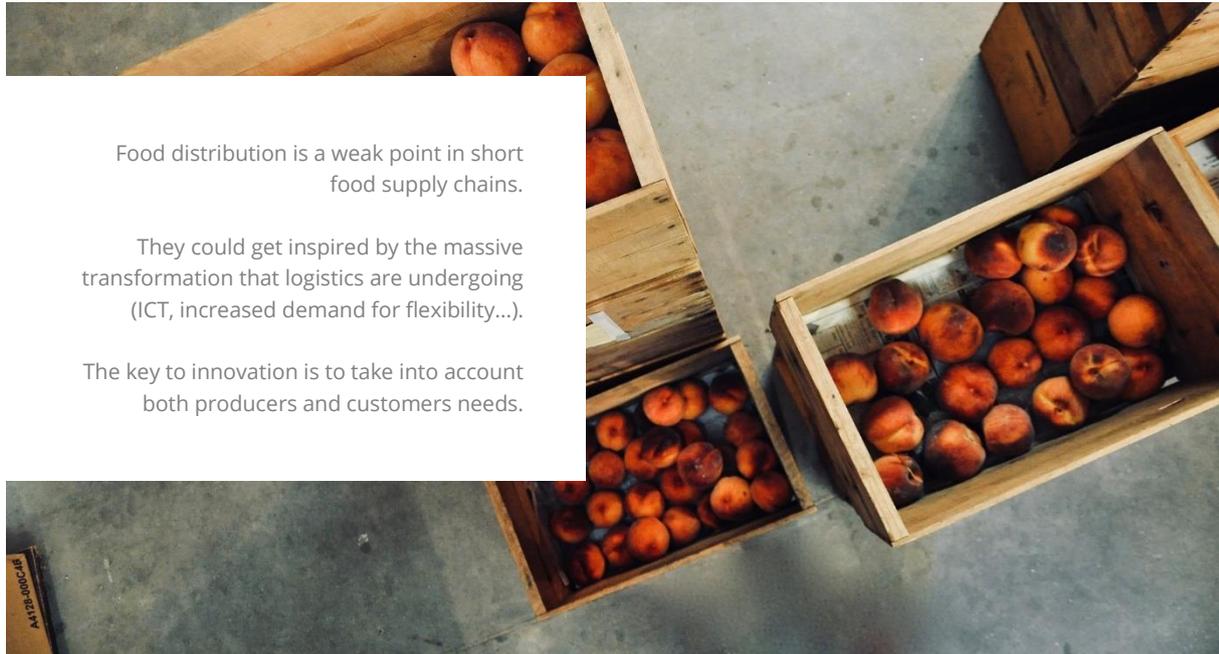


Innovating in short food chains logistics



Food distribution is a weak point in short food supply chains.

They could get inspired by the massive transformation that logistics are undergoing (ICT, increased demand for flexibility...).

The key to innovation is to take into account both producers and customers needs.

Short food supply chain logistics are a key area for innovation. In a paper published in *Sustainability*, researchers from the Serbian University of Novi Sad reflect upon new food distribution options that would bring together sustainability and innovations in logistics. Their research will help food producers imagine new ways to distribute their food in the future.

Albane GASPARD
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When existing issues in short chains....

The problems with short supply chain logistics are well documented in existing scientific literature. Indeed, the absence of intermediaries often means that food producers need to carry out marketing and distribution activities themselves. This can be an issue, because they may not have the skills nor the resources (time, money) to do so.

This means that **food distribution is a weak point in short food supply chains**. And this, all the more as distributing food comes with a lot of challenges *per se*: indeed, food is a highly perishable product, and its distribution needs to abide by many health and safety regulations.

In a nutshell, current distribution in short food supply chains could be made more efficient.

... meet innovation in logistics

Researchers suggest to look at existing innovation trends in logistics to see how they could apply to distribution in food short chains. Indeed, **logistics is undergoing massive transformation, mainly due to information and**

Source:
[Todorovic, V.; Maslarić, M.; Bojic, S.; Jokić, M.; Mircetic, D.; Nikolicic, S. Solutions for More Sustainable Distribution in the Short Food Supply Chains. *Sustainability* 2018, 10, 3481.](#)

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communication technologies. These technologies open new possibilities for information to be shared and analysed in order to increase efficiency.

A second area of evolution in logistics is the **development of third-party providers.** These are specialised actors that operate between producers and consumers.

Finally, another key trend in logistics is the **increased demand for flexibility by customers.** The development of home delivery services is a good example of that.

What could the future look like?

What if these trends in logistics were to be integrated into short food supply chains? What new services would this lead to? Would they be beneficial from a social or environmental point of view?

The researchers have imagined 3 new distribution solutions, all highly digitalised, and responding to customers' demand for home service delivery:

- Keeping a face-to-face distribution but introducing a digital market (through an online platform) that allows customers to check availability and order food.
- Introducing a specialised logistics provider that operates storage and transport, and allowing customers to order through a digital marketplace.
- Crowdsourcing distribution, i.e. employing individuals with underutilised assets (here, cars) to distribute food (as Uber does for transporting people).

When assessing the environmental and social sustainability of these solutions in a qualitative way, researchers found that none of these clearly stand out. Indeed, **the sustainability and relevance of new solutions will depend upon the characteristics of the market.** For instance, crowdsourcing could be great in areas of low density where customers are scattered but offers low potential for food traceability. Using a specialised logistics provider would, on the contrary, enable good traceability, and ensure a minimum food waste along the chain, but would add a new intermediary that would control the information and the logistics process.

Key advice for designing new food distribution channels

The future of short food chains delivery will most probably reflect this diversity of demand. Indeed, it can range from urban consumers asking for low volumes and to institutions that need high volumes with a high degree of certainty.

However, this paper highlights key points to bear in mind when designing future logistics solutions:

- **First, get inspired by existing evolutions in logistics.** Information and communication technologies are not just for big logistics providers. They can be great sources of innovation for short supply chains too.
- **Take into account evolutions in the general environment,** as changes in laws and regulations, policies, food demand or

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competing food networks will impact upon your solution's relevance and feasibility.

- **Adapt to both producers and customers' demand.** Indeed, distribution is a link between these two actors. On the one hand, the solution should not be too difficult for the producer to implement. If it requires resources (time, money) or skills (IT, accountancy...) that the producers don't have or cannot access, then they will not adopt it. On the other hand, it should fit into customers' way of buying food.

The future of food distribution in short food chain will be diverse, but it is up to us to anticipate the changes in order to make it sustainable!

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