The directions of innovation: a qualitative study of Misura 124 RDP 2007-2013 in Campania Region

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Abstract

Europe Rural Development Program has as a main focus the fostering of economies in rural areas (Abresch et al., 1996; Strijker, 1997; Bollman and Bryden, 1997). In this scenario, innovation represents the most powerful tool able to create and catch value through the supply chain (Dries et al., 2013).

Among the possible tools implemented for the enhancement of competitiveness of farms, European Union encouraged the building of a cooperation model for an innovative system for the development of new products and processes in agri-food sector. Public funding for the implementation of this strategy is represented by Measure 124 of 2007-2013 Rural Development Program (Cooperation for development of new products, processes and technologies in the agriculture and food sectors) (REG. EU 1305/2013). This Measure funded the cooperation among agricultural entrepreneurs, food industry, research entities and other stakeholders, with the aim of sustaining research activities focused on developing and introducing innovations and entering in new markets (Frane and Westlund, 2013). This Measure also aims, through innovations, to shape the regional supply chains, fostering the communication between producers and research entities (Kim, 2000).
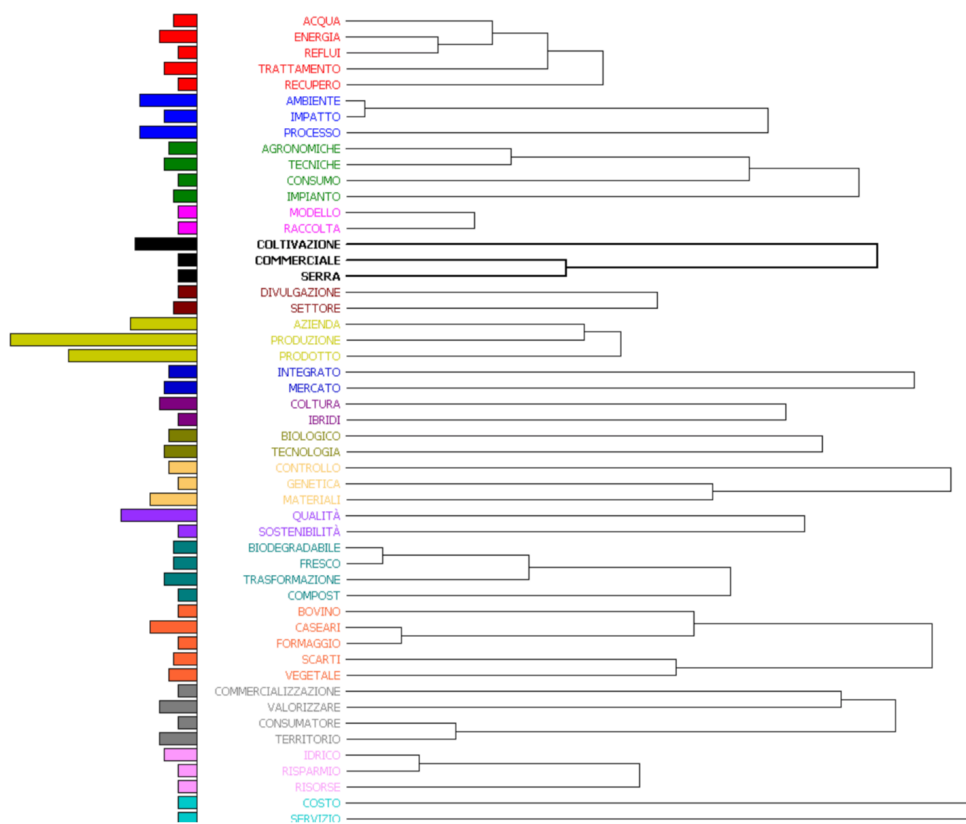
In this study, we aim to understand, in detail, how the RDP is actually fostering innovation. In particular, the focus is directed toward defining the analysis of entrepreneurs' demand for innovation. To this purpose, the content analysis of objectives of successful applications to Measure 124 has been made in order to define the categories of innovations actually funded by European funds.

An early text data mining has been applied to a database made by objective of successful Measure 124 projects. The software QDA Miner (Provalis Inc.) has been used to code the database. Subsequently, through the use of the software WordStat (Provalis Inc.) the analysis has been carried out and it has been divided into the following phases: (1) text-

categorization; (2) word-count analysis (3) analysis of co-occurrences (4) clustering of words (5) concepts extraction and interpretation of results in order to understand which categories of innovations are more frequent in the current agricultural scenario.

The database has been made by 155 projects which obtained the 18.42% of the Measure 124 total funding. The 76.1% of farms were located in the provinces of Salerno and Benevento. While the 64% were located in "Intermediate rural areas" and "Rural areas with development problems". Furthermore, the 47.3% were located in mountain areas. The extraction of topics yielded the categorization in 4 macro-areas: (i) eco-friendly productions; (ii) waste reduction; (iii) water footprint reduction; and (iv) food innovations. The dendrogram of co-occurrence (Figure 1) shows how the different aspects emerged. In detail three clusters concerned the respect of the environment, only one cluster involved product innovations, and just one cluster comprehended words related to market and territory.

Figure 1 – Dendrogram of clusters of words based on co-occurrence

In the end, from this first exploratory analysis, it is possible to conclude that the focus of the objectives has been the process over the product, and the incremental importance assigned to the respect of the environment. In this line, the themes of the valorization of the territory and the harmonization of supply chains have not been extensively involved. This calls for a supplementary support, in the actual RDP program, toward actions that are centered about the marketing of the territory developed through the enhancement of local supply chains and through product innovations.

Keywords: Rural Development Program, Innovation, Cooperation