

CLUSTERING: CREATING AND PROMOTING BUSSINESS SOCIAL NETWORK SUPPORTED AGRICULTURE IN THESSALONIKI

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Abstract

The purpose of this paper is to investigate the creation, promotion and sustainability of a socially supported agricultural network. The recording and the theoretical co-operative strategy that can be developed by actors in the region to achieve the maximum possible growth outcomes. The methodological approach followed is based on the research of scientific approaches and scientific bibliography and aims at the overall assessment of the usefulness of such a network. As a result of this research, it is considered that proper planning and optimal use of all the data held in their hands by all the stakeholders in the network is necessary so that we have sustainability of the agro - food sector of the city and why not of the country.

Key words: socially supported agriculture, clustering, agricultural sector, producer, development

INTRODUCTION

At a time when the conditions prevailing in the global economy are uncertain and liquid, in Greece where these two factors meet in a more intense form, seek practical rather than theoretical policies, so that their implementation opening the path not only in the economy but also in every sector of the country.

Odysseus Elytis once said that "if you disintegrate Greece, what will be left to you are an olive tree, a vineyard, and a boat, with so many, you rebuild it".

Since ancient times, Greece has relied on three branches. In rural, tourism and shipping, and even as many as civilizations have been applied, these three branches, ornaments of the nation, are now dying and in a dire situation.

But there is hope, because the policies that are both at the state level, but also the initiatives taken as well as the private ones, have three main disadvantages.

First, with the rising pace of technology advancing, researchers now have valuable achievements - "companions", which make the journey of knowledge easier.

Secondly, today is the experience of yesterday and so you can study any mistakes which must be avoided.

Thirdly, there is vision and experimentation.

In the past, efforts have always been made to develop each branch separately with external intervention, and nowadays it is possible for each industry to interact with the others and to have internal self-development.

In order for this to happen macroeconomic, a micro-economic interaction of players in each sector must precede.

And the best way to achieve this is to put some boundaries, first of all geographically.

Thus, in a region, various actors (private sector (e.g. companies) and the state sector (e.g. Educational Institutions), interdependent for exchange of products and services, governed by four key factors, [6] proximity, interconnections their interactions, the number of operators and the size of each operator separately, can form a network with a common goal, through which both individual development and collectiveness will be created, as well as the Adam Smith argued in "The Wealth of Nations", the pursuit of self-interest in trade, promote the general interest [5].

MATERIALS AND METHODS

The material used for this research is the sources of knowledge of the location of the city of Thessaloniki as well as the scientific literature. The methodological approach followed is based on the research of scientific approaches as well as on scientific bibliography.

RESULTS AND DISCUSSIONS

This section presents the creation and promotion of the socially supported farming network, based on the methodology presented above.

The Position of the Network

As mentioned above, one of the main pillars of the Greek economy is the rural area, whose contribution both in the primary sector and in the later process of processing is enormous. However, in order for this chain to exist, a suitable part must be chosen so that all the parties involved can be suitably served, and at the same time the possibility of expanding the production chain. These figures have a large city like Thessaloniki.

The city of Thessaloniki is located in Northern Greece, a region where it is known for its agricultural products, possessing all the characteristics of the health and safety of the food produced and the economic advantages for the producers.

Let us assume, therefore, that a producer has begun to produce agricultural products on the outskirts of Thessaloniki. The technical advantages will be the close proximity of Souroti factory, where water purification and bottling is carried out, which enables the producer to have a continuous supply of clean water of good quality, the disposal of any waste is done by Municipal waste trucks every day so as to avoid contamination of the environment and the contamination of the food produced. And finally, the area has a relatively cold climate due to its location (it is amphitheatrically built by the sea), which is suitable for fewer hygiene problems.

The economic advantages include the Supplier Cooperative of Thessaloniki, which can

distribute the product both on the Thessaloniki market due to an already existing customer network and the fact that the cost to the producer for the distribution of the product falls. The key importance of double location in the city is the fact that there is direct contact between the market (consumers) and the producer.

The Market Forces

When we talk about market forces, we mean supply and demand, something we see strongly because of the consumer's contact with the producer in this case. The producer, for his part, offers agricultural products, and consumers on their own side, are the demand for the products. The question is whether the two sides agree on the type of product, as today agriculture is not only conventional, but also agricultural products of integrated management and organic farming.

Nowadays, consumers are up to date and want to know what goes into their table, and in order to do so, they come in direct contact with the producers. This creates another kind of balance of market forces, not price, but quality. This "cooperative" between the producer and the consumer, where the cheap and the rewards are shared by everyone, is the so-called "community supported agriculture".

The origin of socially supported agriculture is not entirely clear. According to most sources, it began in the early 1960s in Germany, Switzerland and Japan in response to concerns about food security and the urbanization of rural land. Milestones were in 1984 when socially-supported agriculture began in the United States of America, and in 2005 where the federal bill was passed, which provided for the creation of the "Fieldeater Movement".

[7]How does a socially supported farming system work? A CSA can take several forms. First, a group of people can approach a producer and bind him or her to cultivate for them, or a producer can search for shareholders - associates - consumers. The most common form of CSA encounter is the second, where a farmer plans a cultivation plan and then looks for the shareholders - consumers. When found and agreed, the shareholder advances the amount of the agreement and the farmer is now

obliged to fully respect the cultivation program of the agreement. When harvest time comes, picking is usually done once a week from the farm or from a meeting point set up from the beginning.

Here is added the cooperation with the Thessaloniki Co-operative Association, which, having its own network of stores, can take over the distribution of products and use its stores as consumer reception stations. From this co-operation, the co-operative has significant advantages, since the vehicles transport the goods to the shops, so they have a fixed cost, which is reduced, thus creating economies of scale. This is how the core of the network is set up in a city like Thessaloniki, which offers many channels of cooperation.

The Educational Community

A "great" partner in the network is the tertiary space, as it is the matrix of science. In a network such as a socially supported farming enterprise, there could be no educational institution to provide its services. [4]

Services that include research, data analysis, guidance and counseling, as well as practical cooperation as many students who complete their internship in their studies continue their work in the same business. Research by the educational institutions will help the market improve, because as an outside observer the institutions see the mistakes and failures and point them out. Analyzing the kinds of existing data helps us to draw conclusions and make predictions, as much as we can, so as to prevent unpleasant events.

The advantage of Thessaloniki is that it has not only one but two large educational institutions in the tertiary area. With the first one of the largest Universities in the country, the Aristotle University of Thessaloniki and secondly the Alexander Technological Educational Institute of Thessaloniki one of the largest Technological Institutions in the country. The Faculty of Agriculture, Forestry and Natural Environment of the Aristotle University is active in the fields of plant production, animal production, rural economics, food technology and forestry technology, and the School of Technology of Agriculture, Food Technology and Nutrition of Alexander Technological Educational Institute (TEI) consists of the

Technological Agronomist, Food and Nutrition and Dietetics Technologists. The graduates of these departments become the best possible workforce for staffing such a network. These specialties cover the range of all production, from the specificity of plant production during sowing and harvesting of the products in the field, the specialty of food processing technology (standardization and / or processing, standardization), up to the specialty of the rural economy in the role of the Financial Management Supervisor.

Of course, tertiary space is not the only level of education where it can support such a venture. Vocational High Schools are widely known in Greece, and more and more students choose to attend. The Department of Agriculture, Food and the Environment is a strong emerging sector as graduates from its departments have gained knowledge of the basic principles of food processing, management of natural resources and cultivation methods. This makes them desirable to perform auxiliary role duties in those of higher education graduates.

The Legal Dimension

Supervising Ministries for Agricultural Enterprises are, for the most part, the Ministry of Rural Development and the Ministry of Economy, Development and Tourism, with the subsidiary role of the Undersecretary for NSRF and the State Secretary for Industry. With the former being the coordinator for grants, and under the supervision of the Minister, there is the General Secretariat for Consumer Protection and Marketing, which is responsible for the procedures for setting up business.

[1] By changing to Law (2323/1995), which was superseded by Law (4264/2014) (Exercise of Out-of-Shop Activities and Other Provisions), it was imperative to find and develop a new model of sales by producers. According to the old Law, a producer had the right to sell his products on which territory he wished, as well as to refrain from issuing proofs, since it was stipulated by the relevant license that he had the transfer of his products by means of delivery notes, so that the cost is reduced, so that the consumer purchases at cheaper prices. The new Law, in place of the old one, stipulates that a producer who wishes to sell his agricultural products outside of

popular markets either can sell them through open-air trade but always within the boundaries of open markets (e.g. traditional local markets, where relevant permits are issued by the Region or, in some cases, at certain specific points of the Municipality, at specific days and hours (the permits are issued by the Municipality).

The new Law, however, gives him the right to sell his products directly to consumers from his headquarters without the relevant license, provided that he is tax-exempt. Because of Thessaloniki's urban transport network, you are able to transport a consumer easily out of town, thanks to the cooperation with the Thessaloniki Co-operative Association and the use of the branch network, the producer does not need either to issue a license or carry the consumer in the place of continuous travel. However, in order to achieve co-operation, the producer's business must have some legal form. It is initially proposed to give it the form of an individual enterprise because it is particularly widespread because of its main advantage being the great flexibility of the business decisions concerning the type of activity, the choice of technical methods and the size of production. For procedures, please contact the Public Financial Service where the company has its headquarters. An important advantage is that Thessaloniki is also home to Taxation of Public Limited Companies in addition to the PFS, so if the company grows to such an extent that it needs to change its form, then it is proposed to set up the Society Anonym and its membership in Thessaloniki TPLC.

The Financial Side

Thessaloniki, as the only city that is considered to be co-dominant in the world, could not have a developed network of various banking and financial institutions. Something that allows the producer to find financial sources and capitalize on modern logistics equipment. At this point comes the added trend of the days, the so-called Leasing. Leasing is the transfer of the right to use a fixed asset from the lessor to another person, the lessee for a certain fee for a specific period of time in the form of the lease. Thus, the producer has a valuable tool

for reducing fixed costs and, by extension, can achieve competitive prices. [3]

The media

For their part, the local media, for example, radio stations (e.g., 99fm, 95.1fm, 94.5fm) can contribute to both advertising the business and promoting the entire network and making it widely known.

Organization and Management

In order to achieve better organization and management of both the business and the network, an electronic platform, similar to that of the United States of America, could be set up, where it was set up by Farmigo. This software enables a consumer to choose from the producers' profiles, the one he thinks best suits him. Producers in their own right have the option of linking a bank account to the platform so that consumers can pay them directly via Internet Banking. This platform can be a useful information hub for everyone, because it will collect a great deal of information where each network operator will analyze them for their own purposes. [2]

The Network

In schema (Fig.1) we can see the relations between all actors in the network, as we can also see every actor reacts with all other actors inside the network.

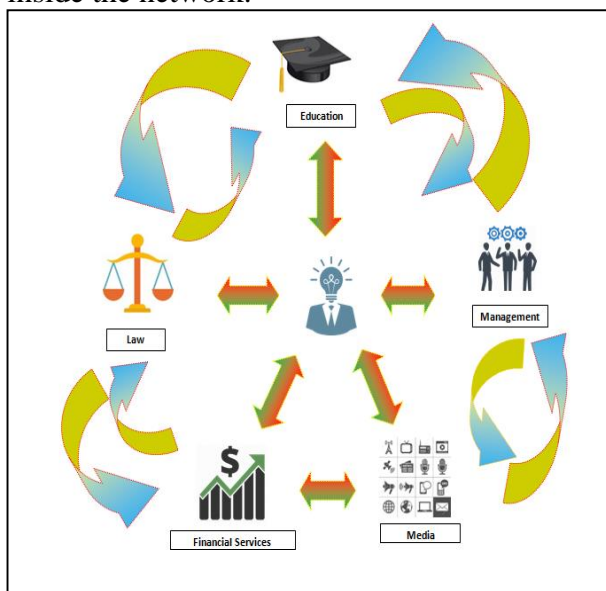


Fig.1. The reflection of relationships between the actors inside the network

Source: Personal opinion and design.

CONCLUSIONS

Of great concern is the fact that, while there are already socially supported farming businesses in the region of Thessaloniki, they do not have the rate of growth that should be for an agricultural enterprise in a purely rural country. The reason as mentioned above is because they have not yet developed the business together with other actors and have not entered the process of partnerships. In this context, it is proposed to inform both the producers themselves and those who may be involved in such an exercise.

[7] Zonakis, S., 2015, Meet your farmer, meet your food. Agenda.

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