

TRADITIONAL FOODS AS A DRIVER FOR RURAL DEVELOPMENT THROUGH LOCAL RESOURCES UTILISATION

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Abstract

Nowadays there is much emphasis on rural development and reducing the gap between rural and urban areas. The disharmonious development is more and more visible in Romania as the years pass by. The present paper aims to present the importance of small producers and to provide a solution that can lead to the development of rural areas through local resources utilization. This approach has more implications, as it can be seen also as a sustainable way of development. Research methodology consists in utilization of primary data collected by the author and secondary data extracted from national databases. The main outcome of the study underlines the positive impact, from an economic standpoint, that small producers have at local level and their role in maintaining food diversity. The results should be of interest for national and local stakeholders.

Keywords: *Traditional foods, local resources, rural development, Romania*

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Introduction

One of the main current characteristics of Romania is represented by the gap between the urban and the rural areas, this fact leading to a disharmonious development. Among the measures to reduce the rural-urban gap can be the diversification of activities in the rural area. Diversification is necessary for economic growth, employment, sustainable development and contributes to a better territorial, economic and social balance.

As the traditional market and, implicitly, the traditional food products, fall within the broad concept of rural diversification, numerous effects, direct or indirect, of the diversification of rural activities can be identified in this context. The direct effects are represented by the revenues generated by the sale of products, job creation for rural population that can lead to an increase in the population living standard. Among the indirect effects can be enumerated: the stimulation of rural tourism, the economic and social growth of the area but also the superior use of labor force.

A sustainable approach to reducing the disharmony between rural and urban areas can be achieved through rural diversification based on the food resources that are specific for each area.

Literature review

In the context of food globalisation, there should not get out of sight the importance of thinking locally in terms of foods. Consumer is placed in the center of foods market and several studies are focused on the consumer growing interest for non-conventional food products (Bond et al., 2008, Memery et al., 2015). In regards to purchase motivation for food products, four reasons were found in literature: proximity (Lung et al., 2014), tradition (Pieniak et al., 2009, Almi et al., 2011), ethnicity of products (Van Ittersum et al., 2003),

consumer ethnocentrism (Guo and Zhou, 2017). In the studies it was also found that consumers consider local foods superior in term of quality (Chambers et al., 2007). Considering consumers purchasing motivation it should not be lost of sight the supply available on the market. The study of the local products cannot be completely without a prior analysis of the producers of such products. Their main characteristics is that they play an important role in the local economy, they are the keepers of culinary traditions, authentic recipes and cultural identity. But they are also very vulnerable actors on the market that need support. Hence, the present study aims to present the importance role that small producers play at local level.

Research methodology

The research methodology consists in using primary and secondary data. In doing so, a number of six care producers that meet the following criteria were chosen. Firstly, they should be certified under Order 724/2013 national legislation. The second criteria related to the fact that they should run the business in rural areas. Thus, six producers from the National Register of Traditional Foods that have the headquarters in rural areas were chosen. For primary data, collection method used was telephone interview. Producers provided information regarding their number of employees: level or studies and their qualification. As per the secondary data, statistical and demographical information were extracted from the website of the National Institute of Statistics (village number of inhabitants). In regards to the financial data(income), firme.ro website was the main source used.

Traditional foods producers' impact locally

In order to carry out the analysis, data was collected from six producers, that fulfilled the conditions mentioned above.

Table 1. Analysis of traditional food producers

No	Village	Village inhabitants - number -	Income (average on all years of activity) - RON -	Employees (average on all years of activity) - number -
1	Pleşcoi	1.710	3.150.080	18
2	Chechiş	907	413.284	7
3	Ponor	697	394.709	4
4	Ogna Şugatag	3.753	1.189.432	15
5	Tocileni	1.158	1.176.776	14
6	Greci	5.508	6.352.098	92

Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

In table 1 it is presented an average of the producers' turnover and the number of employees considering their entire activity period. All six producers operate in small villages where the number of inhabitants is low. Considering this, their impact is major in regards to the development of the area, including living standard.

The following part is dedicated to a in depth analysis of the abovementioned indicators for all six producers.

In the town of Pleșcoi from Buzău county, there is a traditional food producer that started his business in 2013. It holds 10 nationally certified products and one certified product according to European quality schemes. Analyzing data related to turnover and number of employees it is observed that they follow an upward trend throughout the period of activity.

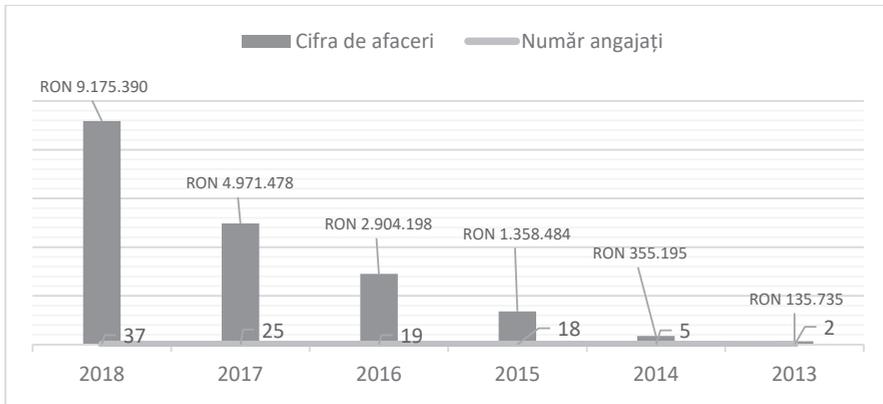


Figure 1. Trend of turnover and number of employees for the Pleșcoi manufacturer
Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

The manufacturer created two jobs in the first year of activity, five in the second, reaching 37 in the sixth year of activity. Of the 37 jobs created, 7 are occupied by persons with higher education, having management positions in the financial-accounting field. The number of jobs created is significant for a village with 1,710 inhabitants.

The second producer operates in Chechis, Maramureș County, starting 2006. In 2015, the producers certified three foods, belonging to the drink's category, according to the national legislation. In the following figure it can be observed that the turnover and the number of employees fluctuate from one year to another.

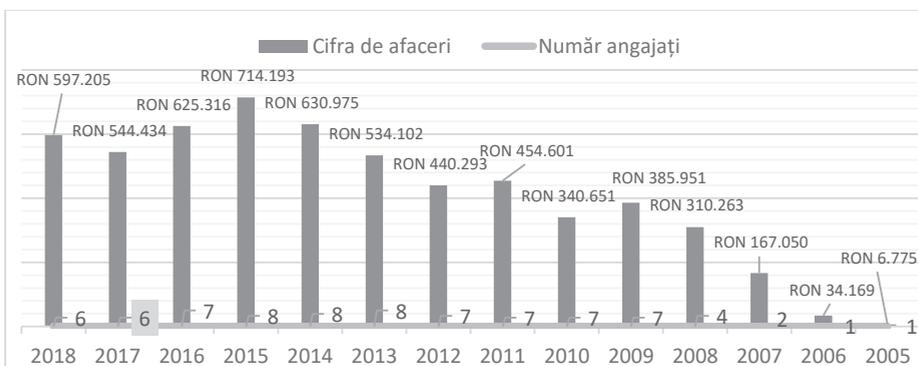


Figure 2. Trend of turnover and number of employees for the Chechis manufacturer
Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

During their entire period of activity, the turnover fluctuated significantly, the highest value being recorded in 2015, RON 715,193, during which the company recorded the largest number of employees, 8. Thus, the producer started the activity with one employee, in 2018 managing to create six jobs in a village with 907 inhabitants. Of these six jobs, two are occupied by persons with higher education in the financial- economic field.

In Ponor, Alba County, a producer owns three products certified according to national law, all three being certified in 2015. The turnover and the number of employees registered major fluctuations throughout the period 2006-2018.

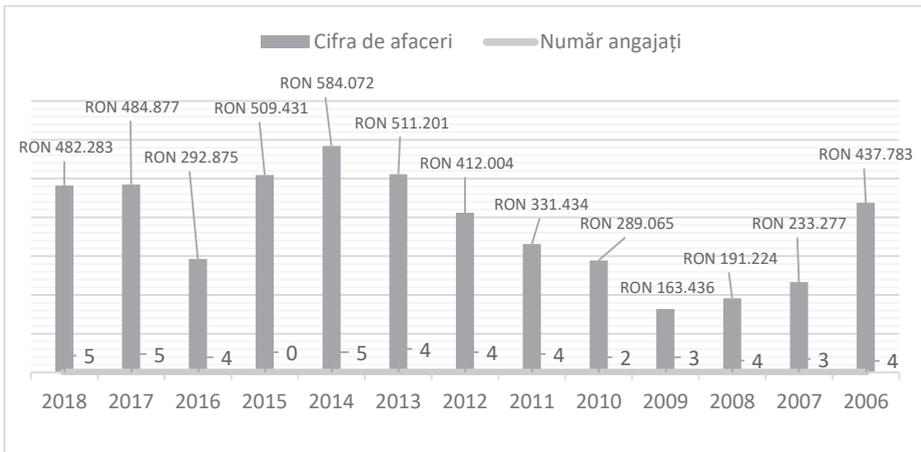


Figure 3. Trend of turnover and number of employees for the Ponor manufacturer
Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

The highest value of turnover was recorded in 2015, the year in which the smallest number of employees was registered. The following year, the turnover decreased sharply by almost 50%, the cause being the reorganization of the production. Thus, in 2018, the producer created five jobs in a village with 697 inhabitants, two of them being filled by people with higher education.

The fourth producer analyzed is operating in Ocna Șugatag, Maramureș county. The producer started his activity in 2006, and in 2015 he registered nine products in the National Register of Traditional Foods. Regarding the number of jobs and the number of employees, they fluctuate during the analyzed period, registering even a significant decrease in the last two years.

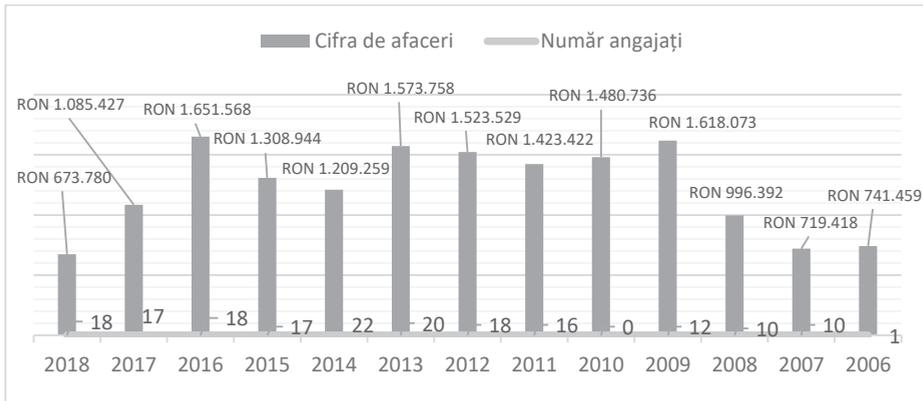


Figure 4. Trend of turnover and number of employees for the Ocna-Sugatag manufacturer

Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

The peak in terms of turnover is recorded in 2015, and the highest number of employees in the previous year. The company created 18 jobs in a village of 3,753 inhabitants. Of the 18 jobs, five are occupied by employees that finished a higher education institution.

In Tocileni village, Botoșani County, there is a producer that certified according to national legislation a single product. The product was certified in 2016 and it is part of the bakery products category. The turnover and the number of employees register an upward trend during the analyzed period.

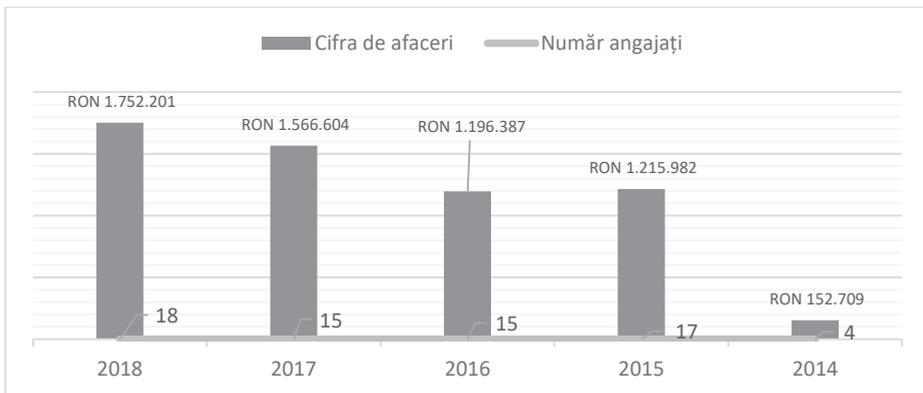


Figure 5. Trend of turnover and number of employees for the Tocileni manufacturer

Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

During its five years of activity, the manufacturer manages to maintain the upward trend of the turnover, the number of employees fluctuating from year to year. In the last year of activity, the producer creates 18 jobs in a village with 1,158 inhabitants, seven of them being

occupied by persons with higher education in management and administrative-financial positions.

Producer from Greci, Tulcea County, owns 11 certified foods according to national legislation: seven for fruit and vegetables and four for bakery and pastry products. All 11 products received the certificate during the period 2017-2018.

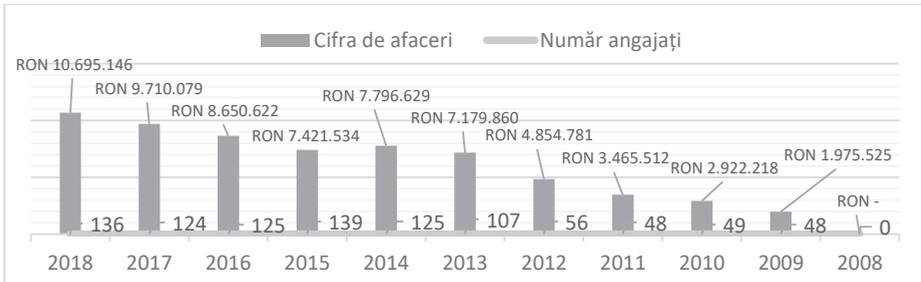


Figure 6. Trend of turnover and number of employees for the Greci manufacturer

Source: data collected and processed from Romanian National Institute of Statistics and Firme.ro website

The last manufacturer analyzed, maintains an upward trend of the turnover during the whole period of activity, which also has a significant number of employees. In 2018, the manufacturer increases the number of employees by 12, reaching 136. Of the 136 jobs, 30 are occupied by employees with higher education. In 2018, the producer creates 136 jobs in a village with 5,508 inhabitants, making a significant impact at local level.

From the analysis it is worth noting that traditional food producers have a significant impact in the area in which they operate from a living standards point of view, income generated, for which they pay taxes, but also for the large number of jobs created. These two factors lead to economic and social growth and development of the area they operate in. Also, the indirect effects are noteworthy because through this activity the workforce is valorized by creating jobs for people with higher education.

In order to support them, a way of promotion that can lead to the increase of rural and gastronomic tourism can be the creation of an atlas of traditional products.

Establishing an atlas of traditional foods could support local economies in using the specificity elements they have available. Details in regard to the recipe, the production process and the historical connection of the product with the place where it belongs, as well as the place where the traditional products can be found, can be reproduced within the atlas. The atlas can be created online and promoted both nationally and internationally by central authorities.

An approach in this regard was made in 2018 by researchers from Croatia. They created Taste Atlas, in which traditional products and their local ingredients are presented for each country. More than 5,000 traditional and local foods are detailed within the atlas.

This action can also be carried out at national level for all traditional products certified in order to support rural and regional development based on the specific resources. Also, actions that take into account the production of foods that use raw materials from the same geographical area can be encouraged.

Conclusions

Small food producers act as a driver for local economies in terms of job creation. Given the growing phenomena of gastronomic tourism, traditional foods can rely on the increasing demand from tourists side that consider local and traditional foods a way to escape from standards food consumption patterns. But, as small producers do not able to create marketing strategies to promote their products at national and international level, an intervention from authorities is required. The development of a Romanian Food Atlas where producers can promote their food specific characteristics could have a great impact at national and international level. In summary, there should be not lose sight of the importance of thinking locally in terms of food and hence, the importance of small producers at local level.

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