FARMERS’ WILLINGNESS TO SELL STRAW IN BAVARIA

Cord-Christian Gaus\(^1\)*, Klaus Menrad\(^1\), Thomas Decker\(^1\)
\(^1\)Wissenschaftszentrum Straubing, Hochschule Weihenstephan-Triesdorf, Straubing

*Kontaktautor: c.-c.gaus@wz-straubing.de
*Technische Universität München – TUM Graduate School

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Cord-Christian Gaus1*, Klaus Menrad1, Thomas Decker 1

1 Chair of Marketing and Management of Biogenic Resources, University of Applied Sciences Weihenstephan-Triesdorf, Straubing Center of Science
Address: Schulgasse 16, 94315 Straubing, Germany, *Corresponding author — E-mail address: c.-c.gaus@wz-straubing.de, Tel.: 0049-9421-187-209

1 Introduction

Straw is usually used as humus and nutrient source for soil as well as litter and feed for livestock. It also can be utilized as raw material base for chemical products and for energy or as building material.

Our research objective is to investigate the effect of economic and other factors on farmers’ decision-making when selling a by-product like straw.

A preliminary study of straw producers from Lower Saxony and from Saxony-Anhalt was conducted to stabilize the deductive model of farmers’ decision-making and to minimize errors for the empirical investigation in Bavaria.

2 Methods

In a first step influencing factors of farmers’ decision-making behavior were extracted from scientific literature.

In a second step the deductively derived factors were tested by problem-oriented personal interviews with farmers of eight farms experienced in straw sales.

The results of this preliminary study will be incorporated in the questionnaire of the main survey, postally mailed to 15,000 Bavarian farmers.

3 Results of the preliminary study

Model of farmers’ decision-making selling a by-product

Factors derived from scientific literature
- Skills
- Risk perception
- Ecological awareness
- Financial situation
- Farm crops
- Soil quality
- Social environment
- Location
- Product quality
- Product price

Factors derived from problem-oriented interviews
- Experience
- Confidence
- Farm crops
- Soil quality
- Logistics
- Organic fertilizer
- Weather
- Transaction costs
- Fertilizer prices
- Product price

Theoretical constructs of farmers’ decision-making
- Personality
- Farm structure
- Surrounded structure
- Willingness to sell
- Price level

Source: Author, according to FISHBEIN & AJZEN, 1975; WILLOCK, 1999; GRANOSZEWSKI ET AL., 2009

Farmers’ willingness to sell straw [not bailed] in general and at different price levels in Lower Saxony [LS] and in Saxony-Anhalt [SA]

4 Conclusion

The qualitative interviews show that farmers’ decision-making determines the amount of straw available on the market.

The straw price mostly affects farmers’ decision to sell straw. Fertilizer prices, farm crops, soil quality, weather, availability of organic fertilizer, transaction costs, contract conditions, experience and the confidence in the logistics matter as well. In contrast skills, risk perception, the ecological awareness of the farmer and the financial situation of the business are of low importance for the sale decision of the interviewed farmers.

All questioned farmers seek to avoid long-term trade agreements for selling their straw. The straw producers of this sample are willing to sell on average 45 % of their annual straw production. At higher price levels more farmers of this study are willing to sell extra straw.

5 References

