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THEMATIC PRIORITY



INNOVATION



SOCIAL ENTERPRISE

BUSINESS MODEL



Lycée Technique
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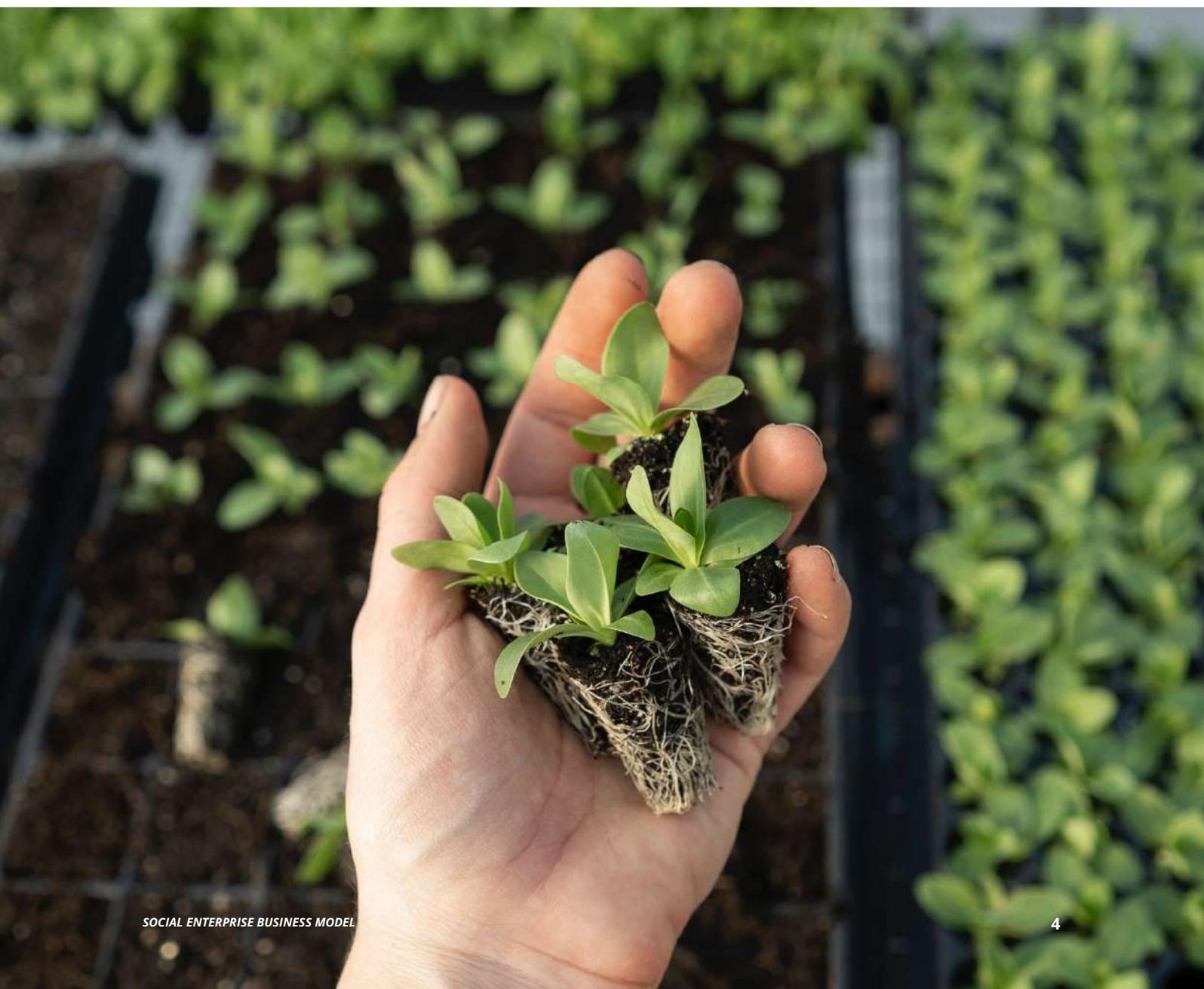
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ABSTRACT

Society has changed a lot over the past decades. Specialization, technical progress and digitization have led to greater efficiency. Also, the increase of productivity based on technical progress in agriculture and horticulture is enormous. For NEETs (people with no employment, education or training), it is becoming increasingly difficult to find their place in society. Creation of jobs in agriculture and vegetable production is needed and is considered 'healing', and so a social gardening enterprise has both a commercial and a social impact goal. This has consequences on business sustainability: both in terms of costs and income. As part of the European Imagine program, a business model for so-

cial enterprises was created, using the Business Model Canvas (BMC) as the default framework. Nine segments are described for social gardening enterprises, in which always both the commercial side and the social impact side are taken into account: Key Partnerships, Key Activities, Value Propositions, Customer Relationships, Customer Segments, Key Resources, Channels, Cost Structure and Revenue Streams. When describing these segments, one can conclude that a social gardening enterprise can be implemented nearly everywhere, when respecting the described elements and adapting the enterprise to one's specific context.



INTRODUCTION

Welcome to this document, describing a business model for social enterprises. It was written as part of the European Imagine program, in a collaboration of two of their partners; Phood Farm, a social enterprise from the Netherlands, and the Lycée Technique Agricole from Luxembourg.

The IMAGINE project aims at tackling youth unemployment by providing sustainable job prospects in market gardening, more specifically for young people (15-34 years old) who are NEET – not in education, employment or training – in the urban and peri-urban areas of North-West Europe. As part of this Imagine project, a great wish existed for sharing a comprehensive business model for a social enterprise, in which these aims could be continued in the future, in future businesses.

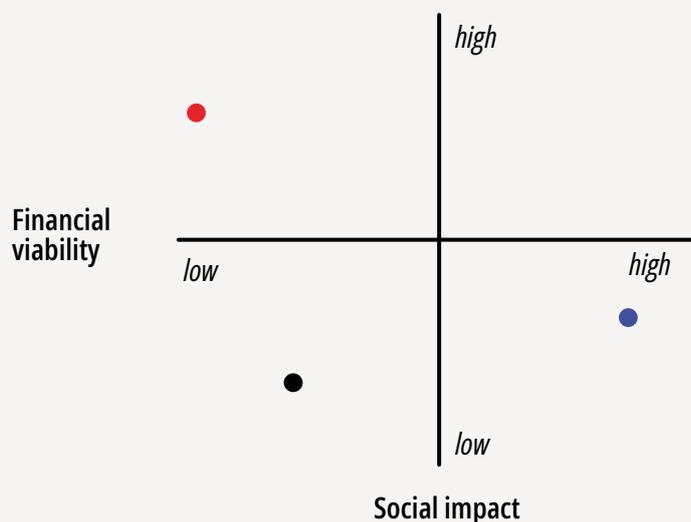
1. What is a social enterprise ?

A social enterprise or social business is defined as a business with specific social objectives that serve its primary purpose. Social enterprises seek to maximize profits while maximizing benefits to society and the environment, and the profits are principally used to fund social programs. This means that there is both a social goal (also known as 'impact goal'), as well as an entrepreneurial or commercial goal.

The combination of those two is crucial but can be realized in many ways. Usually, these types of businesses start with a wish to make a change, to 'do good', but need some form of trade to fulfill that mission. Thus, there is an economic, social, cultural or environmental mission (or more than one of these). These businesses derive a substantial portion of their income from trade and reinvest most of that income into pursuing their mission.

This can take many forms and does not necessarily imply taking on board so called 'NEETs' as part of the workforce. That said, employees of social enterprises come from many backgrounds, where often priority is given to those from at-risk or 'left out' sections of the communities.

Social enterprises can range from low to high plotted on two dimensions; one being their financial viability or commercial success, the other one being their social impact. These two dimensions interact with each other, which this document aims to address in the use of a business model that considers both. Simply visualized, this is where you could map any social enterprise onto.



2. What is a business model ?

The aim of a business model is to present a company's core strategy for profitable business operations. It entails things like the type of product or service a company will sell, target markets or customers, anticipated expenses and how it expects to turn a profit. Even if the aim is not to make profit, the business model is crucial for thinking about and setting up a balanced business, which is sustainable in what it achieves to do.

Working with a business model before setting up a business, especially a social enterprise, is important to map out all aspects of the anticipated business. Especially social enterprises often

come with a strong wish to make an impact or deliver change, and so is often passion driven. But it is of course very important to be aware of the commercial side of business and how to make sure it is financially viable before you start.

Even though it is absolutely possible and amazing to achieve in a business that does good both socially/ ecologically and financially/ commercially, there are certainly more aspects to consider than in a 'normal' or purely commercial enterprise. Especially when it comes to working with NEETs, it is important to be aware of its chances and challenges and how to blend that into a daily business routine.

3. What is the Business Model Canvas for social enterprises ?

In this document of a business model for social enterprises, one specific model was chosen as a framework: the Business Model Canvas (BMC). This specific model was developed by Alex Osterwalder and Yves Pigneur and has found great appreciation and use, as it offers a simple, visual, one-page canvas on which one can design, innovate and dialogue about their business model. It is both built out of careful research, as well as co-creation with the input of more than 470 practitioners from around the world.

Even though this Business Model Canvas can be used for any type of business, it is particularly useful for social enterprises, with a few small adjustments. The usual categories that are summed up in this business model are: Key Partnerships, Key Activities, Value Propositions, Customer Relationships, Customer Segments, Key Resources, Channels, Cost Structure and Revenue Streams. Using this model for social enterprises makes it necessary to make a distinction between the commercial aspects and the impact aspects of these segments. When visualized on a canvas, it suddenly becomes clearer how the commercial and impact aspects interact within the different segments of the business model.

Here are the nine segments explained in more detail :

- 1. Key Partnerships ;** The network of suppliers and partners that make the enterprise work.
- 2. Key Activities ;** The most important things that need to be done to make the enterprise work.
- 3. Value Propositions ;** The products and services that create value for specific Customer Segments - what keeps customers returning to your enterprise.
- 4. Customer Relationships ;** The types of relationships an enterprise establishes with specific Customer Segments.
- 5. Customer Segments ;** The different groups of people or organizations an enterprise aims to reach and serve.
- 6. Key Resources ;** The most important assets and resources (physical, intellectual, human, financial) required to make an enterprise work.
- 7. Channels ;** How an enterprise communicates with and reaches its Customer Segments to deliver a Value Proposition.
- 8. Cost Structure ;** All the costs incurred to operate an enterprise.
- 9. Revenue Streams ;** The cash an enterprise generates from each Customer Segment.

4. How to use this document ?

This business model for social enterprises will give the reader a general overview and idea of the model itself. It is a framework, in which many different forms of social enterprises can find their own balance of commerce and impact to help them become or stay sustainable.

This is a method of designing your own unique enterprise and helping you and your fellow founders or colleagues to map out a healthy and steady base to build from. This business model for social enterprises is also fluid, and it is good to rewrite this model from time to time while you are already running the business.

The document is designed to be used in many different countries and cultures, with their own social systems, and complementary to the other Imagine documents, like (...). Of note, this docu-

ment is not sufficient in setting up a social enterprise, as it does not elaborate on how to work with NEETs for example, or how to run a successful market garden. More documents will be needed for this, like a Working Policy or Mission Statement, as well as a full Business Plan.

As you will probably understand, running a social enterprise means being skilled in many different aspects (human, business, technical etc.). Being prepared in all these different fields is recommendable.

In the context of this Imagine project, we aim at describing a business model for social enterprises in a market garden setting. Every chapter will work out one segment of the business model for social enterprises, to be started by an overview of the whole business model.



SOCIAL ENTERPRISE



Key Partners

Commercial partners

- Suppliers
- Agro-representatives
- Distributors
- Knowledge partners
- Fellow (urban) Farmers

Social impact partnerships

- Social legislators
- Employment agencies
- Training facilities
- Healthcare organisations
- Local authorities

Key Activities

Urban farming

- Production and processing of vegetables, fruits, seedlings, flowers, seeds

Local vending

- Produce
- Processed products

Jobtraining

- Adopted to NEETS
- Coaching + social support
- Reintegration into society
- Job creation

Other activities

- Organizing tours + workshops

Key Resources

Physical

- Location/venue
 - production
 - team
- Machines/supplies

Intellectual

- Technical/social
- Legislation

Human

- Positive workflow

Financial

- Starters investment
- Cash-flow

Value Proposition

Social values

- Providing sense + value to the NEET's situation
- Contribution to labour market
- Social responsibility
- (Social) inclusion
 - In the social enterprise
 - In the first labour market
 - In society (CPA's, ...)

Commercial values

- Local, healthy + sustainable products
- Product quality + uniqueness
- Local, fresh and on demand
- Sustainable production (energy, environment,...)

Customer Relationships

In terms of products

- Long term relationships based on quality products, personalized service and loyalty

In terms of impact

- Involvement: CSA/CPA
- Volunteering => coproduction
- Positive local image => important in terms of welfare and well being

Channels

Communication Channels

- Website
- Press moments / editorials
- Social media
- Public events
- Advertising (journals, flyers)

Distribution Channels

- Direct sale
- Wholesaler
- (Farmers) Market
- Vegetable baskets
- Restaurants
- Webshops

Customer Segments

Products and services with "social added value" that may have a price impact

Importance of "communi-cating" the social added value

Commercial consumers

- Informed consumers appreciating the values of the enterprise

Supporters of social impact

- Private
 - CSA/CPA, ...
- Public
 - Government
 - Social institutions
 - Training

Cost Structures

- Comparable to other horticultural enterprises
- Additional aspects to consider
 - (Social) labour with low efficiency
 - Costs for personal support (coaching + education)
 - Support and participation costs (...+ extra materials, losses in production, higher risk)
 - Subsidised labour force

Revenue Streams

In terms of products

- Direct Sale
- Whole Sale
- Farmers market
- CSA / CPA

In terms of social impact

- Co-financing by public authorities
- Financial aids for the social work (donations)

THE BUSINESS MODEL CANVAS

1. Key Partnerships

Partnerships refer to the network of suppliers, allies, supporters, co-creators and ambassadors necessary to ensure that a social urban farm can deliver both the commercial goals and impact.

In the case of a social urban farm commercial partnerships could be ;

- › Suppliers
- › Agricultural representatives
- › Distributors
- › Knowledge partners
- › Fellow urban farmers

Impact partnerships could be ;

- › Social legislators
- › Employment agencies
- › Training facilities
- › (mental) healthcare organizations
- › Local authorities

2. Key Activities

The Key Activities of a social urban farm include the things you need to do to ensure both commercial and social value and to deliver this value to your customers.

In the case of a social urban farm these Key Activities can be :

- › Production and processing of vegetables, fruits, seedlings, flowers or seeds
- › Local sale of produce and processed products
- › Conducting guided tours and workshops
- › Training NEETs

The relationship between the Key Activities related to commerce and social impact of the social urban farm can be :

Partnerships can support and enhance both the commercial and the impact objectives of a social urban farm. The social urban farm may have an active network of supporters, neighbors who promote products and services or who are vital as distribution network. Equally the farm may have a network of other urban farms that add value to your impact or product, or it may support the participation of NEETs or workers who have been unemployed or recovering from (long-term) illness.

Questions to ask regarding Key Partnerships :

- › What partnerships are critical to help the social urban farm's commercial objectives ?
- › What partnerships can help the social urban farm to deliver, strengthen or scale the impact objectives ?
- › What motivations will underpin the partnerships ?
- › How is the value of the partnership demonstrated internally and externally ?

› **Complementary** - the business activities are complemented by and/or complement the impact activities. For example, a farm with a range of horticultural activities such as harvesting, customer service and cleaning may offer a number of potential jobs or tasks suitable for NEETs. Complementary activities can be used to increase efficiency in the delivery of both commercial and impact value.

› **Opposing** - there may be activities where it is difficult to strike a balance between commerce and impact value delivery. For instance, if the social urban farm is under pressure to deliver high quality to customers in a short time, these commercial imperatives and corresponding activities may clash with the activities and pace of work usually required of NEETs. In this case, problem-solving competencies and training activities are needed to ensure that both commercial and impact imperatives are balanced or can co-exist.

The following questions on the Key Activities of your business need to be answered in order to ensure an appropriate process :

- › What are the Key Activities that need to be undertaken to deliver the commercial Value Proposition to customers ?
- › What are the Key Activities required to deliver the impact Value Proposition ?
- › What are the overlaps and gaps between the two sets of activities ?
- › Which activities are complementary and how can they be made efficient ?
- › What are the opposing activities and how can they be made more balanced ?

3. Value Proposition

A Value Proposition is at the heart of a business. It is a promise made by the social enterprise in question to their customers and/or to a higher purpose. It should be an easy-to-understand reason why the customer should buy your product or service.

For a social enterprise, it is helpful to divide this up into a commercial part and a social impact part. The commercial Value Proposition describes the goods and services you produce and sell, and why these are attractive to your customers. The social impact Value Proposition describes the social value you want to create and why this is attractive to your customers. How these two parts interact is discussed later in this chapter.

THE COMMERCIAL VALUE PROPOSITION

On a commercial level, it is important to decide for yourself what value you want to create with the products and services you sell. If the customer did not know that you are a social enterprise, would the product still be valuable and interesting enough, to be preferred above others ?

Within the Imagine framework, the theme is market gardening, preferably locally and sustainably. It is often small-scale farming/ gardening, and the focus is on service and quality of the product rather than being the cheapest option in its kind. So, it's about what you value in a product, and how you can bring that quality to the market, and find its uniqueness.

Locally sourced and healthy food is a positive trend in lifestyle nowadays and thus also in farming. Together with sustainability, this is a good starting point to offer such products. There is of course a possibility to provide a unique product or service. In this aspect of describing your commercial Value Proposition, you can ask yourself why your customers would keep coming back. Please note that there can be more than one (commercial) Value Proposition !

THE SOCIAL VALUE PROPOSITION

Your product is not independent of the social or impact value you want to create. Therefore, the commercial and social Value Propositions naturally interact with each other and hopefully are in a healthy balance. Nevertheless, it is good for the social Value Proposition to 'stand on its own', which is also true for the commercial Value Proposition.

The social Value Proposition is at the heart of the social part of your social enterprise. What contribution do you want to make to 'the world' on a small or large scale? What does this look like in daily practice? Who benefits, and in what ways? Perhaps take the opportunity to research social enterprises that have a similar goal and see where your uniqueness lies, and be as specific as possible. This means that it should also be possible to measure the social value you want to create and decide how this can be measured or quantified.

When working with NEETs, the aim is usually to propose a solution to a social problem. The inclusion of these people in a small community, such as the social enterprise itself, is a first step

to feeling and later becoming integrated into another enterprise or more in general 'the labour market'. This in turn can be a step towards feeling integrated into society as a whole, finding a unique place in it where everyone feels valued.

It is also important to think about the visibility of your social Value Proposition: Is it prominent, or not at all? To what extent? Is there an income stream possible from your social Value Proposition alone? Who would be your customer? Who understands your mission and could possibly be your ally?

INTERACTION BETWEEN COMMERCIAL AND SOCIAL VALUE PROPOSITIONS

As a next step, it is important to assess the balance between the two types of Value Propositions. Whether one of the two stands out more or is expressed more in communication, and why. How can they reinforce each other?

An example of the merging of these two aspects of the Value Proposition is the concept of

"Consumer Produced Agriculture (CPA)". Here, the consumer of healthy, sustainable food also becomes the producer. A CPA'er or community farmer buys into a shared piece of land or urban farm by paying a fixed or flexible fee. As a community and sometimes under the guidance of a professional farmer, these consumers/producers create a local farm together by spending time on actual farming. In return, they receive a share of the proceeds that is worth at least as much as they have invested in money.

In the CPA example, commercial and social values co-exist. There is a sense of community and sharing of knowledge and interest, which is of social value. Sustainable local products have commercial value. Commercial and social values are created simultaneously, which can happen in many ways.

The balance of these two aspects of the Value Proposition is crucial for them to stand on their own and thus be financially viable. Again, you can have different Value Propositions if they reinforce each other and can thus "co-exist".

4. Customer Relationships

Customer Relationships is the term used to describe the types of relationships an enterprise establishes with specific Customer Segments. A social enterprise can build up a relationship with its customer based on its products and services, and/or on its social impact. It is important to know what role the social impact should play in the relationship with the customer as this has effects on pricing, product quality (indirectly via confidence in employees) etc.

In terms of products and services a social enterprise might be interested in having a long-term relationship with its customer rather than on-off clients. This relationship should be based on quality products, personalized service and loyalty as this is their primary concern.

As social enterprise the boundaries of customer relations can be explored in many different settings, having a more or less strong relation with its customer :

› Donation :

This customer is willing to pay extra for the products even if the product quality is not

satisfying. Due to the added social impact, the client is willing to continue the support and might result in donations.

› Involvement :

Community-supported agriculture or crop sharing (CSA) intends connecting the consumer closely with the producers. This is for instance done by subscribing to a vegetable basket. Here, the client spends weekly a standard price for a basket that is filled each week by the producer with the vegetable that he produced. Thereby, the client does not make himself the choice about which vegetables he buys and thereby gives the freedom to the producer to give the products he actually has and the season offers.

When your Customer Segment becomes part of your production, one speaks of community-produced agriculture (CPA). Here, customers are "paid" with vegetables for working at your farm, sometimes even share costs or pay a standard fee to cover for the investments made.

➤ **Volunteering :**

The customers also might even volunteer as part of the social goals in your business.

➤ **Co-production :**

Producers, customers, employees, shareholders, participating community members, their families and their neighbors can articulate in an equal and reciprocal relationship their needs and, accordingly, could be fulfilled. Where activities are co-produced in this way, both projects and neighborhoods become far more effective agents of change and build up a strong responsibility for the social enterprise with its social impact.

5. Customer Segments

As social enterprise, two different Customer Segments can be identified: those buying your products and services and those supporting the social impact of the business. The customers are ideally a combination of both for a social market garden enterprise.

In a social enterprise, the products and services have a social added value which might make the products and services more expensive compared to other market garden companies. The customer should be willing to pay this difference as they appreciate the values of the enterprise.

It is indispensable to properly communicate how their purchase results in the social impact. Only in that way do the customers know exactly what they buy, and the customer-producer bond is strengthened.

Another Customer Segment consists of the government, social institutions, or other entities whose revenue from the social enterprise can be viewed in. Here it is important to ensure an ongoing customer-enterprise relationship as they will rely on the social impact of the enterprise.

6. Key Resources

The Key Resources of a social enterprise or other business describe the most important assets required for the functioning of a business model. These resources can be physical, intellectual, human or financial and can be owned by the enterprise itself or acquired from key partners. In a social enterprise, a combination of resources is required to benefit both the commercial aspect of the enterprise and the 'impact' or social aspect of the enterprise. For this reason, a variety of resources are needed.

When considering the most important resources needed in a social enterprise, it is important to remember that these resources do not necessarily have to be there from the beginning. Of course, in the early stages an enterprise will learn what else is needed to run smoothly, and hopefully the financial resources will grow to acquire better resources. Nevertheless, it is crucial to be clear in advance what the ideal situation would be, and if one does not have its own resources, how to acquire them from external parties or "partners".

We divide the most important resources into the following types: commercial and impact, physical, intellectual, human and financial.

COMMERCIAL AND IMPACT RESOURCES

When it comes to the commercial side of a social enterprise, the most important Key Resources are to ensure that the enterprise can deliver its products well. Good enough to make a profit and be sustainable, whatever the products may be. So, the list of resources will vary greatly from company to company, even though there are usually commonalities.

On the impact or social side of the coin, you also need resources to ensure that what you stand for can be delivered. With all the Key Resources for a social enterprise mentioned below, one can ask how a lack of commercial resources affects the impact you want to achieve and vice versa. How can you create a solid base of resources so that both aspects of the enterprise can complement and reinforce each other ?

PHYSICAL RESOURCES

On the physical level, you first need a location or a place where you can start your business. In the case of an urban farm, this can be an empty building, a piece of land or an old greenhouse, for example. Basic machinery, systems and other tools are also needed. Think of gardening tools, compost, wheelbarrows, an aquaponic system and everyday items such as seeds, pens, etc. It is also important to have a dry and preferably warm place to sit and relax, a quiet place that is very important for working with NEETs.

To deliver the products, you need one or more vehicles, if possible, in different forms (e.g., for people with and without driving licenses). The commercial aspect of a social enterprise also includes packaging and branding (stickers, leaflets, etc.). The social aspect may require adapted equipment or (wheelchair accessible ?) buildings and some clarity (e.g. a whiteboard or notepads).

INTELLECTUAL RESOURCES

Knowledge in a variety of areas is very important for the management of a social enterprise. Again, knowledge is required in both the commercial and social aspects. To start with the first aspect, you need knowledge and expertise about the business aspects of your enterprise, such as regulations, laws, accounting, sales and more. But also, knowledge about the field you are working in. In the case of the Imagine project, these are gardening skills and knowledge, technical knowledge about how to set up an urban farm and how to run it on a day-to-day basis. You should have branding and marketing skills, digital knowledge, how to set up a website and other infrastructures to get your message across.

In terms of impact or social level, there is also a need for key intellectual resources. Working with NEETs requires social 'knowledge' or social skills, but also an understanding of the social systems in the country you are working in. To understand what or who you need to attract, ask yourself what you want to do or be for the good cause you are striving for. What are your values and how can you put them into practice in everyday life.

HUMAN RESOURCES

Yes, of course you also need human resources. This is first and foremost the staff, but also partners you work with, support staff or networks and much more. It is everyone who contributes to a positive workflow and a constant workforce. The latter is an additional challenge for social enterprises. When working with NEETs, it is good to have low expectations and be as flexible and lenient as possible. This is because their level of performance is usually less stable than that of the 'normal' workforce. This is not always true, of course, but in general you may need extra staff or extra flexibility to get the job done.

Nevertheless, it is good to make a plan on how to organize human resources as well as possible. How do you ensure that a stable group of people is present at the workplace, who is needed for support and who is responsible for finding solutions when this is not the case (who takes over the acquisition of staff). There are many different options, e.g. working exclusively with NEETs or also with other types of workers such as volunteers, paid staff, partners, etc. However, if you involve NEETs, you will usually need additional people to support them in their daily workflow.

FINANCIAL RESOURCES

Last but not least, there is a need for financial resources to ensure the existence of the social enterprise. There is a natural need for cash flow, which can come from cash, credit lines or other external funds and perhaps even subsidies.

On the commercial side of a social enterprise, there is usually an initial investment required, and then cash flow to keep the enterprise going. On the social side of the coin, one should be aware that additional funding might be required compared to a purely commercial enterprise. Especially when working with NEETs, there may be additional costs for adapted equipment or simply extra equipment, as more mistakes are made, and more people are working at the same time.

With a social enterprise, it is often possible to apply for special funds, which can be a source of income.

7. Channels

An enterprise can communicate with and reaches its customers via many different Channels to deliver its Value Proposition. In this document two major types of Channels are described : communication, distribution and sales Channels. Which one to use also depends on how the business wants to interact with their Customer Segment.

Major communication Channels are :

- Website
- Social media
- Presence at events to raise general awareness
- Advertising in journals, flyers, ...

This list is, however, not exhaustive. The decision on how to communicate with your customers depends on your customers themselves, where you reach them or even which advertisements appeal to them best. Therefore, it is always advisable to analyze the Customer Segment first, and if necessary, bring in specialists in marketing for targeted communication. It is also important to know what the communication skills of your

staff are. For example, very sympathetic and articulate people should be in contact with customers.

Most famous distribution and sales Channels are :

- Direct sale to end consumer which can be handled by
 - ▶ On site sale
 - ▶ Via website
 - ▶ Subscription for vegetable baskets
- Wholesaler
- Product processor
- (Farmers) Market
- Vegetables baskets (CSA / CPA)
- Restaurants
- Website

Of note, depending on the number of vegetables produced, wholesalers might be a simple option. However, the products might not achieve the price needed as the social added value might not be considered.

8. Cost Structures

All costs that are incurred in a “normal” gardening enterprise also apply to social urban farms. However, there are several additional aspects to consider :

- Low labor efficiency: NEETs usually come to vegetable growing via “detours”. Accordingly, they have no training in vegetable cultivation. Often, they also have physical and/or psychological problems as well. All this explains that a farm with NEETs can never achieve the same efficiency as with skilled workers or even machines...
- Coaching/personal support: Considering the problems described above, it becomes clear that working with NEETs requires close support/coaching, not only on technical issues, but also in relation to the personal development of the NEETs
- Support and participation costs: Working with the NEETs is a permanent learning process. Accordingly, perfection will never be the priority: Quality defects, production downtime, additional equipment required; all this can lead to additional costs.

It is important to have an accurate overview of the costs in general and specifically the additional costs directly related to the social work with NEETs. This is in order to be able to evaluate the efficiency of the production process, but also to be able to calculate the additional costs and to apply for financial support on this basis.



9. Revenue Streams

Enterprises working with NEETs generate income from product sales and from their social services.

Income from the sale of vegetables can be affected in two ways :

- Working with (unqualified) NEETs can lead to quality deficiencies, missed deadlines and product losses, which have a negative impact on income.
- On the other hand, the social dimension of production can often somehow be marketed positively. Consumers are then willing to accept certain quality defects or pay a higher price for equivalent products.

As far as the income from / for the social services is concerned, it can be very diverse :

- Direct financial support for the remuneration of the NEETs.
- Financing of possibly necessary coaches.
- Provision of material.
- Subsidizing (in general) of the social enterprise.

The additional income for social services can come from both public and private sources.

In general, additional income for the social services provided is necessary for sustainable management and for financial stability. No company can permanently provide services that are not paid for. Depending on production, location/situation and external presentation/marketing, the proportion of revenue for social services can vary greatly compared to product revenue. An accurate overview of the proportions of income from the various Channels/sources is important for long-term management and strategic planning.

THE TECHNICAL AND ECONOMIC CONTEXT

Our society has changed a lot over the past decades. Specialization, technical progress and digitization have led to greater efficiency. Contrary to general opinion, this development has not bypassed agriculture. On the contrary: the increase in productivity based on technical progress in agriculture and horticulture is enormous. All of this has led to profound changes in the labor market and in society: professional requirements are becoming ever greater and social distance (isolation) is increasing.

Especially for the weakest and the NEETs, it is becoming increasingly difficult to find their place in our society. Farming, horticulture and other green jobs offer opportunities to do so. It has

been proven many times that working in gardening (with the soil) has a “healing” effect. The creation of jobs in agriculture and vegetable production has thus not only a production-related impact, but also a social one. However, since the vegetable producers are subject to the economic laws of the free/capitalist market, this service cannot be for free. Society must take responsibility, appreciate and pay for this service.

Accordingly, social enterprises in the context of vegetable growing always have a dual role: on the one hand in vegetable production and on the other hand in the production of social services. This again has an impact on their profitability : both in terms of costs and income.



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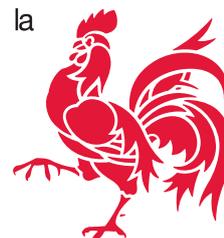
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