



PRACTICE ABSTRACT

Digitalisation: Needs and Impacts

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SOCIO-ECONOMIC IMPACTS OF DIGITISATION OF CROATIAN AGRICULTURE AND RURAL AREAS

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The focal question researched by Croatian Living Lab is: **How can digitisation contribute to strengthening the connections between farmers and tourists, and create a better position of the small family farms in the value chain?** Small producers sell their products on their farm and the best business results are achieved if they sell directly *at the farm* door. Online sales of agricultural products are becoming more and more frequent. However, the direct effects (consequences) generated by digitalisation on Socio-economic-environmental dimensions of the focal question are: small number of users, both farmers and customers;

maintenance and updates of internet platform; creation of local product offer; recognition of local product and service; direct selling without intermediaries (better position in value chain) and easier communication among stakeholders. Challenges and other indirect effects can be considered: high delivery costs; difficult agricultural product representation (lack of feel, appearance and smell); changes in customers behaviour (buying local not in whole stores), and low-marketing cost.

The access to market even when using digital technologies requires a certain level of standards, identification and recognition of the actual suppliers of local products and services, internet access and computer literacy, close cooperation between tourist service providers, and the use of knowledge and innovative practices in digital marketing. Also, all other supportive services should be included in digital system, such as ICT companies, delivery services and others.

As the key constraints in the further development and connection of agriculture and tourism, the Living Lab identified digital inequality in terms of knowledge and interest of farms in the use of digital technologies, lack of delivery services, and the high cost of individual delivery.

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DIGIFARMTOUR

Keywords

Locally produced, agricultural products, short supply chains, direct sale, internet platforms, agricultural and tourism sectors, digital connection

More info: <https://desira2020.eu/digifarmtour-croatia/>



Positive effects refer to better recognition of local products and services, highlighting the importance of linkages of small scale farmers' community, and the lower costs of marketing. Digital technologies also affect interactions and relationships, mostly depending on the type of users and the benefits they get from the digitalisation as such.

Digitalisation will improve farmer position in value chain and development of agritourism in rural areas increasing market with standardised and recognised products, and enlarge it with tourists who have the largest impact on GDP in Croatia. As a result of expanding market using low cost marketing opportunities, it will result as economic growth for all stakeholders.

