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Executive Summaries

RESEARCH

Finnish Citizens' Attitudes towards Multifunctional Agriculture

Nina Hyytiä and Jukka Kola

The main objective of this study was to examine Finnish citizens' attitudes towards multifunctional agriculture. Moreover, the connections among these attitudes, consumers' willingness to pay and some socio-economic factors were examined. This study also combines some social and psychological dimensions of consumer behaviour to the policy analysis. Attitudinal dimensions were executed by using factor analysis. These attitudes can be interpreted as reflections of the values that guide human actions and attitudes. The information from the factors was attached to observations by using means of the factor scores. The respondents (N=1300) were distributed into six clusters based on their attitudes. It would be expected that people who have positive attitudes, would also state high values of WTP. Instead, this study suggests that attitudes and open-ended WTP do not have a positive relation.

To summarise about the connections of attitudes, WTP and socio-economic factors, a high social rank was reflected as positive attitudes towards multifunctional agriculture, but not as high WTP. Further, women had higher values of WTP, but men had more positive attitudes than women. As to place of living, people who lived in Southern Finland and Vaasa province expressed positive attitudes. Young age was connected to positive attitudes and alternatively to low values of WTP.

In conclusion, Finnish people are willing to support domestic agriculture, first and foremost, as a producer and provider of safe and high-quality food. The other functions of agriculture are still secondary. However, the findings indicate that a remarkable proportion of Finnish citizens have a positive attitude towards the externalities and joint products of agriculture.

Implications for agribusiness managers include the fact, given the strong region-specificity of the multifunctional characteristics of agriculture, that agricultural production, and farms as such, may become much more polarized than earlier, especially in Finland but also in the EU. Some farms, a minority in certain regions, will concentrate on efficient, large-scale production, and others, a majority in

numbers but minority in production volumes, will take advantage of support measures based on multifunctionality. Supply of raw materials and demand for production inputs will change, most likely to a considerable extent, especially in Finland and other less favoured production areas. This will have impacts on location decisions of food processing plants and input dealers. Moreover, through the stronger emphasis on multifunctionality – and so-called green box subsidies – the EU can better adjust to the expected multilateral removal of export subsidies in the WTO negotiations.

CASE STUDIES

Customer Relationship Management at Farm Credit Services of Mid-America: Working towards a SingleView

Bobby J. Martens and Jay T. Akridge

Identifying market segments and managing customer relationships is critical in developing and executing successful agribusiness marketing strategies. This case study explores Farm Credit Services of Mid-America's (FCS MA) process of identifying and implementing new technology needed to meet the needs of their customer relationship management (CRM) program. The firm's overall CRM strategy is described, known technology gaps that could keep FCS MA from executing their strategy are identified, and the solution FCS MA pursues is considered. Then, the implementation process is described in detail. This case illustrates the key challenges facing firms as their CRM programs are expanded and improved to continually meet the customer's needs.

The case highlights the importance of technology systems when managing a CRM program, but it also explores the complexities of developing and implementing a large information technology system. Decisions ranging from which technology system is right to what approach is best when training and motivating the system users (who in this case include all employees at FCS MA) are presented. FCS MA's implementation process is complicated by technology limitations and a decentralized organization. The case can be used to create discussions on the need for technology in a CRM program, short versus longer term CRM strategies, and how organizational structure impacts a CRM strategy.

Analyzing Risk and Uncertainty of New Product Marketing: The Case of eMerge Interactive and VerifEYE®

Michael A. Gunderson, Maud Roucan, Michael D. Boehlje and Allan W. Gray

Risk and uncertainty are inherent in all businesses, and managing this uncertainty is challenging. In the past, managers have used their 'gut,' that is, their instincts to make many of their decisions regarding investment decisions. Often times too much information and figuring led to 'paralysis by analysis,' that is doing nothing because too much analysis confounded the decision at hand. Increasingly sophisticated

management tools combined with improved spreadsheet technology have made analysis easier and more informative than has been the case in the past.

This teaching case focuses on the application of decision tools to assist managers making choices in an uncertain business climate. The case can be used as part of a course in strategy and/or risk management where tools such as influence diagrams, scenario and payoff matrices, decision trees, and real options are introduced. The case considers the difficult task of introducing a new product into the market. Under consideration is a sophisticated, surface-scanning technology that has applications in the food processing, food retail, and health industry sectors. Management of eMerge Interactive is faced with uncertainties in legislation, demand, and competitor response.

The emphasis of this case study is developing the ability of managers to use the tools identified above. As a result, all of the information needed for using the tools is contained within the case study, primarily through a fictional interview with the CEO of eMerge Interactive. The teaching notes of this case study provide detailed answers to the questions posed in the case study. One would be able to match answers their answers to those discussed in the teaching note to ensure that they were developing expertise in using the tools. Additional references are provided for further discussion of these sophisticated tools.

Banning Foie Gras in California

Gregory A. Baker and Fan Zhang

This teaching case describes the challenge faced by the owner of Sonoma Foie Gras, the sole producer of foie gras in the state of California. The production of foie gras by force-feeding ducks and geese has drawn world-wide criticism from animal rights groups. Legislation pending in California would ban the practice of force-feeding birds as well as the sale of the products of force-feeding birds. The case describes the positions of some of the parties involved in the issue.

The case is ideal for teaching the application of stakeholder analysis in undergraduate and graduate classes. Students may be asked to identify the principal stakeholders and their perspectives, develop and analyze alternatives, and recommend a course of action.