions that were not relevant to the interviewed participant were left out during the interview itself. The most important questions on the main topics of this thesis were obviously always asked to the interviewees.

Section A: Identifying questions

	Question	Code	Answer
A.1.1.	What store are you an owner of?		
A.1.2.	Your store sells organic food products? **If the answer is no, abort the interview**	**1: yes** **0: no**	
A.1.3.	What kind of food products do you sell here?		
A.1.4.	How much of your assortment is organic?		
A.2.1.	**I also want to know more about your customers in terms of market segments** What kind of customers visit your store the most?		
A.2.1.	Is that also the market segment that your store focusses on primarily?		
A.3.1.	**Give a description of the CVP (with some examples)** Are you familiar with this	**1: yes** **0: no**	

	concept? **If at any point you want a reminder just ask me and I will tell you!**		

Section B: Value of their own products

	Question	Code	Answer
B.1.1.	**You just heard about the CVP and now I am eager to know whether this is applicable to you. Whether or not you are familiar with the concept, you probably still use it.** Out of these 4 value types, which one do you use to sell/advertise your products the most? **In case they mention none you can skip to question B.1.3.**	**1: economic** **2: functional** **3: emotional** **4: symbolic** **5: a combination** **6: none** **99: other**	
B.1.2.	**You mention this question multiple times in case they mention specific value types.** Can you give an example of where you use value type … in your products to attract customers? **… being a value type mentioned in question B.1.1. This question is also to check whether their thoughts on the value are consistent with what the value actually are**		
B.1.3.	**In B.1.1. and B.1.2. they have answered the value question but what category they don't answer you all individually ask here**		

	Can you also give an example for every other value types because you probably still use them without your knowledge? **Ask if they need additional clarification.**		
B.2.1.	**Customers are not only drawn towards your products, value can also be added to your store which may attract customers.** Out of these 4 value types, which one do you use to attract customers via appeal of your store	**1: economic 2: functional 3: emotional 4: symbolic 5: a combination 6: none 99: other**	
B.2.2.	**You mention this question multiple times in case they mention specific value types.** Can you give an example of where you use value type … in your store to attract customers? **… being a value type mentioned in question B.1.1. This question is also to check whether their thoughts on the value are consistent with what the value actually are**		
B.2.3.	**In B.2.1. and B.2.2. they have answered the value question but what category they don't answer you all individually ask here** Can you also give an example for every other value types for your shop as a whole?		
B.3.1.	**I want to switch the focus to advertisements. Because advertisements are sometimes used to convey value propositions to the customers. Give a small definition of**	**1: yes 0: no**	

	advertisement that you will use Do you advertise your store? **If no → skip to question C.1.1.**		
B.3.2.	How do you advertise your store? **It is possible that they state multiple ways of advertisements**	**1: newspaper** **2: television** **3: leaflets** **4: radio** **5: mouth-to-mouth** **99: other**	
B.3.3.	How often do you use these advertisement methods? **In case the interviewee responds that they use multiple ways of advertising in question B.3.2. then you ask this question for all the different ways.**		
B.3.4.	Where do you advertise your products/shop? **Can think about the region (how wide of a region), at certain places etc.**		
B.3.5.	Do these advertisements also convey the value of your products or shop to potential customers. The value you described earlier?	**1: yes** **0: no**	

Section C: Compared to competitors

	Question	**Code**	**Answer**
C.1.1.	Who do you consider your biggest competitors in the market?		
C.1.2.	**In case big retailers aren't mentioned when talking about competitors ask them whether or not they consider them as competitors** Do you consider big retailers like the Jumbo and	**1: yes** **0: no**	

	Albert heijn as your competitors now that they also started selling biological produce?		
C.1.3.	**In case they did mention big retailers as their competitors start here.** You mentioned that big retailers are your competitors. Ever since they started selling biological products in the past, did that change your focus on specific value divisions? **What I mean with this is whether the value's that they mentioned earlier were brought about by this change or how did they respond to this**		
C.2.1.	What do you do to differentiate from these big retailers? What still makes your shop unique from theirs?		
C.2.2.	Can you elaborate on the buying process of your suppliers? Do you get a discount?		
C.2.3.	Do you receive supplementary money by other instances? Because you are an organic shop? **Do you get extra money for this?**		
C.3.1.	Do you think that you will need to innovate in the future to keep up with the big retailers? **If the answer is yes → C.3.2.** **If the answer is no → End interview**	**1: yes** **0: no**	
C.3.2.	How do you think you will need to innovate in the future to stay relevant?		
C.3.3.	**In case they haven't mentioned it yet.**		

	Do you sell your products online? Or will you in the future?		
C.3.4.	**And lastly** Do you (in corona times as well) do deliveries for your customers?		

Appendix 3

This third appendix is for the structured interview that was conducted with one of the company directors of an organic specialty stores. This particular company director was not able to do the interview face to face due to corona restrictions and a busy schedule, therefore a structured interview was made and mailed in to the participant. The participant in turn filled it in in his/her own time. The interview is based on the semi-structured interview from Appendix 2. It is also in Dutch since the respondent was Dutch, so the interview was also translated by the researcher. The name of the participant and the company he/she worked for is removed from the interview and at the bottom of the interview are definitions that were attached to the interview for the participant to read. It mainly explains the Customer Value Proposition that was a main theme in the interview.

Section A: Identificerende vragen

	Vraag	Code	Antwoord
A.1.1.	Van welke winkel bent u een eigenaar/bedrijfsleider?		
A.1.2.	Uw winkel verkoopt biologische producten? **Als het antwoord "nee" is, breek het interview af.**	**1: Ja** **0: Nee**	
A.1.3.	Wat voor soort producten verkoopt u in deze winkel?		
A.1.4.	Hoe is uw assortiment door de jaren heen veranderd?		
A.1.5.	Hoeveel procent van uw producten denkt u dat biologisch zijn? **Als het antwoord 100% is ga naar vraag A.2.1.** **Vervolg het interview anders met vraag A.1.6.**		
A.1.6.	Welke producten zijn niet biologisch in uw winkel?		
A.2.1.	**Ik zou ook graag nog wat te**		

	weten komen over uw klanten. Wat voor soort klanten komen er naar uw winkel volgens u? **Denk aan geslacht, leeftijd of beroep.**		
A.2.2.	Is er iets wat deze klanten bind? Iets wat ze gemeen hebben?		

Het volgende aspect van het interview gaat meer over mijn theorie. Het heet de Customer Value Proposition (CVP). Misschien heeft u er van gehoord, maar waarschijnlijk niet. De uitleg met voorbeelden staan onder aan het interview. Ik raad u aan ze eerst door te lezen voordat u verder gaat met Sectie B van het interview.

Sectie B: Waarde van de eigen winkel/producten

	Vraag	Code	Antwoord
B.1.1.	**U heeft als het goed is net de theorie gelezen onder aan het interview. Ik wil nu focussen op de voordelen die uw winkel heeft zonder nog naar de concurrenten te kijken.** Ik ben nu benieuwd welke van de 4 categorieën u denkt dat het meeste van toepassing is op uw winkel?	**1: economisch** **2: functioneel** **3: emotioneel** **4: symbolisch** **5: een combinatie**	
B.1.2.	Kunt u mij een voorbeeld geven van de voordelen die uw winkel heeft bij de categorie(ën) die u heeft in gevuld bij vraag B.1.1.? **Als u van mening was in vraag B.1.1. dat uw winkel alle categorieën**		

	had dan kunt u doorgaan naar vraag B.2.1. Is dit echter niet het geval ga dan verder met B.1.3.		
B.1.3.	**Iedere winkel gebruikt tot zekere hoogte wel alle categorieën. Niet alles is echter even belangrijk (voor de consument maar ook voor uw winkel).** Kunt u ook wat voordelen geven van uw winkel/producten in de andere categorie(ën) die u niet benoemd heeft bij vraag B.1.1.?		
B.2.1.	**Ik wil ook nog een korte focus leggen op advertenties aangezien sommige winkels de voordelen van hun winkel naar buiten communiceren.** Doet u uw winkel/producten adverteren? **Doet uw winkel er niet aan ga dan naar vraag B.2.6. anders kunt u het interview gewoon vervolgen met B.2.2.**	**1: Ja** **0: Nee**	
B2.2.	Op welke manier adverteert u uw winkel? **Er zijn natuurlijk meerdere opties mogelijk.**	**1:krantadvertenties** **2: televisie** **3: folders** **4: radio** **5: mond-tot-mond reclame** **99: iets anders**	
B.2.3.	Hoe vaak adverteert u op deze manier(en)?		
B.2.4.	Waar adverteert u op deze manieren? **U kan hierbij denken aan de regio waarin u**		

	adverteert, het medium of kanaal.		
B.2.5.	Bevatten deze advertenties ook de eerder genoemde voordelen waar u het over had bij vraag B.1.2? **Na deze vraag beantwoord te hebben kunt u verder gaan met vraag C.1.1.**	**1: Ja** **0: Nee**	
B.2.6.	Waarom adverteert u uw winkel niet?		

Sectie C: Vergeleken met uw concurrenten

	Vraag	Code	Antwoord
C.1.1.	Allereerst, wie beschouwd u als uw concurrenten op de markt? **Als u grote supermarkten als een concurrent beschouwd kunt u doorgaan naar vraag C.1.3. Als de grote supermarkten niet als concurrent beschouwd kunt u doorgaan met vraag C.1.2. en vraag C.1.3. overslaan.**		
C.1.2.	Waarom beschouwd u grote supermarkten als de Jumbo en de Albert Heijn niet als concurrenten voor uw winkel?		
C.1.3.	**U zei dat grote supermarkten zoals de Jumbo en de Albert Heijn uw concurrenten zijn. Rond 2017/2018 zijn die ook begonnen met het verkopen van biologisch voedsel.** De vraag hier is of deze transitie van de supermarkten naar het verkopen van biologisch voedsel ervoor heeft gezorgd dat de focus binnen uw winkel veranderd is? Waren de		

	categorieën van vraag B.1.1. en voordelen van B.1.2. waar u nu op focust met uw winkel anders voordat dit gebeurde?		
C.1.4.	Wat doet u nu om uw winkel uniek te maken en zich te onderscheiden van deze grote supermarkten?		
C.2.1.	Kunt u mij wat vertellen over het inkoopproces en hoe de supply-chain is geregeld?		
C.2.2.	Is de supply chain veranderd door de jaren heen? **Als het antwoord Nee is ga dan verder naar vraag C.2.4. Als het antwoord ja is ga dan verder met vraag C.2.3.**	**1: Ja** **0: Nee**	
C.2.3.	Hoe was de supply chain eerst anders van wat het nu is?		
C.2.4.	**Vroeger konden sommige initiatieven gesubsidieerd worden en kon er misschien geld ontvangen worden van groenfondsen.** Krijgt u ook aanvullend geld van een instantie omdat u een milieuvriendelijker alternatief bent op de conventionele supermarkt? **En zo ja, waarvan krijgt u het extra geld?**		
C.3.1.	Denkt u dat u (als biologische speciaalzaak) in de toekomst moet innoveren om bij te blijven bij de grote supermarkten? **Als het antwoord “nee” is ga dan verder met vraag C.3.3. Als het**	**1: Ja** **0: Nee**	

	antwoord "ja" was vervolg het dan bij C.3.2.		
C.3.2.	Hoe denkt u dat u in de toekomst zult moeten gaan innoveren om bij te blijven bij de grote supermarkten?		
C.3.3.	Verkoopt u uw producten online? **En zo ja, hoe loopt dit?**	**1: Ja** **0: Nee**	
C.3.4.	Verkoopt uw winkel ook vooraf gemaakte maaltijden? **En zo ja, hoe is dit ontstaan?**	**1: Ja** **0: Nee**	
C.3.5.	Word er (misschien vooral vanwege corona nu) gedaan aan bezorging vanuit uw winkel? **En zo ja, hoe loopt dit?**	**1: Ja** **0: Nee**	

Definities:

Customer Value Proposition (CVP):

Het CVP is een methode die bedrijven of winkels (zoals die van u) kunnen gebruiken om de voordelen van hun producten en winkel te beoordelen en te vergelijken met hun concurrenten. Deze "voordelen" zijn dan sterke punten van uw winkel en redenen voor uw klanten om bij u hun boodschappen te doen t.o.v. de concurrent. De voordelen die uw winkel of producten kunnen hebben om de concurrentie positie t.o.v. de concurrent te verbeteren zijn onderverdeeld in 4 categorieën (ookwel "Waarde" genoemd). Je hebt Economische waarde, Functionele waarde, emotionele waarde en symbolische waarde.

Economische waarde:

Onder economische waarde vallen voordelen van uw winkels t.o.v. de concurrenten op het gebied van prijs, kwaliteit en de prijs/moeite ratio. Uw winkel kan bijvoorbeeld beter concurreren omdat de prijzen van uw producten goedkoper zijn. Dit is een voorbeeld van een voordeel die een winkel kan hebben.

Functionele waarde:

Onder functionele waarde vallen voordelen van uw winkel en producten die te maken hebben met gemak en noodzaak. Ik doe in Wageningen altijd mijn boodschappen in de jumbo omdat die het dichtstbij is voor mij. Het feit dat die winkel het dichtstbij is, is voor mij als klant een gemak en een voordeel waardoor ik voor die winkel kies i.p.v. die van de concurrent. Functionele noodzaak slaat op het feit dat sommige mensen het "noodzakelijk" vinden naar uw winkel te komen of een bepaald product te kopen. Hier op inspelen kan ook een voordeel geven aan uw winkel.

Emotionele waarde:

Emotionele waarde zijn voordelen t.o.v. de concurrent op het gebied van emotie en sensorische waarnemingen. Het is de categorie waar het gevoel meer word benadrukt. Het kan zijn dat uw producten of winkel een beter gevoel geven aan de klanten dan bij de concurrent. Buiten het gevoel worden ook sensorische voordelen aangesproken: uw producten of winkel kunnen er beter uitzien, lekkerder ruiken of de producten smaken beter bijvoorbeeld.

Symbolische waarde:

Symbolische waarde is de “vaagste” waarde van de vier. Winkels of producten kunnen namelijk ook staan voor iets anders en de klanten helpen in hun zelfexpressie. Een tattoo laten zetten bijvoorbeeld kan voor sommige mensen een teken zijn van zelfexpressie. Terwijl het dan (heel kort door de bocht) een tekening op je lichaam is STAAT het voor iets heel anders. Je koopt de tattoo niet voor de tekening, maar voor de gedachte er achter en in sommige gevallen kun je jezelf beter uitten door een tattoo te laten zetten. Een achterliggende gedachte/achterliggend doel waar mensen zich mee kunnen verbinden kan ook een voordeel geven aan een winkel t.o.v. een concurrent die dat niet kan.