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European Rural Businesses during the Covid-19 Pandemic: Designing Initiatives for Current and Future Development

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Abstract

The main purpose of this paper is to identify and explore the initiatives which the European rural businesses have deployed when coping with Covid-19 pandemic and to emphasize the impact of these initiatives for the further development of the rural business environment in post Covid-19 pandemic in Europe. Rural businesses contribute towards Europe's growth and prosperity and, furthermore, help to preserve the cultural heritage for future generations. Also, have a huge impact on the development of the rural areas, through their socio-economic contribution: employment, suppliers, customers, business competitors. The Covid-19 pandemic has strongly influenced people's lives and business activeness of rural areas. The widespread pandemic has given rise to significant challenges for the development of rural businesses. In order to exceed these circumstances, have been launched certain initiatives for supporting rural businesses in the fight against Covid-19: websites collecting examples of initiatives deployed by rural businesses, online platforms that promote local products and drive-in services for selling local food. The results of this research underline the fact that all the initiatives focused their attention towards supporting and developing the operations of rural businesses during Covid-19 pandemic. Moreover, this type of initiatives can provide inspiration for forthcoming responses to global pandemic and other types of crisis.

Keywords: *European rural businesses; Covid-19 pandemic; initiatives; development.*

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1. Introduction

The rural areas of Europe are currently experiencing a whole new circumstance – the outbreak of Covid-19 amongst the population. This pandemic has affected not only the health of people but also the socio-economic systems of the rural areas [8]. The rural businesses have encountered strong challenges related to safety and health, to social and economic aspects. Some of these businesses have completely suspended operations or have considerably reduced them for a limited time period [9].

At European level, the rural areas are extensive sources for business development. For their part, the rural businesses assist in creating new opportunities for the local economy, by supplying various types of new products and services, creating new jobs, drawing people to work and live in rural areas, bringing modern technologies. In spite of that, strengthening the entrepreneurial environment in rural areas of Europe is a significant challenge for potential entrepreneurs in terms of inhabitants, facilities, local demand, education, infrastructure and several others [7].

At the present times, when the new pandemic is stirring up the orderly functioning of the rural businesses, it is imperative to examine the manners in which these firms have coped with the social and economic difficulties, designed in such a way as to support and foster the smooth operation of activities.

The following sections shall comprise an examination of the scientific literature in the field of rural business environment and an overview of the initiatives undertaken by rural businesses in the fight against the new global pandemic. On the basis of the information provided by the representation of the initiatives, the last part will encompass discussions regarding the manner in which these initiatives have shaped new forthcoming opportunities for the development of the rural businesses in post Covid-19 situation.

2. Problem Statement

Entrepreneurship is a driver for social and economic growth that confirms the favourable evolution of rural areas. The rural businesses create new development opportunities to rural communities through modern technologies, new areas of business, new types of products and services, increase of local competitiveness.

In recent times, rural entrepreneurs started to establish businesses in completely different areas of activity, like green economy, circular economy, bio-economy, food economy [7]. Thereby, the entrepreneurship in rural

areas is subject to a process of transformation, oriented towards sectors of activity which become nowadays more and more efficient and competitive at a global level.

The opportunities created by rural businesses in rural areas generate new employment for rural communities. There are many cases when the local population will not suffice the labour needs, whether it is about education or demographic statistics.

For this reason, certain rural businesses achieve to attract people from other regions, even from urban areas. Amongst the reasons for which these persons choose to live and work in rural areas are: interaction with rural landscapes [1], offers of land and houses at low and acceptable prices, integration in a smaller community, low existence costs.

Despite the fact that rural areas provide multiple economic and social advantages for business environment development, there are instances when entrepreneurs experience certain challenges and issues by the time they try to establish new activities or during their development [2].

Most of these concern the number and structure of the rural population, geographical location, stage of infrastructure, education and training of inhabitants, access to different facilities and services, as well as others. In this regard, the necessity of creating new development opportunities in rural areas is looming nowadays through the implementation of new innovative business ideas and models [10].

By emphasizing social and economic influence of rural businesses on the development of rural communities and rural areas, the present article aims to highlight the measures and initiatives which have been taken during Covid-19 pandemic in Europe, in a manner which enabled them to persist on the market even when a varied number of global businesses have been strongly damaged.

3. Aims of the research

The primary purpose of this paper is to identify and explore the initiatives which the European rural businesses have deployed when coping with Covid-19 pandemic and to emphasize the impact of these initiatives for the further development of the rural business environment in post Covid-19 pandemic in Europe.

4. Research Methods

The research methodology used in the framework of this article focuses on the identification of scientific literature in the field of rural

businesses, the investigation of the initiatives undertaken by European rural businesses in the fight against Covid-19 pandemic and, ultimately, the commencement of discussions related to re-imagining new opportunities for the future development of rural businesses, based on the actual initiatives.

The information regarding the initiatives launched by European rural businesses in the fight against Covid-19 pandemic is available on the website of the European Network for Rural Development (ENRD).

5. Analysis of the initiatives deployed by rural businesses during Covid-19 pandemic in Europe

Rural areas of Europe have been deeply influenced by the outbreak of Covid-19 pandemic. In addition to the health of people, this pandemic has compromised the economic situation of rural businesses. The businesses located in rural areas have not been prepared for this predicament therefore the effects have been disadvantageous.

In these circumstances, several of the businesses localized in rural areas have been forced to identify and explore new solutions, materialized in specific initiatives.

Figure 1. Examples of initiatives undertaken by rural businesses during Covid-19 pandemic

Source: based on data <https://enrd.ec.europa.eu>

Figure 1 provides information regarding initiatives undertaken by rural businesses or operatives in order to support their activities during Covid-19 pandemic. Therefore, the major initiatives included websites collecting examples of initiatives deployed by rural businesses, online platforms that promote local products and drive-in services for selling local food.

These initiatives will be analysed in the following, by highlighting specific examples from countries of Europe:

(1) Websites collecting examples of initiatives deployed by rural businesses

During the period marked by Covid-19 pandemic, in order to support the business environment in rural areas which has experienced miscellaneous social and economic issues, have been developed different websites which gather together examples of good practices belonging to businesses that have managed to overcome the impediments and to diversify their strategies.

Figure 2. Examples of websites which collect examples of initiatives deployed by rural businesses during Covid-19 pandemic

Source: based on data <https://enrd.ec.europa.eu>

Two examples of websites which collect examples of initiatives deployed by rural businesses during Covid-19 pandemic can be observed in Figure 2. It is about “Food Drink Europe” and “Des bras pour ton assiette”, presented hereunder:

- “*Food Drink Europe*” (*Europe*): this platform collects good examples of businesses all around Europe that have managed to cope with Covid-19 emergency and keep the supply chain running [12].
- “*Des bras pour ton assiette*” (*France*): people from France who do not work during Covid-19 crisis can access this platform in order to connect with rural entrepreneurs and, if possible, support them in their activities [13].

(2) Online platforms that promote local rural products

Local producers from rural areas have been strongly affected by the actual crisis of Covid-19. Therefore, local communities and local producers have been enforced to discover and enforce certain solutions that would allow them to sell and buy the local products. The most conspicuous answer has been the placing of the products on the online market, represented by online platforms. This circumstance represented a favourable advantage for both local producers and consumers.

Figure 3. Examples of online platforms which promote local rural products during Covid-19 pandemic

Source: based on data <https://enrd.ec.europa.eu>

Figure 3 submits seven examples of online platforms which promote local rural products during Covid-19 pandemic. It is about “Südtirolliefert”

platform (Italy), “Producteurs Savoie Mont Blanc” platform (France), “Cooperative Urduñako Zaporeak” (Spain), “The Chamber of Agriculture of the County of Drôme” (France), “Local2Local Talents” (Netherlands), Online platform for small producers (Romania), “Farnet” platform (EU Member States) presented hereunder:

- “*Südtirolliefert*” platform (Italy): is a platform which gathers together initiatives in the region of Province of Bolzano – South Tyrol related to local food products and other agricultural products [14].
- “*Cooperative Urduñako Zaporeak*” (Spain): it is an initiative supported by the Cooperative Urduñako Zaporeak and consists of promoting and free delivering local food in Basque country through a Facebook page [6].
- “*The Chamber of Agriculture of the County of Drôme*” (France): through this initiative the Chamber of Agriculture of the County of Drôme helps local producers to sell their products in local supermarkets, localized in both local and regional areas [15].
- “*Local2Local Talents*” (Netherlands): it is a platform where people can promote and offer local products to their customers [16].
- *Online platform for small producers (Romania)*: this platform has been developed on application by the Ministry of Agriculture and Rural Development (MARD) in order to promote the agricultural products of Romanian small producers [11].
- “*Farnet*” platform (EU Member States): it is an initiative which supports other areas of local products from EU Member States, in the sector of fisheries and aquaculture [3].

(3) Drive-in services for selling local food

Within the period characterized by Covid-19 crisis, people marched into quarantine therefore the movement possibilities have been substantially restricted. Local producers have implemented an efficient solution so that local products reach to the customers, thus many of the rural businesses have opted for home delivery.

Figure 4. Examples of drive-in services for selling local food during Covid-19 pandemic

Source: based on data <https://enrd.ec.europa.eu>

Two examples of drive-in services for selling local food during Covid-19 pandemic are highlighted in Figure 2: “Drive-in service” and “Spesasospesa”. These two initiatives are described in the following:

- “*Drive-in service*” (*Belgium*): it is an initiative which launched a “drive-in service” with the specific purpose of selling local food to consumers, while people had to respect the safety measures [4].
- “*Spesasospesa*” (*Italy*): this initiative involves the delivery of basic products to people confronting difficult circumstances [5].

6. Will the initiatives deployed by rural businesses improve their future development?

The Covid-19 pandemic has strongly influenced people’s lives and the business activeness in rural areas, besides many other things. Moreover, the widespread pandemic has given rise to significant challenges for the performance and development of rural businesses.

There is a question that arises from all types of initiatives deployed by rural businesses when coping with Covid-19 pandemic, were these effective? And if they properly were, will these initiatives help the businesses to improve their future development? In this respect, the following answers shall be highlighted:

(1) As a result of the actual crisis circumstances, the initiatives that have been undertaken by rural businesses and, in some instances, by certain decision-makers, have supported the entrepreneurs to conduct their activities, to continue to remain on the market and to stay close to customers.

(2) Providing support and strengthening the future development of rural businesses in the European countries cannot be regarded as an individual responsibility of these business owners, but as a collective responsibility, especially in the current situation when all countries are affected by Covid-19 pandemic.

(3) There have been taken various decisions at European level, by certain associations and agencies, decisions which have coped with this pandemic by supporting rural businesses to confront their financial difficulties and enhance new market opportunities. Therefore, there was an involvement

(4) The recent examples of initiatives from the preceding chapter reveal that in the short time, rural businesses have managed to orient their activities towards new market opportunities. Consequently, these rural businesses have turned into online businesses due to the fact that people were isolated at home. Prior to this crisis, these small rural businesses have not considered the online market very significant for their future development.

(5) After this global crisis is over, rural businesses that were confronted with economic and financial issues and implemented new solutions for continuing activities, have already earned new knowledge and know-how in order to improve their future development and enter on new markets.

In conclusion, the challenges which rural businesses encountered during Covid-19 pandemic have been effective and will create new strategies and solutions for future development.

7. Conclusions

Rural businesses have a huge impact on the development of the rural areas, through their socio-economic contribution: employment, suppliers, customers, business competitors.

The outbreak of Covid-19 has affected the activity and development of rural businesses. Therefore, these businesses have been forced to identify new solutions for continuing their activities during the crisis.

The initiatives presented in this research -websites collecting examples of initiatives deployed by rural businesses, online platforms that

promote local products and drive-in services for selling local food - underline the fact that solutions can be found even in crisis situations.

This type of initiatives, which focus their actions and efforts towards encouraging and supporting the activities of rural businesses, can provide inspiration for forthcoming responses to global pandemic and other types of crisis.

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