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Commodities Produced by Religious Communities on the Food Market: Competitive Advantage or Ruining Reputation?

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Abstract
Recently the ecosystem of religious life had gone through radical changes: by the emerging of new religious movements the choices became freer than previously. Being born into a religious group does not necessarily mean that one needs to stay there forever. And by the emerging of free choices the nature of sacral life had changed in its fundamentals as well: religious communities are not in monopolistic situation anymore, they are not protected by the state in this position either, as before, and the number of believers may change rapidly as well. This means that churches need to take their maintenance and promotion into their own hands. In the present days religious communities engage themselves more and more often in commercial activities including marketing, PR and usually even for-profit activities such as service provision and product sales. Krishna-believers in Hungary started off as a self-serving economy, but soon overproduction made it possible for them to sell their products to the wider public as well. In my research I examined the products they offer and the effect of their commercial activities on their reputation. During the research process I compare the activities of Hungarian Krishna-believers to those of the communities in other countries. My aim was to find out how much the Krishna Valley in Hungary is a pioneer among the Krishna-conscious communities in Europe in the commercial activities and how these engagements affect their reputation. In my research I primarily relied on the results of my in-depth interviews and to draw conclusions about the effects of commercial activities on the reputation of churches. As my research has shown, engaging in commercial activities does not affect religious communities as badly as many would think, and this may even be a path of progress for Krishna-conscious groups around Europe.

Keywords: religion; religious marketing; new religious movements; religious economy; religious market.

JEL classification: M31

1. Introduction

Krisna Valley has existed in Hungary since the year of 1996, growing and developing as a self-sustaining community year by year. In the first few years of development the primary aim of the agricultural activity in the village was to produce comestibles for the inhabitants of the Valley. They needed to become independent from sources outside the Valley, and – what is more important – they had to be able to grow ingredients that match the special dietary requirements of Krishna-consciousness. Being a religion originated in India, diets include numerous fruits, vegetables and spices not present in Hungary, which raised the need for growing and breeding them in the country – or if it was not possible, the community needed to find a substitute for their daily meals (Bence, 2014).

As the Krishna Valley grew both in terms of size and the number of inhabitants, the opportunities of production increased as well: bigger area meant larger amount of plants to be grown, and also possibility of a bigger variety. At the same time, demand – thanks to the more than 130 inhabitants – increased, but so did the amount of workforce and knowledge, which soon resulted in excess supplies. And as the basic theories of economy make it clear, when we produce more than there is actually demand for, we can either cut production back or start to seek for new markets. The leaders of the Krishna Valley have recognized the opportunity of penetrating markets other than the Krishna Valley itself and started to sell their products to customers outside their Valley as well (Bence, 2014).

Currently the Krishna Valley operates a webshop and a store in the Valley selling own branded items, such as jams, sauces, flour, vinegar; and numerous other products of different brands, such as clothing items, books, tokens and musical instruments. They also operate their own restaurant and guest house to serve the large number of tourists arriving to the area.
The German and Belgian communities examined in this paper are far older than the Krishna Valley of Hungary – due to the differences in social and religious improvement of these countries. Both Simhachalam of Jandelsbrunn, Germany and Radhadesh of Petite Somme, Belgium were founded in 1979, though their path of development turned out to be completely different. Radhadesh stepped on the path of continuous progress in the fields of community development and promoting the religion: besides the church located in an old Belgian castle they have opened a guest house, a restaurant, a bakery, a gift shop and a bookshop and a university as well throughout the years, and by 2016 the number of devotees living in the community is around 120. On the other hand, compared to Krishna Valley in Hungary, Radhadesh is self-sufficient 'only' in case of water supplies and heating, but not in agriculture. In these terms there is the potential, but at the moment there are not enough devotees, who are qualified in agriculture, which means a boundary to the improvement.
On the other hand Simhachalam remained low in terms of population with approximately 6-10 devotees on average, except for the past five years, when a progress started and now the number of inhabitants is 30. Just like Radhadesh and the Krishna Valley, Simhachalam also operates a guest house and restaurant, and there are also some items available in their shop, which is open upon request, but generally they focus more on maintenance and serving the community than on tourism. So far they managed to reach only a low level of self-sufficiency. By cooperating with locals, most of their daily needs they can fulfill on their own, the import from India focuses on rice and spices, but still, they are very much dependent on outside sources in their daily life. Figure 1. shows the number of devotees living in each community mentioned above; and also compared to some other European Krishna-conscious settlements. Currently the list is not completely full, - as the research is in progress at the moment - the number of communities on the continent is much higher, but there is no data available about the number of devotees in their cases, therefore they remain out of the list for the moment.

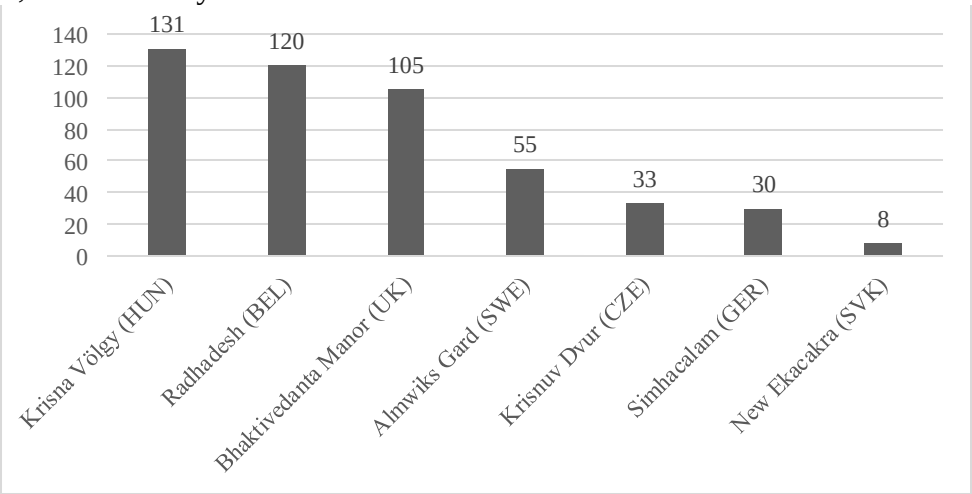

Figure 1. Population of Krishna-conscious communities in Europe (person)
Source: In-depth interviews

1.1 Research questions

In my research my primary focus was on the question: what kind of commercial activities do Krishna-conscious communities of Europe engage in. Formerly I studied general marketing issues, so now I primarily focused on tangible products, as they are more visible and obvious

to people. I also took an outlook on tourism, but now I focused on the issue of what actually these communities sell and under what circumstances they do it. And this has led to the second research question: after analyzing the sales of different products, the product range and the branding activities, I aimed to find out if these commercial activities affect the reputation of the community in a negative way. Do people regard products branded and sold by a religious community as something wrong, or are they able to accept this as a must of our material world nowadays? I tried to find answer to the question if product sales could be harmful for the reputation and consideration of the religious groups studied, which could provide interesting paths for further research and important information for them planning their future.

2. Methodology

I started off my research by revising the existing literature on the topic, covering the areas of the relationship of religion and marketing, the emerging of free choices in religious life, new religious movements and the strongly connected religious market theory. The literature of the topic is far broader than shown here though; in this paper the aim is to highlight the most important findings in order to support the research done.

This work had already started in 2014, when I made a research and analysis about the marketing activities of the Krishna Valley in Hungary; identifying the most important marketing tools and evaluating their effects on the overall reputation of the religious group by the visitors of the Krishna Valley. Back then the findings of my field research in the Valley have shown that Krishna Valley – and Krishna-believers in Hungary in general – carry out conscious and carefully planned marketing activities, based on an integrated marketingcommunication plan, which – surprisingly enough – is often derived from the general characteristics of the religion. The research of 2014 in the Krishna Valley had also shown that the majority of the public does not regard the commercial and marketing activities of the community harmful. The majority of the 238 respondents even explained that it could be clearly positive, if the tools and the income are used well (Bence, 2014).

In 2017 I decided to continue my research with a slightly altered path. My aim was to find out what kind of commercial activities other Krishna-conscious communities of Europe engage in, and how unique we may consider our community of Hungary. A slight alteration was that the focus shifted from marketing tools to rather commodities and own branded products sold by these groups.

In order to carry out my study, I contacted various Krishna-conscious communities in Europe to ask for help, and many have provided me with important information considering their community (See Figure1.). After the initial contact was made, I asked for permission to make study trips in various location, and the two communities examined, Simhachalam and Radhadesh were one of the first ones to grant the permission. My study trip took place on 11-17. July 2017, when I made observations in the two communities concerning the issues researched. In Simhachalam I made two in-depths interviews with the director and the guest house-crew of the place; and in Radhadesh four (with the leading tour guide of the museum, the assistant of the gift shop, one employee of the restaurant and the touristic director of the place) out of which there were many responses overlapping, therefore now I am only going to interpret the most important findings. The study trip was followed by a 'refreshing' visit in the Krishna Valley in Hungary on 21-23 July in order to refresh the data collected in 2014 and to compare the findings about the three Krishna-conscious communities. In order to support my research, I carried out one further in-depth interview with my main contact in the Valley throughout the past three years, who is a member of the Eco-Valley foundation.

Certainly, my research calls for further collection of numerical data concerning the effect of commercial activities of religious communities, and I also aim to extend the study to further communities to get a better picture of the European situation.

3. Marketing in religion

According to the findings of Harvey (2000), religious movements may be divided into three main subcategories: world religions, indigenous religions and new religious movements. The concept world religion refers to those biggest religions that were able to go beyond the borders and appear in several countries, less influenced by different local cultures than other churches. The four world religions are: Christianity, Islam, Hinduism and Buddhism – in the order of their size, respectively. These four churches have currently the strongest influence on the religious life of people in the world. Indigenous religions may also be addressed as ethnic religions as they are indeed influenced by the local culture. These religions are much smaller in population than the world religions, and are mostly specific for one nation, culture or geographic area. New religious movements are – contradictory to their names – not always new. Their newness lies in their appearance in new countries: some may have history of centuries in the Far-East, but if they appeared in Western societies only in the 20th century, in that context they may be regarded as new religious movements (Harvey, 2000).

The appearance of new religious movements had implied a set of interesting changes in the life of the countries and religious communities. For long centuries churches have had strong influence in the life of a country, extending their power to almost all fields of life. In return, the leaders of the country protected the church from the so-called competitors – other religions appearing among the people. This resulted in one or another religion being in a monopolistic situation in most of the countries – so they could also be referred to as the 'national church'. Social, cultural and economic development through the decades, made this phenomenon become weaker and weaker so the new religions had more space to gain power. As the social development made the people more flexible both geographically and mentally, the acceptance of new ideas and new religious theories increased, letting new religious movements spread (Einstein, 2008; Bence, 2014).

This transition in the religious life resulted in competition appearing in a field one would have never called a competitive market before. In order to survive, religions needed followers; and the more they had, the more appreciated they became. But there was no state to protect religions, an era of religious pluralism and a freedom of choice arrived, where traditional and world religions wanted to keep their status and crowd, while new religious movements became more and more popular (Wrenn-Mansfield, 2001).

As my previous research (Bence, 2014) has shown, Krishna Valley serves as a tool of marketing for the Hungarian Krishna-believers, with an aim of getting people more acquainted with the religion and the teachings of Lord Krishna. This brings us to the religious market theory – the work of Laurence Iannaccone in the 1990's, revised recently by Young in 2016. Just like everything else, religion also does have a price, even if not (only) in financial terms. When someone chooses to put faith in a religion, the person has to dedicate time to participate in the activities of the church on a regular basis; and in most cases there is also a need to forgo of certain things (e.g. drinking alcohol, eating meat, smoking), give up some habits, and take some new ones like praying, preaching and attending church events. Just like goods or services, religions may also have higher or lower price: some communities expect followers to only attend worships on a regular basis, while others require to break every relationship with one's family and friends. Some churches also ask for financial contribution or donation from the members, but generally in the case of religion financials are not the primary means or evaluating costs for somebody. These rather non-financial costs are – either consciously or

unconsciously – evaluated by people before deciding whether they will join a church or not (Iannaccone, 1992; Young, 2016).

The rational choice theory and the phenomena described above explain very well why religious communities need to engage themselves in marketing activities; and why it is not enough anymore to enjoy the protection and support of the state and wait for worshippers to come. Rational choice theory explains very well that people have choices, alternatives to choose from – and even though they do not do it completely rationally, they do make a choice. Since the primary aim of my research is not the discovery of consumer behavior related to religious communities and revealing the underlying motives behind people's choice of church; but rather to reveal the acts of churches to attract and retain worshippers, this theory serves as a satisfactory base to start from.

Clearly, the religious market theory – like practically all scientific theories – has been criticized from many aspects as well. Some researchers (e.g.: Robertson, 1992; Bruce, 1993; Young, 2016) claim that this concept ignores the human and cultural aspects of one's decision in religious questions. They highlight that decisions are not rational, and are not happening simply based on cognitive processes, but include several emotional and situational factors as well – which, on the other hand is a characteristic of normal consumer behavior in any market (Wuaku, 2012).

True, the religious market theory is primarily based on the rational choice approach, which says that 'individuals weigh the anticipated costs and benefits of their actions and act so as to maximize net benefits.' (Iannaccone, 1992, p.124). Scientists, who study religion on the basis of the rational choice theory, assume that humans act this way when choosing the products they buy; and also when they choose which religion they put their faith in. The fact is that neither goods, nor services, religious products nor anything else is chosen barely on the basis of rational choice. However, in many cases this simplified understanding of reality explains the situation better than anything else.

The choice of potential customers concerning religion may be fostered in many different ways, other from the costs as well. According to Attila Chikán (2008) services mean *'the application of resources for fulfilling consumer needs by non-producing activities'* (Chikán, 2008, p.120). If we consider this definition, we can recognize that churches do use their resources (knowledge about the religion and their right to carry out certain religious rituals etc.) in order to fulfill the needs of the public for religious products and the benefits they offer: happiness, peace belongingness and positive changes in life. During this process no tangible products are created and there is no change in possession either. Considering this we may conclude that in many senses religions have some similar characteristics as services in general from marketing perspective. The services provided by churches may differ by religion, culture, location and several other factors – some offer their services in the form of regular worships, others in forms of visits to one's home or performance of given religious rituals. The price of these services is, in most cases, identical with the price of the religious product; but more often than in the previous case, monetary means may appear as well. This connection of religion implies that in many cases the marketing activity of religious products will often resemble to those of services in general (Kolos and Kenesei, 2007; Einstein, 2008).

Religious products and religious services described above are highly intangible and therefore there is a high risk in the decision people need to make: people are not able to determine the real effect of joining a church; they are not capable of evaluating whether a religious service was performed well or not. As it is very often emphasized in services marketing as well, it is a good strategy to make the abstract commodity more tangible, more visible to customers in order to decrease uncertainty What churches can do to tangibilize their abstract offers is to put an emphasis on the facilities they own (such as church buildings and common houses); look

carefully at the printed and online material published concerning their community (e.g. books, fliers, web pages); manage their human capital efficiently (things like dressing, behavior, proselytizing, face shown towards non-members); and to supervise the overall image spread about the given church. Many communities also sell some products characteristic, or even branded by their church, which can also diminish uncertainty about the intangible religious commodity (Kolos and Kenesei, 2007).

4. Commodities of Krishna-conscious communities

The products offered and produced by the three communities are completely different in nature and value, thanks to the different focus of the communities.

Krishna Valley has a large variety of different plants, which are all grown free from any chemicals, which enables them to produce a wide range of bio-products. During the growing phase they try to diminish the use of machine-power as much as possible, relying primarily on human- and animal-force in the daily agricultural life.

From these hundred-percent bio ingredients Krishna-believers produce a product line of delicious and unique comestibles. The main product categories are the following:

- syrups
- pies (pástétom in Hungarian)
- chutneys, mustards, sauces
- honey and nectars
- crops

The main features of the products are being completely vegan – free from any ingredients of animal origin – and bio. Some of the products are based on European recipes and rather match the Hungarian taste; while others represent the traditional cuisine of India with the oriental spices and preparation techniques. Besides these they also sell self-produced soaps and creams, which also are made after unique and completely organic receipts. The Krishna Valley products listed above are all branded and labelled by the Krisna Völgy (Krishna Valley) brand, having its unique design elements and packaging. The design and packaging techniques of the Krishna Valley have changed a lot during the past few years: initially they used simple white labels providing information about the ingredients.

The shop and webshop also offers a range of clothing items, jewelry, scents, musical instruments, cutlery and a set of books and audio-visual material for children and adults – but these are not produced by the locals, so they are not under the Krishna Valley brand either, but come from numerous India-based retailers.

4.2 Radhadesh

In Radhadesh, Belgium the selection is somewhat similar, but there are hardly any products of their own brand. The only branded products in the shop are fudges, which are produced by a lady on a daily basis, but there is no carefully designed brand image or packaging, only a simple sign with the label ‘Radhadesh’. The same is true for the products produced in the bakery: many items are produced on the spot (though not made of self-grown crops), but most of them are not packaged or labeled anyhow. The only things bearing a label are marzipans and biscuits, which are sold in small plastic sacks with a black label having a gold ‘Radhadesh’ sign on it. These solutions highly resemble to the old white Krishna Valley packaging of the Hungarian community, which, there, were not appreciated by the customers at all.

All the other products sold in Radhadesh are of different origins, usually Indian wholesalers in cases of scents, spices, cosmetics, oils and religious items, but comestibles are often provided by various multinational companies producing organic products.

The meals sold in the restaurant are also made of external ingredients, usually from local sources, as at the moment their self-grown supplies cannot serve the needs of the community either.

According to my interview with Krishna Das, a member of the management of Radhadesh the reason why they do not have their own labelled products is mainly the lack of self-sufficiency in the field of comestibles. Their production does not exceed the needs of their community, therefore the first focus should be on finding a way to achieve more in the fields of agriculture, before engaging in the sales of own-labeled products.

4.3 Simhachalam

To my surprise even the smallest of the three communities examined does and did have some own products – though in this case we cannot expect professional labelling as in the case of the bigger villages. Dhira Nitai Das, the manager of the guest house explained that the original idea and goal of Bhaktivedanta Swami Prabhupáda, - the person, who brought Krishna Consciousness to the Western World – was to have Krishna-conscious communities creating manufactures and producing different products their devotees are qualified in. Their community has tried to follow this guideline from the very beginning: first of all the locals produced and sold candles in the area. Unfortunately candle-production disappeared years ago, however, at the moment they engage themselves in soap-production. The soaps are not labelled, and they are produced only occasionally, not on a regular basis, but still, we can see the efforts to follow Prabhupáda's guidance. Besides the soap, there is a limited sale of small cookies and biscuits, but again, they are not packaged or labeled in any distinctive way characteristic of Simhachalam.

Just like the other two communities, Simhachalam does also have a restaurant, but here also, the meals served are made of externally produced ingredients, from local and India-based sources.

4.4 Conclusion

As the field research shows, at the moment Krishna Valley of Hungary is clearly a pioneer in creating and selling products of its own label. Their product range is fairly wide; but what is more important, they managed to create a product line of Niche-products; made of only locally grown ingredients, following strict guidelines of production and being completely organic. What more, by now Hungarian Krishna-believers managed to learn a lot about the characteristics of a good brand and brand management, and created a strong brand, which is getting more and more popular in the target group of organic products.

Radhadesh is a community well-developed in the area of marketing, but their product sales are limited so far, just like in the case of Simhachalam, who, however also need to improve in the field of marketing. In the case of Simhachalam the main boundary is the size of the community: as the population is currently around 30 inhabitants, they do not really have extra workforce besides maintaining the area on a daily basis and working in the gardens besides religious duties, so the extension of the daily tasks cannot happen without an increase in the number of people living there.

In Radhadesh the resources would be given, but there the focus is on tourism at the moment; and though the population is pretty high, and as Krishna Das explained, there is only lack of agriculture-specialized devotees at the moment. The main 'problem' originates from this, which is the lack of self-sufficiency. As the examples above show, communities do not engage much in selling own-branded products until they reach at least partial self-sufficiency in food production – and this at the moment is missing in Radhadesh and Simhachalam.

This finding, however, implies the need for further research to see if this assumption is true for further communities across Europe as well.

5. Can a religious community engage in economic activities without ruining its reputation?

After analyzing the situation of Krishna-conscious communities in three countries and getting acquainted with their level of self-sufficiency and their product sales, I turned to the second part of my research, which aimed to find out if selling different products has a negative effect on the reputation of the religion and the community.

The answer of Dhira Nitai Das was that they in Simhachalam and all devotees in Germany are usually still struggling with the label 'sect', regardless of selling products or not. Unfortunately in Europe this is a general and often appearing phenomenon concerning new religious movements, but he explained that – at least in Germany – there has been improvement throughout the past years.

Krishna Das in Radhadesh answered this question in a simple way: 'We need to pay the bills.' He explained that devotees would not need the castle and the restaurant for their daily lives, they only need it to serve the people, who arrive to learn about them and about Krishna Consciousness; and this way the money they earn from the product sales is invested in the maintenance of the area, which serves the aim of promoting the religion. This way they put the financial resources earned in the service of Krishna – and as my interviewee explained, people understand and accept this – they have received no negative feedback due to their material activities.

In the case of the Hungarian community I primarily relied on the results of my 2014 research, where I asked 238 respondents visiting the Krishna Valley if they regard it as a positive or a negative thing that religions engage in economic activities. Prior to the research I had an assumption that since religious groups are non-profit organizations, people will not be accepting and tolerant towards this phenomenon, but the answers proved the opposite. As Figure 2. shows, 57.5% of the respondents have no problems with Krishna-believers carrying out economic activities and only 13.4% is strongly opposing such engagement.

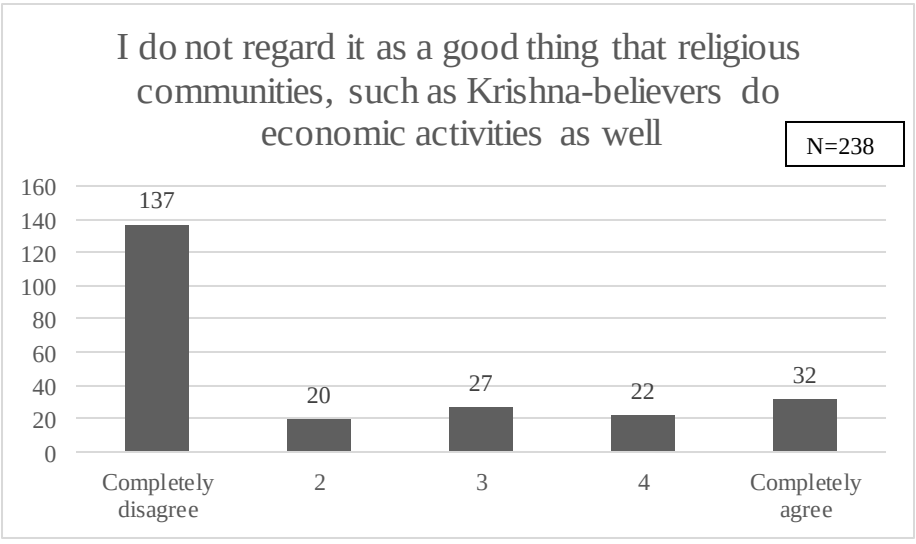

Figure 2. Attitude towards the economic activities of Krishna-believers in the Krishna Valley, Hungary (person)
Source: Research of 2014 (Bence, 2014)

The results so far show that economic activities of Krishna-believers are not disregarded, as many would think, but these initial findings call for a more detailed quantitative research, justifying the initial findings and providing a basis for further analysis.
The current research results show that engaging in economic activities did not mean a ruining of reputation for the Krishna-believers in Hungary or Belgium, and though the German community did not prove to be highly representative in this case, I could see that there they are still struggling with general reputation issues, being often regarded as a sect by the public.

6. Conclusions

In my research I examined European Krishna-conscious communities from the perspective of economic activities and marketing. The social transformation of the past decades have brought important changes in religious life as well: by now most of the people are free to choose their religion instead of being born into one, which means that religious life resembles more to a market than before. Religious communities engage in marketing an economic activities, and they apply several means and try to tangibilize their beliefs and bring them closer to people to earn new followers to their community.
Within this phenomenon I turned my attention to Krishna-believers and their communities in Europe. They - being a new religious movement in the Western world – needed to apply marketing tools consciously to make people acquainted with their religion. By now there are numerous communities like Krishna Valley in Hungary or Radhadesh in Belgium, which are highly developed, and where complete touristic centers exist. Hungary is unique from the perspective that they have a huge range of self-made products of their own, successful brand. Radhadesh does also have some products of their own label, but they are still pretty new and only of a narrow range. According to their view they need to improve in self-sufficiency – something that is more developed in the case of the Hungarian community. The third group of Krishna-believers examined have a much smaller community, and their aim is now to step on the path of progress. Currently they produce soaps and sell them, but it is not branded and only occasional.
The three communities exist in completely different cultural environments, but as for the research, they have not experienced any negative effects due to engaging in economic activities. Even though my initial expectation was that these kind of activities are disregarded by the public, but they were generally understanding towards the communities and interested in the products as well.
This research, however, poses a huge number of new questions and sets further path to my work in the future, in the form of further field researches and quantitative analysis.

7. Implications for further research

This research – though showed many interesting results – raised many new questions to be answered, and also highlighted the differences among the countries and communities. Therefore my further research is going to include a more detailed research of European Krishna-conscious communities in different countries and regions to be able to compare the phenomena across different European locations. Also – as explained before – a larger emphasis will be put on the quantitative research phase, aiming to reveal the relationship between the product sales and other economic activities and the general attitude towards Krishna-conscious communities.
These findings are going to help larger and more developed communities evaluating their current portfolio and identifying the further directions for development; while for new or small groups the research results can show directions how to build up a successful and working system.

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