

Communication in the rural web: a case study of the dairy in Andeer

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Abstract: *In recent studies emphasis has been put on the analysis of arguments which can be used for small-scale producers to distribute their products in a very demanding mass market. This contribution focuses on the aspects that the consumers and citizens perceive as important in the message communicated by the producer. The concept of ‘rural webs’ as a comprehensive theory on rural development was chosen as the underlying framework for this study. The study is related to the Core Organic Farmer-Consumer partnership project; in which arguments have been collected that are used by small-scale organic businesses for the communication of additional ethical values in marketing. The central focus of this contribution is the communication of additional values that go beyond organic standards by a local dairy in Andeer in Switzerland, analyzed from the consumers’ point of view. Their philosophy of the company covers a broad range of ideas, e.g. the creation of additional jobs, the assurance of high and stable milk prices, and the preference for milk from cows with horns. The cheese is distributed via five different channels: directly from the dairy, to local restaurants, via a Swiss and a German cheese trading company, and anonymously via a wholesale retailer. The dairy tries to concentrate on the local market and puts the focus on personal communication. The results reveal that with a growing distance between the dairy and its customers an information asymmetry builds up. Hence, consumers who directly buy cheese from Andeer at the dairy gain a deeper insight into the production than consumers who purchase the cheese in specialty store further away. Those customers often support the dairy’s philosophy unknowingly.*

Keywords: *rural web, communication, alternative food networks, globalization, dairy, Switzerland*

Introduction

Globalization and the growing anonymity of trade is regarded as problematic by many small-scale producers and increasingly opposed by consumers, because it leads to an anonymous, replaceable and homogenous food provision. To counteract this trend a growing number of producers changes from a strategy based on scale-enlargement and intensification to one based on quality and distinction, such as organic farming and sustainable food systems (Roep and Wiskerke 2006; Sonnino and Marsden 2006; Winter 2003). These alternative food systems are part of a rural development that revitalizes and strengthens the rural (Tregear 2007; van Huylbroeck 2007). Recently, a consortium of researchers has introduced a new concept as part of a comprehensive theory on rural development: the ‘rural web’ (Marsden and Ploeg 2008). This web refers to “the pattern of interrelations, interactions, exchanges and mutual externalities within rural societies. [It] interlinks activities, processes, people and resources, and [...] it shapes the ways in which they unfold” (Ploeg et al. 2008, p. 2).

The focus of our study is on the role of communication in such a rural web. We explored this in a case study of the local dairy in Andeer, a village in the canton of Grisons, Switzerland. This case represents an interesting example of a rural initiative that integrates many aspects of rural development. Reading through the philosophy (published on the dairy’s website <http://www.sennerei-andeer.ch>) reveals that this dairy not only wants to sell organically produced specialty cheese, but the whole “story” that is behind the cheese, which is, in its core, about the rural web:

“Predefined by topography, in mountainous areas we live in small structures, which are more and more valued by urban people [...], and this also means that they come to visit us [...]. To preserve this rural space in its small structures, we need a new evaluation of the conditions” (Sennerei Andeer 2010; translation by the authors)

The dairy manager thus links his and the other people's activities with the natural conditions (resources) of the rural and with the needs and values of consumers, thus describing what Ploeg et al. (2008) would consider as the rural web. In his marketing strategy the dairy manager furthermore emphasizes the need to communicate the philosophy to the consumers:

“In mountainous areas we do not have a market problem, but a marketing problem, and that is a communication problem. We feel that there is a co-responsibility for what we want to sell. Therefore, we [...] want to search for those consumers who are able to recognize the connection between value and price [...]. This needs good communication at all levels and depends on ourselves.” (Sennerei Andeer 2010; translation by the authors)

This case therefore illustrates very nicely the statement of Ploeg et al. (2008) that “the rural has changed from being a place of production towards being a place of consumption” (Ploeg et al. 2008, p. 3). Our aim was to explore if and how the self-set goal of good communication of the dairy's philosophy (built on the rural web) between producer and consumers is actually achieved.

The concept of the rural web

Ploeg and Marsden (2008) define the rural web as “a complex set of internally and externally generated interrelationships that shape the relative attractiveness of rural spaces, economically, socially, culturally, and environmentally” (Ploeg and Marsden 2008, p. vii). The concept aims at integrating the dynamics and heterogeneity of rural development processes in order to explain resources, activities, relations, and processes in a more holistic way.

The rural web is based on six dimensions which all highlight particular features and mutually influence each other. Together they display the complexity of functions and the potential capacity of the local economy and rural livelihood (Fig.1). In our study, we focused in particular on four dimensions to explore the rural web of Andeer and the role of communication within this web.

endogeneity: This dimension refers to the availability and utilization of local resources. The combination of material and social resources can enhance the uniqueness and distinction of the locality and maintain the local control.

novelty production: Novelty production is about the recombination of already existing resources, i.e. the emergence of constellations that promise to benefit and strengthen the rural web. Hence it also builds upon the availability of resources.

co-production & sustainability: This dimension is about the reconnection of producers and consumers and about the linkage of consumers with the production site. Their awareness can add to the sustainability of the region and benefit the environment.

social capital: The core aspect of social capital is trust and the development of relations. The ability of actors to cooperate results in the achievement of common goals and the generation of additional resources.

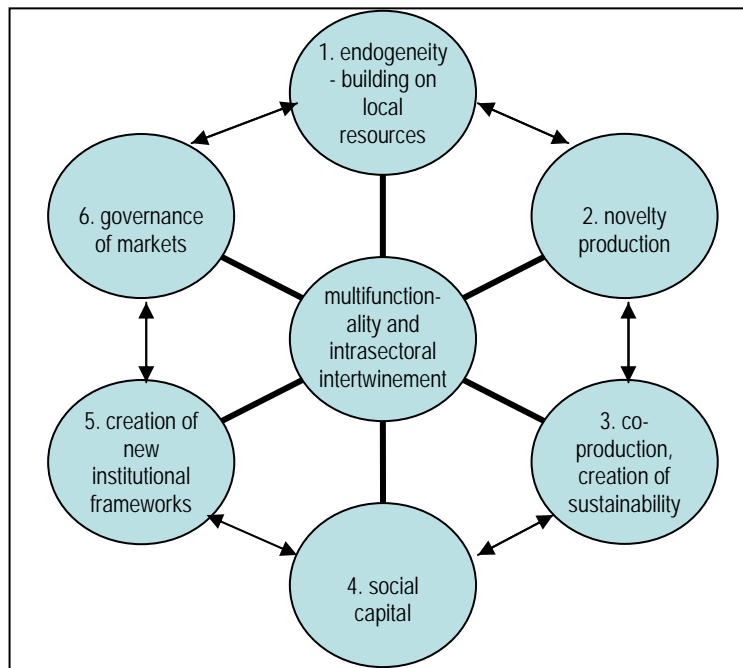


Figure 1. An introductory outline of the rural web, based on six dimensions (Ploeg and Marsden, 2008).

Research questions

For our study of the rural web around the dairy Andeer, we used results of the EU research project *Core Organic Farmer Consumer Partnership Project* that had already studied the dairy of Andeer as one case study (see Padel and Gössinger, 2008). The focus of this project is on developing generic communication strategies as a tool for the strategic positioning of organic companies (Core Organic 2010). Case studies like Andeer were used as a source of communication arguments applied by an innovative initiative to market their organic product with a particular extra value. This paper takes a slightly different perspective than the *Core Organic Farmer Consumer Partnership Project*: we were interested in the specific case of the dairy in Andeer, the ways and success of communication and the contents it wants to communicate to the consumers.

In particular, we addressed the following questions:

- What does the rural web of the Andeer dairy look like? What are the characteristics and details of the part of the web displaying the relation between the dairy and its consumers?
- Which are the aspects of communication that are perceived as being important by the consumer? What are the perceptions of consumers in the different distribution channels?
- How can the results of this study contribute to the research on communication of ethical values of organic farming and processing?

Methodology

The research was carried out in three steps. First, background information about the dairy in Andeer, its philosophy and communication arguments was gathered from the dairy's website www.sennerei-andeer.ch, from a movie that had been produced about the dairy (Denkmal-Film 2005), as well as from interviews with the dairy manager, one farmer, and the Swiss cheese trader that had been carried out in the course of the *Core Organic Farmer Consumer Partnership* project (Padel and Gössinger, 2008; Moschitz 2007abc). Second, to get a clear picture of the rural web of the dairy, 17 semi-structured interviews were carried out with the relevant stakeholders in Andeer, and along the distribution channels of the cheese. Interviews were conducted with the dairy manager, two farmers, the mayor of Andeer, the German and the Swiss cheese trading companies, the managers of four local hotels, and the managers of seven specialty stores. Third, a written survey was conducted with

different consumers of the cheese to evaluate their purchase reasons: with customers at the dairy in Andeer (49), guests of local hotels which offer cheese from Andeer (15), and customers of specialty stores across Switzerland in which cheese from Andeer is sold (30). Altogether, 94 questionnaires could be analysed, representing an overall response rate of about 25%. The customers at the dairy were separated into citizens of Andeer and people visiting the village, because for the further analysis it was interesting to see if there was a difference between those living in Andeer, those knowing Andeer from visits (tourists), and those not knowing Andeer. Overall, we thus analysed 29 questionnaires from citizens in Andeer, 35 from tourists (hotel guests and dairy customers), and 30 from customers in specialty stores.

The interview guidelines for the semi-structured interviews were developed according to the research questions mentioned above and differed depending on the interviewee and his role in the rural web. Interviews were recorded, and relevant parts were transcribed. Based on recommendations for a qualitative analysis the contents of the interviews were organised in a table in which the different findings were directly related to the dimensions of the theoretical background (Flick 1995). The data collected in the written survey were analysed in qualitative way. Because of the small number of valid questionnaires cross tabulation did not show significant results.

The following section presents and discusses the outcome of the analysis of the stakeholders interviews organized according to the dimensions of the rural web, as well as the results from the exploration of the data collected in the written survey.

Results and Discussion

The rural web of the dairy in Andeer

Endogeneity and novelty production in the rural web of the dairy

Endogeneity is closely related to the rootedness within a region and the utilisation of endogenous resources within the rural economy, including both material and social resources. In Andeer, local resources are efficiently used, and by valorising local assets they manage to keep the value added in the region and therefore contribute to rural livelihood. While the farmers benefit from the high and stable milk prices which are paid by the dairy, the dairy receives a high quality raw material, produced locally and according to the standards established by the dairy manager. The product leaving the village is highly developed and can be distinguished from other products due to the local characteristics, namely the origin of the raw material, quality of the landscape, and the skills of the producers. They do not only create value but also increase the attractiveness of Andeer, especially for tourists. Citizens of Andeer, local hotel managers, and the mayor appreciate the dairy manager's engagement in marketing through which Andeer has become better known. Social and material resources are successfully combined and local control is maintained.

Novelty production in Andeer occurs in three different ways, namely as an improvement of resource use, a fine-tuning of activities, and a shift in boundaries. Re-introducing production standards that had been given up in the past, and the artisan way of milk processing are examples for the improvement of material and social resource use. The step-by-step introduction of the dairy's additional standards (such as the aim for only keeping cows with horns) has led to a fine-tuning of activities and a re-centring of the production around local specificities. The shift of boundaries is realised by the dairy Andeer on the one side through the extension of boundaries. The cheese is not only traded in Switzerland, but also exported to Great Britain and the USA. On the other side, such a shift of boundaries has also occurred by strongly reducing the share of cheese that is distributed via the wholesaler.. The most outstanding novelty 'produced' in Andeer is the strong marketing and the high prominence of the dairy that has been enhanced by innovativeness and the mobilisation of new ideas.

Social capital and co-production in the rural web of the dairy

Social capital is not only about engaging in relations and collective actions, but also about learning and experiencing how to interact and cooperate. This helps to develop trust, to build up strategic contacts, and thus generate additional resources, which link social with economic benefits. An example for this in the rural web is the relation between the dairy and the Swiss cheese trader. Through regular and direct contact they exchange ideas and thereby improve the distribution of cheese from Andeer. The export of the cheese to specialty stores out of Switzerland can be seen as an economic benefit resulting from social capital building. By contrast, looking at the relation between the farmers and the dairy one discordance appears. While the dairy manager believes in the idea 'sustaining instead of growing' some of the farmers would like to increase their milk production and sell a higher amount to the dairy. The dairy manager, however, wants to keep the production on a small scale and prefers qualitative instead of quantitative growth. This lack of common ideas and values makes it difficult to pursue common goals. All the same, the relations between the farmers and the dairy, as well as between the dairy and its direct customers are very personal and characterized by regular contact, and thus make up a solid base for the rural web.

Co-production often appears in relation to the re-connection of the consumer with the producer and the place of production. In Andeer, the dairy represents the link between society and nature and facilitates interaction between producers and consumers. However, co-production only works if ideas about a product are exchanged; hence a two-way communication process is needed. On the one side, the ideas and values (the 'philosophy' of the dairy) need to reach the customers, on the other hand, their feedback would be needed to co-produce the product. With increasing distance to the place of production, these processes become more complicated, and quantity and quality of information decreases. The study showed that the message passed on through the distribution channel is modified in each step depending on the interests and the attitude of the stakeholder (see Fig. 2). As the marketer of the Swiss cheese trading company put it:

"The dairy has its own philosophy which we can rely on. Likewise, we have a philosophy that our customers know and agree with. The final consumer believes in the philosophy of the store that he chose for the purchase. The consumer therefore needs to trust the store manager's knowledge and experience; the philosophy of the dairy becomes secondary" (Trollope 2009).

Summing up, in particular looking at social capital and co-production shows the importance of communication for a functioning rural web. But also in order to create endogeneity and to make the term meaningful it needs to be communicated in a way that the local setting becomes comprehensive for the consumer (Wiskerke and Ploeg 2004; Knickel 2001). In the next section, we will therefore take a closer look at the contents and success of communication across the rural web of the dairy Andeer, and to the end consumers.

Communication in the rural web of the dairy Andeer

The dairy in Andeer distributes the cheese via five channels (whereby the wholesaler was not taken into account for the present study). About 50% of the cheese is sold by the Swiss cheese trading company to specialty stores in Switzerland and to a small international market. The local distribution, i.e. directly at the dairy or to local hotels, together makes up 30% of the cheese sale. About 10% are sold via the German middleman to a natural food wholesaler and a few organic stores in Germany.

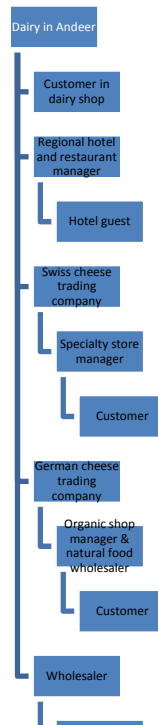


Figure 2. The flow of information in the different distribution channels.

In the following, we will present the results from the written survey aimed at revealing how communication of the dairy was perceived by the end consumer, and in particular which contents of the story behind the rural web actually could successfully be passed on.

The philosophy of the dairy in Andeer consists of a variety of aspects related to the maintenance of a sustainable small-scale business and a viable rural livelihood. The core of the philosophy is the phrase ‘sustaining instead of growing’ which implies qualitative growth by the addition of value instead of an enlargement of the production. The other aspects included in the philosophy are the maintenance of traditions and artisan production, the preference of milk from cows with horns, the use of fresh milk, the creation of a regional product, the maintenance of the cultural and natural landscape, the creation of jobs within the region, the maintenance of the dairy business in mountainous regions, organic production standards, personal communication, and the avoidance of long transportation distances. This information can be found on the dairy’s website in a very comprehensive and explicitly elaborated way.

The survey asked consumers to rank aspects of the dairy’s philosophy on a scale from 1 (not important) to 5 (very important). The analysis shows that all the aspects are regarded as important (see Fig. 3). The *citizens of Andeer* value all the aspects as more importance (average greater the 4.5). It appears as if they regard the philosophy as a whole as very important. The responses of the other groups of customers are generally lower and more differentiated. While *tourists* view ‘products bearing a relation to the region’, ‘maintaining the natural and cultural landscape’, and ‘biological production process’ as most important, the aspects ‘milk from cows with horns is preferred’ and ‘personal communication’ are regarded as less relevant. Similarly the customers of specialty stores consider the aspect ‘maintaining the natural and cultural landscape’ as fundamental, while they rank the aspect ‘personal communication’ the lowest.

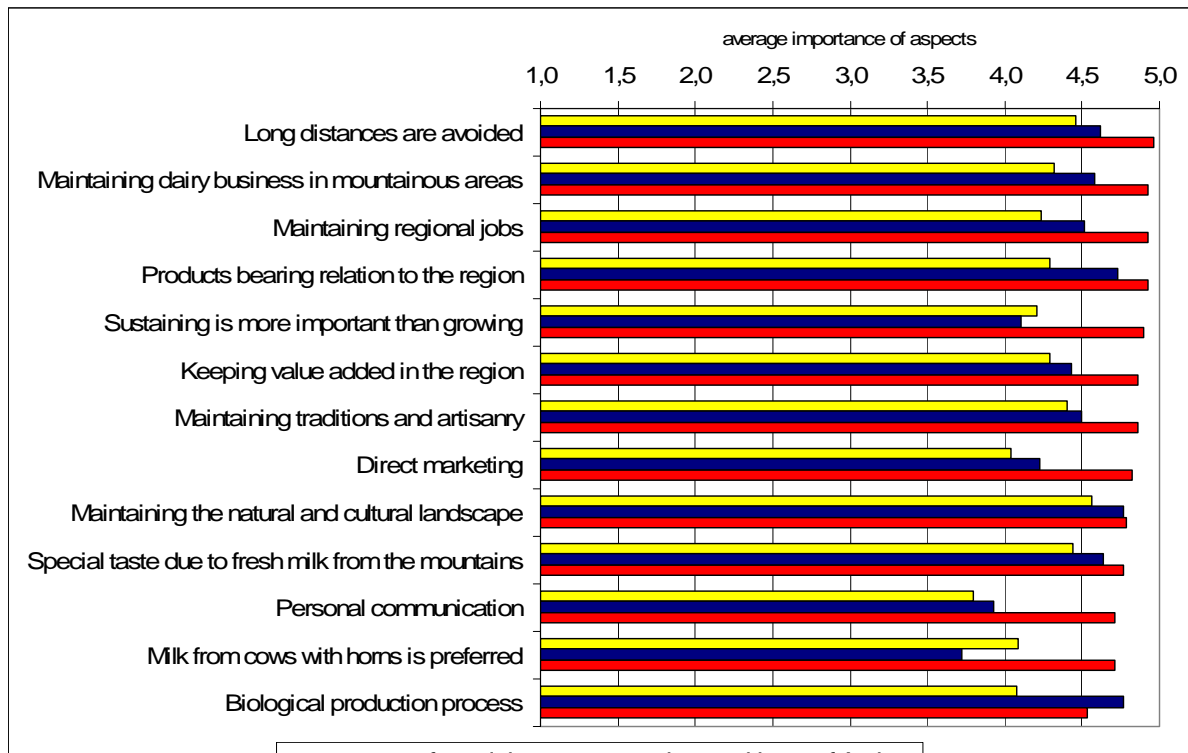


Figure 3. Average importance of the aspects of the dairy's philosophy, distinguished for the three different groups of consumers¹.

These findings show that citizens from Andeer appreciate the engagement of the dairy and regard their additional ideas as important, since they know the local setting and are more involved in the activities in Andeer. For them the maintenance of the rural livelihood and the viability is especially relevant as they feel rooted with their home. Furthermore, citizens of Andeer have the chance to get deeper insights into the activities around the dairy, because they can visit more frequently and can build up a personal contact. Tourists can also use the opportunity of personal contact. However, their insight in the production process will remain limited, as they stay only for a short period and are less involved in the community than the citizens. Nevertheless, they can establish a link between the product and the place of its production. They build up trust and may purchase the cheese as a souvenir bearing memories that link to the region where they spend their vacation.

Consumers of cheese from Andeer, who buy the cheese in *specialty stores* and have not had the chance to visit Andeer have to rely on the information which is passed on to them through the whole distribution channel. Usually, it is only basic information because the store managers do not inform about the background of all the cheeses from their assortment. This finding is supported by the analysis of an open question included in the questionnaire asking for association that consumers had with the cheese from Andeer. The given answers were grouped into seven categories. The image that consumers who have not been to Andeer gain about the cheese depends mainly on its quality and (organic) method of production and the association they have with the product's origin. In strong contrast to the citizens of Andeer, they do not know about the additional activities of the dairy nor can they value the personal contact (see Figure 4).

¹ The average importance was calculated by adding up all the values given in each category and dividing the sum by number of responses given in each category.

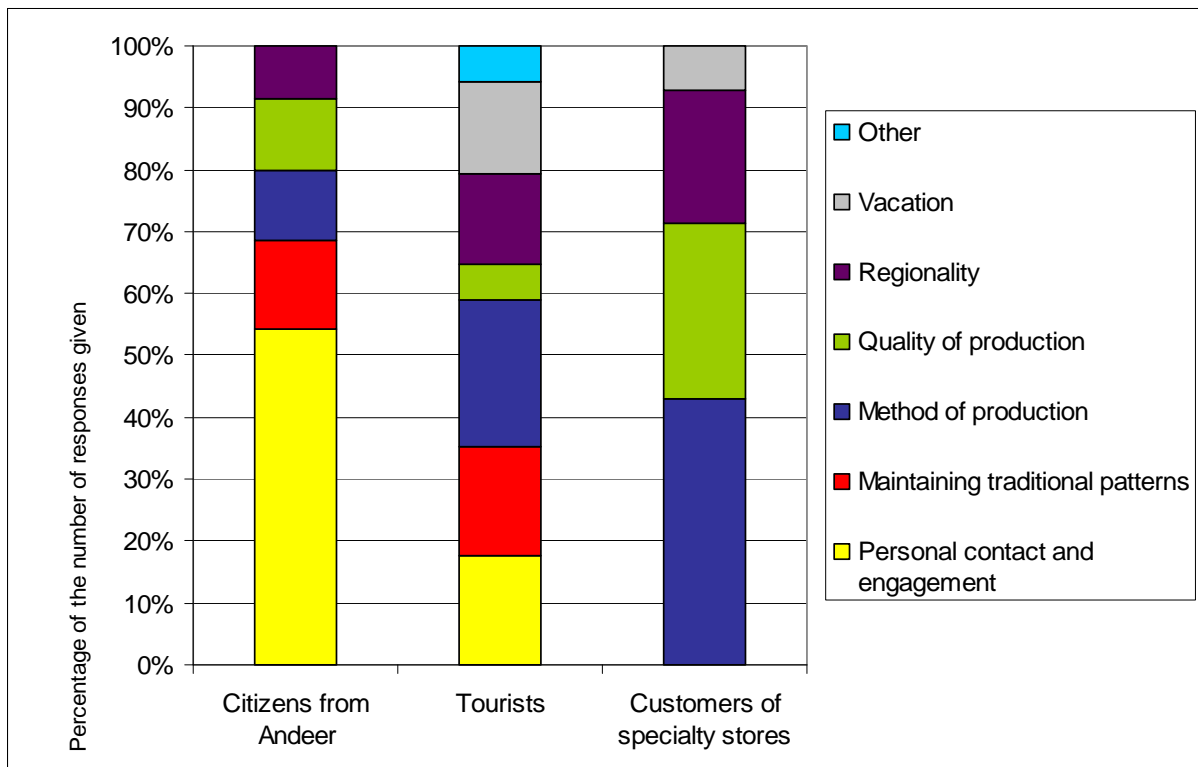


Figure 4. Categories which distinguish the different connotations with the dairy given by all respondents.

Conclusion and recommendations

Applying the concept of the rural web on the dairy in Andeer worked well for the general description of stakeholders, relations, and activities in the web. The utilisation of resources and the implementation of new ideas became apparent. The dimensions ‘endogeneity’, ‘novelty production’, ‘social capital’, and ‘co-production’ helped to explore the role of communication in the rural web from different perspectives, although the definitions of the dimensions are not straightforward, and a clear distinction between them is difficult.

In the rural web around the dairy in Andeer there is an information asymmetry in the communication process. The degree and quality of information received by the consumer of cheese from Andeer highly depends on the distribution channel (or their position in the added value chain) and their distance to the dairy manager. People who have direct and personal contact with the dairy manager get a much deeper insight into the story behind the production processes. Customers who do not know the place of production and have not met the dairy manager rely on the information which is passed on through the distribution channel. In stores located far away from Andeer, usually only basic information on the cheese is provided. In these cases consumers of cheese from Andeer unknowingly support the dairy’s philosophy, including its particular values and additional activities.

Consequently the dairy manager has different opportunities to improve that situation. First of all, he can further engage in local sales where personal communication is possible. Currently, the dairy in Andeer produces more cheese than can be sold on the local market. Secondly, he can ask for feedback from all his customers to learn about the information paths through which they can be reached most effectively, and to get to know the aspects that determine their purchase decision. Currently, the most extensive description can be found on the dairy’s website, but the survey revealed that customers do not use this information path.

To make the values and ideas of a rural initiative or small-scale producers meaningful, strong communication is needed. If direct personal communication is not possible, because of large distances between producers and consumers it is necessary to identify the most effective ways of

information and communication. Communication does not happen by itself. Presenting information on a website does not suffice to reach one's customers. Meaningful co-production between producers and consumers requires reaching as many consumers as possible. To this end, the ways and contents of communication need to be matched with the different expectations and interests of the different customers.

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