

Pursuing Social & Ethical Capital in the Alternative Food Marketplace

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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.

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