



AGROBRIDGES – BUILDING BRIDGES BETWEEN PRODUCERS AND CONSUMERS

Short Food Supply Chain (SFSC) business models - Community Supported Agriculture
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TABLE OF CONTENTS

- Introduction
- Definition of the business model
- Business Model Canvas
- Value Proposition Canvas
- Examples of organisations and services that follow this model



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Introduction

The agroBRIDGES project (<https://www.agrobridges.eu/>) aims to build bridges between producers and consumers, rebalancing farmers' position in the market by empowering them with practical knowledge about new business and marketing models based on Short Food Supply Chains (SFSCs).

In the Decision Support Tool (DST) (<https://agrobridges-toolbox.eu/decisionsupporttool/>), five SFSC business model types are assessed for their applicability to your farm business. These are Community Supported Agriculture (CSA), Face-to-Face Sales, Retail Trade, Online Trade, and Improved Logistics.

This document defines:

- Business model: Community Supported Agriculture
- Business Model Canvas: to identify key drivers to develop new business
- Value Proposition Canvas: to illustrate the relationship between the features or offering of a service, and the needs of customers and markets
- Examples of organisations / services that use this model

Information on the methodology used to develop this tool can be found in the report 'D2.1: SFSCs Business and Marketing Models Categorisation': https://www.agrobridges.eu/wp-content/uploads/2022/03/agroBRIDGES_D2.1_SFSCs-BM-categorisation_v1.0.pdf



Definition of the business model

In Community Supported Agriculture (CSA), producers and consumers have a pre-existing agreement where consumers pay an agreed membership fee or offer labour services (or both), in exchange for produce. Two sales channels of this business model are considered in the analysis: A) CSA - Trading working hours for a share of the harvest, and B) CSA - Subscription - payment of an annual fee for a share of the harvest. The products are delivered by the farmer.



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Business Model Canvas

A Business Model Canvas offers a visual chart with elements describing the value proposition, infrastructure, customers, and finances related to a certain business model, and assisting businesses to align their activities by illustrating potential trade-offs.



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CSA – Business Model Canvas

Key Partners

- Local consumers as co-owners.
- Partnership with local supermarkets and farm shops.
- Intermediaries for distribution.
- Certification institutions

Key Activities

- Share or subscription sold prior to season.
- Weekly deliveries to members.
- Community enhancement activities.
- Recruiting and retaining members.

Key Resources

- Core group of members (marketing, distribution, admin...)
- Marketing and production technologies
- Additional workforce (shareholder of CSAs)

Value Proposition

- Shared burden between producers and consumers: joint set-up as consumers are co-owners.
- Self-sufficiency; food sovereignty; empowerment; community; learning; social innovation; networking
- Food production: consumer- and farmer-driven.
- Risk and returns sharing

Customer Relationship

- Trust relationship as prices are fair between peers.
- Close cooperation as prices are agreed upon and committed to in advance.
- Sharing labor, financial and knowledge resources.

Channels

- On-farm pick up
- Central distribution sites
- Farmers' market distribution
- Home delivery
- Bulk distribution

Customer Segments

- Conscious consumers with interest in Food sourcing and in labour conditions of farmers.
- Commitment and membership to the community.
- Environmental commitment.
- Local production identification.

Cost Structure

- Shared risk membership-marketing structure.
- High production costs (quality and certified products).
- Logistics and warehousing costs.
- Operational and production costs.
- Marketing and dissemination expenses.

Cost reduction opportunities

- Pre-defined orders
- Partnership enhances accuracy of consumption forecast.
- Reduction of Food waste

Revenue Streams

Primary Streams

- Membership fees.
- Subscription-based income streams
- "Economic rents"
- Economy not based on increasing profit, but taking a social approach to farming and development.

Descriptions of the Business Model Canvas blocks

- **Key Partners** - Business alliances needed for success.
- **Key Activities** - The activities that will be required for the business model to work.
- **Key Resources** - The assets that allow the company to create customer value.
- **Value Proposition** - The products and services a business offers. Osterwalder: “An overall view of products and services that together represent value for a specific customer segment. It describes the way a firm differentiates itself from its competitors and is the reason customers buy from a certain firm and not from another”.
- **Customer Relationship** - The links that a company creates between itself and its customers.
- **Customer Segments** - The target audience for a business product and / or service.
- **Channels** - The means used to deliver products and services. This includes the marketing and distribution strategy.
- **Cost Structure** - Expenses / costs raised by the business model.
- **Revenue Streams** -The company's income. The different revenue flows through the company monetise its activities.



Value Proposition Canvas

The Value Proposition Canvas is a framework which can help ensure that a product or service is positioned around what the customer values and needs.

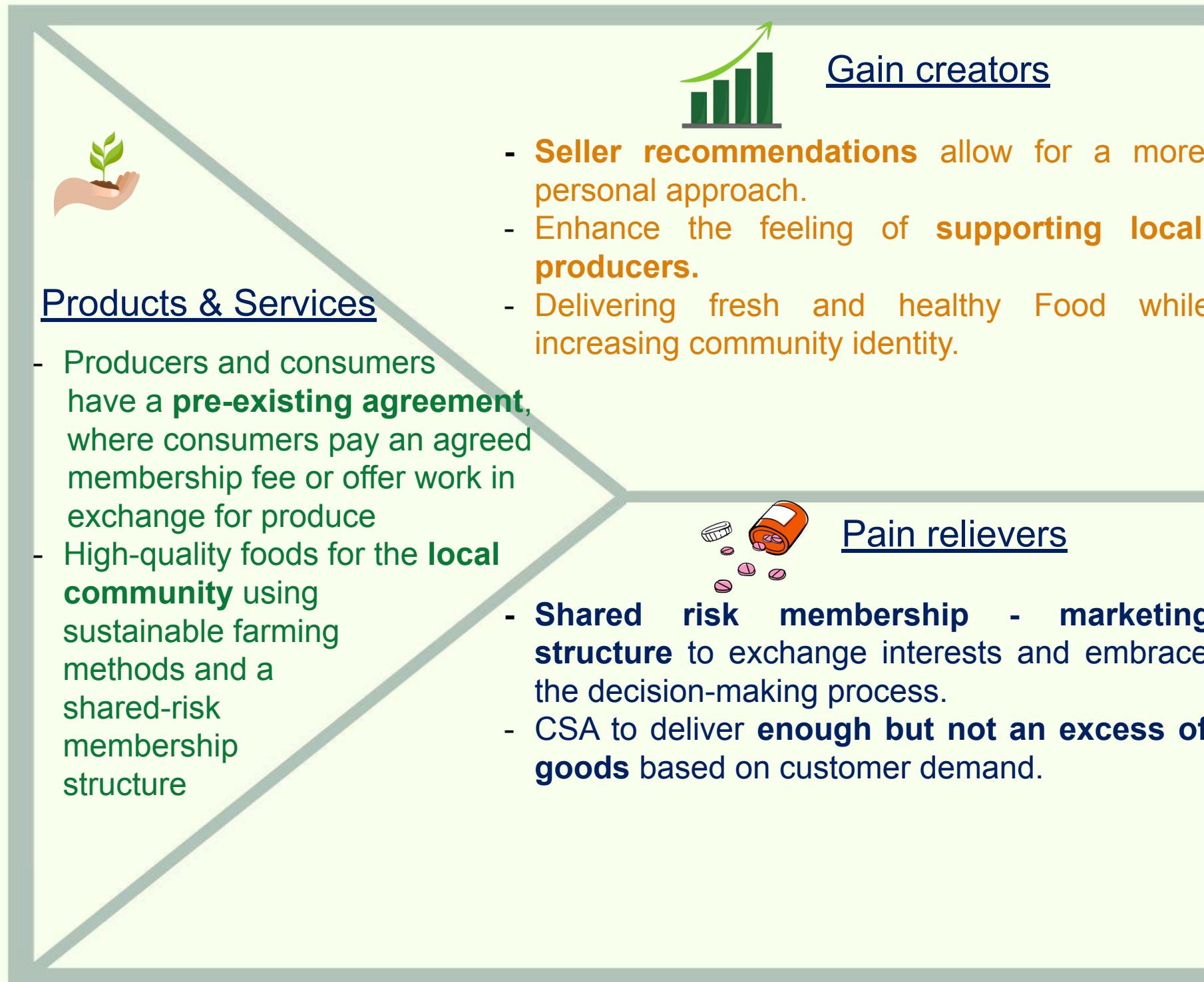


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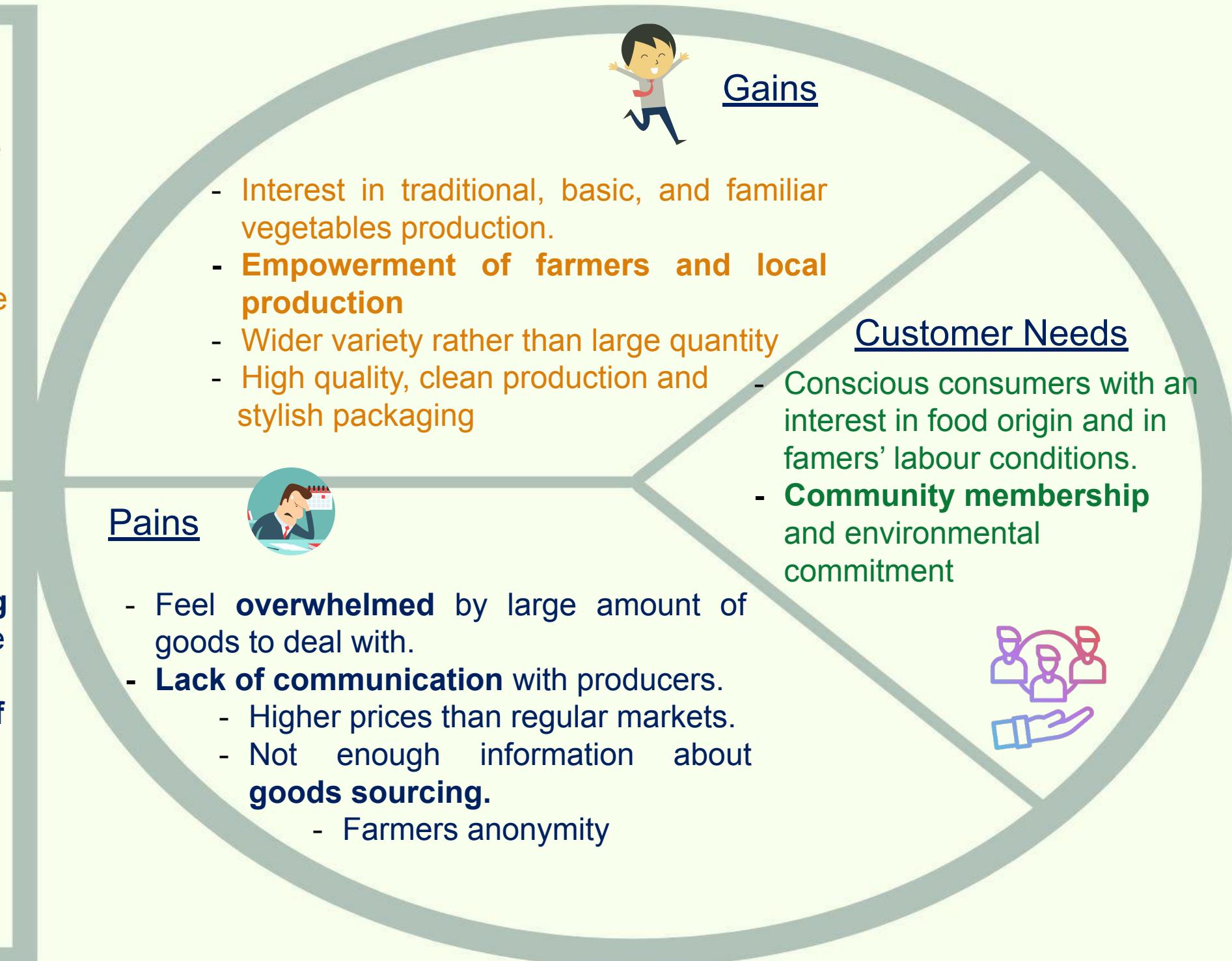


CSA – Value Proposition Canvas

Value Proposition



Customer Profile



Descriptions of the Value Proposition Canvas blocks

Value Proposition

- **Products & Services** - The specific products and services that are the drivers to create gains and relieve pains; and which underpin the value creation.
- **Gain creators** – How the service creates customer gains i.e. how it offers added value to the customer.
- **Pain relievers** – An explanation of how the service will alleviates customer pains.

Customer Profile

- **Gains** – The benefits which the customer expects and needs, what would delight a customer, and the assets or activities that may increase the likelihood of adopting that value proposition.
- **Pains** – The negative experiences, emotions, or risks that the customer experiences.
- **Customer Needs** – Functional, social, and emotional tasks that customers aim to perform, problems they try to solve and needs they wish to satisfy.



Examples of organisations/services that follow this model

Service / Organisation	Link	Region / Country	Sales Channel	Business Model
Cloughjordan community farm	https://cloughjordancommunityfarm.ie/	Co. Tipperary, Ireland	CSA - Annual Subscription & Delivery	CSA



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