



Exit, Voice, and Loyalty in the Case of Farmer Associations:

Decision-Making of Dairy Farmers during the German Milk Conflict

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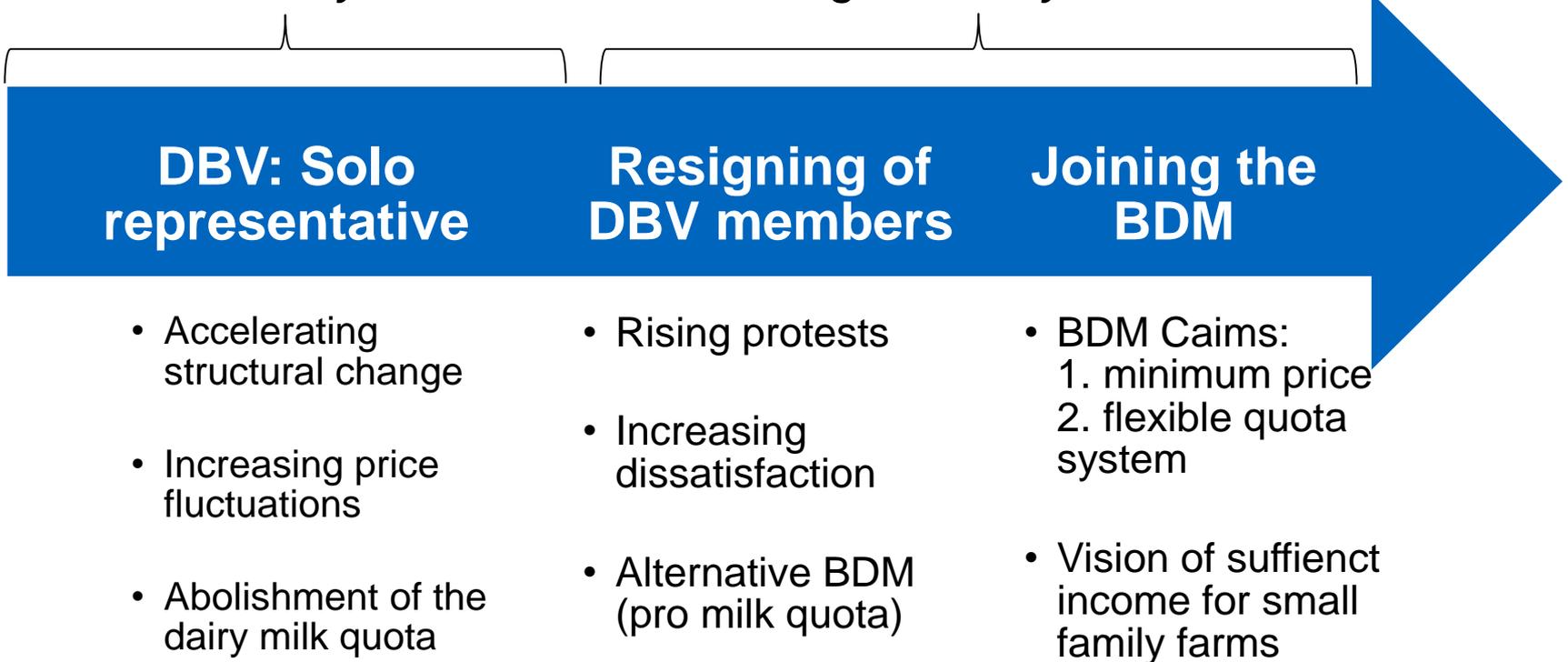
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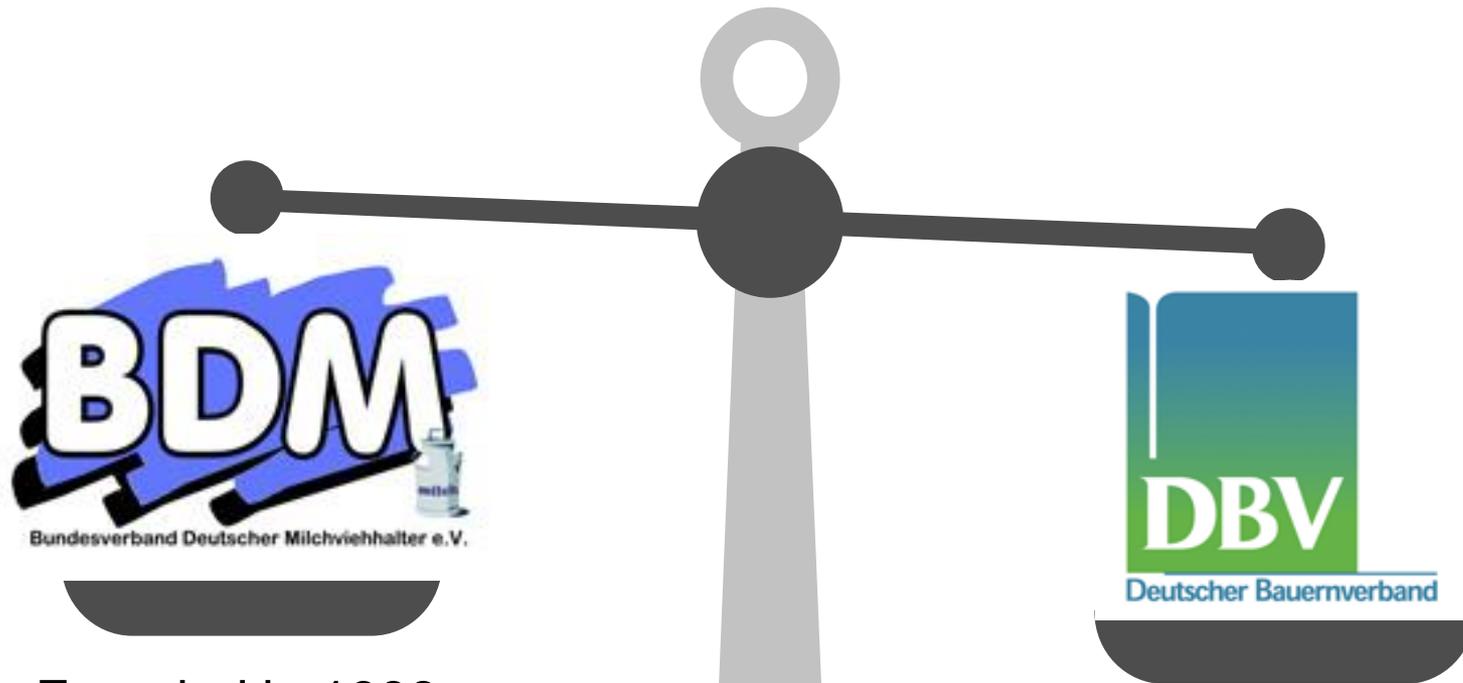
Background: Dairy conflict

Before the Dairy conflict

During the Dairy conflict



Asymmetry: BDM vs. DBV



- Founded in 1998
- 30.000 Members

- Founded in 1948
- 300.000 members

Objectives

Analysis of the decision-making of affected dairy farmers with a focus on:

1. *Exit-decision (DBV)*
2. *Participation-decision (milk strike)*

Apply and adapt the exit, voice and loyalty theory of Hirschman (1970)

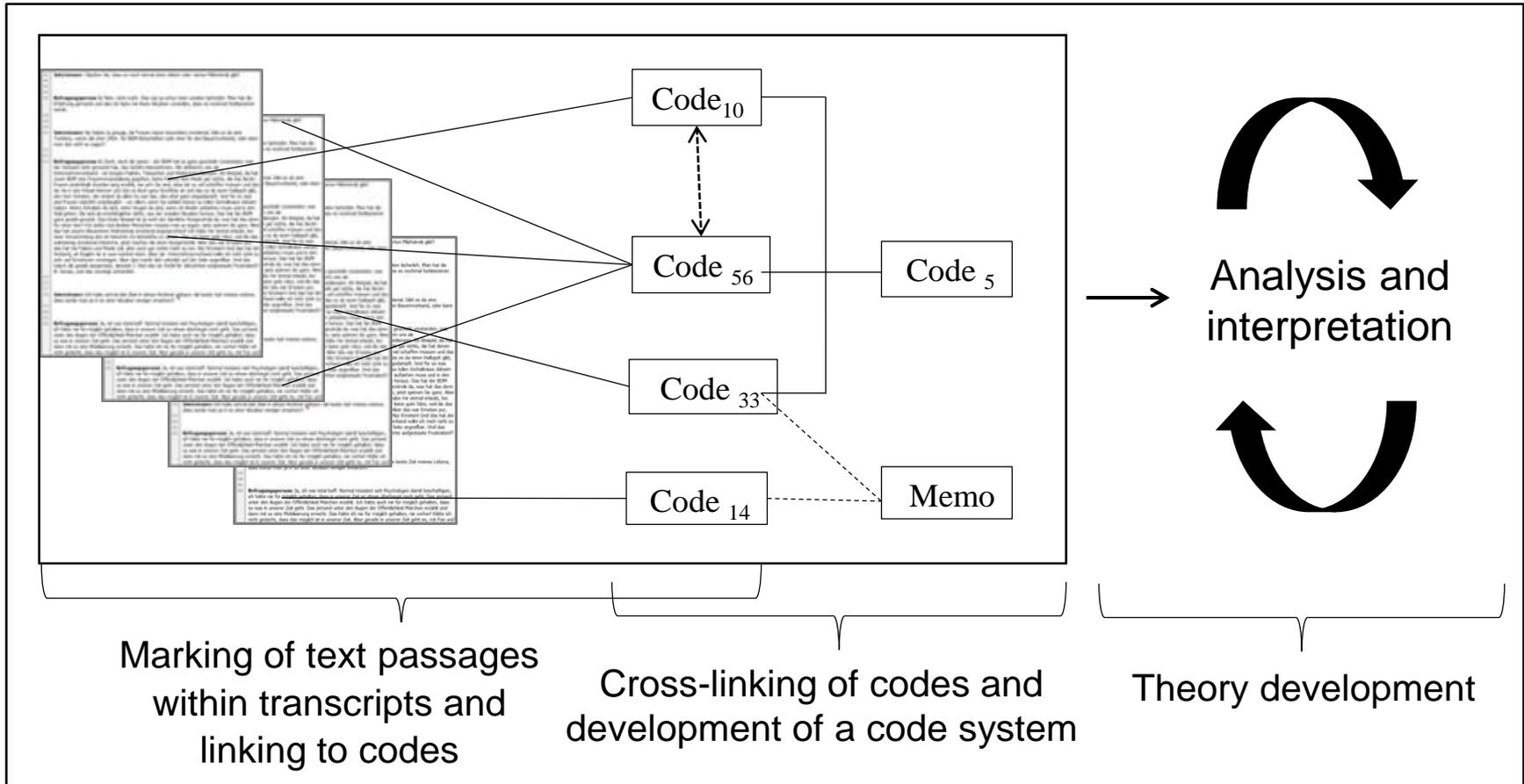


Grounded Theory approach

1. Deciding on a research problem
2. Framing the research question
3. Data collection (*34 qualitative interviews*)
4. Data coding and analysis
5. Theory development



Theory development

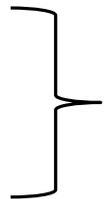


Transfer EVL model: DBV exit

Hirschman (1972):

Transfer to the Dairy conflict:

Exit
*(withdrawal from
an organization)*



convinced exit

pressured exit



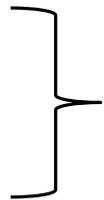
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Hirschman (1972):

Transfer to the Dairy conflict:

Exit

(withdrawal from an organization)



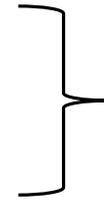
convinced exit

pressured exit



Voice

(constructive or destructive feedback)



claimed voice

voluntary voice



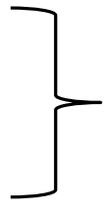
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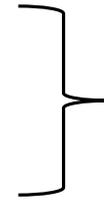
convinced exit

pressured exit



Voice

(constructive or destructive feedback)



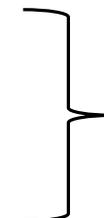
claimed voice

voluntary voice



Loyalty

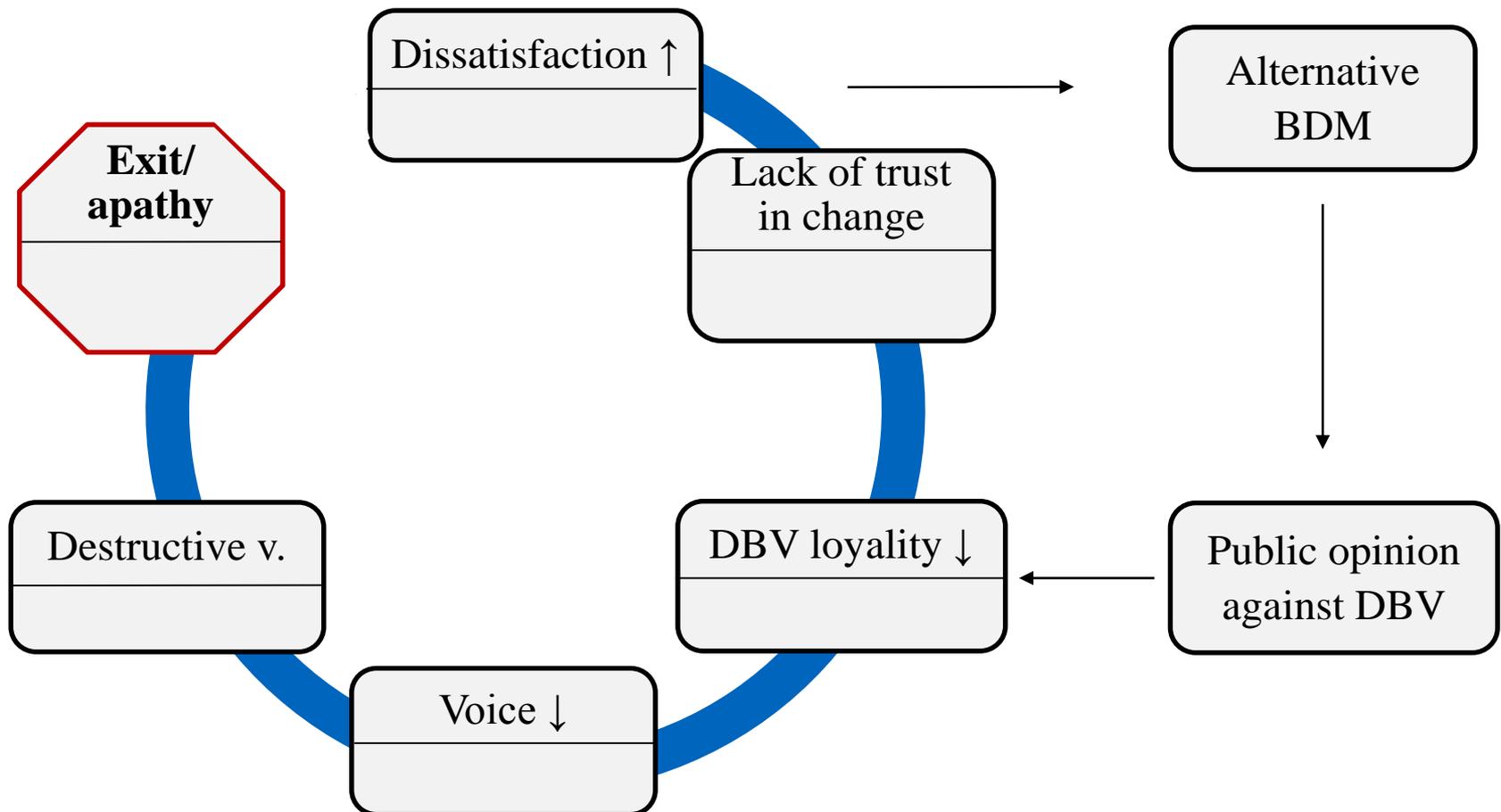
(solidarity to an organization/product)



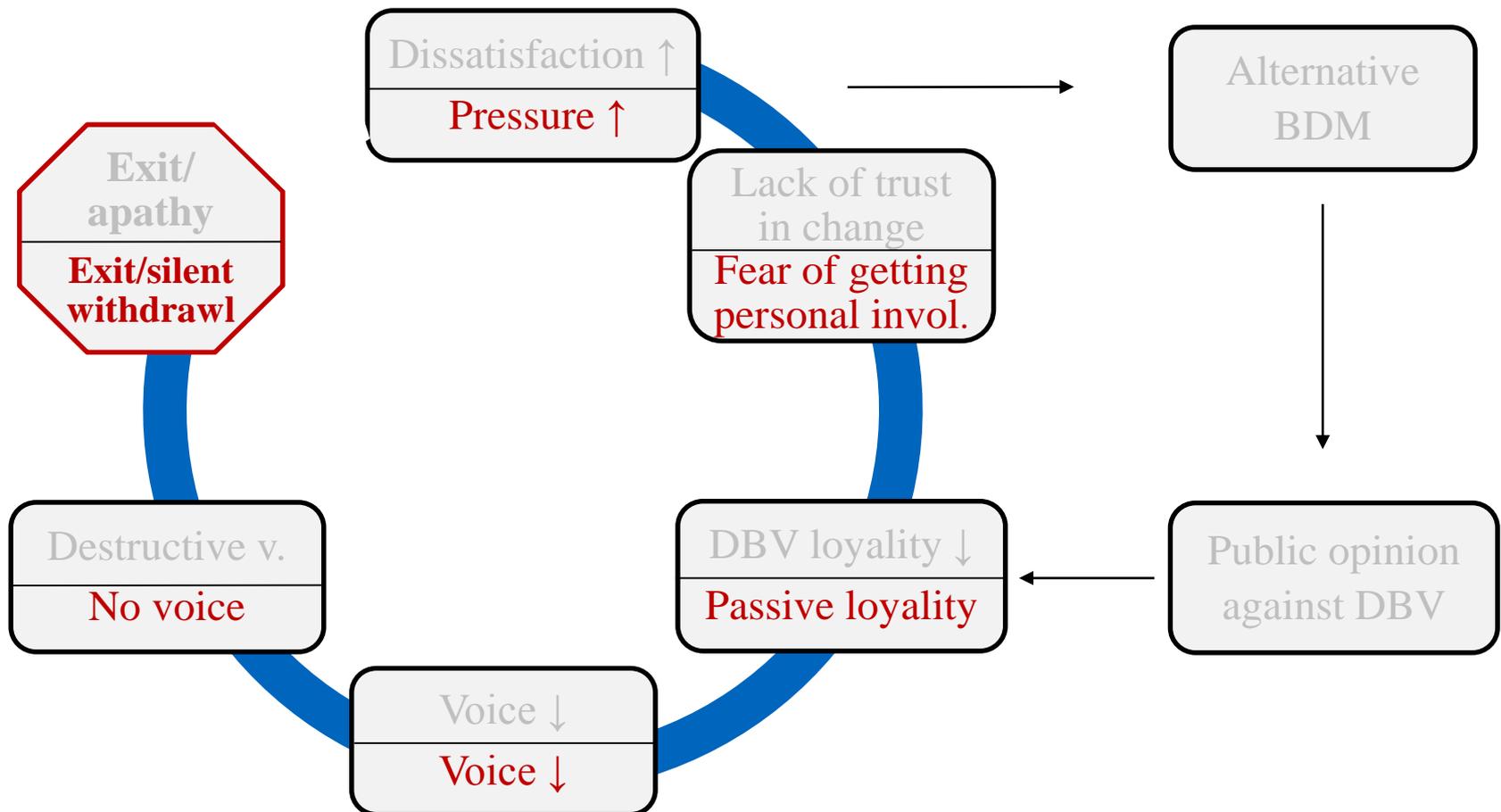
active loyalty

passive loyalty

Likelihood DBV Exit (convinced group)



Likelihood DBV Exit (convinced group) (pressured group)



Decision-making: milk strike

Participation by conviction

Participation under pressure

No participation despite pressure

- Curious about outcome
- Feeling of power
- Enthusiastic of group dynamic / community

Decision-making: milk strike

Participation by conviction

Participation under pressure

No participation despite pressure

- Afraid of consequences
- Pressured from BDM farmers to participate
- Controlled by BDM members
- Retain harmony within the family
- Anxious to maintain relationships to suppliers

Decision-making: milk strike

Participation by conviction

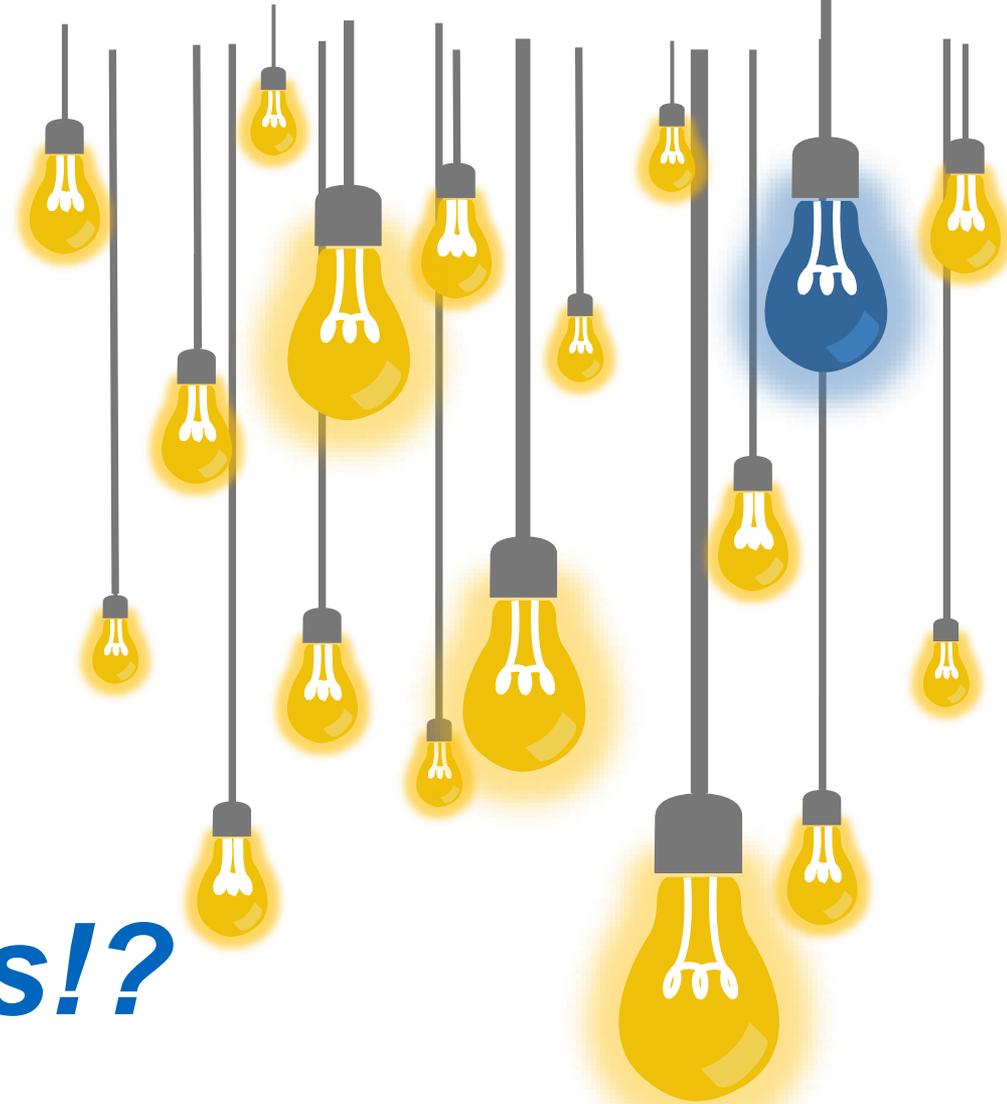
Participation under pressure

No participation despite pressure

- Family dispute
- Authentic (against milk strike)
- Participation would be against own believes

Discussion and Conclusions

- The DBV exit is often linked with the decision to participate in the milk strike
- Exit is recurring used as implicate voice function
- Voice in form of feedback was missing or mainly destructive during the milk conflict
- Advice DBV: scenario planning for optional reactions/ increasing communication with members



Ideas!?
Suggestions!?