



## (New, rural) business models, their mechanisms and impacts

BM name	Box schemes
<b>Type</b>	Short supply chains
<b>Sector</b>	Food
<b>Organisational scale</b>	Individual/private/family business
<b>Short description</b>	Box schemes connect food producers more directly with consumers. Entrepreneurs running a box scheme assemble own food products and additional products typically from farms in a region in order to be able to offer customers a broad range of typically fresh fruits and vegetables. Produce is usually locally grown and often organic. The food boxes are delivered directly to the consumer or to a local collection point. Typically, the produce is sold as an ongoing weekly or fortnightly subscription. The offering may vary week to week depending on what is in season. More advanced box schemes use ICT to make the business more efficient and consumer friendly. Sometimes also a wider range of products is offered such as processed food products, tropical fruits, coffee or eco-cosmetics.
<b>Mechanism</b>	Box schemes are becoming more and more common, especially in urban and peri-urban areas. They are effective in fostering urban-rural synergies by (re)connecting food producers more directly with consumers. By focussing on high product quality and freshness and including delivery as an extra service, they provide higher value added and create employment on farms and in the related rural businesses. Cross-sectoral cooperation includes for example cooperation with bakeries, butchers or, in some instances, with companies responsible for delivery. Consumers can also include restaurants, canteens in schools and other public institutions, and food service/hospitality businesses.
<b>Innovativeness</b>	Just like other kinds of alternative and short food chains, box schemes make the connection between the farmer and the consumer closer, and this close connection increases the guarantee of quality produce. It also helps the farmer get to know what consumers want. Some box schemes feature manifold innovations aimed at providing the best possible and cost-efficient service.
<b>Value creation</b>	Mixed comprising profit plus social and environmental benefits
<b>Customers, product/service, revenue streams and main cost items</b>	<p>Customers are food consumers.</p> <p>Products and services offered typically comprise fresh fruits and vegetables, sometimes processed food products, tropical fruits, coffee or eco-cosmetics. Product delivery to the door or to a local collection point.</p> <p>Revenue stream is typically sales as an ongoing weekly subscription.</p> <p>The main cost items include the actual products that are offered, boxes, ICT, packaging and logistics.</p>



<b>Societal impact</b>	<p>Beneficial:</p> <ul style="list-style-type: none"> <li>• Increased consumption fresh high-quality food products; healthy nutrition</li> <li>• Higher value added and employment creation on farms and in the related rural businesses</li> <li>• Direct connection and exchange, and, as a result, improved understanding and relations between food producers, processors and consumers, as well as recognition of farmers role in society</li> <li>• Supporting environmentally friendly production and a more sustainable food system in connection with the increase in the consumption of local, regional, organic and seasonal food products</li> <li>• Re-localising control of food economies</li> </ul> <p>Negative:</p> <ul style="list-style-type: none"> <li>• Possibly increased traffic and emissions due to individual delivery</li> </ul>
<b>Rural-urban synergies</b>	<p>All social and environmental benefits referred to above also contribute to improved relations between rural, peri-urban and urban areas. Box schemes contribute to creating a food system that is rooted in values of sustainability, health and the common good.</p>
<b>Connections with labour market and employment effects</b>	<p>Box schemes are leading to significantly higher value added and foster employment creation on farms and in the related rural businesses.</p> <p>Short chains also have a higher local and regional multiplier effect than long distance food chains.</p>
<b>Enabling factors</b>	<ul style="list-style-type: none"> <li>• Consumer interest in food products that are fresh, of higher quality, local, regional, organic and seasonal</li> <li>• Diverse local and regional farms and food production</li> <li>• Quality orientation among farmers and food processor</li> <li>• Digital tools and ICT</li> </ul>
<b>Limiting factors</b>	<ul style="list-style-type: none"> <li>• Low prices of food products in conventional channels such as discounters</li> <li>• Specialised, large scale, industrialised farming systems</li> <li>• Limited food and health related awareness among consumers</li> <li>• Limited access to finance for entrepreneurs who want to start a box scheme</li> </ul>
<b>Key partners and actors directly involved</b>	<p>Individual farms Food businesses (bakers, butchers) Consumers</p>
<b>Role of (local) government</b>	<p>Financial support, facilitation (inspire, promote, food maps and online resources), and regulation.</p>
<b>Connections with the institutional / policy environment</b>	<p>The EU Rural Development Regulation can provide support for food chain organisation and specifically short supply chains. Measures include co-operation, setting up producer groups, LEADER, basic services and village renewal in rural areas, and knowledge transfer and information.</p> <p>Other measures that support alternative and short chains like box schemes include public sector procurement, organic farming support, quality schemes and EU regulations that protect local, high-quality and artisanal food products.</p>
<b>Internal/network governance arrangements</b>	<p>Farmers interact directly with consumers. Virtual platforms play an increasingly important role in this interaction. The freshness and quality of produce, and trust play an important role. Typically, the produce is sold as an ongoing weekly subscription.</p>



<b>A typical example</b>	<p><i>Querbeet</i> box scheme, Germany. Full range of organic delivery services with an online shop since 1996. Today, one of the largest organic suppliers in the Rhine-Main area, with its own organic farm and a dedicated vegetable farm. Overall, the company has 60 employees. Contact person: Thomas Wolff. URL: <a href="https://www.querbeet.de/home/">https://www.querbeet.de/home/</a></p>
<b>BM references</b>	<p>Kneafsey, M., et al (2013) Local Food Systems and Short Food Chains in the EU: State of Play, JRC report</p> <p>EIP-AGRI (2015) Expert focus group on Short Food Supply Chain Management Food links project: <a href="http://orgprints.org/28858/1/evidence-document-sfsc-cop.pdf">http://orgprints.org/28858/1/evidence-document-sfsc-cop.pdf</a></p> <p>Wiskerke, J.S.C. &amp; S. Verhoeven (2018) Flourishing Foodscapes: Designing City-Region Food Systems. Valiz</p> <p>SKIN (100+ examples of good practice): <a href="http://www.shortfoodchain.eu/">http://www.shortfoodchain.eu/</a></p> <p>Strength2food project: <a href="https://www.strength2food.eu/">https://www.strength2food.eu/</a></p> <p>ENRD, Rural Review No. 22 on Smart Supply Chains <a href="https://enrd.ec.europa.eu/sites/enrd/files/publi-enrd-rr-22-2016-en.pdf">https://enrd.ec.europa.eu/sites/enrd/files/publi-enrd-rr-22-2016-en.pdf</a> <a href="https://www.slowmovement.com/box_scheme.php">https://www.slowmovement.com/box_scheme.php</a> <a href="https://www.sustainweb.org/localactiononfood/selling_food/">https://www.sustainweb.org/localactiononfood/selling_food/</a></p>
<b>Name</b>	Karlheinz Knickel
<b>Date</b>	02-Mar-2020



ROBUST receives funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 727988.

The content of this publication does not reflect the official opinion of the European Union. Responsibility for the information and views expressed therein lies entirely with the author(s).