Market opportunities for social farms

Although social farming is seen as a successful and innovative sector, social farms face various challenges, among which the need to find additional income required to stay in business. However, assuming that social farm food is considered as having ethical attributes, the research aims at investigating to what extent consumers are conscious of some ethical concerns (problems related to social hardship, social equity, food quality etc.), and whether this will create market opportunities for social farm food. The study area is the province of Pordenone (Italy). The results indicate that conscious consumers could represent an effective market channel also for social farm food, a notable opportunity for farms to improve their socioeconomic performance.

1. Introduction

The research aims at investigating whether consumers attitude towards social farm food is influenced by social and health concerns. The findings are hereafter presented in order to contribute to debates on market opportunities for these ethical products. The research is part of a project carried out by a healthcare authority in the Friuli Venezia Giulia region, i.e., Azienda per i Servizi Sanitari n. 6 - Friuli occidentale, aimed at exploring social farming in the local area, the province of Pordenone (Italy).

Social farming refers to those agricultural and related practices where people with physical or mental disabilities, former drug addicts, prisoners, elderly people with dementia, minors and immigrants, etc. are occupied or simply involved in order to promote their well-being (Dessein et al., 2013; Hassink et al., 2012; Hassink et al., 2013). In the past, agricultural and rural societies developed very often many forms of solidarity, social assistance and inclusion. Nowadays, a new widespread positive perception of agricultural and rural re-

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sources has renewed social farming in many European countries, as well as in other parts of the world (Hassink and van Dijk, 2006; Haubenhofer et al., 2010), thus leading to an increasing interest in the beneficial effects of both nature and agricultural activities on the social, physical and mental well-being of people (Hine et al., 2008a, 2008b; Pascale, 2009).

Besides these beneficial effects, produced by welcoming people onto farms, social farming could generate additional positive effects: in fact, it represents a new chance to diversify rural activities, to enhance the role of renewed agriculture in society, and to strengthen the economic and social viability of farms and rural communities as a whole, thus generating a number of socio-economic benefits for all sectors involved (Pascale, 2010; Senni, 2007; Vik and Farstad, 2009). Also EU policies, through evolution, have recognised the increasing importance of social farming, and multifunctionality as a whole, and have gradually broadened their scope: from supporting agricultural practices to giving more attention and financial support to the improvement of the environment, the countryside and the quality of life in rural areas, as well as to the multifunctionality of rural economies. Multifunctionality, a core issue in the EU agricultural and rural development agenda, refers to the different functions that agriculture fulfils in society, functions that go well beyond the production of food and fibres. They include the stewardship of natural resources, landscapes and biodiversity, the creation of new job opportunities, the enhancement of the attractiveness of rural areas, etc. The choices for farms within the multifunctional paradigm are diverse, having in common the propensity of farmers to accept multiple responsibilities, to reconsider their predominant orientation towards primary production and profit maximization, to build new socio-economic relationships, and to adopt more socially responsible patterns of production and marketing (Dessein et al., 2013; Durand and van Huylenbroeck, 2003; Knickel and Renting, 2000; van der Ploeg and Renting, 2000; Renting et al., 2009).

Among the various multifunctional practices, social farming allows farm to broaden its scope of activities (van der Ploeg and Roep, 2003). In 2007-2013, EU rural development programmes (RDPs) offered several alternative options for funding social farming projects, even if not specifically addressed to this sector. They were mostly provided by Axis 3 measures, e.g., support for business creation and development, diversification into non-agricultural activities, basic services for rural population, and training for actors operating in the field covered by Axis 3, the latter being used for the establishment of social farming networks and support centres (O’Connor et al., 2010). In the current programming period, most of these initiatives have been strengthened and now some national/regional RDPs explicitly refer to social farming; as in the case of two actions in the measure 6 of the Friuli Venezia Giulia RDP, which
focus on business creation for non-agricultural activities in rural areas and diversification in agritourism, educational and social activities.

The characteristics of the social farming sector, such as the balance between agriculture and services, the evolution of competences and practices, farmers’ attitude and farm’s performance, etc., are significantly affected by regulatory systems, which may significantly differ in the European countries. Regarding Italy, social co-operation is a particular form of social enterprise regulated by the Italian Law n. 381/91. It distinguishes between co-operatives of type A (or service co-operatives) that can provide care and educational services (e.g., home care, management of day centres, residential shelters, or kindergartens), and co-operatives of type B (or work integration co-operatives) that can operate in all sectors of business, agriculture included, with the purpose of integrating disadvantaged people into the workforce. Social co-operatives operating in agriculture and which focus on labour integration or on both care/education and labour integration are considered social farms. They are not-for-profit enterprises and community-based initiatives strongly integrated into the social environment, which benefit from specific regulation (Di Iacovo and O’Connor, 2009; Fazzi, 2011). Over the latest years, increasing numbers of private farms are entering the sector. Their social farming activity can be voluntary and/or closely linked to the idea of social responsibility and to ethical consumers. Other new services are provided by private farms, e.g., kindergartens, but agriculture still remains their core activity (Di Iacovo and O’Connor, 2009). Recently, the Italian Law n. 141/2015 has specifically regulated social farming, not only by defining social farming activities, but also by designating farmers (i.e., social farming initiatives on private, ‘commercial’, farms), as individuals or groups, alongside social co-operatives, as actors in this sector.

The successfulness and innovativeness of social farming do not hide the various challenges faced by social farms, primarily the need to find adequate funding (Hassink et al., 2013). For instance, in Italy social co-operatives have a central role in the production of healthcare services. They are outsourced and financed by local healthcare boards, with the risk of dependence on public procurement (Fazzi, 2011). Nevertheless, besides the public market segment, new opportunities for social farms could be generated by the private demand for social services, e.g., clients or client representatives who contact directly a care farm, bypassing therefore care institutions (Hassink et al., 2013). Furthermore, alongside the provision of social services, other opportunities for social farms to improve their social and economic performance could be generated by the possibility of marketing the produce. In this regard, the search for alternatives to the homologation of agricultural and food products has defined new groups of consumers and has led to the development of new food markets. These markets mainly focus on ethic, local, typical and very often organ-
ic products, that embody values such as environmental sustainability, solidarity with small farmers, fair trade, social justice, well-being and personal health, and that are marketed via direct or through short value chains (Rossi et al., 2008; Schmit and Gómez, 2011). This tendency, or rather the increasing importance of ethical concerns among food consumers, may represent an opportunity also for social farms, both for not-for-profit and private enterprises. In fact, the search for ethical attributes indicates that the social functions of the farms and the ethical quality of their products could be explicitly remunerated by the market, at least to some extent (Carbone et al., 2009).

Finally, even if there is a high variability in income flows deriving from the various multifunctional practices, all of them, social farming included, may generate market opportunities that allow farmers to stay in business on their own farms (Henke and Salvioni, 2010). This could be particularly crucial for small farmers, providing the additional income required to enable them to continue, thus reducing the risk of dependence on public procurement, at the same time reducing land abandonment, so preserving local landscape and cultural traditions (O’Connor et al., 2010).

2. Methodology

The study area, the province of Pordenone, is located in the Friuli Venezia Giulia region, in North-East Italy. In line with the healthcare authority project, data was collected on a convenience sample, i.e., people employed in that same authority as potential consumers/buyers of local social farm food. The sampling is a limitation of this research. Nevertheless, the research not only matches the authority requirements, but it could be the base for future research on this topic.

The research was structured in the following tasks: research modelling, questionnaire planning, data collection and data analysis.

In order to investigate the attitudes of consumers towards social farm food (SFF), the relationships between three latent constructs, i.e., social consciousness (SC), health consciousness (HC) and social farm food attitude (SFFA), were analysed.

According to Giddings (2005), social consciousness refers to people’s ‘personal awareness of social injustice in their lives and in the lives of others’. Berman (1997) proposed a conceptualisation of the level of commitment, defining social consciousness as ‘the development of one’s relationship with the political and social world and one’s personal investment in the well-being of others and of the planet as a central concern’. Ammentorp (2007) defined the development of social consciousness as a ‘process involving increasing awareness of social historical context, the ability to think abstractly about time and place,
and beyond the immediate everyday conditions to understand individual experience as embedded in a broader system of social relations’.

Health consciousness relates to health actions in consumers who are aware and concerned about their state of well-being and are motivated to improve and/or maintain their health and quality of life, as well as preventing ill health, by engaging in healthy behaviour (Chen, 2009; Hartmann et al., 2013; Nassivera and Sillani, 2015; Newsom et al., 2005). Health consciousness has been found to predict attitude to and intention of purchasing organic food (Magnusson et al., 2001, 2003).

Given this research framework, as well as that of Carbone et al. (2005, 2009) for social consciousness and Steptoe et al. (1995) and Pohjanheimo and Sandell (2009) for health consciousness, the measurement scales (observed variables) for these two latent constructs were proposed. Moreover these latent constructs were considered as antecedents of social farm food attitude. The measurement scales for the latter were proposed in accordance with Ajzen (1991), Ajzen and Fishbein (1980), Carbone et al. (2005, 2009), Choo et al. (2004), Nassivera and Sillani (2015), Shaw et al. (2000), and Shaw and Shiu (2002).

All the measurement scales, listed in Table 1, were identified taking the healthcare authority project into account too.

The research framework also enabled us to propose the following hypotheses: social consciousness has a positive effect on consumers’ attitude towards social farm food (H1) and health consciousness has a positive effect on consumers’ attitude towards social farm food (H2) (Fig. 1).

Overall this model, i.e., the constructs, their measurement scales and hypotheses, allow us to indirectly investigate whether the ethical concerns of consumers, in particular their social and health awareness, could affect the

<table>
<thead>
<tr>
<th>Tab. 1. Constructs and measurement scales</th>
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<tr>
<td><strong>Constructs</strong></td>
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| Social consciousness | • I am sensitive to problems related to the economic crisis  
• I am sensitive to problems related to social hardship  
• I am interested in social equity |
| Health consciousness | • I think about what I eat  
• I look for and eat quality food products |
| Social farm food attitude | • SFF is a quality product  
• SFF is a quality product because it is environmentally sustainable  
• SFF is a quality product because it is seasonal  
• SFF is a better quality product when produced locally  
• SFF is good value for money |
attitudes of consumers towards social farm food, being considered products with ethical attributes.

A questionnaire was planned to collect data on each measurement scale, that was explored using a 7-point Likert scale, i.e., the respondents were asked to indicate the extent of their agreement on a scale of 1 (strongly disagree) to 7 (strongly agree). In the preliminary stage of the research, respondents’ socio-demographic characteristics and a general awareness of social farming were also investigated.

The respondents were contacted by email using a graphical interface in PHP and a relational database (RDBMS: MySQL). Data was collected between January and April 2014 using the CASI (computer assisted self-interviewing) method.

The hypotheses were tested via a structural equation model (SEM) that was calculated with the linear structural relationship (LISREL) method, via LISREL 9.1 software (Jöreskog and Sörbom, 2012).

2.1 Description of the sample

The convenience sample, after database filtering, is made up of 361 respondents (valid cases). The majority of the respondents are females (67%), aged over 50 years (50%), and with a University degree (56%); their household includes more than 2 people (64%) and the family income varies between
The respondents were also asked to indicate their level of social farming awareness, using a 7-point Likert scale. As shown in Figure 2, the majority of the respondents (61%) stated that they do not know or know little (levels 1-4) about social farming. Nevertheless, 22% of the sample indicated a reasonably high level of awareness (equal to 5), and another 4% declared they are indeed aware (level 7) of firms involved in social farming, their purposes, activities, products, etc.

3. Results

A two-stage analysis was adopted, estimating, firstly, the measurement model and, secondly, the structural model.

The measurement model (first stage) enucleates the links between the observed variables (measurement scales) and the corresponding latent variables (constructs); this corresponds to the classic confirmatory factor analysis (CFA). The measurement model therefore enables us to comment on the validity and reliability of the measurement scales used for each construct.

Overall, the results of the first stage of the analysis indicate that the three latent constructs are significantly described by the proposed measurement
scales (Tab. 2). This is confirmed by the fact that all the average variance extracted (AVE) scores are above the recommended threshold of 0.45, according to Dillon and Goldstein (1984).

According to these results, the sensitiveness to problems related to the current economic and financial crisis and to social hardship, that we are still experiencing, as well as the care taken to balanced and non-discriminatory relationships, can describe at least to some extent an individual’s perception of the social environment in which social farming is rooted. Health consciousness reflects an individual’s readiness to do something for his/her health (Chen, 2009), e.g., to be aware of the link between health and nutrition, to spend time on his/her diet, as has been confirmed by this research. Finally, social farm food is perceived as a quality product, primarily because of its ecological sustainability and seasonality.

The structural model (second stage) identifies the causal relationships between the three latent constructs. It is estimated via several fit measures, which provide different output concerning the goodness-of-fit of the structural model: the goodness-of-fit index (GFI); the adjusted goodness-of-fit index (AGFI), which regulates the GFI for the degrees of freedom; the comparative

<table>
<thead>
<tr>
<th>Constructs and observed variables</th>
<th>Label</th>
<th>Factor loading</th>
<th>Standard error</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Consciousness</td>
<td>SC</td>
<td></td>
<td></td>
<td>0.53</td>
</tr>
<tr>
<td>I am sensitive to problems related to the economic crisis</td>
<td>e-cris</td>
<td>0.70</td>
<td>0.51</td>
<td></td>
</tr>
<tr>
<td>I am sensitive to problems related to social hardship</td>
<td>hardship</td>
<td>0.97</td>
<td>0.05</td>
<td></td>
</tr>
<tr>
<td>I am interested in social equity</td>
<td>soc eq</td>
<td>0.67</td>
<td>0.55</td>
<td></td>
</tr>
<tr>
<td>Health Consciousness</td>
<td>HC</td>
<td></td>
<td></td>
<td>0.47</td>
</tr>
<tr>
<td>I think about what I eat</td>
<td>alim att</td>
<td>0.80</td>
<td>0.37</td>
<td></td>
</tr>
<tr>
<td>I look for and eat quality food products</td>
<td>res qual</td>
<td>0.79</td>
<td>0.42</td>
<td></td>
</tr>
<tr>
<td>Social farm food Attitude</td>
<td>SFFA</td>
<td></td>
<td></td>
<td>0.59</td>
</tr>
<tr>
<td>SFF is a quality product</td>
<td>+ qual</td>
<td>0.78</td>
<td>0.40</td>
<td></td>
</tr>
<tr>
<td>SFF is a quality product because it is environmentally sustainable</td>
<td>Env sost</td>
<td>0.79</td>
<td>0.38</td>
<td></td>
</tr>
<tr>
<td>SFF is a quality product because it is seasonal</td>
<td>Seasonal</td>
<td>0.80</td>
<td>0.36</td>
<td></td>
</tr>
<tr>
<td>SFF is a better quality product when produced locally</td>
<td>Local</td>
<td>0.61</td>
<td>0.62</td>
<td></td>
</tr>
<tr>
<td>SFF is good value for money</td>
<td>+ val</td>
<td>0.46</td>
<td>0.79</td>
<td></td>
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fit index (CFI); the root mean square error of approximation (RMSEA), which in recent years has been regarded as one of the most informative fit indices (Diamantopoulos and Siguaw, 2000) due to its sensitivity to the number of estimated parameters in the model (Browne and Cudeck, 1993). The thresholds for these indices are discussed and disputed in many studies (Scott, 1994; Bagozzi and Yi, 1988; Browne and Cudeck, 1993; Hayduk, 1987). Table 3 lists the fit statistics for the structural model of this research. In general, higher values of GFI, AGFI and CFI indicate better fit.

The results show that their values meet the more restrictive 0.90 threshold level (Bollen and Liang, 1988). RMSEA is very close to the 0.08 level set by Browne and Cudeck (1993) as the maximum allowable for an acceptable model. The ratio $\chi^2$/df suggests a good fit (Hayduk, 1987). Overall, our indices suggest a good fit model coherent with the quoted literature.

<table>
<thead>
<tr>
<th>Indices</th>
<th>Value</th>
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<tbody>
<tr>
<td>GFI</td>
<td>0.95</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.92</td>
</tr>
<tr>
<td>CFI</td>
<td>0.97</td>
</tr>
<tr>
<td>RMSEA (Test of Close Fit)</td>
<td>0.07</td>
</tr>
<tr>
<td>$\chi^2$, with 32 degrees of freedom (df)</td>
<td>92.13</td>
</tr>
<tr>
<td>$\chi^2$/df</td>
<td>2.87</td>
</tr>
</tbody>
</table>

Figure 3 shows the LISREL-generated model of the causal relationships between the three latent constructs and Table 4 describes the values of these relationships.

The existence of direct causal effects between the latent variables SC, HC and SFFA is confirmed by the fit indices proposed by SEM analysis, as mentioned above. These relations support the two hypotheses.

Overall, the proposed model depicts a positive reactivity of potential consumers. In fact, the results suggest that market opportunities for food produced by social farms may be reinforced, or even created, by bolstering consumers’ social and health consciousness. The knowledge of the characteristics of these products and how their attributes match the ethical and ecological concerns of consumers should be deepened too.
4. Conclusions

The paper presents the results of a field research aimed at investigating to what extent consumers are sensitive to social and health concerns, and if this can be expected to affect consumer attitude towards food produced by social farms.

Firstly, the results confirm the reliability of the latent constructs, i.e., social consciousness, health consciousness and social farm food attitude, on the proposed measurement scales. Secondly, the analysis of the causal relationships between these three constructs supports the hypotheses of the proposed model.

These results allow us to make a number of considerations. Firstly, the respondents’ social consciousness seems to be clearly measured by all the proposed items, including their sensitivity to problems related to the current
economic and financial crisis. Thus, alongside the positive impact of this construct on consumer attitude towards social farm food, the findings suggest the further exploration of the role of social farming in innovative economic scenarios. Moreover, social farm food is perceived as a product with specific quality attributes (environmentally friendly, seasonal, etc.), that match the ethical attributes sought by alternative groups of consumers.

Overall the results indicate some implications for policy-makers and practitioners. In order to reinforce or even create new market opportunities for SFF, alongside the support of structural investment, for instance through EU policies, it is important to bolster consumers’ social and health awareness, their knowledge of the characteristics of food produced by social farms and how they match consumers’ ethical and ecological concerns. This could be done by supporting and implementing training activities aimed at further raising awareness of the benefits of social farming, not only for disadvantaged people, but for the wider society, economy and environment too. Other initiatives could be founded, aimed at strengthening direct relationships between farmers and communities, in order to support the creation of new market channels for SFF, such as GAS (in Italian, Gruppo di acquisto solidale), and hence to contribute to local development.

The research has some limitations, concerning the characteristics of the sample and the identification of the constructs and their measurement scales. Regarding the former, data was collected on a convenience sample, i.e., people employed in the aforementioned healthcare authority, as potential consumers/buyers of SFF, and therefore the results should not be generalised to broader populations. Regarding the latter, the constructs and items proposed and analysed here depended on the healthcare authority project requirements, and on the absence of literature on social/health consciousness and consumer attitude specifically related to social farm food. Nevertheless, the proposed model and the results of the research could be the base for future research on this topic. Hence, future research could investigate the potential of other consumer groups of social farm food, which differ from our sample in at least socio-demographic characteristics, size and geographical area. In order to improve the effectiveness in describing the constructs, other measurement scales could be explored, e.g., social and health items related to SFF besides those related to consumers. Moreover, how the attitude towards SFF may affect consumers’ behavioural intention towards such products could be analysed, and if/how it could improve social farm performance.

Finally, we argue that if consumers are aware that the quality of their life is also related, in a wide sense, to the quality of the foods they eat, and at the same time are sensitive to the challenges of our society, their behaviour could be influenced, making them potential buyers of social farm food. This would
open up new market opportunities for farms, providing both not-for-profit and private enterprises with the additional income required to stay in business, thereby reducing the risk of dependence on public funding.

References


