



3rd Newsletter:

Insight into project results from Module 2: Creating & Entering niche markets and the potential of old varieties illustrated by case studies

Creating & Entering Niche Markets

A key unit from **second module** of the ERASMUS+ project Niche-Market-Farming provides farmers and interested stakeholders with information and resources they need to identify, create, and develop niche markets in agriculture. It describes which aspects should be considered at the beginning of entering niche markets and what you should keep in mind during the whole process. The aims of the unit are offering important information to help people get started in niche market farming, helping to recognize and identify niche marketing opportunities and creating awareness of the chances and challenge of creating niche markets.

What should a farmer consider when creating and entering niche markets?

- Identifying the market and target group and assessing the market potential.
- Develop a unique selling proposition.
- Research of the market opportunities, competition, and the potential for profitability.
- Create a marketing strategy that effectively targets the niche market.
- Finding partners and building relationships along added value chain.
- Planning and implementation of necessary activities and supporting cooperation's.

It's important **to keep in mind** that creating a niche market takes time, dedication and that it is a long-term investment. A solid understanding of consumer preferences, market trends and a clear marketing strategy will help to increase the chances of success. Additionally, niche market farming requires the ability to effectively market and sell the products to the target market. The choice to pursue a niche marketing strategy will not guarantee success, and, like any business decision, requires critical assessment and ongoing learning. Exploring niche markets is representative of the set of management choices every agricultural operation faces.

Detailed information on what to consider throughout the process of creating and entering a niche market and other key findings from Module 2 will be available soon on the <u>project website</u>.





Cultivation and processing of old varieties as an attractive niche market opportunity

Old varieties play a significant role in tapping into niche markets in agriculture. They not only serve as an attractive complement to the already developed and proven products but can also be additional sources of cultivation and income for agricultural enterprises. Often, they represent a unique selling proposition in the region, increasing their appeal to consumers. Some farms have even chosen to specialize exclusively in the cultivation of old varieties, aiming to capitalize on their distinctive characteristics and establish a presence in a specific market segment. This focus on traditional varieties not only contributes to the preservation of agricultural diversity but also helps diversify and strengthen the regional economy.

The potential of old varieties illustrated by case studies from practice:

The farm "Biohof Lecker" is an organic family farm in Southern Germany. A conversion to organic farming took place in 1994. The farm grows or produces products such as eggs, pasta, vegetables, apples or dairy products.

In the past years, the farm has adopted several innovative approaches by changing production methods, developing new products, and engaging with like-minded partners in the region. A big innovation was converting to organic farming.

A big focus and a main source of income is the so called **Ökokiste**, a delivery service for organic vegetables and other food products with the translated name "organic box". The farm is also a member of the Ökokiste association. The own products can be purchased as well at the stalls at the weekly/farmers markets. More than 90% of the farm's turnover from direct marketing comes from the organic box delivery service. The rest comes from sales at the weekly markets. The Ökokisten delivery service was founded in 2009.

One of the innovative products are the **cultivation of Laufener Landweizen**, an old wheat variety mentioned as early as the 16th century. Even though Laufener Landweizen is mentioned on the slow food list for regional varieties, only about 20 farms in Europe or probably worldwide are producing it today. Depending on the size of the area, approximately 2 hectares of Laufener Landweizen are cultivated each year by the Lecker farm. The farm sells the wheat in different milling grades and also processes it into pasta. Local bakers also benefit from Laufener Landweizen. They use it to make bread and biscuits.

A challenge introducing Laufener Landweizen was the production of seeds. The amount available was too small for farming business. It took generating seeds before the cultivation started. An old variety like Laufener Landweizen requires high quality products and direct marketing of products to recover the costs. Although the old variety is very admirably adapted to the conditions in the region, modern varieties are characterized by a higher productivity. Nevertheless, the specialty products like pasta or bread increase the product range by adding a unique and interesting product to the organic box.





Images: © Biohof Lecker





The potential of old varieties illustrated by case studies from practice:

The farm Lauteracher Alb-Feld-Früchte is located in Lauterach, a municipality in Southern Germay.

There, old lentil varieties called "Alb-Leisa" from the Swabian Alb are grown and processed since 1985. In 2009, Lutz Mammel took over the "Alb-Leisa" branch of the business. Since 2014, this organic processing farm is called Lauteracher Alb-Feld-Früchte. Under the protected brand name Alb-Leisa, only organically grown lentils from the organic producers' association Alb-Leisa are sold by Lauteracher Alb-Feld-Früchte.

The Alb-Leisa organic producers' association has many advantages like the expansion of the possibilities of propagation and cultivation of the old Alb lentil varieties and joint co-operation and support. In addition, the diversity of crops in the area of cultivation is increased by the cultivation of buckwheat, camelina, linseed, millet and hemp. The field crops are supplied by more than 140 organic farms, which grow the organic raw materials on approximately 500 hectares of arable land in the Swabian Alb region.

The cultivation of special crops such as lentils requires special knowledge and complex and expensive technology, especially in the processing operations. This is hardly affordable for a single farm. Therefore, these processes and expenses are borne by many farms in the producer group. This enables sta-ble payout prices, above-average income contributions and a very good group dynamic in the community.

The advantages of cultivation are that the high product and processing quality at Lauteracher-Alb Feld-Früchte secures and increases market share. Also, lentil cultivation increases biodiversity in the fields, creates awareness among growers (families) and consumers.

Challenges can be the strong dependence on weather influences, e.g., the rainy year 2021 caused a poor harvest and the necessary cultivation break for lentils (only every 6 years) reduces the availability of the product.

The farm is certified organic according to the guidelines of Bioland. The farm grows and produces also the following products itself like buckwheat, camelina oil, noodles, linseed, hemp seed and naked barley. The farm purchases additional products from other regional organic partners and farms. The marketing of the products takes place through different channels. Since 2014, there is a farm store directly on the farm. There is also an online store through which the products can be purchased.



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Stay tuned and follow us for the next issue!