# Chapter 18 Engaging Social Movements in Developing Innovative Retail Business Models

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### **ABSTRACT**

Consumers are increasingly expressing critical stances towards corporate power and mainstream market ideology. Although the literature depicts their attitude as mainly reactive, it is emerging that there is scope, in retailing, for more proactive forms of collaboration with companies. This chapter aims to explore the outcomes in terms of new retail formulas derived from the effective interaction between retailers and engaged consumers, such as those belonging to social movements. In the analysis, the authors refer to a specific context and kind of product, namely food, which has recently been catalyzing an increasing number of concerns as expressed by consumers, eventually aggregating the interests of various social movements expressing new more ethical and sustainable market stances. In particular, the authors focus on the case of Eataly, a new venture that emerged from an ideological alliance and a mutual organizational commitment between corporate power and the Slow Food social movement. Eataly represents an interesting setting to better understand how such forms of collaboration can occur, how and to what extent the community and corporate stances mutually adjust during the process, and which types of reactions emerge from the more radical members of the social movement.

# INTRODUCTION

Recent research into food production, distribution, and consumption suggests that ideology and counter-culture are important factors affecting consumers' choices in terms of where food is bought as well as the kind of food chosen (Thompson & Coskuner-Balli, 2007). Food consumption is also increasingly driven by explicit and implicit symbolic arguments. Symbols seem to be attached to particular foods, their manufacturing and preparation methods, and eating patterns

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(Kniazeva & Venkatesh, 2007). Among these symbolic arguments, fairness and authenticity of the relationship between demand and supply are growing in importance (Arnould & Price, 2000; Holt, 2002).

Meanwhile, corporate initiatives are often challenged by emerging counter-cultural movements that have adopted critical stances toward corporate power and market ideology. The counter-culture concept refers to a coherent system of norms and values that not only differ from those of the dominant system, but also comprise at least one norm or value that calls for commitment to cultural change-that is, a transformation of the dominant system of norms and values (Desmond et al., 2000). A counter-cultural movement typically involves criticism or rejection of currently powerful institutions, with accompanying hope for a better life or a new society. As new consumption ideologies emerge, extant business initiatives are criticized (Hollenbeck & Zinkhan, 2010); consequently, they are sometimes "transformed" (Kozinets & Handelman, 2004), and new market opportunities are created (Carducci, 2006; Heath & Potter, 2005).

Consumers, who often emerge as small and marginal movements (but are well rooted in the history of consumption communities), tend to demand special attention for their ideological values and expectations. The more consumers detach from the traditional market offerings-particularly in terms of food production and distribution—the more room that is left for new and more sustainable business models (Schaefer & Crane, 2005), some of which depend on actual consumers' engagement (Moraes et al., 2010). Ultimately, consumers resist extant supply modes and their ideological discourses to achieve a more genuine consumption style (product attributes, value chain properties, store environment, etc.). As corporate strategies become more responsive to these individual consumer and aggregate attitudes, retailers are among the first forced to change due to their direct interactions with final consumers as they act at the end of the supply chain.

An interesting example of this evolution is represented by Eataly, an innovative chain of food distribution co-projected and co-designed by the Slow Food consumer movement. As highlighted in its manifesto, "Eataly is an alliance of smallscale producers, who have been making the finest foods and beverages in limited quantities for generations. They have joined together to offer quality products at sustainable prices. Direct from the producer to the consumer with no middlemen: Eataly offers quality food, selected in collaboration with Slow Food" (www.eataly.it). Meanwhile, the global Slow Food movement, involving millions of people in more than 160 countries, is devoted to protecting and supporting authentic food culture by adopting a commitment to community and the environment. This movement was founded in Italy in 1989 to counteract fast food and a fast life, as well as the disappearance of local food traditions, by promoting "good, clean, and fair" food. These adjectives represent the pillars of the Slow Food philosophy. "Good" refers to the idea that a fresh and flavorsome seasonal diet satisfies the senses and is part of the local culture. "Clean" is related to food production and consumption that does not harm the environment, animal welfare, or human health. "Fair" refers to accessible prices for consumers and fair conditions and pay for producers. The Slow Food movement's main objectives are to spread taste education, connect producers and consumers of excellent foods through events and initiatives, and build new communities of quality food supporters that can, through their food choices, collectively influence how food is cultivated, produced, and distributed.

This chapter focuses on Eataly, which emerged from an ideological alliance and mutual organizational commitment between corporate power and a social movement. The discussion includes how this venture came about and the extent of consumer involvement in its development, which are particularly interesting. The case study's original and innovative dimension is twofold. First, the dialectic relationship between the company and

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