



FARM' IN

INCLUSION THROUGH
SOCIAL FARMING

**Marketing, communication, commercialization
in social farming
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Co-funded by
the European Union

European Project Co-funded by the Program Erasmus+ KA210- VET |
with Reference Number: 2024-1-IT01-KA210-VET-000256203



Responsible or ethical consumption

- Responsible consumption has established itself as a gradual process of development of consumer behavior, to influence the market through their purchasing and consumption choices, increasingly attentive to the well-being of other subjects.
- The “ethical consumer” is someone who, among other motivations, also seeks moral satisfaction in purchasing.
- The “social” attribute incorporated into a product intended for the market can play an important role in guiding purchasing decisions, and in recognizing a price premium



From Consumer to “Consumactor”

Customer-consumer

- Purchasing choices based on rational criteria, linked to the quality-price ratio

Consumer-actor

- The consumer is aware that his purchasing and consumption choices can have a positive impact on the social, environmental and cultural improvement of the society in which he lives. He is also attentive to the methods of production and distribution of a product and to the phases following consumption.

The importance of information in purchasing choices

- In the analysis of market demand (Lancaster, 1966) the product is considered as a set of characteristics that can be present with different intensities, or completely absent, and that are evaluated by the consumer, separately or in combination with each other, according to a subjective scheme of preferences. It is through the utility generated by these characteristics for the consumer that the value of the good is created. Products are generally distinguished (Nelson, 1970) based on the consumer's ability to recognize their qualities.

Attributes and asymmetric information

Based on the degree of visibility, three types of attributes are distinguished:

- **Search goods:** the quality (attribute) of the products can be recognized before purchasing
- **Experience goods:** the quality of the products can only be recognized after purchase and consumption
- **Credence goods:** the quality of the products cannot be recognized even after consumption → ethical attributes that characterize social farming products are included, which concern the way in which the product was obtained

Asymmetric information (Akerlof's Theory) occurs when one party in an economic transaction possesses more or better information than the other party → Market failure

Marketing – Communication – Commercial distribution

There are several definitions of **Marketing**:

- It is the analysis, organization, planning, and control of the company's resources, policies, and actions directed at the consumer to satisfy the needs and desires of selected groups of consumers (defined market) thereby achieving a profit (the company's objectives). (Kotler)
- The process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives. (American Marketing Association)

We can say that the Marketing Objectives are:

- To satisfy the needs of the current and potential buyers of a company
- The company must try to make a profit by satisfying the needs of customer groups

Communication is one of the fundamental phases of marketing, in particular promotion; it has the function of creating effective messages based on the results of the market, product and potential buyer analyses carried out during marketing activities.

Commercial distribution is the instrument through which producers and distributors place goods and services on the market.



Marketing Planning

Marketing is an element of the entire business organization; it is an integral part of “strategic planning”.

Formulation of marketing objectives:

- consistent with those of the organization
- clearly specified
- Measurable

Selection of the target market:

- identification of new segments to which to address the products (based on their profitability, sales volume, commitment required of the company) without neglecting current customers

Development of the marketing mix:

- set of variables controllable by marketing managers that must be managed to satisfy the target and achieve company objectives)

The strategic marketing plan

- It is the first step to get noticed by the market
- The strategies defined in the plan are implemented through operational marketing

Key messages

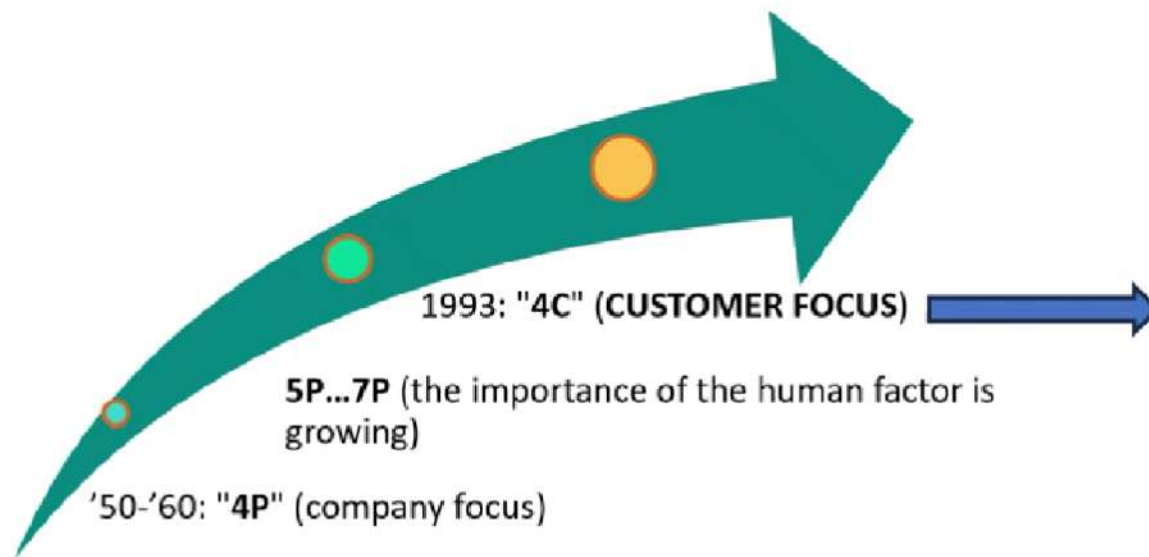
- **Corporate Proposition and Mission:** What does the company do? How does it stand out from the competition and what does it do best? How can it improve the lives of its customers?
- **Reasons for Trust:** Why should customers choose the company's products? What are the benefits? What problem can be solved thanks to the product (goods and/or services) proposed?
- **Emotional Motivation:** What emotional well-being does the product or company offer?

How to prepare a strategic marketing plan?

- SWOT analysis
- Identify the target
- Establish S.M.A.R.T. business objectives (specific, measurable, achievable, relevant and time-bound) + Improve awareness and increase exposure of activities and products through digital marketing
- Customer journey
- Establish action and promotion priorities
- Communication
- Implementation of the strategic plan aligned with the company's internal resources
- Financial resources for communication
- Timetable Monitoring the results and possible readjustment of the strategic marketing plan

Marketing mix

- indicates the combination of controllable variables (so-called "decision levers") of marketing that companies use to achieve their marketing objectives.
- it is traditionally based on the paradigm of the "4Ps" understood as key factors for the creation of value around a marketed product and the company



The product is seen as an element capable of responding concretely to the needs of the customer/consumer; therefore, it is identified not only with the good itself, but also with the set of advantages or values that the company is able to ensure.

Product	Customer value
Price	Change
Placement	Convenience
Promotion	Communication

Communication for socially oriented businesses

For these companies it is particularly important to activate effective and univocal communication strategies aimed at:

- not only to make your product known;
- but also, to give it a certain identity to make it recognizable, convince and persuade to purchase, leaving in buyers traces of memory such as to stimulate the selection of that product, among the various ones on the market, also for the future.

It is necessary to define in a conscious and structured way a specific communication plan, capable of conveying a unique message through the multiple channels and tools used and integrated with the marketing strategy.

Communication for social farming

Developed mainly according to the recipients of the communication and the objectives pursued. Three types of communication are distinguished:

1. **Institutional:** aims to promote and protect the company image in the reference territorial context, consolidating relations with those local interlocutors (economic, institutional and political subjects, information bodies, local communities, etc.) that can influence the achievement of the company's objectives;
2. **Economic-financial:** aims to find financial resources (it is addressed, for example, to potential financiers, shareholders, suppliers or the labor market) and often includes the communication of the balance sheet;
3. **Product-related:** aims, in the short term, to promote the marketing of the goods and services offered and, in the medium-long term, to create and maintain (through the combination of different communication tools and approaches) a positive positioning and image in the market, stimulating consumer loyalty. The communication plan must also consider the size, organization and reference market of the company (local, regional, national, international).

Promotional communication

Historically based on advertising, sales promotion, direct selling and public relations, it has been enriched over time by a series of other activities (events, point-of-sale actions, temporary shop setup, sponsorships, packaging, merchandising, etc.), and by innovative methods (e-mail marketing, social media marketing, interactive marketing, etc.) and unconventional methods (ambient or guerrilla marketing, etc.) thanks to the use of the internet and new media.

What and how to communicate?

- various elements, such as: the details of the registration in the regional register of social farming operators, the number and type of disadvantaged individuals employed as members or as permanent or seasonal workers, type of activities referred to in Law 141/2015 (for Italy) carried out in the company
- in a constant and not occasional manner, with direct methods (e.g. direct sales) or indirect methods (using communication tools that require the intervention of third parties, such as the media for advertising actions) and through a series of channels (mass media, such as TV, radio, websites, social media, etc.).

Sales channel

Reports of the national rural network Italy

- Most social farms use multiple sales channels with a clear preference for marketing without intermediaries (direct sales on the farm, through buying groups or local markets)
- The traditional channels (organized distribution, wholesalers) or the more innovative e-commerce are used, but to a lesser extent

Social farms have still limited business volumes related to the sale of products and prefer marketing channels where direct contact with the consumer is possible. Only for larger social farms, where there is a more consistent offer of products, organized distribution channels are used, which is able to place significant shares of product on the market.

