“Marketing culture through locally-grown products: the case of the Fransaskoisie Terroir products”

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Marketing culture through locally-grown products: the case of the Fransaskoisie Terroir products

Abstract

Some argue that the food industry is mature and also dying. As a result, Saskatchewan, a Canadian province and its agricultural communities face two major challenges: demographic pressures and the economic hardships that stem from them. Fortunately, increased demand and opportunity for quality, locally grown value-added products (*Terroir*) offer an obvious solution. The *Terroir* phenomenon is comprised of offering specialty, local, ethnic food products to respond to consumer demands. This case study presents a model involving the *Terroir* concept. This model also provides an opportunity to explore the concept of creative capitalism in the food industry. To increase producer options, the strength of their business model, help to revitalize agricultural communities and benefit Saskatchewan, the Fransaskoisie will create a *Terroir*-based organization to tie products with culture. By incorporating this new product model and business model, the organization will create new business and cultural opportunities in Saskatchewan. A strategy and some challenges are presented.

Keywords: local foods, marketing channels, Terroir products, value-added food products.
JEL Classification: M31.

Introduction

Some argue that the food industry is mature and also dying (Blay-Palmer, Donald, 2006). Saskatchewan, a Canadian province and its agricultural communities face two major challenges: demographic pressures and the economic hardships that stem from them. The province's rural and farm populations are dropping. At the same time, the average age of Saskatchewan farmers is steadily climbing. Combined with a decrease in the number of farms, Saskatchewan's agricultural communities face economic and cultural pressures. There are fewer agricultural jobs and less cultural vitality in communities that were once strong thanks to dynamic local economies.

Previous work has examined consumer demand for locally grown food products in niche markets, and several studies have assessed consumers' appetite for product attributes including natural, locally grown, and various nutritional claims. Much work has been completed that examines consumer demand for organic and local attributes in fresh produce, milk, and meat products; yet relatively little research has examined these issues for food products linked to a specific localized culture. The concept is better known as *Terroir*. Following earlier research, the objective of our survey was to collect detailed information about how to successfully implement the *Terroir* concept in the Canadian province of Saskatchewan. In this study, we aim to begin filling this strategic gap by connecting growers' locally grown products in Saskatchewan with consumers' motivations for buying these agri-food products that are locally grown. We clarify what kind of governance and infrastructure is required to achieve this goal.

Saskatchewan agricultural producers can increase their locally grown value-added products (*Terroir*). The *Terroir* phenomenon is comprised of offering specialty, local, ethnic food products to respond to consumer demands (Blay-Palmer and Donald, 2006). Currently, raw, unfinished products dominate the province's exports. However, there is an existing, increasing and largely unmet demand for value-added products in some of Saskatchewan's largest export markets. The solution to the problems in agricultural communities is to adopt an efficient business model. Local foods, or *Terroir* products, are often conceptualized as authentic products that symbolize the place and culture of the destination (Sims, 2009). Producers win with new business opportunities, and the ability to increase and diversify their products. Communities win with spin-off business opportunities and revitalized cultures from stronger producers. Finally, Saskatchewan wins by diversifying its exports, increasing its agricultural production and bringing new sources of revenue. The province is uniquely suited to move into value-added products thanks to its already-established reputation as a supplier of quality agriculture.

Building on this reputation, the Fransaskoisie community is creating a champion for locally grown value-added products. It will create a new food economy within an economy region, seeking to relocate the agrifood model away from a traditional rural setting to a dynamic city-region context, underscoring the industrialization of agriculture (Blay-Palmer and Donald, 2006). This organization will promote business and community opportunities to its Fransaskoisie members and partners. It will provide support to revitalize communities, enrich producers and bring a new business model to agriculture.

Elsewhere, product reputations have developed around culture, history and production method. Consider Parma ham, Bresse chicken and Vidalia onions. Known worldwide, each of these otherwise generic products are named for their unique region

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of origin and command higher prices. Production and processing practices that reflect consumption dynamics ought to be improved to take full advantage of opportunities created as a result of global-local interactions (Wilhelmina et al., 2010). An increasing amount of consumers are adhering to the concept of buying food from somewhere (Campbell, 2009). This production philosophy of value-added product branding is known as *Terroir*. This case study describes how the Fransaskoisie organization will import this production philosophy to Saskatchewan. In time, partnering producers and communities will become known worldwide for the artisan products that we too can produce and sell. Conservatively, *Terroir* could easily add $4 million in new annual revenue for partnered Fransaskoisie producers after three years. This is equal to over 5 per cent of the Fransaskoisie agricultural contribution to Saskatchewan's 2007 agricultural GDP.

To accomplish this ambitious result, a detailed organization model, a three-year budget and measurable metrics of success guarantee sustainability are presented. Long-term viability requires financial independence; so, the organization generates its own revenue, maintains transparency to partners, members and stakeholders, and to looks for partnerships, not handouts.

The organization will be fully functional after three years, and it will not require any non-partner government funding. Furthermore, the business case and model are fully transferable to other cultural groups across Saskatchewan. The Fransaskoisie are only the first to push for locally grown value-added products (*Terroir*) and an organization to champion them.

1. Problems, solution and opportunities for agricultural communities

Rural depopulation and economic pressure are real concerns for Saskatchewan and its agricultural communities.

Between 2001 and 2006, rural and farm populations fell by about 19,400 − over 4 per cent (Saskatchewan Ministry of Agriculture, 2009). During this period, the number of farms fell by 6,269 (12.3 per cent) and the median age of farm operators rose by three years to 53. In 1996, it was 48 (Statistics Canada, 2009). This trend mirrors the decline in agricultural employment, which only increased once in the past 10 years (falling from an annual average of 66,000 in 1999 to 41,000 in 2008) (Saskatchewan Bureau of Statistics, 2009). Saskatchewan's agricultural communities are smaller, with fewer farms run by older farmers, and are providing fewer jobs.

On the other hand, agricultural production is trending favorably. In 2002 dollars, agriculture brought in about $434 million more in 2007 than the 2002 to 2006 average. That year it accounted for about 10.25 per cent of Saskatchewan's gross domestic product, compared with an average of 9.7 per cent between 2002 and 2006. Saskatchewan is making more money exporting agricultural products and its farmers are earning better incomes (Saskatchewan Ministry of Agriculture, 2009).

Saskatchewan is a trading province, and agricultural production represents an important part of its exports. However, between 1999 and 2003 the province only exported an annual average of $515.28 million in processed products, accounting for only 14.8 per cent of the total (Saskatchewan Agriculture, Food and Rural Revitalization, 2008). This represents a huge untapped potential. As it stands, Saskatchewan farmers are leaving potential dollars in the ground.

Saskatchewan farmers realize the potential for increasing value-added production. According to Agriculture and Agri-Food Canada, agriculture exports to some of Saskatchewan's largest markets are trending in favour of processed and value-added products (Agriculture and Agri-Food Canada, 2006). Fortunately, the Saskatchewan and Canadian governments recognize the importance of increasing value-added production in Saskatchewan agriculture. Together, both governments are supporting producers that want to move up the value chain. Increasing value-added production in Saskatchewan's agricultural communities is a key step toward reversing the trends toward depopulation and the accompanying loss of community vitality.

Saskatchewan's commodity trade is an integral part of the province's economy and its agricultural industry. Increasing trade in Saskatchewan's traditional products is a cause for celebration. On the other hand, the increased demand for value-added agricultural products represents an opportunity for producers, their communities and the provincial industry. It has been recognized that regional-based foods increase consumer confidence in the quality of products (Bruwer and Johnson, 2010). There is an exciting debate on alternative food systems about the extent to which two different business models of food production, processing, distribution and consumption really exist (Blay-Palmer and Donald, 2006). Furthermore, Consumers often identify health, the environment and support for local farmers as their primary motivators for local food product consumption (Hamzaoui Essoussi and Zahaf, 2009). This case study is consistent with these motivators.

The goal is to capitalize on Saskatchewan's position as a well-known and trusted producer by increasing the amount and type of value-added products. Saskatchewan producers move up the value chain, and

develop unique and exportable Saskatchewan-best products; the province increases and diversifies its trade by meeting existing demands and creating new ones; and Saskatchewan's agricultural communities reap the benefits of participating in a dynamic new sector in the agricultural industry, as seen in other part of the world (Fairweather et al., 2009).

2. Developing a champion for local excellence and community products

To address the concerns of producer and community stakeholders, the sponsoring organizations will create an organization to propose and promote new business and community opportunities.

There are enormous opportunities in value-added production, and Saskatchewan producers are moving in that direction. Moreover, the development of new products and the focus on adding value to existing products means there are also huge opportunities for communities to get involved and generate spin-off business and cultural growth. Farmers face increasing pressure in developing a portfolio of different marketing channels and in transacting with sophisticated participants in the supply chain of agricultural products (Park, 2009).

In partnership with Fransaskoisie producers and communities, this organization will provide support for those producers and communities that decide to expand into new methods. In order to realize the full benefit of value-added products, the organization will focus on spurring the creation, marketing and sale of these goods in order to revitalize Saskatchewan's agricultural communities through increased pride, recognition and spin-off enterprises.

Saskatchewan needs to develop the concept of *Terroir*. In Europe and the Mediterranean, agricultural communities use this philosophy to connect their products, culture and local characteristics. Consider Parma ham from Italy, Vidalia onions from the United States of America and Bresse chickens from France. These communities are world renowned for their unique goods − one need only reflect on Champaign, France, to see the power of this idea. These four names are now better known as locally grown, value-added artisan products than as communities. *Terroir* allows communities to take ownership of local specialities and package culture, history and method of production inside the community brand. By implementing it in Saskatchewan, the organization will provide producers and communities with the tools to develop, brand and sell agricultural products as cultural products.

The organization's key goals are to provide support, act with openness, demonstrate accountability and guarantee organization sustainability. This organization is not running a business, nor will it going to tell others how to run theirs. Simply put, this organization is a resource for those producers, communities and cultural groups that require assistance in fully realizing their goals. As a facilitator, this organization is open to all interested parties. Nevertheless, because good ideas require more than good words, the organization is accountable to its supporters, members and partners. Part of accountability is a responsibility to guarantee its longevity through proper management and financial independence.

The organization relies on a network of supporters, partners and members; however, it cannot rely on gifts. Therefore, after a set period, the organization will be financially self-sustaining.

3. Community benefits and return on investment

In addition to providing communities with revitalized cultural opportunities and pride, the organization will create spin-off economic benefits by capitalizing on the new locally grown, value added products (*Terroir*). These include opportunities for local businesses to capitalize upon and leverage the increased external community recognition. As the organization grows, *Terroir* products increase and the markets mature, spin-off business opportunities in the community will also grow. Some believe such an initiative leverages fairness and distribution of benefits in the supply chain (Toler et al., 2009). While the spin-off potential from this organization is limitless, the return on investment for agricultural producers and the Government of Saskatchewan is easily measurable.

In the 2006 census, Saskatchewan had 44,329 farms. The Fransaskoisie represent about 2 per cent of Saskatchewan's population. While much of the Fransaskoisie population is involved in agriculture, assume that they are not overrepresented in farm ownership. This means that there were about 887 Fransaskoisie farms in Saskatchewan in 2006 (Saskatchewan Ministry of Agriculture, 2009).

Assume that the average Fransaskoisie farmer that joins the organization is able to realize an additional $10,000 in extra revenue from developing and selling *Terroir* products. If 50 farmers sign up in the first year (about 5.6 per cent), 200 in the second year (about 22.5 per cent) and 400 in the third year (about 45 per cent), by the end of year three the organization is responsible for an additional $4 million of farm revenue annually, and about $6.5 million in total new farm revenue. The methodology used for our plan is consistent with other studies published on projects providing similar economic externalities (Hanagriff, Kelley, Lau et al., 2006; Hanagriff, Beverly, Lau, 2009).

In 2007, agriculture was worth $3.84 billion (in 2002 dollars) to Saskatchewan's gross domestic product (Saskatchewan Ministry of Agriculture, 2009). Based on overall population, Fransaskois farmers generated about $76.8 million (in 2002 dollars). After the third year, the organization generates new revenue worth over 5 per cent of Saskatchewan's 2007 agriculture GDP (in 2002 dollars).

Essentially, the locally grown value-added (*Terroir*) project offers a $5 return for every $1 of provided funding. Economic impacts from the funds add additional value and measure total economic value to the province. We conclude that our supported program focusing in the area of partial marketing support, exports and economic growth can create positive return on investment value of public funding.

The creation and support of *Terroir* products bring obvious cultural and community benefits. From an economic point of view, the creation of locally grown, value-added products (*Terroir*) generates an attractive return on investment for producers and for Saskatchewan. Like the spin-off business opportunities, the potential of *Terroir* is limitless. This potential requires proper execution to develop. To guarantee the organization's ability to deliver on this potential and to demonstrate its sustainability, proper organization and measurements are required.

4. Organization

To accomplish the goals highlighted in Section 1, the organization is arranged around five strategic pillars: economic inputs and outputs, cultural purpose, network-based focus, market knowledge and Fransaskois-specific orientation (see Figure 1). These pillars support the organization by directing strategic focus to address the needs of producers, partners and participants.

To help producers, the organization's focus on economic inputs and outputs keeps business development at the forefront of its mission. To revitalize agricultural communities and tie products to communities, the organization's cultural recognition bridges the gap between business and community through *Terroir*. Development does not occur in a vacuum, so the organization is based on networking and partnerships. Because new business opportunities and new business models require education and communication resources, the organization seeks to gain and develop market knowledge. Finally, the original and founding community behind the organization is the Fransaskoisie; therefore, the focus on this cultural community brings all of the other pillars together into a truly multidisciplinary, collaborative *Terroir*-based organization.

Despite the obvious potential of these pillars, proper implementation is critical. Moreover, to ensure success, the organization requires that participants make a long-term commitment. To get all of the necessary stakeholders sign on, the organization must have a guaranteed future. Therefore, each of the strategic pillars feeds into a results-based division of responsibility. Each of these divisions has key deliverables, which have measurable metrics of success. By the end of the third year, these defined and measurable successes result in an independent, self-sustaining organization.

To define the metrics of success and to explain how the organization will grow into an independent self-sustaining body, the sponsoring organizations created a three-year plan.

4.1. A three-year plan. The five strategic pillars in the organizational model (see Figure 1) are divided into six distinct metrics of success. These metrics are further subdivided into 16 categorized deliverables. These categorized metrics have defined and measurable program accomplishments. These goals are divided into a year-by-year program of implementation.

5. Education

It has been shown that food provides real teaching opportunities for nutrition education in many ways (Omori, Inoue, Ito and Kaneto, 2009). Education comprises two categorized metrics: education service development and research outcome dissemination. The former concerns the generation of general and situation-specific information; the latter with the communication of information to members and partners.

Table 1. Task deadlines – education

	Year 1	Year 2	Year 3
Education service development	Create list of experts to consult for agricultural producers Recruit a multidisciplinary panel of experts for public education Partner with educational institutions to develop R&D capacity	Implement expert-consultant advisory list on trial basis Generate $10,000 annually from expert-consultant commissions Integrate spokesperson into media and lobbying campaigns Measure media impact of spokesperson bureau	Fully implement expert-consultant advisory list Generate $25,000 annually from expert-consultant commissions Increase media impact of spokesperson bureau
Research outcome dissemination	One province-wide conference Two rotating educational workshops Annual members newsletter	Biannual province-wide conferences Four rotating educational workshops Biannual members newsletter	Quarterly province-wide conferences Six rotating educational workshops Quarterly members newsletter

5.1. Education service development. By the end of the third year, the organization will have two educational programs. Education, in particular access to experts, is a key goal for the organization. To educate internal and external audiences, the organization will create two panels of multidisciplinary experts, including business, agriculture, culture and other areas where there is demand.

The first panel is a resource for the organization's members, in particular producers. It is tough to change business models and business plans. There are risks, and progress requires time, money and commitment. The organization will recruit experts who can help producers develop new products and business models. The organization's job is to help facilitate new business and products, and this panel joins experts with farmers to make their job easier. For facilitating expert consultation, by the end of the third year, the organization will generate $25,000 annually.

The second education panel is for outward communication. While expert information is available, it needs to be communicated to the public. This panel will communicate the benefits of growing Saskatchewan agriculture and agricultural communities through the media and other venues. The success of this panel is measurable by the impact that its members have in sharing their knowledge and expertise. In year one, the organization will recruit these experts and partner with educational institutions to develop and communicate research and developments.

5.2. Research outcome dissemination. The organization will create group events for its membership, including conferences, educational workshops and a newsletter.

Conferences allow the organization to design large, event-filled opportunities for members and partnering organizations to share ideas and network. These forums allow experts to inform the group, organizational stakeholders and partnered groups to network, and the whole organization, with its membership, to meet in formal and informal settings. The organization's three-year plan involves an increasing number of conferences to account for larger groups and more information. In the first year, the organization will put on one conference, in year two, two conferences. Finally, in year three, there will be four.

The organization will also deliver less formal, more hands-on workshops. Principally geared toward producers, these events are shorter and deal with practical, how-to issues. These events also allow for direct education on producer-specific topics. These half-day events give producers the opportunity to receive expert advice and practical skills in a group environment. Workshops can be scheduled in smaller communities, making them more accessible. Finally, they can rotate through different regions, giving more people the opportunity to attend. The organization will have two workshops in its first year, four in its second year and six in its third year.

Finally, the organization wants to make sure that it communicates effectively with its membership. To help facilitate communication, the organization will produce a members newsletter. This is a simple, accessible and cost-efficient means of keeping the membership informed about the organization, its successes and the broader membership experience. Moreover, unlike a conference or a workshop, this tool comes to the producer. Communication scales upward with increasing levels of activity. In the first year there will be an annual newsletter, in year two a biannual newsletter and, in year four, a quarterly newsletter.

6. Business development

There are three categorized metrics for business development: number of partnerships, market analysis and export potential. The first metric comprises the number of business-related partnerships that the organization will create with outside businesses. Market analysis, the second metric, is the business portion of the organization's research efforts. Finally, export potential involved the organization's program of developing export markets for locally grown value-added products (*Terroir*).

Table 2. Task deadlines − business development

	Year 1	Year 2	Year 3
Number of partnerships	Create retail-supplier program Five specialty-food retailer supply agreements Create media partnership program Generate $50,000 through sponsorships Generate $25,000 from memberships Register producers for Saskatchewan traceability	25 specialty-food retailer supply agreements Community media outlet partnerships Generate $100,000 annually through sponsorships Generate $50,000 annually from memberships Register producers for regional traceability	Saskatchewan-wide supermarket supplier agreement Provincial media outlet partnerships Financial partnership Generate $150,000 annually through sponsorships Generate $100,000 annually from memberships Register producers for local traceability
Market analysis	Provincial analysis of Saskatchewan-product potential Fransaskoisie-majority community market research Research nationwide purchasing trends for export model	Region-by-region analysis of regional-product potential Regional market research Research international purchasing trends for expanded export model	Community-by-community analysis of local-product potential Province-wide market research
Export potential	Create list of Saskatchewan's largest Canadian agri-export consumers	Market Terroir products to Saskatchewan's largest Canadian agri-export consumers Create national terroir-product export model	Market Terroir products to Canadian agricultural businesses Create international terroir-product export model

6.1. Number of partnerships. Business partnerships are a key deliverable for the organization. By engaging, networking and creating stakeholder interests, the organization will facilitate the increase in producer and business profits, and aid in community revitalization. This win-win-win model imbues the organization's four partnership goals: producer partnerships, business sponsorships, and retailer networks and media co-operation. Food networks increase the marketing success of producer-generated food products (Heer and Mann, 2010).

Producers are the key to the success of this organization. Partnerships between the organization and its producer-members are vital and they are a key metric of the organization's success. To take advantage of the organization's services, producers buy annual memberships. This is a key relationship − after all, producers are the key actors and the most important interest group. As knowledge grows and the organization's services increase, annual memberships will generate an increasing portion of the organization's finances. By the end of the third year, membership sales will have generated $100,000.

Another important revenue tool is business sponsorship. Partnering with businesses that are in related fields and have similar clients is an excellent way to establish self-sufficiency, while allowing corporate interests to support Saskatchewan producers and their agricultural communities. No two businesses are alike; therefore, the partnership arrangements between each will be different. By the end of year three, business sponsorships will have generated $150,000 annually.

In addition to sponsorship opportunities, the organization will target the retailer sector with a special arrangement. To help facilitate distribution options for producers, the organization will partner with retailers to give producers the opportunity to get their products on to store shelves. In the first year, as a pilot program, the organization will establish partnerships with five specialty-food stores. In year two, this pilot program grows to 25 shops. By the end of year three, having developed the network and infrastructure necessary to get producer products to store shelves, the organization will have partnered with a large, province-wide grocery store.

The organization requires the support of media outlets. While the media is a good target for sponsorship, formal partnership arrangements help the organization easily distribute its message and educate consumers about the benefits of producer products and agricultural communities. In the first year, the organization will create the program. In the second year, it will target and establish community-sized media outlets. In the third year, the organization will leverage regional and local awareness into a province-wide partnership.

6.2. Market analysis. To facilitate business, communication and educational goals, the organization will conduct market analysis on two levels.

First, the organization needs to know the product potential of Saskatchewan's different communities. In consultation with producers and communities, the organization will analyze market opportunities across the province. The first year will be a province-wide overview. In year two, the province is broken into distinctive regions, and each region studied for *Terroir* product potential. Finally, by the end of the third year, the organization will have conducted a community-by-community study to identify the distinctive and important local characteristics to brand and market *Terroir* products produced according to local criteria.

The second market research task is to understand the marketplace by knowing what consumers want and need. Initially, this takes place at the local level, in Fransaskoisie-majority agricultural communities. By year two, this analysis grows to include broader, regional market. By the end of year three, the organization will have conducted province-wide market research. This market analysis serves to inform producers and agricultural communities. It also informs the organization's communication strategy. Finally, the organization will conduct studies of national and then international purchasing trends, to aid the organization's export goals.

6.3. Export potential. The organization recognizes that Saskatchewan is a trading province and agriculture a dominant export. To help broaden the mix of export products, the organization will conduct export-related research. First, the organization will directly market Saskatchewan-best *Terroir* products in Canada. Second, the organization will aid producers in selling these products to national and international consumers. In the first year, the organization will create a list of Saskatchewan's largest agri-export markets. In year two, the organization will target these consumers with a marketing campaign. By the end of year three, the organization will have marketed *Terroir* products to Canadian agricultural businesses, including domestic retailers. In addition, by the end of year two, the organization will have created an export model for producers that want to sell to consumers outside of Saskatchewan. By the end of year three, this export model will include options to export products to international consumers.

7. Culture

Cultural metrics are particularly important to the organization. To ensure definable and measurable accomplishments, there are three categorized metrics: management of cultural profile, create cultural products and beyond agriculture.

Table 3. Task deadlines – culture

	Year 1	Year 2	Year 3
Management of cultural profile	Measure Saskatchewan's recognition of Fransaskoisie Involve external groups in organization events Partner with five Saskatchewan cultural groups Partner with Fransaskoisie-local Aboriginal groups	Measure Saskatchewan recognition of Fransaskoisie Double Fransaskoisie recognition from year 1 Double external involvement in organization events from year 1 Partner with all major Saskatchewan cultural groups Partner with all Aboriginal groups	Measure Saskatchewan recognition of Fransaskoisie Double Fransaskoisie recognition from year 2 Double external group involvement in organization events from year 2 Partner with all Saskatchewan cultural and Aboriginal groups
Create cultural products	Create Saskatchewan Terroir brand Implement Saskatchewan-wide traceability labelling Create Terroir licensing program with producers	Create region-specific Terroir brands Implement regional traceability labelling Generate $25,000 annually from producer licences	Create community-specific Terroir brands Implement community-level traceability labelling- Generate $50,000 annually from producer licences
Beyond agriculture	Organize one monthly farmers market Create producer-to-restaurant (P2R) network	Organize five monthly farmers markets Generate $10,000 annually from P2R network Create B&B and Restaurant (B&BwR) tourism partnership program Create producer tourism program	Organize 10 monthly farmers markets Generate $25,000 annually from P2R network Generate $15,000 annually from B&BwR program Generate $10,000 annually from producer tourism program

7.1. Management of cultural profile. This organization's goals relate strongly to Fransaskoisie culture. As a result, one of the important roles of this organization is to manage the cultural profile of the group as well as the *Terroir* products and community events. There are three ways to measure success.

The first way is by measuring the public's recognition of the Fransaskoisie. This involves data collection and analysis, done annually. The public's recognition will double every year.

Second, external cultural groups will be welcomed into the organization. Their participation broadens and cultural appeal of the organization and it deepens the organization's connection to Saskatchewan's cultural and community-based groups. Outside participation by other cultural groups will also double each year.

Third, like business partnerships, cultural partnerships enrich all participants. By the end of the first year, the organization will partner with five Saskatchewan cultural groups. By the end of the next year, it will partner with all major Saskatchewan cultural groups. Finally, after three years, the organization will partner with all Saskatchewan cultural groups. Saskatchewan's Aboriginal communities are of particular importance. The Fransaskoisie have historic ties to Métis communities, and the province's First Nation groups collaborate with Fransaskoisie throughout the province. After one year, the organization will partner with Aboriginal groups in Fransaskoisie-majority areas. By the end of year two, the organization will partner with all Aboriginal groups in the province.

7.2. Create cultural products. The creation of new, locally grown value-added products (*Terroir*) is an opportunity for the Fransaskoisie to take ownership of their cultural creations. To make them into cultural products, the organization will create a brand and traceability labelling campaign. The organization has two goals. First, to create and manage the brand in order for participating producers to sell their products not only as top-quality locally grown products (*Terroir*) but also as artisan specialty goods. Some suggest that rather than product invariability being the same it is necessary for it to offer a regular standard of quality within varying external constraints, and consumers may actually search out for authentic inconsistencies (Charters, 2009). In other words, the product itself should change in order to be authentic but the quality should remain the same. The second goal is to develop and implement a traceability labelling standard for consumers, thereby involving the consumer in the cultural experience. Instead of buying a generic good, they have decided to purchase a Fransaskoisie, artisan product (*Terroir*) with a history.

The organization will create this licensing program in year one and implement a Saskatchewan-wide brand. After the second year, the organization will create distinctive regional brands. By the end of the third year, the organization will have created community-specific brands. The market analysis done in co-operation with producers and agricultural communities informs the creation of these brands.

To participate in the brand and traceability labelling program, producer members will join the organization's licensing program. By the end of the third year, this program will generate $50,000 annually.

7.3. Scope beyond agriculture. In addition to helping producers create new products, the organization will also help revitalize agricultural communities. In addition to the business and economic benefits, the organization will also facilitate spin-off industries for the community. There are four programs.

First, one of the easiest ways to bring producers and consumers together is with a farmers market. Farmers' markets have enjoyed resurgence in the past decade in

Canada and elsewhere. Discourses of authenticity are central to the identity of the farmers' market (Smithers and Joseph, 2010). These are easy events to organize, which are straightforward for producers, other interested partners and are accessible to the public. In addition to providing a venue for producers to sell their *Terroir* products, a farmers market also provides for the organization and any interested partners an opportunity to interact with the public. In its first year, the organization will arrange one monthly farmers market. In its second year, it will have five. By the end of its third year, the organization will have arranged 10.

The second program involves the organization networking with restaurants to encourage them to include producer products (*Terroir*) on their menus. Evidence suggest these initiatives are effective (Inwood et al., 2009). This offers another venue for producers to sell their products. Furthermore, this program gives restaurants the opportunity to support local producers and communities, while also accessing top-quality artisan products (*Terroir*). The organization will create this program in year one. By the end of year three, it will have generated $25,000 annually.

While networking with the restaurants, the organization will also engage them in a three-way partnership between the organization, the restaurant and local bed and breakfasts. One of the spin-off benefits of developing local products, and branding, marketing and tracing them (*Terroir*) is tourism. As the organization grows and more products are available to consumers further away, more people will be interested in exploring the community that made their new favourite product. The organization will create a tourism program, and advertize it regionally and nationally. With the increased interest in community-specific tourism come benefits to local tourism-based businesses. In year one, the organization will create a B&B and restaurant partnership program to help these businesses capitalize on the success of local producers and increased tourism. By the end of year three, this program will have generated $15,000 annually.

The fourth program leverages the increased tourist interest in cultural communities by encouraging visitors to explore the farms that create the products. While only a side business for producers, hosting consumers provides an opportunity for the community and the producer to take pride in their creation (*Terroir*). The organization will create this program in year two. By the end of year three, it will have generated $10,000.

8. Governance and capital

Accountability, longevity and independent sustainability are three of the organization's core goals. To this end, the governance and capital metric is broken into four categories: geographic coverage, organizational performance, public funding and private capital. These categorized metrics outline the three-year plan to guarantee the sustainability of the organization and its transparency to stakeholders.

Table 4. Task deadlines − governance and capital

	Year 1	Year 2	Year 3
Geographic coverage	Fransaskoisie-majority geographic coverage Create list of target regions Establish partnerships with 25 per cent of target regions Services available in select communities Local advertising	Regional geographic coverage Establish partnerships with 50 per cent of target regions Services available regionally Regional advertising	Full geographic coverage Establish partnerships with 100 per cent of target regions Services available all over Saskatchewan Province-wide advertising
Organizational performance	Organizational framework established Skeleton management staff Auditable finances Transparent to external stakeholders Annual general meeting	Stable organizational structure Majority of permanent management staff Auditable finances Transparent to external stakeholders Annual general meeting	Complete body of internal rules and procedures Full compliment of permanent management staff Auditable finances Transparent to external stakeholders Annual general meeting
Public funding	Public funding and public contributions from partners	Public funding and public contributions from partners	No public contributions from non-partners
Private capital	Private capital introduced Organization earns $75,000 annually Fundraising campaigns for reserves and special projects Membership fees cover part of costs For-profit activities cover part of costs	Private capital supplements public funding Organization earns $195,000 annually Somewhat self sustaining Fundraising campaigns for reserves and special projects Membership fees cover part of costs For-profit activities cover part of costs	Private capital replaces public funding Organization earns $375,000 annually Independently self sustaining Fundraising campaigns for reserves and special projects Membership fees cover part of costs For-profit activities cover part of costs

8.1. Geographic coverage. By the end of the third year, the organization will have covered Saskatchewan. However, the initial geographical coverage will start small, comprising a select group of pilot communities. There are three metrics for this progression. First, the organization will offer services in select, pilot regions and will have a Fransaskoisie geographical focus. In the second year, this grows to encompass regional areas with a regional availability of service. By the end of the third year, the or-

ganization will have covered the entire province, with services available throughout.

The organization's advertising strategy will mirror its geographical coverage. In year one, the organization will rely on local advertising. By the end of the next year, it will have advertized regionally. Finally, by the end of year three, the organization will have advertized across the province, in co-operation with its media partnerships.

The development of partnerships will evolve similarly. First, the organization will create a list of target regions to partner with. Over the second year, the organization will establish partnerships with half of the targeted regions. By the end of the third year, there will have been partnerships with all of the targeted regions.

8.2. Organizational performance. Over its three-year incubation, the organization will grow carefully. By the end of the first year, the organization will have established its organizational framework and hired sufficient staff to accomplish its first-year objectives. By the end of the second year, the organization will have had a stable structure and most of its permanent managers. After the third year, the organization will have a complete body of internal rules and procedures to govern day-to-day operations and a full compliment of staff to facilitate its many projects.

As a multifaceted and quickly growing organization, it is very important to demonstrate responsibility. Beginning in year one and continuing forward, the organization will have: auditable finances to demonstrate its good management practices; a transparent and open organizational structure to demonstrate its accountability to external stakeholders; and, finally, it will hold an annual general meeting for members and partners at the end of each fiscal year.

8.3. Public funding. In its first three years, the organization will rely on public funding for its operation. However, financial independence is a must-have for the organization's long-term sustainability. Therefore, after the end of the third year, the organization will be financially self-sufficient: operating independently of public money from non-partners.

8.4. Private capital. To ensure that the organization does not require non-partner money after the first three years, the organization has a private-capital funding model. By the end of the third year, the organization will have been self-sustaining, and will have generated $375,000 annually. By the end of year three, private capital will have entirely replaced non-partner public funding, with membership fees, business sponsorship and for-profit programs replacing government money.

The organization will also develop and implement a fundraising program to cover special projects and establish a financial reserve.

9. Communication

The organization has several communication programs; therefore, the communication metric is divided between measuring the outward efficiency of the advertising campaign and the efficiency of the organization's brand management, and ensuring that the organization is using this information internally to best manage its communication campaigns and branding designs.

Table 5. Task deadlines − communication

	Year 1	Year 2	Year 3
Efficiency of advertising campaign	Measure brand recognition Measure public knowledge of Terroir Create list of advertising targets Advertise to 25 per cent of target groups Develop tourism campaign aimed at Fransaskoisie	Measure brand recognition Measure public knowledge of Terroir Double brand recognition from year 1 Double public knowledge of Terroir from year 1 Advertise to 50 per cent of target groups Expand tourism campaign to all of Saskatchewan	Measure brand recognition Measure public knowledge of Terroir Double brand recognition from year 2 Double public knowledge of Terroir from year 2 Advertise to 100 per cent of target groups Expand tourism campaign across Canada
Efficiency of brand management	Measure brand equity Develop marketable brand Tie brand to product traceability (Product of…) through labelling	Measure brand equity Double brand value compared with year 1 Communicate brand to community and partnership groups	Measure brand equity Double brand value compared with year 2 Leverage community, culture, business and education into brand advertising

9.1. Efficiency of advertising campaign. The organization will create an advertising campaign, and monitor its effectiveness by measuring the public's recognition of the organization's brand and product philosophy (*Terroir*). This will occur each year to measure the year-over-year effects advertising. The measurements in year two will be double those of year one, and year three double those of year two.

In the first year, the organization will create a list of advertising targets and campaign to 25 per cent of those targets. By the end of the second year, the organization will have been advertising to half of the targets. By the end of year three, the organization will have advertized to all of the targets on the list from the first year.

To support its tourism programs, the organization will create a tourism campaign. In the first year, this campaign will target Fransaskoisie, and encourage them to visit the areas where these new products are growing. In the second year, the target audience will include all of Saskatchewan. Finally, by the end of the third year the tourism campaign will have reached across Canada.

9.2. Efficiency of brand management. Just as it is important to measure advertising efficiency, it is critical to measure the organization's brand management. Each year, the organization will measure the equity of its brand. In the first year, in co-ordination with the creation of cultural-product brands, the organization will create an organization brand. In the second year, this brand will have doubled in value. By the end of the third year, it will have doubled again. To assist with the development of brand equity and the organization's advertising efforts, the organization will communicate its brand and its brand opportunities to its partnership groups. It will also leverage the community, cultural, business and educational accomplishments into its brand.

10. Community

The community metric is divided between two distinct categories: the level of penetration within the Fransaskoisie community and the organization's network reach beyond the Fransaskoisie. The first category concerns the organization's success at informing, networking and partnering within its cultural community. The second category measures the organization's success at partnering with non-Fransaskoisie groups.

Table 6. Task deadlines − community

	Year 1	Year 2	Year 3
Level of penetration within Fransaskoisie	Measure Fransaskoisie awareness 25-per cent Fransaskoisie awareness Participate in 50 per cent of all major Fransaskoisie events Partnerships with 50 per cent of all major Fransaskoisie organizations	Measure Fransaskoisie awareness 50-per cent Fransaskoisie awareness Participate in all major Fransaskoisie events Partnerships with all major Fransaskoisie organizations	Measure Fransaskoisie awareness 100-per cent Fransaskoisie awareness Participate in all Fransaskoisie events Partnerships with all Fransaskoisie organizations
Network reach beyond Fransaskoisie	Participation in one major community events Communicate with all communities with sizable Fransaskoisie populations Partner with 25 per cent of all agricultural organizations Partner with one entrepreneur association	Participation in 50 per cent of all major community events Communicate with 50 per cent of all municipalities Partner with 50 per cent of all agricultural organizations Partner with 50 per cent of all community associations	Participation in all major community events Communicate with all municipalities Partner with all agricultural organizations Partner with all community associations

10.1. Level of penetration within Fransaskoisie. The organization has a strong cultural component, and the involvement of the Fransaskoisie community is essential. To gauge community involvement, the organization will measure Fransaskoisie awareness annually. By the end of the first year, one quarter of the Fransaskoisie will have been aware of the organization. This number will increase to half in year two, and, by the end of year three, the entire Fransaskoisie community will have been aware of the organization.

A key guarantee of organization penetration is organization participation. To help create awareness within the Fransaskois community, the organization will participate in Fransaskoisie events and partner with Fransaskoisie organization. By the end of the first year, it will have been involved with half of all major events and organizations. By the end of the second year, it will be involved with all major events and organizations. Finally, after three years, it will be involved with all Fransaskoisie organizations and events. Naturally, these opportunities to network are invaluable opportunities to get these organizations partnered as well and in the habit of participating in events, a key metric of the organization's cultural profile.

10.2. Network reach beyond Fransaskoisie. The organization welcomes community involvement beyond the Fransaskoisie. To create awareness, growth and participation from groups outside the Fransaskoisie, the organization will create a community outreach program. In the first year, the organization will have participated in one major non-Fransaskoisie event. In year two, it will participate in half of all major community events. By the end of year three, the organization will participate in all major community events. Likewise, the organization will reach out to non-Fransaskoisie agricultural organization and community associations. In the first year, it will partner with one quarter of these agricultural groups and with one entrepreneurial association. By the end of the second year, it will have partnered with half of all agricultural groups and community associations. Finally, by the end of the third year, the organization will have partnered with all agricultural organizations and community associations. A similar plan exists for communicating and partnering with municipalities. In the first year, the organization will target communities with sizable Fransaskoisie populations. By the end of year two, this will have grown to include half of all municipalities. By the end of the third year, the organization will have been involved with all of Saskatchewan's municipalities. Like networking within the Fransaskoisie community, as the organization develops and deepens ties with other community groups and municipalities there are more opportunities to involve these groups directly in the organization.

11. Ongoing program sustainability

To guarantee that the organization is sustainable over the long-term, much of the heavy lifting and

design occurs in the first three years. After this start-up phase, the organization is generating its own revenue, and effectively representing and assisting stakeholders.

Financial accountability, transparency and responsibility are key deliverables. In addition to the organization's three-year start-up metrics of success and measurement, the organization also has a three-year budget.

Terroir involves the creation and ownership of agricultural products imbued with cultural significance (Keeling Bond, Thilmany and Bond, 2009). By creating *Terroir* products, the community owns these products and in turn will support strong alternative food networks by creating the requisite cultural and political space for them to succeed (Follett, 2009). They then aid producers through value-added industry and the premium that artisan products return. Agricultural communities benefit through more prosperous producers and the spin-off benefits that increased cultural recognition and revitalized business opportunities bring (Carrignan and de Pelsmacker, 2009).

While the Fransaskoisie will generate and own their *Terroir* products and the organization that facilitates their creation, *Terroir* is not a French-only business model. Just like Italian ham and American onions, non-French communities have embraced *Terroir* for its business and cultural value. While the organization is a Fransaskoisie creation, its business model and benefits are transferable to other cultural groups.

This business case represents the Fransaskoisie plan. However, Saskatchewan's other cultural and community groups should also adopt the organization's model. Quality, value-added products (*Terroir*) know no nation. While this business case is Fransaskoisie, the ideas and model are imminently transferable to other interested parties and groups.

Conclusion

Saskatchewan's agricultural communities and producers face challenges. Fortunately, increased demand and opportunity for quality, locally grown value-added products (*Terroir*) offer an obvious solution. This model provides an opportunity to explore the concept of creative capitalism in the food industry (Hemphill, 2010). To increase producer options, the strength of their business model, help to revitalize agricultural communities and benefit Saskatchewan, the Fransaskoisie will create a *Terroir*-based organization to tie products with culture. By incorporating this new product model and business model, the organization will create new business and cultural opportunities in Saskatchewan.

By analyzing a potential business model for the *Terroir* concept in Saskatchewan, this study aims to bring a conceptual and methodological contribution to the existing literature in farm management and agriculture. From a conceptual standpoint, we introduced strategic pillars and metrics for success for marketing locally grown food products in the region. These would represent novel constructs. In this paper, we introduced best practices to allow farmers to successfully market *Terroir* products to a broader audience.

Suggestions from this paper have both managerial and policy implications. On the one hand, the paper capitalizes on the importance of understanding why governance and strategic focus are crucial for any *Terroir* projects. On the other hand, public agencies and non-profit organizations whose purpose is to change people's buying, consumption, and disposal habits can learn from the distinction between direct and indirect socio-economic effects of *Terroir* products, as well as from the moderation role of people's familiarity with the concept.

To prove the sustainability and potential of this organization, the project sponsors have created a detailed organizational plan, set out key deliverables and metrics of success, and laid out a three-year plan and budget to accomplish these goals. Like any good Saskatchewan producer, the organization plans ahead to guarantee that next year's crop is bountiful.

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