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Original Citation

McEachern, Morven G. and Warnaby, Gary (2017) Exploring Community in the Context of Independent Co-operative Food Retailers. In: Institute of Place Management 4th International Biennial Conference, 7-8th September 2017, Manchester. (Unpublished)

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Exploring Community in the Context of Independent Co-operative Food Retailers

By

Morven G. McEachern & Gary Warnaby

Extended Abstract

Introduction

Academic literature in the context of independent food retailing has tended to focus on the larger retail multiples (e.g. Clarke, 2000; Burt and Sparks, 2003). Exceptions are limited, and the relatively sparse literature focusing on the small independent retailer place more emphasis on:

1. the perceived disadvantages of this retail form vis-à-vis its multiple retailer counterparts (see Clarke and Banga, 2011; Smith and Sparks, 2000);
2. reasons for their decline (see Coca-Stefaniak et al., 2005), and how this might be arrested, either through policy intervention (see Clarke and Banga, 2011) or strategic action on the part of retailers themselves (see Megicks, 2001; Megicks and Warnaby, 2008);
3. small independent retailers in a rural (and isolated) context, rather than urban (see Byrom et al., 2001, 2003; Jussila et al., 1992).

This has left a significant gap relating to the community-based retail aspects of *urban* food retailing. Thus, a unique insight into the urban independent co-operative food retailer and their complex links between community, place and social relations is advanced here.

Literature Review

Much research around retail co-operation as a strategy for independent retailers ignores the importance of the community-led, 'social' role advocated by Clarke and Banga (2011) and Smith and Sparks (2000). This is despite the fact that the retail sector cannot be fully understood without reflecting upon the "interrelated systems of which it is a part" (McArthur et al., 2016, p.281). That is to say, the place providing a spatial context, and the community relations inherent within, are paramount to the retailer's success. Smith and Sparks note that, "an independent small shop may also provide a sense of community or identity both for a place and for its inhabitants" (2000, p. 208). Notwithstanding certain exceptions, few retail studies acknowledge this observation (see for example Calderwood and Davies, 2012, 2013). Consequently, in this context community aspects have generally been treated as an "exogenous part of the environment" where in fact, the community should be recognised as being "completely endogenous to the enterprise" (Peredo and Chrisman (2006, p. 310). Clarke and Banga (2011) explore the social role of the small retailer further and identify four core aspects: (1) as a 'hub' for communities; (2) as being vital for the disadvantaged and socially excluded; (3) enhancing consumer choice and access; and (4) creating consumer value. Furthermore, Majee and Hoyt (2011) argue that the co-operative model in particular helps to build social capital between members and other stakeholders, which in turn

strengthens both business and local community. Consequently, Moufahim et al., (2017) call for further research in this area and appeal to scholars to “dig deeper” when it comes to conceptualising ‘community’ as a unit of analysis.

Methodology

Semi-structured, in-depth qualitative interviews were carried out with owners, store managers and/or members from three food co-operatives between late 2015 and 2016. Although a relatively small sample size, a contrasting case-type approach allowed for an in-depth understanding of these independent retailers and their community value to emerge (Mason, 2010). Each interview was recorded and transcribed verbatim and subsequent analysis involved coding and the development of initial themes (Strauss and Corbin, 1990). Independent co-operative retailers featured in this research include a worker’s co-operative that has been operational since the 1970s; another worker’s co-operative, established in the mid 1990s; and a community co-operative who has been operational for three years.

Findings

The main themes identified from our data extend the concept of *community retailing* from a focus of just concentrating on the local *Immediate Community*, to include also a *Community of Values* and a *Supply Chain Community*. These independent retail co-operatives saw themselves as a viable alternative to the multiples, enjoying strong loyalty from customers who lived in the local area, as well as from those who shared a values-driven ethos, and displaying resilient financial growth despite the tough economic climate.

In relation to *Community of Values*, independent food retail cooperatives managed to create a sustainable business model that successfully publicised their *community* values to local, national and international members/stakeholders, as well as differentiating their values from larger food retail competitors. Regarding *Immediate Community*, distinct competences around the co-operative business model were evident around a variety of values-led activities, benefiting communities, society and the planet (see also Clark and Banga, 2011; Megicks, 2007). Thus, providing a strong sense of community for customers and residents on a local and global scale. Concerning the *Supply Chain Community*, positive supply chain relations were recognised as being paramount to creating a sustainable business. Linking together with *community of values* and *immediate community*, supply chain activities often extended to global suppliers as well as local ones.

Conclusions

Our findings suggest the existence of a much more fluid and dynamic conceptualisation of *community*, indicating a broader, more diffuse spatiality and ethicality beyond that of the immediate locale. In addition to looking at *community* in terms of spatial proximity, these independent retail co-operatives were strategically positioned to capture loyalty from their *immediate community* as well as another layer of ethically-value driven consumers and

suppliers (i.e. community of values; supply chain community) which reside outside the 'local'. Moreover, each of the independent co-operative food retailers used a number of communication practices and tactics to mobilise local/global support and action. Thus, helping to bring about a greater 'common good' for consumers and suppliers, as well as a collective, *community* drive for social change.

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