

THE EVOLUTION OF FOOD DISTRIBUTION SYSTEM AND ITS IMPLICATION ON THE MARKETING OF TYPICAL PRODUCTS

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ABSTRACT

*The paper presents and discusses some of the most relevant changes characterising the Italian food distribution system, which may have dramatic consequences on food firms and especially on firms producing and / or marketing typical products. The market power of small producers of typical products marketing their own products, as well as the market power of bigger middlemen **trading and** marketing these products, might be reduced significantly by the behaviour of **large** retailers. However, this evolution could also generate unexpected benefits in terms of market efficiency and of new marketing opportunities.*

*The evolution of the distribution system, indeed, by reducing in a significant way both the role of speculators and of the old-fashioned Italian food distribution system could remove few important causes of market inefficiencies, as the one due to the asymmetric response of retailers to changes of wholesale prices. The reduced **role** of wholesalers and the development of stricter linkages between producers **and large** retail chains, could also create new incentives for the development of new marketing strategies by producers and by farmers themselves.*