Sustainable Farming and Effective Marketing Strategies at Lake Constance

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Agriculture at Lake Constance

The part of the Lake Constance landscape which traditionally was cultivated in a natural way is even today dominated by agriculture. In comparison with other structurally weak regions in Middle Europe, farming in the lake Constance region still has economic importance and potential. Land-use and landscape management are characteristic in 47 % of the watershed. The particular natural conditions (climatic, geological, soil related) have created a diverse and regionally differentiated land use with unique landscape patterns. About 433,000 hectares of the Lake Constance area are being used for agriculture. Farms around Lake Constance produce a wide diversity of goods. Most land used are green fields and pasture land which make up 76% (330,000 ha). Crops are grown on 16.4% (71,000 ha) and 6.9% (30,000 ha) is taken up by so called special cultures. In order of importance these are: fruit plantations, hop, vegetables and vines. The grassland portion eastward and on the Southern side of the lake towards the inclining hill land is increasing considerably. Agricultural use increases in the western direction. In the plain areas bordering the Rhine and Lake Constance intensive cultivation (farming, horticulture) is predominant. Close to the shore, with the exception of the eastern part of Lake Constance, specialist cultivations i.e. fruit farming, viticulture and hop farming are prevalent.

High level of production in farming is often connected to high levels of environmental degradation. Even with the high proportion of organic farms (~8%) and the conversion of many areas to integrated production methods, agriculture is still causing considerable environmental pollution and represents a high potential for ecological problems for the natural area and the drinking water reservoir Lake Constance. It has been proved that the use of chemicals and synthetic fertilisers and pesticides is causing extraordinary high nutrient charges in the lake and its tributaries.

Promoting sustainable farming at Lake Constance

Developing new sale opportunities is a main strategy of Lake Constance Foundation to support sustainable farming. Due to the big variety of general natural conditions, Lake Constance area offers a big variety of products in high quality. About 3.5 million people live in the Lake Constance area. Together with the tourism centres, the high-quality gastronomy and canteen kitchens (canteens, refectories, conference centres, hospitals, ...) the Lake Constance area has the potential for high sales of regional organic and eco-friendly food products.

The objectives of all our marketing activities are:

- § Increase the share of organic and eco-friendly cultivated area
- S Reduce the environmental impact by farming

- S Create alliances and co-operations between farmers, food fabricators, whole and retails dealers and caterers
- S Rising of regional value added tax

Practical Experience: Creating a brand for regional and sustainable food

The original idea behind the project "Good dishes from the Lake" was to develop the infrastructure for the supply of canteen kitchens and gastronomy with regional organic and eco-friendly produced food. On the one hand this should contribute to increased marketing of regional environmentally friendly produced food, on the other hand regional economic cycles should be developed and strengthened. Under the coordination of Lake Constance Foundation and with financial support by PLENUM (a programme of the state of Baden-Württemberg for supporting sustainable development), about 10 to 15 farmers, food fabricators, whole retailers and caterers started in 2003 to develop a concept for such an infrastructure. But with every new meeting the logistics project turned more and more into marketing project with the goal of developing a brand for sustainable food out of Lake Constance area. First special criteria for the products were established:

- S Definition of the regional provenance: Products must be produced and processed within 40 kilometres around the shoreline of Lake Constance.
- Definition of the environmental quality / sustainability: Products must be produced according to integrated or organic cultivation criteria and farmers must cultivate at least 10% of their area in an extensive way (according to certain measures of the regional agri-environmental programme and the landscape conservation guidelines).

With support of the marketing department of Unilever Germany, the working group developed a brand key and later on a marketing strategy.

The brand key was very important to expose the features of the regional products and their marketing environment. It is a short form description of competitive environment, target groups, main reasons for a positive buying decision, advantages and values of the products, reasons to believe, differences to other products and the essence of all this: a claim.

Basing on the brand key, the marketing strategy was developed. It contents a mission statement, descriptions concerning the four Ps (product, price, place (distribution channels) and promotion) and concrete measures. Out of this the brand "Good dishes from the Lake" and a homonymous logo were created which stands for guaranteed environmentally friendly or organic produced food from the Lake Constance region.

A quality management system was developed and established. The criteria are controlled by authorised control institutions of the quality label QZ Baden-Wuerttemberg or the eco-labels.

First public appearance of the association members with their new branded products was in spring 2005 with a kind of one-day fair in Constance. 35 association members presented their products and dishes. Over 10.000 visitors were a very good argument that "Good dishes from the Lake" is on the right way. Since then the marketing strategy has been put in practise step by step:

S Creating marketing material (flags, brochures, special material for supermarkets)

- S Organising seasonal promotion weeks especially in supermarkets
- S Catering and front cooking for cultural and society events
- § Publishing a website (<u>www.gutes-vom-see.de</u>)
- S Capacity building for sales personnel

Meanwhile over 60 farmers, food fabricating enterprises, whole and retail dealers, gastronomes and canteen chefs are organised in the association "Good dishes from the Lake". Currently they represent over 750 products and over 60 selling points at western Lake Constance.

Conclusion

Up to now this kind of co-operation and mutual promotion is unique in Germany and even in Middle Europe. Usually brands for regional food are initiated by farmers. "Good dishes from Lake Constance" was initiated by an environmental NGO and dedicated food fabricators, retailers and gastronomes. This intersectoral alliance stabilises the association and was very important for the exchange of know-how and experience. One of the associations basic principle is to grow slow and to accept new members only by recommendation and after inspection .

The funding by PLENUM Westlicher Bodensee (a programme of the land Baden-Württemberg for a sustainable development) was very important in the beginning (about 100.000,- Euro). A milestone for the project was the willingness of the pioneers to pay an amount for the coordination.

The brand "Good dishs from the Lake" represents eco-friendly <u>and</u> organic food. It works because the main claim is the origin, not the environmental quality.

The entrance of 25 local EDEKA-supermarkets (EDEKA is a big german quality orientated food trade chain) was another milestone. Together with the remaining regional food fabricators, retailers and some very big caterers (e.g. catering department of the number one tourism destination Island of Mainau) the association represents all key partners in regional food business. The importance of this strong community for the economic area can be deduced from the number of provided jobs (over 1700 jobs and over 120 apprenticeship training positions).

The quality management system is a strong argument for developing new sale new sales opportunities for regional and sustainable food. Due to our range of controlled products, it is much easier to convince gastronomes to offer regional products. "Good dishes from the Lake" was very helpful to install a new project this year called "Lake Constance Breakfast" which is focussing on hotels.