



University of
Salford
MANCHESTER

Pursuing social & ethical capital in the alternative food marketplace

McEachern, M

Title	Pursuing social & ethical capital in the alternative food marketplace
Authors	McEachern, M
Type	Conference or Workshop Item
URL	This version is available at: http://usir.salford.ac.uk/id/eprint/40177/
Published Date	2016

USIR is a digital collection of the research output of the University of Salford. Where copyright permits, full text material held in the repository is made freely available online and can be read, downloaded and copied for non-commercial private study or research purposes. Please check the manuscript for any further copyright restrictions.

For more information, including our policy and submission procedure, please contact the Repository Team at: usir@salford.ac.uk.

Pursuing Social & Ethical Capital in the Alternative Food Marketplace

Morven McEachern

Centre for Social Business, Salford Business School, University of Salford

Introduction

In a retail marketplace which features increasing public scrutiny of corporate citizenship behaviours (McEachern, 2015), calls are made for businesses to demonstrate a greater commitment towards delivering social outcomes (Doherty et al., 2014; Yunus et al., 2010). In view of the scant attention given to alternative models of food retailing (Maguire et al., 2015) and the particular lack of emphasis on ethical capital (Gupta et al., 2001), this study aims to explore the nature of social value creation and the extent to which ethical capital is pursued and secured within such formats.

Social & Ethical Capital within Alternative Food Retailing

Traditionally, food retailers have tended to focus on the economic capital of the organisation but recent research argues that the value created and captured should be and can be both economic and social (Yunus et al 2010; Porter and Kramer 2011). Following Westall and Chalkley's (2007) suggestion of identifying novel ways of looking at the world, non-conventional concepts such as social and ethical capital offer such a means to help realise the future potential of social retail enterprises further (Ridley-Duff and Bull, 2016). Social capital has assumed prominence throughout the business literature in recent years and is commonly described as an investment in social relationships which generates returns in the marketplace such as social membership and participation (Williams et al., 2010). In comparison to the notions of social, cultural, and economic capital which provide a framework for understanding the structural processes that influence social enterprises, the concept of ethical capital enhances our understanding of the adopted moral system and/or codes of values adopted by the enterprise owners. Consequently, Wagner-Tsukamoto (2007) and Bull et al.'s (2010) levels of ethical capital can help elicit further knowledge about the magnitude of ethics within organisational decision-making as well as help evaluate which permutation of ethics is needed to boost social value creation further (Ridley-Duff and Bull, 2016).

Methodology

Given the exploratory nature of this study, this interpretive study involves ten semi-structured, in-depth phenomenological interviews (Thompson et al., 1989) with owners, store managers and staff from a variety of alternative retail formats across the UK. In addition, photographic evidence was collected during fieldwork, providing an additional visual element to the verbal narratives (Pink, 2013). After making verbatim transcriptions of the interviews, thematic analysis was carried out with the transcripts as well as between the interview data and the visual.

Findings & Conclusions

Concepts such as social and ethical capital represent a non-conventional way of examining the business world and challenge the notion that there are 'natural' business models. This study reveals that all alternative retail formats appear to be operating at higher levels of ethical capital where explicit consideration is given to not just social, economic and natural capital but also a form of 'community capital'. In drawing on Wagner-Tsukamoto (2007) and Bull et al.'s (2010) levels of ethical capital, this study offers a timely insight into a variety of social retail enterprises and the nature of social and ethical capital within the UK food retail landscape.

References

- Bull, M., Ridley-Duff, R., Foster, D., & Seanor, P. (2010). Conceptualising ethical capital in social enterprise. *Social Enterprise Journal*, 6(3), 250-264.
- Doherty, B., Haugh, H., & Lyon, F. (2014). Social enterprises as hybrid organizations: A review and research agenda. *International Journal of Management Reviews*, 16(4), 417-436.
- Gupta, A. K., Sinha, R., Prakash, T. N., Koradia, D., & Vivekanandan, P. (2001). *Building upon grassroots innovations: Articulating social and ethical capital*. Working Paper No: 2001-02-06, February, Indian Institute of Management.
- Maguire, J.S., Watson, D. & Lang, J.T. (2015). The question of alternatives within food and drink markets and marketing, *Journal of Marketing Management Call for Papers*, Available at: <http://exploretandfonline.com/cfp/bes/food-drink-marketing>
- McEachern, M. G. (2015). Corporate citizenship and its impact upon consumer moralisation, decision-making and choice. *Journal of Marketing Management*, 31(3-4), 430-452.
- Pink, S. (2013). *Doing Visual Ethnography*, 3rd Edition, Sage Publications: London.
- Porter, M.E. & Kramer, M.R. (2011). Creating shared value. *Harvard Business Review*, 89(1/2): 62-77.
- Ridley-Duff, R. & Bull, M. (2016). *Understanding Social Enterprise: Theory and Practice*, London: Sage Publications.
- Thompson, C. J., Locander, W.B. and Pollio, H.R. (1989). Putting consumer experience back into consumer research: the philosophy and method of existential-phenomenology. *Journal of Consumer Research* 16: 133- 146.
- Wagner-Tsukamoto, S. (2007). Moral agency, profits and the firm: Economic revisions to the Friedman theorem. *Journal of Business Ethics*, 70(2), 209-220.
- Westall, A., & Chalkley, D. (Eds.). (2007). *Social Enterprise Futures*. Smith Institute.
- Williams, B., Woodby, L., & Drentea, P. (2010). Ethical capital: 'what's a poor man got to leave?' *Sociology of Health & Illness*, 32(6), 880-897.
- Yunus, M., Moingeon, B., & Lehmann-Ortega, L. (2010). Building social business models: lessons from the Grameen experience. *Long Range Planning*, 43(2), 308-325.