Regional Food and Cuisine: The Case of the Brotos Frutos Culinária do Cerrado Association in Brazil

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Abstract- The richness of Brazilian flora and fauna reveal opportunities for agri-food markets, especially regarding the added value of regional foods, brand development, and differentiation strategies. In this context, the aim of the present study was to characterize the business strategies used by the Brotos Frutos Culinária do Cerrado Association, highlighting their strengths and weaknesses. To achieve the proposed objectives, techniques of observation and direct interviews with those responsible for the Association were used. The results revealed the absence of a business plan capable of guiding the organization's practices, a lack of knowledge on the market and on consumer behavior. Suggestions to improve the management are discussed during the study.

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Regional Food and Cuisine: The Case of the Brotos Frutos Culinária do Cerrado Association in Brazil

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Resumo- A riqueza da flora e fauna brasileira revelam oportunidades para os mercados agroalimentares, sobretudo quanto a agregação de valor aos alimentos regionais, o desenvolvimento de marcas e estratégias de diferenciação. Nesse contexto, o objetivo geral do artigo foi caracterizar as estratégias de negócio utilizadas pela Associação Brotos Frutos Culinária do Cerrado, com destaque para os seus pontos fortes e fracos. Para atingir os objetivos propostos foram utilizadas técnicas de observação e entrevistas diretas junto aos representantes da Associação. Os resultados revelaram a ausência de um plano de negócios capaz de orientar as práticas da organização, o desconhecimento do mercado e do comportamento do consumidor. Diante disso, sugestões de melhoria são discutidas no decorrer do estudo.

Palavras-chave: criação de valor; empreendedorismo; agronegócio; mercados.

Abstract- The richness of Brazilian flora and fauna reveal opportunities for agri-food markets, especially regarding the added value of regional foods, brand development, and differentiation strategies. In this context, the aim of the present study was to characterize the business strategies used by the Brotos Frutos Culinária do Cerrado Association, highlighting their strengths and weaknesses. To achieve the proposed objectives, techniques of observation and direct interviews with those responsible for the Association were used. The results revealed the absence of a business plan capable of guiding the organization's practices, a lack of knowledge on the market and on consumer behavior. Suggestions to improve the management are discussed during the study.

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1. Introduction

The richness of Brazilian flora and fauna reveals opportunities for agri-food markets, especially regarding the aggregation of value to regional products and raw materials, as well as new growth opportunities from brand development and differentiation strategies.

In this perspective, the aggregation of food value takes place in compliance with minimum quality criteria, in which those related to food safety, sustainability, respect for Human Rights and animal welfare stand out (WILKINSON, 2013).

The new social movements of consumers and the politicization of consumption are also part of this context. In this regard, Portilho (2009) states that consumers, in selecting and purchasing goods, tend to seek elements of responsible consumption practices, values, and meanings shared by the groups and social networks of which they are part. Thus, it appears that sensitivity to the influences of consumer pressure has been incorporated into the new quality markets of the agri-food system.

In production chains of agri-food systems, such as in the cocoa and chocolate production chain, the strengthening of discussions can be observed with pressure for action by companies being driven by consumer movements on virtual social networks, on gender issues, in the face of the contempt of women's work in cocoa production. According to the report published by OXFAM (2013), women working on cocoa farms generally receive less than men and they rarely own the land they cultivate, even if they work in the activity throughout their lives. The practice of discrimination and harassment at work was also identified.

In 2013, OXFAM (Oxford Committee on combating hunger), an international organization that works for social causes and development, launched the campaign for women and cocoa – a plan of action, as part of the Behind the Brands campaign. Through the signing of a petition via internet social networks, more than 100,000 people demanded that the Mars, Mondelez, and Nestlé global companies “see, hear and act” on behalf of cocoa farmers and their families. The three companies buy more than 30% of the cocoa produced in the world (BEHIND the BRANDS, 2015).

Food quality markets are currently influenced by different factors, including "ethical factors" and "technical factors". The former are related to the social and environmental practices of organizations, while the technical factors are not limited to hygiene and compliance with food safety laws, for example, involving the certification of origin of the product. In the view of Cruz and Schneider (2010), this process endorses the displacement of consumers in the search for the appreciation of regional products of known origin, traditional products or craft products, as opposed to industrialized foods and problems related to food safety.
While the value of local food represents a competitive advantage for agri-food companies, it also faces high costs in terms of its compliance with health rules and standards. Faced with these restrictions, the importance of discussion and compliance in regard to quality criteria arises, as does the need to reflect on the processes, scale of production and distribution of food (CRUZ; SCHNEIDER, 2010).

Considering the social, economic and managerial importance of the revaluation of locally produced foods, the present study aims to characterize the business strategies used by the Brotos Frutos Culinária do Cerrado Association, headquartered in the urban area of Campo Grande / MS, in the Food Incubator of the Municipal Council of Campo Grande. It produces derivatives from raw materials of fruits, such as araçá, buriti, baru, bocaiuva, jatobá, guavira, pequi fruit, pitomba andhibiscus, for marketing in retail outlets, local fairs and the National School Meals Program (PNAE).

To achieve the proposed objectives, the techniques of bibliographic and documentary research on quality in the agri-food system, creative economy and gastronomy of the Cerrado and the case study method for organizational diagnosis of the Association were used. The information presented in the case study was collected through direct interviews with the President, between April and May 2016, at the headquarters of the Food Incubator of the Municipal Council of Campo Grande / MS.

a) Quality criteria in the agri-food system

In Callon, Méadel and Rabeharisoa’s proposal (2002) on the economics of qualities, a product would be defined by the qualities attributed to it during the tests of the quality variables. The qualities would be intrinsic and extrinsic. Intrinsic qualities would be defined by measurable technical criteria that would account for efficiency or lack efficiency in a given product. Regarding extrinsic quality, evaluation depends not only on the quality criteria measurable by evaluation tools, but also on the assessments and judgments of the product users. The broad notion of quality has the advantage of approximating quality in both senses and including the classic issues of Economics, Economic Sociology, and organizational management.

Economy of qualities can be viewed in this context as one of the central themes of the dynamics and organization of markets. It proposes to dynamically visualize the economy under the products, taking into account the need to adapt to supply and demand, to forms of competition and to all forms of the strategies organized and deployed by the different actors to qualify the products. It is based on the uniqueness of the products, which leads to the pursuit of closer relationships between what the consumer wants and expects and what is offered by the organizations.

Consumers have a strong influence on product qualification and legitimacy (CALLON, MÉADEL and RABEHARISOA, 2002). Agri-food products, such as cocoa derivatives and chocolate, are literally consumed by consumers, whereby a failure in quality can cause serious harm to the health of individuals. Both the guarantee of quality in food safety and the quality of product presentation are factors that lead the consumer to build preferences and define purchase options (TOLEDO et al., 2000). For Toledo et al. (2000, p. 99) “safety and quality are two inseparable dimensions at all stages of the agri-food chain. They depend on the culture and knowledge of all for prevention and for the practice of continuous improvement, bearing in mind the final consumer.”

b) Creative economy and gastronomy

According to Costa and Souza-Santos (2011, p. 151), the creative economy is related “to the development of today’s modern economy and modern societies, insofar as intellectual capital becomes increasingly relevant to the development of new products and markets”. Considering the importance of the concept of creative economy and the gastronomy of the Cerrado, the study by Zaneti and Balestro (2015) was found. The authors discussed the valuation of traditional products from the gastronomic pole of Brasilia, which is the third largest in Brazil. The results have shown that consumers are willing to pay a premium price for products that add quality and symbolic value.

Symbolic value is that related to the socio-cultural aspects of producers, to traditional forms of production and consumption. In addition, these authors also noted that in high-level Brazilian gastronomy there is a growing trend of aggregation and valuation of cultural and symbolic capital to traditional foods. However, there is a demand on the part of chefs regarding the criteria related to taste, uniqueness, and quality of these products. Also from the point of view of chefs, guaranteeing the origin and traceability of food are attributes associated with food quality.

Given the important role of chefs in the formation of opinions and trends in agri-food, the authors Zaneti and Balestro (2015) highlighted that the chefs are strategic partners for social construction and construction of the markets of innovation and creativity in the gastronomy of the Cerrado.

II. Case Study of the Brotos Frutos Culinária do Cerrado Association

The Brotos Frutos Culinária do Cerrado Association (ABFCC) was created in 2013 by 12 family farmers, 70% women and 30% men, resident in the cities of Campo Grande and Terenos in Mato Grosso do Sul. The idea arose from the need for farmers to...
increase income and the pursuit for improvement in quality of life.

An exchange trip between women's enterprises at a UN congress in New York in 2015, awakened the associates to a greater appreciation of the raw materials from the Cerrado region of Mato Grosso do Sul and to the identification of ingredients that could be used in many different dishes, both savory and sweet, besides the creation of new aromas and the dissemination of local knowledge.

The mission of the Association is to integrate the production planning of native plants of the Cerrado, to increase conservation of the socio-biodiversity and guarantee healthy food as a preventive form of caring for people's health, and to generate employment and income for the countryside and the city. It is also part of the objectives to promote the appreciation of the human being and recovery of knowledge and cultural traditions.

The focus of the associates is on diversifying production, increasing income generation for family farmers and protecting and expanding the production of native seedlings of the Cerrado biome. The venture is in the incubation phase at the Municipal Incubator of Campo Grande-MS, Norman Edward Hanson, where it receives technical advice on enterprise maturity. The one (one) year incubation has enabled progress with respect to diversification of the product portfolio and the beginning of commercial partnerships, but there are still major difficulties for the enhancement of commerce and consequently for financial sustainability.

The main partner institutions of the ABFCC are: (i) SEBRAE-MS (Micro and Small Business Support Service) which provides occasional training sessions and consulting services; (ii) the Campo Grande/MS Municipal Council; (iii) the Federal University of Mato Grosso do Sul (UFMS); (iv) Dom Bosco Catholic University (UCDB), through the Center for Technology and Analysis of Agribusiness (Ceteagro); v) IFMS – the Federal Institute of Mato Grosso do Sul – through the work of its undergraduate courses and research to expand knowledge on fruits of the Cerrado, involving planting, management, and integral use; (VI) Business Professional Woman (BPW), offering support for the dissemination and marketing of products; and (vii) SENAR/SESC (National Rural Apprenticeship Service/Social Service for Commerce) with orientation on marketing and promotion.

The Association also seeks to provide ways of adding value to the products, increasing income generation and quality of life of the suppliers of the Cooperative of Rural Products of the New Alliance Settlement (COOPERANANA), the cooperative of organic producers of family farming, the main supplier of the raw materials used in the production of the Brotos Frutos Culinária do Cerrado Association.

In the existing partnerships and in the pursuit of expansion of business relationships, the aim is to achieve financial self-sustainability of the enterprise through the enhancement of commercialization in institutional markets such as the PNAE (National School Meals Program) and increased insertion in the local markets of Mato Grosso do Sul, including natural product emporiums, supermarkets, fairs, restaurants and hotels.

Due to the originality of the project's proposal, which aims to enhance the production and processing of organic and regional products from the Cerrado of Mato Grosso do Sul, the Association has received several awards. These include the Sebrae Business Woman Award 2014; 2nd place in Confam (annual Convention of BPW Brazil), 2014, in Cuiaba, with presentation of the Case study of Success in an international event of the same entity in New York (USA) in March 2015; the Zumbi dos Palmares Award (Campo Grande City Council), 2014; and the Santander University Solidarity Award 2015/2016 for the partnership between UCDB and the Association.

Farmers and family farmers produce raw materials such as araçá, buriti, baru, bocaiúva, jabotá, guavira, pequi, pitomba and hibiscus, among others, from which bread, cakes, cookies, sweets, juices, pies, savories, and pâté are produced. The monthly sales revenue is approximately R$ 4,000.00. The products are marketed in retail outlets, local fairs and the National School Meals Program (PNAE). There are plans to expand the trade channels with large retail networks and government programs such as the PNAE – National School Meals Program.

The target public of the enterprise is individuals with secondary and higher education, belonging to classes A, B, and C, sportpeople and people seeking agro-ecological, healthy food that is safe and provides knowledge of the origin and production process.

The results of the interviews conducted enabled identification of some of the strengths of the enterprise, such as the use of its own work force, the collection and processing of the fruits, prime location (next to the commercial center of the city of Campo Grande/MS), products without chemical agents, organic products (raw materials purchased from the cooperative partner have participatory organic certification), whole-grain products and products enriched with fruits of the Cerrado.

As negative points, the small physical infrastructure for production and trade, logistics difficulties in the search for raw materials with family farmers, a lack of skilled labor for production, disorganized trading and a lack of working capital were identified.

In the region where family farmers are inserted, there is vulnerability of women, young people and adults, low levels of education and a lack of opportunities to integrate into family farming activities with income prospects and quality of life. In view of this,
in the opinion of the participants, the development and deployment of the Association has facilitated the generation of employment and income, diversification of trade and production, as well as the improvement of quality of life and organization of the farmers’ group.

On the other hand, even with the agreement of various partnerships and the prizes won, several challenges were identified, in which the following stand out:

1) Lack of systematized information on the dynamics and demands of the regional consumer markets (final consumers and food service: bars, restaurants, accommodation, gastronomy schools), which becomes a bottleneck for the expansion of trade;
2) Difficulty of access to institutional markets, such as the PNAE (National School Meals Program). Although they are listed in the reference guide, there is still resistance to the choice of raw materials and products due to lack of knowledge on culinary use, flavor and nutritional information;
3) Difficulty in accessing working capital for the purchase of machinery and equipment;
4) Demand for the organization of administrative management and standardization of production processes.

III. Final Considerations

The aim of the study was to characterize the business strategies used by the Brotos Frutos Culinária do Cerrado Association. The association is in the initial phase of activities, in a growing market, with potential for adding value to raw materials and its association with the activities of gastronomy and tourism, through revaluation of local cuisine and regional products.

By using the concept of creative economy, the venture combines traditional popular knowledge by developing new products from regional raw materials such as barúsanha, pequi, jatobá, and bocaiuva. Among the main benefits of the proposal, it is noteworthy that the increase in the consumption of these products may promote environmental conservation and the fulfillment of the desires of the consumers who seek local products from family agriculture, with the features and guarantee of health-related products, food safety, and origin identification.

The proposal of the Association also promotes the empowerment of women and young people in family farming, with the creation of opportunities for employment and income generation, related to adding value to the products of the Cerrado agriculture, with the possibility of continuity of the young people in activities of family farming in the countryside and in the city. There is also a project to offer buffet services for Cerrado products – an activity that is already carried out occasionally and enables engagement and income generation for women and young people.

The partnerships established with technical support, teaching and research institutions in the MS-region also favor the development of innovations in products and production processes. The partnership with UCDB (Dom Bosco Catholic University), for example, through the Santander 2015 award, made it possible to create a new product; a cereal bar made of raw materials from the Cerrado, which is being tested for future consumer markets. There is also a partnership with the Federal University of Mato Grosso do Sul to study the behavior of consumers of Cerrado products and regional foods.

However, it can be noted that the enterprise and its members still lack the skills, both technical and managerial, in financial management, improvement of distribution logistics, better knowledge of the consumer market, development of communication strategies and business plan development. Based on these findings, it is suggested that new partnerships with the Association focus on filling these gaps and thus improving their market performance.

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