

Business case ID Card

Name of the company: Panier Local

Country: France

Size of the business: 10 employees (web developers and R&D developers, marketing and communication)

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Video link: <https://www.youtube.com/watch?v=gWOh4uXjFBM&feature=youtu.be>

History

There is a growing demand from consumers for high quality, locally sourced food. At the same time, producers are more and more willing to take back control of their marketing channels. ‘Short-circuit’ retail – with few stages between food producers and consumers – can provide the perfect solution for both sides, but not every producer is able to create an online presence and commerce marketplace to take advantage of this opportunity. In 2005, web developer Ludovic de Beaurepaire came to the conclusion that a collective internet tool could really improve the operation of short circuit food systems. As the costs for the development of a dedicated web platform was inaccessible to a single producer, he decided to create an association, Panier Local, to share these costs between a few partners. Once the platform was developed, the association decided to expand its services in order to make the tool available to a greater number of consumers and producers. Panier Local then changed status and became a company, comprising a small team of experts offering its support to producers in their daily use of the software. Today, the different fields of expertise of the staff, from web developers to marketing and communication professionals, enable the company to develop the platform’s services to help producers in the management of their business and marketing channels.

The company has been profitable from its very beginning. In the last year only, 76 million Euro of local products coming from more than 3,000 different producers - organised in 300 short circuits - have been sold to a total of 40,000 customers through the platform.

Main activities

Panier Local offers a tailor-made web platform dedicated to food businesses wishing to sell their products in short circuits. The software enables producers to pilot their sales in complete autonomy, from product offers, discounts and orders to invoicing, logistics and communication. 330 clients, including both individual producers and producer groups, are currently using the platform, each having their own online shop and software access. As the costs are shared between all users,



Panier Local is able to offer very attractive prices, accessible even by small companies. Panier Local is a member of a French association of digital agri-food start-ups called 'La Ferme Digitale', co-founded by 4 french agtech startups : MiiMOSA, Ekylibre, Weenat et Agriconomie.

Market

The business model of Panier Local enables the platform to offer attractive and adapted pricing to its various customers. The entrance cost is fixed at 150 Euro, and allows the farm or the company to be guided in the installation of the software. The suscription is then proposed for a monthly price varying from 30 to 60 Euro for single producers and 60 to 120 Euro for groups of farmers, depending on their annual turnover. These subscription fees constitute the main revenue of Panier Local (80% of the turnover) to run and improve the platform, while providing tailored support to producers. Services provided online include hosting, adaptative and evolving maintenance, as well as a personal assistance package.

The platform is used by short circuit distribution companies, mainly for collective catering, groups of farmers selling to individuals, as well as food producers or processors selling only to local professionals. New customers are mainly acquired thanks to word of mouth, but the company also participates in local and professional agricultural events to increase its visibility.

Other business management tools for farmers already exist on the market, but Panier Local is the only online management tool allowing farmers to share the platform's operational costs. Panier Local also complements other short circuit food marketing programmes such as Les ruches ('The Hives') in France.

Challenges and solutions

When Panier Local first started, the founder was the only developer for the platform, but since 2014, the success of the company allowed them to hire a real team with complementary expertise, from web development to marketing and communication and business development. Their next challenge is to keep growing their list of customers and expand their current market to develop new modules on the platform. Among these new modules, they are looking in particular at traceability software to reduce administrative costs for SMEs. In addition, they are also looking at potential services they could bring to the customers of the platform's users, such as shops and school restaurants.

Funding

Panier Local was originally created as an association, and development costs for the platform were thus shared amongst several private partners. In that sense, the platform creation and development were fully financed with private funds. They



chose not to organise a fundraising because the company wishes to preserve its autonomy and the freedom of its actions, and thus, to control its development.

What makes this case innovative?

What makes Panier Local unique on the market is its cost sharing system, allowing the platform to offer very attractive prices and services to all types of users, from the small farmer to the large cooperative. Throughout the years, the platform has been continuously improved and updated to better fit customers' needs and is now providing a wide range of online services for its clients, from the marketing of their products to the invoicing.

Lessons learnt

When they started in 2005, Panier Local was a pioneer in the market for online management tools for short circuit food suppliers. The creation of the association, which then became a company, came from a very concrete observation from the founder: small processing businesses lack the resources to develop their own management and selling software, but if a group of businesses agrees to share the costs, they can create a very powerful platform that will be tailored to their needs. Since then, Panier Local has always been listening very closely to its customers, in order to further adapt the platform to their needs.

