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Jensen, Jens Friis; Sundbo, Jon

Publication date:
2017

Document Version
Også kaldet Forlagets PDF

Citation for published version (APA):
Jensen, J. F., & Sundbo, J. (2017). *Value-creation through introduction of local food in tourism enterprises*. Paper præsenteret ved 3rd Culinary and Wine Tourism Conference, Krems, Østrig.

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Value-creation through introduction of local food in tourism enterprises

EXTENDED ABSTRACT

Jens Friis Jensen^a
Jon Sundbo^b

^a Roskilde University, Department of Communication and Arts, Denmark

^b Roskilde University, Department of Social Sciences and Business, Denmark

Corresponding Author

Jens Friis Jensen
Roskilde University, Building 43.2, Roskilde, Denmark
Jensfj@ruc.dk
+45 28870071

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Objective/Background

In this research we have investigated the research question: Can introduction of local food as an add-on meal possibility in tourism enterprises co-create value with customers and thus increase turnover and profit to the enterprises? This implies the questions of: How do tourism enterprises attempt to introduce and design the local food experience? Does it lead to increased value for customers and the enterprises? and what may be the problems in the latter?

A contemporary trend is that local food is becoming an experience field and general interest for consumers. Tourism enterprises such as attractions and hotels increasingly introduce local food as an add-on in guests' experience and a branding of the enterprise element (cf. Pine and Gilmore 1999, Sundbo and Sørensen 2013). This phenomenon may be studied as an attempt to create value. Value has a double meaning – it is both more and better experience for the customers and more economic profit for the providers. However, to just introduce local food does not in itself create much value. It must be introduced in a remarkable framework, e.g. a special place in the attraction, hotel etc., and be branded. Stories must be told. Local food has been discussed and investigated as a gastronomic trend (Askegaard and Madsen 1998) and a basis for restaurants and tourists' choice of destination (Hjalager and Richards 2002, Croze and Perri 2010), but local food as a value-creating add-on in other tourism enterprises has not been investigated.

Theoretical Framework/Literature Review

Value-creation

Value creation for customers has always been a core issue in service theory (e.g. Grönroos 2000) to explain customer satisfaction, extra purchase, loyalty, willingness to give a higher

price and other marketing effects. Recently it has even attracted more attention as a general attempt to explain customer behavior and business modeling for firms, among others promoted by the theory of service-dominant-logic (Vargo and Lusch 2006). Several concepts has been launched to theoretically understand customer value, for example value-in-use (Vargo and Lusch 2004), co-creation or co-production (Prahalad and Ramaswamy, 2004) and so forth.

When looking at the potential for value creation through the introduction of local food in tourism enterprises, our point of departure is that local food compared to ordinary food has a different experiential value potential due to positive connotations associated with local food (quality, health, local, self-identity and so forth).

The experiential value potential meets an increased consumer demand for experiential and symbolic value among consumers (Schulze, 2013), and a search for meaningful experiences. Following this line of thinking, the challenge for the tourism company is how to organize and design a local food experience encounter that enables the experience and thereby unlocks the experiential value(s) inherent to local food.

Local food

Local food is a phenomenon that recently has been emphasized in the society, both as a material production and distribution structure and as a gastronomic interest that people get (Fonte 2008). By local food is meant food which origin can be geographically identified to a specific local area and which is market and sold there and elsewhere as such. The character and taste of local food is by producers and consumers connected with the particular soil and climate conditions (often called terroir, cf. Jacobsen, 2008), and sometimes food culture traditions, in the local area. Local food is also a general movement where consumers emphasize

local food as such and appreciate and buy food from different local areas. Local food thus is both concrete production and products and a general idea connected to a social practice.

Terroir is the basis. To fulfill our definition of local food, the food must be raised, produced and distributed in harmony with the local nature, it must be healthy and increase animal welfare. The food is produced and distributed as local. The Consumers therefore know more about the food, the producers and the terroir.

Local food is also experience stories. It is a positive and interesting phenomenon in peoples' life, also in the producers'. The story telling about local food thus becomes a good instrument in promotion of health and production in harmony with nature.

Method

We have investigated a case, 'Summerland Zealand' (a children's amusement park). We have used interviews, analysis of documentary material and observations as the primary methods and we have made a survey to guests. The data has been collected during summer 2016 and the case studies will continue in 2017. This is a first report of preliminary results from the project.

We¹ have had a longer interview (1½ hour) with the owner and the marketing director and more extensive observations by observing the guests² and the particular restaurant with local food four times.

The survey consisted of interviewing guests in the local food restaurant and a fast food burger restaurant (as a contrast to the local food one). Questionnaires with standard questions and response possibilities was used – one for each restaurant. They were short questionnaires. The intention was to describe the guests' social characteristics and their motives for buying food in the local food restaurant, their knowledge of the food as local and their opinion about it is. Further, we asked about their general food and food-price preferences. In the burger restaurant we asked the same questions, including their knowledge of and opinion about

local food being served in the amusement park. 45 interviews were done in the local food restaurant and 25 in the burger restaurant during four days. The interviewer was instructed to select guests randomly thus different age, gender and group size were represented. The intention was to get insight into the guests' motives to and opinion on local food as a choice in the park, not to get a representative sample of the guests. The surveys are part of a qualitative case study, not a strictly quantitative investigation.

Results and implications

Summerland Zealand is an amusement park in Odsherred, Denmark. The park is addressing children's, particularly smaller children's, experience. They established a restaurant in a tent, café-style, with a menu based on local raw food, and local products. The idea of these new food initiatives is to attract and create more value for a particular guest segment that is the higher income people than traditionally has been the guests.

The owner of Summerland Zealand explains in interview that the local food restaurant has created public awareness and branded the park as attractive to the new segment, but has not yet resulted in a big increase in terms of profit.

The owner also explains some of the practical barriers encountered like unstable supply of local products from many small producers and the coordination of direct relations with a fairly large number of small producers rather than having a contract with one wholesale company. Another challenge is difficulties in recruiting staff with the needed qualifications like knowledge of local food and guest relation skills

The value co-creation with guests

The guests' in the local food restaurant corresponds to a large extent with the segment, the owner wanted to attract. They are characterized by higher social status (income) than the guests in the burger bar, and to a relatively larger degree, they come from a town or city. They particularly seek the café style and

¹ 'We' are the two authors and Associate Professor Flemming Sørensen, Roskilde University.

² This includes observations made by the interviewer

the healthy food of good gastronomic quality. That the food is local has some importance to the guests, but this aspect is not the most dominant in their assessment, it is more the positive connotations (healthy, good quality, sustainability) linked to local food that play a role.

60% of the guests in the burger bar say that they may consider buying food in the local food restaurant, 44% of the interviewees in the burger bar say that they prefer healthy food, which could be said to be in contrast to their actual behavior (since they visit the burger bar). From the interviewee comments we can see that there is a dilemma between adults and children. Adults often claim that they would prefer healthy food while children prefer a quick pizza or burger if they can decide, and since visit to amusement parks is a special leisure, holiday activity, the children's preference seem to win because the main objective is to have an enjoyable family experience.

Other values different from local and healthy ones seem to play an important role in the decisions and choices made regarding the meal experience during the stay in both the burger bar and local food café. These values are part of a negotiation and co-creation of values within the families and with the attraction. The childrens food-preferences may win over the parent's healthy food values and time as perceived value also plays an important role. Often the adults sit long in the local food restaurants while the children use the attractions, the adults appreciate the local food tent as a place for a break where they feel comfortable in an action oriented park.

Thus the co-creation of values in relation to the local food experience is rather complex, characterized by negotiation of values within the family and by the fact that values like time emerges having greater importance than envisaged.

Despite the success in attracting a new segment to the attraction, the local food aspect in the café tent was not as prominent as expected, partly because it has not yet been exploited fully due to practical obstacles like unstable supply of local food and difficulties in recruiting qualified staff and partly because local food values are

part of a complex negotiation/co-creation process within families on holiday.

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Please provide references in the current APA style. Please list only references used in the abstract there are **no in-text-citations** necessary. <http://apastyle.org/>. 10pt times new roman, hanging, 10 pt., italics.

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