Annex 09

Reports WP 4
Italy (Parma)

DOLPHINS - WP4 Reports

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Main activities

collecting, reading, synthesising other documents, studies etc and reflecting

I complete and update the references for WP4 enlarging the themes.
I think that it’s important to focus our key issues (link between OLP and consumers/citisiens) in the framework of larger issues :

food labelling
food safety
marketing food safety
market with asymetric information (for example organic and GM food)
country of origin and traceability
food standard and WTO (because in my opinion the country of origin labelling is very different for a European consumer perspective and for an USA consumer (or later for a developing countris citiziens perspective)

Some pre-ideas :

• We need to remind ourselves to think of people as 'citizens' rather than just as 'consumers'. We need to think also what are the effects of this change in mentality.

Possible effects :

change in Willingness to pay and
willingness to accept (environmental disaster, food scandals, etc.)
more concern about information or lackness of information
change in sharing out of costs

• Our thoughts and ideas should derive from our observation and understanding of OLPs and consumers/citizens in our own countries

Ideas :
in my country (Italy), consumers not only for food know very well italian high level of quality (the italian style, made in Italy, and so on) and have in general a lot of expections on italian producers and product.
In general, for food we prefere to eat italian food, because in italian opinions our level of quality is the best.
So, italian typical food is an essential part of our culture and is an essential link to our origin.
In Italy, 70% of citiziens use always traditional food.
So, the value that italian give to traditional food is different from the perceptions of foreign consumers, that perceived traditional food as a niche market.

Another important issu is WtP for italian food in Italy and abroad (I suppose that foreign consumer of traditional italian food have a budget constrain).
The segmentation, also, in Italy is more difficult (everybody eat traditional food)
In Italy, generally, consumers spent more money to eat (also in catering) than in different countries.
• Our main aim is to give our thoughts and ideas on OLPs and citizens/consumers in general. Sometimes, it is only possible to make progress by thinking about particular groups and products. If it is the latter, then nevertheless we should try to project our final thoughts and conclusions towards a more general scheme, relating them to the 'bigger picture'.

In Italy we have a limited number of marketing research on OLPs because, in my opinion, we had (and in general we have) a very fragmented number of products with a very low willingness to pay for market research.
The more consisten problem was about price stabilisation.

An important and recent fact is that from two-three, no more, years also industries (and also larger firm) became interested in traditional food, so, a number of market research will be (probably) asked to consulting societies or university, but it is a really new fenomenoun.
Very recent is also the interest from marketing specialist in Italy in traditional food.
This is connected to the fact that tipycal and traditional food was connected to agriculture and to agricultural economist, and industrial (so non traditional or more standardised products) to industrial firm and to marketing experts.
So, in general very is no link between the two different world of agriculture (plus artisan) and industry, in the same way, there was (and there is) a ideological, conceptual amd methodological fracture between agricultural economist and marketing researchers.
We need more interactions ! ! ! !

I suppose (reading the book and articles from different countries) that this « wall » is less consistent is other european countries, even if they have traditional products (for example France).

Theme 1. Research Methods

I upgrade the recent bibliografy for my country and I see that the research studies I recommend to help understand OLP usage/consumption better is basically based more on consumer

The propositions should be tested is concerned about WtP.

The Data collection methods utilised up to now is basically « poor » in statistical sense. Now, there is a more concern about more sophisticated methodologies. In general, in the past, the prominent way to collect marketing information is with interviews.

Methodologies	Intensity
factor analysis	-
cluster analysis	*
conjoint analysis	*
principle component analysis	*
hedonic pricing	-
contingent valuation	*
focus groups	***
interviews	****
in-depth interviews	***
participant observation	**
food diaries	
scanner panel/sales data	****
projective methods	*
Means and chain analysis	* (for organic food)
Precision marketing	** (data base)
Delphi technique	*

* : limitied number of studies ** : certain number of studies *** : a lot a studies

- : not used (my limited check)

I suppose that an improvement of our knowledge about traditional food and consumers, will be linkek to a more open vision of marketing studies.

Theme 2. Conceptual Framework

Questions to be addressed: There are lots of existing assumptions about how citizens/consumers relate to OLPs... sometimes, a one-off luxury, other times, a deep commitment. How can these assumptions be turned into more clear or explicit conceptualisations or propositions about the relationship between citizens/consumers and OLPs?

For this point I repeat what I suggested before.
I am sorry but I don'T know Grunert type model . I order the book but up to now I find only an article descriving the model.

I think that the actual problem isn't the market dimension but are :
the relationship between market dimension and price level ;
the trade effect of standard

connect to the future survaival of OLP products in a global context.

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Theme 1 : WTO negotiations

Policy implications on food standard in WTO negotiations

In my opinion the country of origin labelling is very different for a European consumer perspective and for an USA consumer (or later for a developing countris citiziens perspective).

Some pre-ideas :
PDO products exogenous for USA citiziens but endogenous or historical, etc. product for emigrants cultural identity or … italian food traditions …… and social status.

WTO negotiations : based on TRIPS agreement . What implications ?

Why not country of origin agreemnt in the framework of

Rules of origin on the WTO

From WTO web site :

« Determining where a product comes from is no longer easy when raw materials and parts criss-cross the globe to be used as inputs in scattered manufacturing plants. Rules of origin are important in implementing such trade policy instruments as anti-dumping and countervailing duties, origin marking, and safeguard measures ».

Why not use geographical oriign as safeguard measures and so on ?

The effect will be :
more information for consumer on quality and price of foods.
a reduction in asymetric information
a protection for the consumer in foreign countries but also protection for european citiziens.

The sinergy between safety guarantee and PDO.
What not <u>assure</u> american consumers that PDO products are safe no GMO ?

Bibliografy :

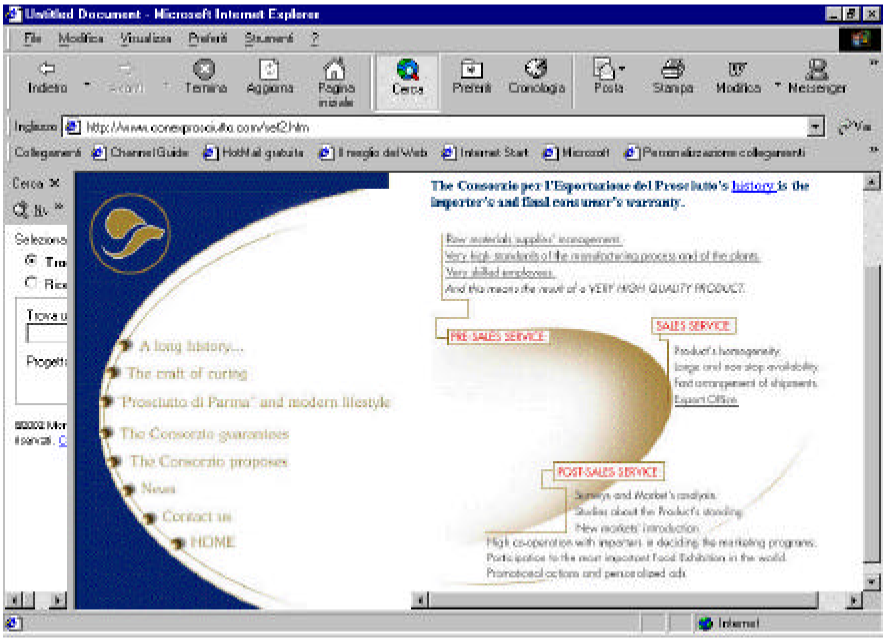
Chen Jim, A sober second look at appellations of origin : how the United States will crash france's wine and cheese party, Journal of Global Trade, Vol.5, issue 1, winter 1996.

Jordana Jorge, Traditional foods: challenges facing the European Food industry, Food research International, Vol. 33, 2000, pag. 147-152.

Kuchler Fred, Country of Origin, Economics of Food labeling, AER-793 / Economic Research Service USDA.

www.wto.org : WTO web site

Prosciutto di Parma



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These are the reasons why we can say that the Prosciutto's unchanged working process has helped this tradition getting through the centuries, and arrive to the THIRD MILLENIUM with an all natural product, helping men to face modern lifestyle.

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