University of Huddersfield Repository

Cheng, Siu Yee and Moxham, Claire

Rethinking food supply chains: examining the case for alternative food networks

Original Citation


This version is available at http://eprints.hud.ac.uk/19170/

The University Repository is a digital collection of the research output of the University, available on Open Access. Copyright and Moral Rights for the items on this site are retained by the individual author and/or other copyright owners. Users may access full items free of charge; copies of full text items generally can be reproduced, displayed or performed and given to third parties in any format or medium for personal research or study, educational or not-for-profit purposes without prior permission or charge, provided:

- The authors, title and full bibliographic details is credited in any copy;
- A hyperlink and/or URL is included for the original metadata page; and
- The content is not changed in any way.

For more information, including our policy and submission procedure, please contact the Repository Team at: E.mailbox@hud.ac.uk.

http://eprints.hud.ac.uk/
Rethinking Food Supply Chains: Examining the case for Alternative Food Networks

Siu Cheng, University of Huddersfield, UK
Dr Claire Moxham, University of Liverpool, UK
Contribution of the Study

• Provides a preliminary investigation of Alternative Food Networks – primarily farmers’ markets
• Develops 4 propositions (based on the RBV) for further research in this topical area
Background: An Increasing Demand for Local Food

• Consumers want to make informed choices about where their food comes from
• Concerns over traceability and safety of food in international supply chains e.g. European horsemeat scandal this year, E.coli in salad vegetables in 2011
• Negative perception of GM foods = higher demand for organic
• Consumers demanding country of origin and certification markings
• Food miles – robust environmental impact indicator?
• Alternative supply channels….known as Alternative Food Networks
Alternative Food Networks

Box Scheme

Speciality Shop

Farm Shop

Farmers’ Market
Farmers’ Market
Farmers’ Markets

Customer

 ✓ In US – increased from 1700 in 1994 to over 8000 in 2013
 ✓ High quality goods, reconnecting consumer with foods
 ✓ Higher price than more conventional outlets – consumers willing to pay

Farmer

 ✗ Sales – time away from farm
 ✗ Can only attend limited number of markets
 ✗ Fuel, transport, display equipment, packaging
 ✗ Quantity required?
Attributes of Farmers’ Markets

• Valuable – permit short supply chains
  • Enjoyed selling and ‘market place ambience’
  • *Proposition 1: Farmers’ markets shorten the food supply chain thus permitting customers to exploit valuable superior product information*

• Rare – provide a single outlet for high quality produce
  • Reliant on cluster of primary producers
  • Committed to maintaining product quality
  • Authenticity? Craft goods, products not local
  • Degradation of concept of local farmers’ selling local produce – a market?
  • *Proposition 2: Leveraging the scarce and distinctive characteristics of farmers’ markets to achieve abnormal rents can only be achieved through a commitment to quality and authenticity from all primary producers and market organisers*
Attributes of Farmers’ Markets

- Imperfectly inimitable – synonymous with sustainability
  - High quality produce, low food miles, healthier lifestyles, community
  - Customer profile attractive to farmers – “customers come to spend money”
  - Proposition 3: Farmers’ markets possess socially complex phenomena that are synonymous with sustainability and impose constraints on imitation by competitors

- Non-substitutable – primary producers selling local produce
  - Farmers satisfied by service provided by farmers’ markets
  - Difficult for supermarkets emphasise ‘locality’ (maximum distance)
  - Difficult for supermarkets to impart knowledge held by primary producers
  - Proposition 4: The presence of primary producers at farmers’ markets yields additional value to customers that cannot be substituted by conventional product labelling
Further Work

• Farmers in this study appeared satisfied with farmers’ markets as a viable supply outlet due to:
  • Customer base
  • Ambience
  • Connection with customers
• Findings suggest farmers’ markets are a viable distribution channel for small scale, local producers
• Comparison of AFN characteristics with concept of global value chains (Gereffi et al, 2005) – AFNs a new type of producer driven supply chain offering different competitive advantages?