Niche Market Farming

Module 3

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Niche Market Farming

ifls
Institut für Ländliche Strukturforschung
an der Goethe-Universität Frankfurt am Main

on projects

AGRICOLTORI ITALIANI
UMBRIA

MADREVITE

Stowarzyszenie ARID

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Co-funded by the European Union

Module 3

PDO, PGI, TSG and quality geographical indication food niche-market

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Niche Market Farming

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Introduction

Consumer attitudes and behaviors toward food have been changing due to new social values, consumption patterns, digitalization, and connectiveness driven by media. Over the years, there has been a change in consumer habits and attitudes towards food, particularly in relation to its characteristics, production systems, and consumption patterns.

As a result, traditional food has gained significant interest from various stakeholders, including producers, governments, retailers, and consumers. Consumers often associate traditional foods with natural, healthy, environmentally friendly, and culturally significant products. The respect of local traditions and know-how is an important factor when buying food products for a great majority of Europeans (from 56% to 97% depending on the country, as showed by the latest Eurobarometer on agriculture). A part of the respondents also states that they also buy more regional products.

Producers aim to meet the demands of consumers for safety, quality, and to distinguish their products from competitors by differentiating through production, distribution, quality standards, and value incorporation.

Often, **sustainable agriculture** is crucial for this consumer group as well. In recent years, there has been a growing trend among consumers to seek out sustainable and environmentally friendly agricultural products. As a result, sustainable farming practices have become increasingly important in meeting the demands of this consumer group.

Agriculture is of vital importance to the society, environment, and economy of the European Union, too. Agricultural products produced in the European Union reflect the rich diversity of different traditions and regions in Europe. Proper environmental conditions support agricultural activities, allowing farmers to use natural resources, create products and earn their living.

Introduction

However, in a world where food markets are globalized, and countless options are available, legal designs are necessary to ensure the product's origin. Therefore, the **European Union** supports through the geographical indication system thus provides protection for products names from various regions around the world, which have some unique features or enjoys a stable reputation, depending on the territory where they are produced.
Agri-food products that are certified with quality schemes represent an ideal food product because they are manufactured from raw materials, being developed according to specific production methods, and technologies in a well-defined geographical area.

Geographical indications apply to various foodstuffs, agricultural products, wines and spirit drinks produced in identified regions. They protect the reputation of specific product names, the regional and traditional production processes, or other essential elements (such as local breeds or plant varieties) that shape culinary heritage throughout Europe. These products are characterized by natural factors of production, traditions and/or specific historical procedures developed over centuries that cannot be replaced.
Small and medium-sized companies represent the ideal framework for quality food production (such as Geographical Indication or organic), which could move towards an economically and socially sustainable development.
In this context, the production or source of a product has become a significant factor in ensuring its safety, quality, and uniqueness within its context, as the connotations and emotional values associated with a place can be transferred to the product. Geographical Indication is a common feature among certifications of origin in various countries, which connects a product's name to its origin and expertise when the product's characteristics are closely linked to them.

EU Quality Schemes

To help protect and promote products with characteristics linked to their geographical origin as well as traditional products, the EU created quality logos, named "**Protected Designation of Origin**“ (PDO), "**Protected Geographical Indication**" (PGI) and "**Traditional Specialty Guaranteed**“ (TSG).

They guarantee that an EU product is authentic, not an imitation or counterfeit, and serve to reinforce its national and international recognition. EU quality schemes help protect the heritage of Europe’s agricultural sector and enhance consumer recognition of quality products all over the world. These symbols appear on product packaging, making it easier to identify these products on the market.

The traditional food products in the quality schemes have the following features:

- Most production stages is implemented in a delimited geographical area
- The recipe after manufacturing is authentic, with original raw materials and traditional production processes and/or region-specific features
- Is often available on the market for at least 50 years
- Share a part of the gastronomic heritage of a society/community.

Through the EU quality schemes, the common agriculture policy (CAP) provides tools to help highlight the qualities and tradition associated with registered products. Some of those products have been and are still very successful and enlarging their markets, so that they were and are imitated and sold in markets under denominations close to the originals.
Beyond its borders, the EU takes many steps to protect product authenticity and ensures that European quality products are recognized throughout the world. Geographical Indicators (GI) protection helps combat counterfeited products, which threaten the reputation of authentic, local and regional products and the livelihoods of their producers.

History and development of the EU Quality Schemes

The reform of agricultural policy in 1992 shifted the focus of the European Union agricultural policy from price support to rural development, from the so called first pillar of the Common Agricultural Policy (CAP) to the second pillar. Furthermore, the policy focus shifted from increasing food quantity towards increasing food quality.

These three regulations, which were adopted in 1991 and 1992, are the cornerstones of EU agriculture and food quality policy:

- Regulation (EEC) No. 2081/92: protection of geographical indications (GI) and designations of origin for agricultural products and foodstuffs; is the protection of geographical indications as names for food products.
- Regulation (EEC) No. 2082/92: certificates of specific character for agricultural products and foodstuffs; the objective is the protection of traditional recipes for food products.
- Regulation (EEC) No. 2092/91: organic production of agricultural products; the objective is explicitly defining the objectives, principles and rules applicable to organic production.

Products protected by these EU quality schemes have a privileged position, not only with respect to the legal protection, but also with respect to EU financial aid and the eligibility of Member State financial aid for the promotion of these products.

For all quality schemes, each EU country's competent national authorities take the necessary measures to protect the registered names within their territory. They should also prevent and stop the unlawful production or marketing of products using such a name. Non-European product names can also register as GIs if their country of origin has a bilateral or regional agreement with the EU that includes the mutual protection of such names.

History and development of the EU Quality Schemes

Proposal to strengthen Geographical Indicator (GI) system

On 31 March 2022, the Commission adopted a proposal for a regulation on GIs for wine, spirit drinks and agricultural products, and other quality schemes for agricultural products. The proposal aims to increase the uptake of GIs across the EU to benefit the rural economy and achieve a higher level of protection for products, especially online.
The Commission has proposed the following measures, among others, to strengthen and improve the existing system:

- more sustainability by allowing producers to valorize their actions relating to social, environmental and economic sustainability in their product specifications;
- increased protection for GIs on the internet, specifically regarding sales via online platforms, protection against bad faith registrations and use of GIs in the domain name system;
- empowering producers' groups to manage, enforce and develop their GI by having access to anti-counterfeiting authorities and customs in all EU countries;
- a shortened and simplified registration procedure will merge the different technical and procedural rules, resulting in a single GI registration procedure for EU and non-EU applicants.

The Commission's proposal is the result of an extensive consultation process. An inception impact assessment was published in October 2020. This was followed by a public consultation between January and April 2021, as well as targeted consultations with EU countries and relevant stakeholder organizations.

Intention and aims of the EU Quality Schemes

The development and use of EU quality schemes have multiple intentions and pursue different objectives.
The most significant are:

- **To protect traditional and high-quality agricultural products and foodstuffs:** The quality schemes aim to protect the reputation and authenticity of traditional and high-quality agricultural products and foodstuffs. This helps to promote and preserve local, regional, and national agricultural and food production traditions. So, the quality labels protect and promote the origins, traditions and unique characteristics linked to their geographical origin as well as traditional know-how of many distinctive EU products.
- **To support rural development and sustainable agriculture:** The quality schemes aim to support rural development and promote sustainable agriculture by providing incentives for farmers to produce high-quality products using traditional methods. This helps to maintain a diverse and sustainable agricultural sector, protect rural landscapes, and promote economic development in rural areas. Also, EU quality schemes help protect the heritage of Europe's agricultural sector.
- **To enhance consumer protection and food safety:** The quality schemes aim to enhance consumer protection and food safety by providing clear and accurate information about the origin, production methods, and quality of agricultural products and foodstuffs. The influential factors are all about sharing as much quality information as possible with the customer: nutritional information, region of production/origin, price, package, colors. EU quality schemes help enhance consumer recognition of quality products all over the world. This helps consumers to make informed choices and ensures that they can trust the authenticity and quality of the products they buy. The EU quality schemes are designed to ensure that consumers can trust the authenticity and quality of these products, and to support rural development and sustainable agriculture.
- **To promote fair competition and prevent imitation:** The quality schemes aim to increase the competitiveness of products identifiable by quality labels and aim to promote fair competition by preventing imitation or misuse of traditional names, logos, and labels of agricultural products and foodstuffs. This helps to protect the reputation of traditional and high-quality products and ensures that consumers can distinguish between authentic and imitation products.

Overview of module content

Module 3 is composed as follows:

- **Part I, PDO, PGI, TSG,** with a guide to the EU quality schemes and their importance to valorize quality products at international market level and

- **Part II, "Quality geographical indication and food niche market",** with a description of the emerging trends for niche market food. A focus will be included connecting the PDO, PGI and TSG certification and niche market farming, also with reference to functional/healthy food and smart food, local biodiversity as gastronomic heritage of the territory and likely to become a geographical indication product. The opportunities indirectly with food & wine (or beer) tourism.

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UNIT 1

Guideline to EU Quality Schemes

Description of the module

The EU's geographical indication system provides protection for products names from various regions around the world, which have some unique features or enjoys a stable reputation, depending on the territory where they are produced. Other quality certification systems highlight the traditional production process or some products that are made in more challenging areas, such as mountains.

This unit gives farmers and interested stakeholders a general introduction to the EU quality schemes and presents the different possibilities in detail. The unit also gives an overview of the application process. It describes which necessary requirements for the process farmers need to consider and what you should keep in mind throughout the process. For better practical relevance and understanding, the unit shows short examples from practice.

The aims and objectives of the unit are:

- Offering important information to help people get started in the EU quality certification systems.
- Helping to navigate and identify practical certification opportunities.
- Providing information in the form of a guide for the first steps of application design.
- Creating awareness of the chances and challenge of the participation and registration.

Niche Market Farming

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EU Quality Schemes in detail

The EU geographical indications system protects the names of products that originate from specific regions and have specific qualities or enjoy a reputation linked to the production territory. The European Union has established several quality schemes as part of its Common Agricultural Policy (CAP) to promote and protect agricultural products and foodstuffs that are traditional and of high quality.

Here are the three key points about the EU quality schemes:

- **Protected Designation of Origin (PDO):** This scheme identifies agricultural products and foodstuffs that originate from a particular region and have unique qualities or characteristics due to their geographical origin and the production methods used. It covers agricultural products and foodstuffs which are produced, processed and prepared in a given geographical area using recognised know-how. For example: Parma ham
- **Protected Geographical Indication (PGI):** This scheme identifies agricultural products and foodstuffs that originate from a particular region and have a specific quality, reputation, or other characteristics that can be attributed to that origin. It covers agricultural products and foodstuffs closely linked to the geographical area. At least one of the stages of production, processing or preparation takes place in the area. For example: Nuremberg Gingerbread
- **Traditional Specialties Guaranteed (TSG):** This scheme identifies traditional foodstuffs that have a specific character, either in terms of their composition or production method. It highlights traditional character, either in the raw materials, composition or means of production. For example: Hay milk

Product names can be granted a **'geographical indication' (GI)** if they have a specific link to the place where they are made. The GI recognition enables consumers to trust and distinguish quality products while also helping producers to market their products better.

EU Quality Schemes in detail

A **GI applies to spirit drinks** distilled or manufactured in the specific geographical area. Only foodstuffs and agricultural products are required to have the PDO/PGI symbols on their packaging. EU symbols are optional for wines and spirit drinks. The GI protects the name of a spirit drink originating in a country, region or locality where the product's particular quality, reputation or other characteristic is essentially attributable to its geographical origin.

Example: Irish Whiskey GI has been brewed, distilled and matured in Ireland since the 6th century, but the raw materials do not exclusively come from Ireland.

Other EU quality schemes emphasize the traditional production process or products made in difficult natural areas such as mountains or islands.

Mountain product: The quality term 'mountain product' highlights the specificities of a product, made in mountain areas, with difficult natural conditions. Recognizing this is an advantage for farmers as well as consumers. It enables farmers to market the product better but also ensures certain characteristics are clear to the consumer.

Product of EU's outermost regions: Agriculture in the EU's outermost regions face difficulties due to remoteness and insularity, which brings with it difficult geographical and meteorological conditions. To ensure greater awareness of agricultural products from the EU's outermost regions (the French Overseas Departments –Guadeloupe, French Guiana, Réunion and Martinique – and the Azores, Madeira and the Canary Islands) a dedicated logo has been created.

EU Quality Schemes in detail

Protected Designation of Origin (PDO)

A PDO is reserved for products with the strongest link between its characteristics and its geographical origin. The production and processing of the raw materials, up to the stage of the finished product, must take place in the defined geographical area whose name the product bears.
The PDO quality label represents a proper reference for the manufacturing place of agri-food products. Thus, all transformation stages from the raw materials to the final product must take place in a particular region.

Raw materials and production steps all take place in the specific geographical area, and the final product is determined by these local ingredients and producers' know-how. As for wines, the essential condition is that the raw material (grapes) comes exclusively from the site where the wine is produced.

- **Products:** food, agricultural products and wines.
- **Specifications:** Every part of the production, processing and preparation process must take place in the specific region. For wines, this means that the grapes have to come exclusively from the geographical area where the wine is made.
- **Example:** Kalamata olive oil PDO is entirely produced in the region of Kalamata in Greece, using olive varieties from that area. More examples include Prosciutto di Parma from Italy, Roquefort cheese from France, and Rioja wine from Spain.
- **Label:** mandatory for food and agricultural products, optional for wine.

Label for PDO
https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_de#logos

EU Quality Schemes in detail

Protected Geographical Indication (PGI)

A PGI also links a product to a geographical area, through its quality, characteristics and/or reputation. PGI registration requires at least one of the production, processing or preparation processes to take place in the specific region. However, the ingredients do not need to come from that region. PGI emphasizes the relationship between the specific geographic region and the name of the product, where a particular quality, reputation or other characteristic is essentially attributable to its geographical origin.
To be eligible to use a PGI a product must meet two conditions: It must have been produced in the geographical area whose name it bears. Unlike the protected designation of origin, it is sufficient that one of the stages of production has taken place in the defined area. For example, the raw materials used in production may come from another region. There must also be a link between the product and the area which gives it its name.

Label for PGI
https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_de#logos

EU Quality Schemes in detail

Protected Geographical Indication (PGI)

However, this feature need not be, as in the case of the PDO, essential or exclusive, rather it allows a more flexible objective link. It is sufficient that a specific quality, reputation, or other characteristic be attributable to the geographical origin. Under the rules for PGI, the link may consist simply of the reputation of the product, if it owes its reputation to its geographical origin. In this case, the actual characteristics of the product are not the determining factor for registration; it is enough for the name of the product to enjoy an individual reputation that is based specifically on its origin at the time the application for registration is lodged.

- **Products**: food, agricultural products and wines.
- **Specifications:** For most products, at least one of the stages of production, processing or preparation takes place in the region. In the case of wine, this means that at least 85% of the grapes used have to come exclusively from the geographical area where the wine is actually made.
- **Example:** Westfälischer Kochenschinken PGI ham is produced in Westphalia using age-old techniques, but the meat used does not exclusively come from animals born and reared in that specific region of Germany. More examples include Parmigiano Reggiano cheese from Italy, Welsh lamb from the UK, and Bavarian beer from Germany.
- **Label:** mandatory for food, agricultural products, optional for wines.

EU Quality Schemes in detail

The **differences between PDO and PGI** are linked primarily to how much of the product's raw materials must come from the area, or how much of the production process has to take place within the specific region. GI is specific for spirit drinks.

The PGI also designates products attached to the region whose name they bear, but the link is of a different nature as shown above than that existing between a product with a PDO and its geographical area or origin.

When considering the characteristics of PDO and PGI, the main differences relate to the proportion of raw materials (at least 85 percent) that are usually common for the area where they come from, but also on the production stages, that must be implemented in the considered geographical region. GI is typical for spirits and aromatic wines.

EU Quality Schemes in detail

Traditional Speciality Guaranteed (TSG)

TSG highlights the traditional aspects, such as the way the product is made or its composition, without being linked to a specific geographical area. The TSG label indicates that the product has been produced using traditional methods and ingredients, and that it has a specific history or cultural significance. This label provides consumers with a guarantee of the traditional and authentic nature of the product. The name of a product being registered as a TSG protects it against falsification and misuse.
The TSG emphasizes many traditional aspects, such as the composition and ingredients, a specific recipe, without being necessarily connected to any specific geographical area.

Label for TSG
https://agriculture.ec.europa.eu/farming/geographical-indications-and-quality-schemes/geographical-indications-and-quality-schemes-explained_de#logos

EU Quality Schemes in detail

Traditional Speciality Guaranteed (TSG)

TSG certified agri-food products could be manufactured by any producer who respects this production method. Their ‘specific’ character refers to the characteristics that differentiate them from other foodstuffs belonging to the same category. Even if agri-food products certified with the TSG quality scheme often come from a particular country or region, their international reputation might result in the interest of producers from other countries in them.
The purpose of this regulation is to take advantage of the typical features of products by granting a certificate of specific character. The regulation thus lays down two conditions for registration of a product name: the product must possess features that distinguish it from other products, and it must be a traditional product.

- **Products:** food and agricultural products.
- **Example:** Gueuze TSG is a traditional beer obtained by spontaneous fermentation. It is generally produced in and around Brussels, Belgium. Nonetheless, being a TSG, its production method is protected but it could be produced anywhere else. More examples include Arbroath Smokies from Scotland, Mozzarella from Italy and Chorizo from Spain.
- **Label:** mandatory for all products.

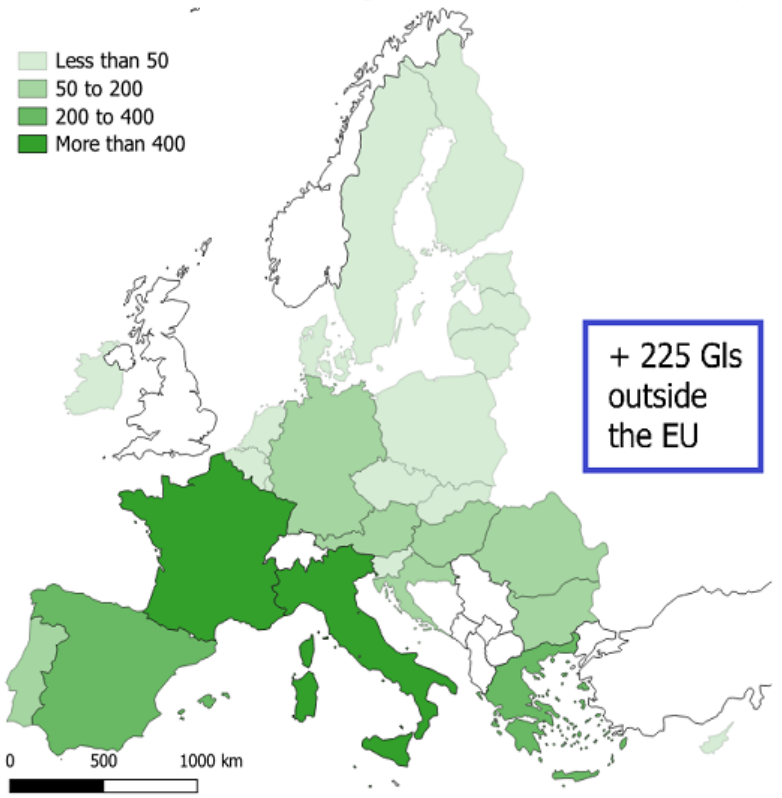
EU Quality Schemes in Europe

According to current EU figures, there are 1867 PDOs and 1324 PGIs. There are also 259 geographical indications for spirits.

The name "Corrèze" is the 3500th geographical indication registered by the European Commission in February 2023.

The map on the right shows the geographical indications registered in the EU and beyond. Most of them are in France and in Italy.

PDOs, PGIs and GIs registered in the EU and beyond



Source: Based on Data of the DG AGRI "Protecting local food and drinks: 3 500 geographical indications registered" from 23/03/2023

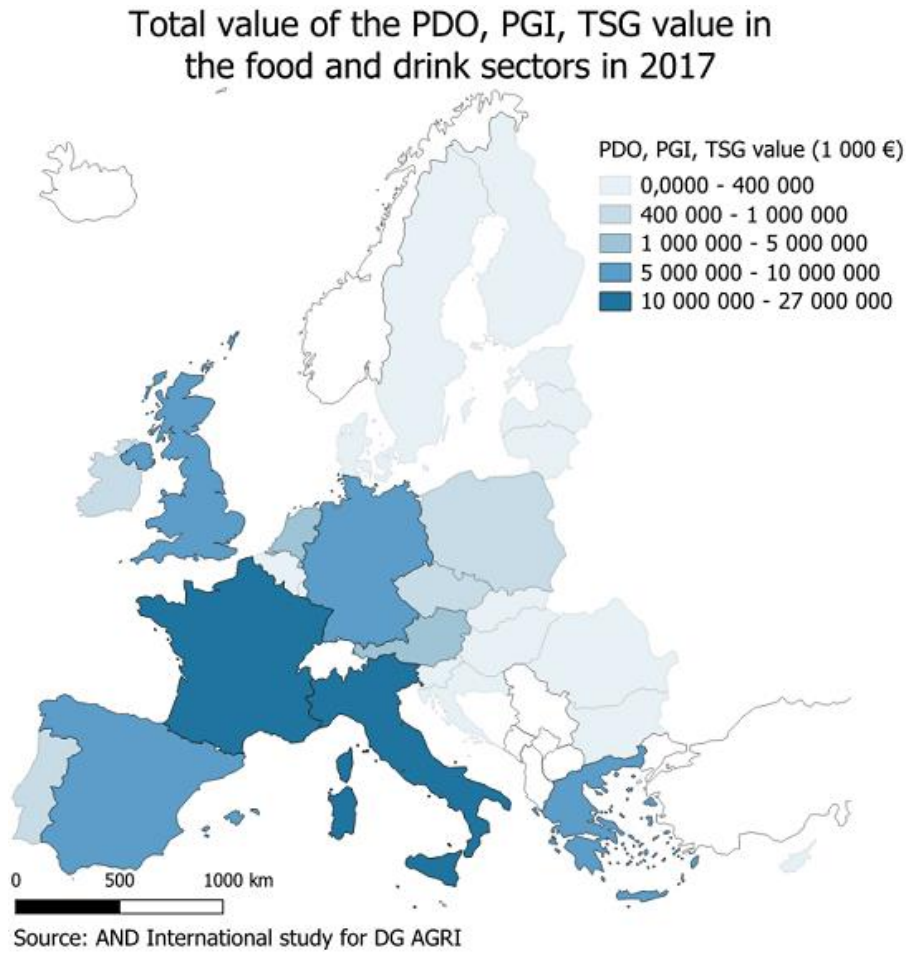
EU Quality Schemes in Europe

Regarding the economic aspects of Geographical Indications (GIs), products with GI certification presented a sales value of €74.76 billion in the European Union in 2017, 6.8 % of the total sales value of the European food and drink sector estimated at €1,101 billion in 2017.

Wines represented more than half of this value (€39.4 billion), agricultural products and foodstuffs 35% (€27.34 billion), and spirit drinks 13% (€10.35 billion).

According to the report on the economic value of EU GIs, there was an increase of 37% of sales of GI products (42% including TSGs) between 2010 and 2017, representing an amount of EUR 20.2 billion, which was led by French and Italian wines and Italian agricultural products and foodstuffs. Five Member States had a sales value of GI products over EUR 5 billion each: France, Italy, Germany, the UK and Spain.

Geographical indications (GI) are sold mainly on national markets (58% of their sales value). The rest of sales is equally divided between the EU market and also outside of the EU.



EU Quality Schemes worldwide

Geographical indications (GI) are sold mainly on national markets (58% of their sales value). The rest of sales is equally divided between the EU market and also outside of the EU.

The products of the EU's geographical indication system are relevant not only for the regional/domestic market, but also especially for the **export market**.

Products with a registered name represent 15.4% of the total EU agri-food exports. Wines remain the most important product both in terms of total sales value (51%) and extra-EU trade (50%).

Since European GI products represent 15.5% of the total EU agri-food exports, with the U.S.A., China, and Singapore accounting for half of its export value, the EU has special funds for GIs development and support. In 2020, the European Fund for promoting GI products within and outside the EU was around €200 million.

In view of the notable capacity of GI products in levering economic growth, an increase in GI registrations is observed in developing countries and in food categories that were not related to origin before (i.e., Cambodia’s Kampot pepper with EU PGI).

EU quality schemes: Advantages, opportunities and benefits for farmers

Participating in the EU quality schemes as part of its Common Agricultural Policy (CAP) can provide farmers with several opportunities and advantages, including:

- **Premium prices:** Products that are certified under the EU quality schemes are often able to command higher prices in the market due to their unique characteristics, quality, and origin. This can provide farmers with higher returns on their investments and help to improve their profitability.
- **Market differentiation:** Certification under the quality schemes can help to differentiate a farmer's products from those of their competitors, making it easier to attract customers and build brand recognition.
- **Market access:** Farmers who participate in the quality schemes can access premium markets for high-quality and traditional products that may command higher prices.
- **Access to premium markets:** Certification can also help farmers access premium markets that are willing to pay a premium for high-quality, unique products. This can provide farmers with new opportunities to sell their products and reach new customers.

EU quality schemes: Advantages, opportunities and benefits for farmers

- **Protection against imitation:** Certification under the quality schemes can help to protect farmers from imitation and fraud by providing legal protection for their product names, origin, and characteristics.
- **Increased consumer trust:** The quality schemes provide clear and accurate information about the origin, production methods, and quality of agricultural products and foodstuffs, which can help to increase consumer trust and confidence in the products.
- **Improved reputation:** Certification under the quality schemes can help to improve a farmer's reputation by demonstrating their commitment to quality, sustainability, and responsible production methods. This can help to build consumer trust and loyalty, and may lead to increased sales and market share over time.

EU quality schemes: Advantages, opportunities and benefits for farmers

EU quality schemes signs have the potential to increase the competitiveness of producers and add value to their products, while also contributing to territorial development. This is because they offer several benefits, such as access to markets, preservation of cultural identity, and higher prices for products registered as either a PDO, PGI, or TSG. Additionally, one of the benefits for farmers of having their products registered with a GI is the exclusive right to use the product name.

Through the logos of the EU quality schemes, agricultural producers can communicate the product's characteristics and quality attributes to consumers, thus ensuring fair competition, intellectual property rights, and an integrated internal market.

The main benefits of EU quality schemes for consumers include reliable information on the origin of agri-food products, assurance that they are authentic goods and not imitations, and the ability to recognize products from different regions. This is confirmed to the final consumer by the logo attached to the product packaging and the higher price charged for certified products.

Consumers are becoming increasingly curious about the origin, characteristics, and production methods of their food, and GIs have the potential to meet these demands by protecting and identifying the origin and production process of a product.

EU quality schemes: Advantages, opportunities and benefits for farmers

GIs also recognize and protect tradition, biodiversity, local knowledge, and the link between the product and its region of origin. By using GIs, EU quality schemes can reduce confusion about food purchases and assure customers of the certified agri-food products' unique qualities and nutritional value.

Over time, consistency in marketing strategies and investments in branding can support a strong and positive place reputation and identity, which translates into higher prices and sales.

In most cases GI products achieve a price premium over the corresponding standard products even if extreme variability in the extent of the price premium for GI products was observed. In general, a study showed that the sales value of a product with a protected name was on average double than the sales value for a similar product without a certification.

Along with EU reports, studies also confirmed the positive effects of origin labels on sales and price. Some studies validate the influence that places have on consumers’ attitudes, intention to purchase and preferences. The economic benefits of GIs led to the registration of GIs in sectors other than the traditional ones (i.e., fruits and vegetables, fresh meats, pasta and bread, seafood products, etc.).

All in all, participating in the EU quality schemes can provide farmers with many opportunities and advantages. However, it is important for farmers to carefully consider the costs and risks associated with certification and to work closely with certification bodies and other stakeholders to ensure their continued success.

EU quality schemes: Disadvantages and possible challenges for farmers

The benefits of GIs for producers may not always be realized due to various barriers. Inefficient institutions, organizational issues, power imbalances, and value appropriation by the most powerful agents of the supply chain were identified as some of the challenges that can hinder the benefits of GIs from reaching producers. It is important to note that the benefits of GIs to producers are not absolute and may vary from region to region. While there are difficulties, it is crucial to address the challenges and work towards a more effective implementation of GIs to ensure that producers can fully realize their benefits.

The EU quality schemes established can present several challenges for farmers and can have disadvantages to consider. Here are a few:

- **Cost:** Participating in the quality schemes can be costly for farmers, who may need to invest in new equipment, change their production methods, or pay for certification and inspection fees to meet the strict requirements of the schemes. So, the cost of implementing and enforcing the quality schemes can be high, both for farmers and for governments. This can place a burden on small and medium-sized farmers, who may struggle to meet the strict requirements of the schemes.
- **Limited scope:** The quality schemes only cover a limited number of agricultural products and foodstuffs, which means that many other products that are also of high quality and have unique characteristics are not covered by the schemes.
- **Limited market access:** While the quality schemes can provide access to premium markets for high-quality and traditional products, they may also limit market access for farmers who cannot meet the strict requirements of the schemes.

EU quality schemes: Disadvantages and possible challenges for farmers

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EU quality schemes: Disadvantages and possible challenges for farmers

- **Administrative burden:** Compliance with the quality schemes can be complex and time-consuming, which can be a burden for farmers and producers, particularly small and medium-sized enterprises.
- **Barriers to innovation:** The quality schemes may discourage innovation and the development of new products, as they place a strong emphasis on traditional production methods and ingredients. This can be a disadvantage for farmers who want to try new approaches or develop new products to meet changing consumer demands.
- **Potential for fraud:** There is a risk of fraud, where producers may misuse the labeling and logos associated with the quality schemes to sell lower-quality products as authentic high-quality products. This can damage the reputation of the schemes and create unfair competition for farmers who follow the rules.

GI-registration requires collective action and considerable efforts borne by multiple actors. According to the diverse GI-legal schemes, such as the EU framework, farmers and processors have to agree on the delimitation of the geographical area, production techniques and product quality characteristics contained in the product specification. The effectiveness of these identifying marks also relies on national regulations, how the GI is established, and the interactions among the agents involved in the production process.

Altogether, while the EU quality schemes can provide opportunities for farmers to market high-quality and traditional products, they also present challenges such as compliance costs, administrative burden, limited market access, barriers to innovation, and the risk of fraud. These challenges need to be addressed to ensure that the schemes are effective in promoting sustainable agriculture and rural development while supporting the interests of farmers.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

Participating in the EU quality schemes can provide many benefits for farmers, but it is important to carefully consider the costs and requirements of certification and to work closely with certification bodies and other stakeholders to ensure success.

As a farmer applying for the European Union's quality schemes, there are various factors to take into account. These may include:

- **Eligibility:** To be eligible for certification under the EU quality schemes, farmers must meet certain requirements related to the production methods, location, and characteristics of their products. It is important to carefully review the eligibility criteria to ensure that your products meet the necessary requirements.
- **Costs:** Participating in the EU quality schemes can require investments in new equipment, facilities, or production methods, which can increase production costs. Farmers should carefully consider the costs of certification and ensure that the benefits outweigh the costs.
- **Compliance:** To maintain certification, farmers must comply with the regulations and standards set by the quality schemes. This can be time-consuming and expensive, and failure to comply can result in loss of certification and the associated benefits.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

- **Market demand:** Certification under the quality schemes can help farmers access premium markets, but it is important to carefully evaluate market demand for certified products before investing in certification. Farmers should research consumer preferences and market trends to ensure that there is sufficient demand for their products.
- **Certification process:** The certification process for the quality schemes can be complex and time-consuming. Farmers should work closely with certification bodies and other stakeholders to ensure that they understand the process and can complete it successfully.
- **Legal protection:** Certification under the quality schemes provides legal protection for product names, origin, and characteristics. Farmers should ensure that their products meet the necessary legal requirements and that they understand their rights and responsibilities under the certification system.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

Possible information and contact points

The initial points of contact for farmers applying for EU quality schemes can differ based on the country and region they are in. Nevertheless, there are some typical choices that farmers can consider, regardless of their location:

- **National authorities:** In many countries, national authorities are responsible for administering the EU quality schemes and can provide information and guidance on the application process.
- **Certification bodies:** Certification bodies are responsible for evaluating and verifying compliance with the relevant quality scheme and can provide information on the certification process and requirements.
- **Industry associations:** Industry associations can provide information on the quality schemes and may be able to connect farmers with certification bodies or other resources.
- **Local advisors and consultants:** Local advisors and consultants may have knowledge and expertise on the quality schemes and can provide guidance and support to farmers throughout the application process.
- **Online resources:** The European Commission provides online resources on the EU quality schemes, including information on the different schemes, application procedures, and contact details for certification bodies and national authorities.

Overall, farmers should explore all available options for obtaining information and guidance on the EU quality schemes and should work closely with relevant stakeholders to ensure success in the application process.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

When **applying** for the EU quality schemes as a farmer, you will typically need to provide the following information and documentation:

Product information
You will need to provide detailed information about the products you wish to certify, including their name, characteristics, production methods, and geographical origin

Farm and production information
You will need to provide information about your farm and production methods, including details on the land, facilities, and equipment used, as well as information on the breeding and feeding of any animals used in production

Documentation
You may be required to provide various types of documentation, such as maps and surveys of your farm, production plans, and records of your production methods

Certification fees
You will need to pay certification fees to the certification body responsible for evaluating and verifying your compliance with the relevant quality scheme

Compliance with standards
You will need to demonstrate that your products meet the standards and regulations set by the relevant quality scheme, which may include requirements related to product characteristics, production methods, and geographical origin

Inspection and verification
The certification body may conduct inspections and audits of your farm and production methods to verify compliance with the relevant quality scheme

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

The **application process** for the EU quality schemes can be complex and time-consuming. Farmers should work closely with certification bodies and other stakeholders to ensure that they provide all the necessary information and documentation and that they understand the requirements and standards of the relevant quality scheme. On average, it takes about three years from the time of the original submission of an application and the final registration.

To register the name of a product, EU producers or producer groups need to lay down the product's specifications and link to the geographical area, if applicable. The application is sent to national authorities for scrutiny and then forwarded to the European Commission, who will examine the request. For non-EU products to be registered, producers send their applications directly, or via their national authorities, to the European Commission.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

The Commission will check that the application contains the required information and that it does not contain any errors. Scrutiny of the application by the Commission should not exceed a period of 6 months from the date of receipt of the application from the EU country.

The European Commission offers a "Guide to applicants" on its website: Registration of the name of a GI product (europa.eu)

The European Commission has adopted **several regulations** on the application of EU quality schemes for the agricultural and food sector. Covering the broader context of quality schemes for this sector, including geographical indications and traditional specialty guaranteed, the legislation also explains how to use the logos in relation to each scheme, how the schemes should be applied, and covers the labelling guidelines for agri-food products which use PDOs or PGIs as ingredients. The different regulations are available in English on the EU website.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

If you are a farmer intending to apply for the European Union's quality schemes, there are **specific procedures** that you must adhere to. These steps may involve:

- Check if your agricultural product or foodstuff is eligible for one of the quality schemes (PDO, PGI, or TSG). Each scheme has specific criteria that the product or foodstuff must meet to be eligible.
- If your product or foodstuff is eligible, prepare the application for the relevant scheme. This will typically involve providing detailed information about the product, including its name, origin, production methods, and characteristics. You may also need to provide samples for testing and inspection.
- You will need to choose a certification body that is accredited to certify products for the relevant quality scheme. The certification body will assess your application, verify the information you provided, and inspect your production methods to ensure they meet the scheme's requirements.
- Based on the certification body's assessment and inspection, you may need to make changes to your production methods or product characteristics to meet the scheme's requirements.
- Once your product or foodstuff meets the requirements of the scheme, the certification body will issue a certificate confirming its status as a PDO, PGI, or TSG product.
- You can then use the appropriate logo and label on your product or foodstuff to indicate its status as a quality product. This can help to promote your product to consumers and access premium markets.

EU quality schemes: Application and Registration- Requirements and procedure as a farmer

Products that are under consideration or have been granted GI recognition are listed in geographical indications registers. The registers also include information on the geographical and production specifications for each product.

GIs applied for and entered in the Union registers may be consulted on **eAmbrosia** (the official database of EU GI registers), while both EU and non-EU GIs protected under agreements can be consulted on the **GIview portal**.

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UNIT 2

Role of quality schemes to valorize products at market level

Role of quality schemes to valorize products at market level

A. Getting started

1. Identification
2. Qualification
3. Marketing and remuneration
4. Long term sustainability
5. Protection
6. Supporting tools

B. Key points

1. Pros and cons
2. Registering a GI in the EU
3. The road to success
4. Keep in mind
5. Caveats on equity and distribution of benefits

C. References

Niche Market Farming

Introduction

Establishing geographical indications in favor of sustainable development The product linked to its origin can become the central axis of a territorial system improvement process. The use of these designations can contribute to the conservation of agri-food and related social systems, enabling local stakeholders to achieve sustainability from an economic, sociocultural, and environmental perspective.

GETTING STARTED: identification

1.1. Identification: prerequisites

The possibility of initiating a process of linking a product with specific quality linked to a specific origin depends on the existence of three fundamental prerequisites, which are as follows:

• The product: it exhibits specific characteristics associated with its geographical origin, which bestow upon it a recognized special quality and reputation in the market, generating specific consumer demand. These products with a territorial identity cannot be produced elsewhere. The product's name holds significant influence when it comes to consumer recognition and perception of its unique quality. By incorporating geographic names and symbols, the name unmistakably connects to a specific location and the community residing there. This association enhances the product's appeal and establishes a strong sense of authenticity tied to its origins.

• The territory: the special quality attributes are the outcome of the human and natural resources in the local area where it is produced. Agricultural ecosystems are closely tied to human intervention, where individuals also adapt their production methods to suit their environment. The product belongs to the local community that has created, adapted, preserved, and passed on the specific environment, local resources, techniques, and culture necessary for its reproduction. In fact, the local community acquires a collective right over the product and has the authority to ensure that it is produced according to the conditions defined by the community itself.

GETTING STARTED: identification

• The people: the local producers, who have inherited traditions and expertise, along with other local actors, must be motivated to initiate a value creation and preservation process. The ability to initiate the value creation process relies on the determination, motivation, and capability of the local community and, most importantly, the local production system to coordinate actions and collectively promote the product. Numerous stakeholders are involved, starting with the producers who hold a central role. Furthermore, scientist, local institutions, consumers, and non-governmental organizations also contribute to the process. Each of these actors can impact and contribute to the promotion of the product, although they may have their own distinct ideas and priorities. Additionally, even within each group, there may exist variations, such as differences between large corporations, small businesses, or cooperatives.

GETTING STARTED: identification

1.2 Identification: is a collective approach necessary?

The collective approach: It enables the coordination and collaboration of small-scale actors along the supply chain, creating a strong territorial network. This collaboration allows local stakeholders, including producers, public and private sectors, to pool resources and knowledge. By working together, small-scale firms can compete with larger entities, access new markets, and secure a fair income for producers. Additionally, the collective approach ensures consumer confidence by maintaining product quality and traceability. It also supports the sustainable use of local resources, preserves biodiversity, and contributes to the social and cultural dimensions of the community.

Through the collective approach, rural activities can be sustained, diversified, and expanded, preventing outward migration. Origin-linked products, with their traditional production systems, promote sustainable practices and lower environmental impacts. By raising awareness of the importance of preserving natural resources, the collective approach contributes to environmental sustainability. It also safeguards biodiversity by protecting endemic species and locally-adapted varieties. Moreover, the collective approach strengthens social linkages, empowers local communities, preserves cultural heritage, and fosters a sense of identity among the population

GETTING STARTED: identification

1.3 Identification: which product origin relationship can I choose?

Although there are different interpretations globally, in the EU, there are various options available based on the strength of the connection between the product and its origin:

- Protected Designation of Origin (PDO) registrations where the product names have the strongest ties to the specific geographic location of production. This means that all stages of production, transformation, and preparation must take place in the specific region.
- Indication of Geographical Origin (IGP) registrations that emphasize the relationship between the specific geographic region and the product name when its quality, reputation, or other specific characteristics are primarily attributable to its geographical origin. In these cases, at least one of the stages of production, transformation, or elaboration must take place in that region.
- Traditional Specialty Guaranteed (TSG) registrations that highlight the traditional aspects of a product, such as its preparation or composition, without being linked to a specific geographic area, but often associated with certain places.

GETTING STARTED: qualification

2.1. Qualification: specification document

The code of practice or specification document establishes the rules for the use of a geographical indication (GI). Its preparation is a crucial phase as it gives rise to the voluntary standards that producers must comply with if they want to use it. Includes the product definition (name, physical and organoleptic characteristics, production methods, ingredients, additives, and processing), the corresponding delimited area, and a control plan to ensure the conformity of a GI product with the requirements. The rules should be:

- The guarantee of specific product quality.
- Precise and feasible.
- Shared among all interested producers.

The specification document should include the following two types of requirements: means related to the process and results related to the final product.

Control should be based on a guarantee system that verifies the product's conformity with the following three main components:

- Raw materials and procedures, as defined in the specification document.
- Traceability, to ensure that the product originates from the delimited GI area.
- Final product, as presented to consumers (labeling, appearance, taste, etc.)

GETTING STARTED: qualification

It is important to remember that: the only useful rules are those that can effectively be complied with and controlled, and the only useful controls are those that can lead to sanctions or rewards.

However, a certain degree of flexibility should always be allowed given the heterogeneity of the producers, allowing for some mediation.

2.2. Qualification: territory delimitation

To delimit a territory, four fundamental criteria must be taken into account:
- Physical criteria, such as soil, climate, topography, exposure, water supply, etc.
- Local practices, for example, cultivation conditions, varieties, harvesting, processing practices, etc.
- Local history and the reputation of the GI.
- The location of producers (current and potential).

GETTING STARTED: qualification

2.3. Qualification: verification systems

Different types of systems are available:
- The first-party verification system consists of guarantees provided by the producers themselves, based on self-control. It is applied when the production system mainly consists of small-scale agricultural producers and artisans who sell directly in local markets.
- In the second-party verification system, a representative from the client company verifies that the suppliers meet the requirements established in the specification document. Many retailers use the second-party verification system in local markets.
- The third-party certification system involves an independent and external organization (private, public, or a public-private initiative). The systems have costs that must be covered by the participants.

GETTING STARTED: marketing and remuneration

3.1 Marketing and remuneration: strategic marketing plan

The relationships between individual producers, GI collective organizations, and other GI producers involve a mix of competition and collaboration. Each producer must determine how their marketing strategy aligns with the collective strategy and how it differentiates from other GI members. Developing a strategic marketing plan is crucial for GI organizations, as it helps establish long and short-term strategies and shared objectives among members. The strategic marketing plan involves market analysis to understand consumer motivations, attitudes, competition, and opportunities, as well as segmentation, targeting, and positioning to develop an effective marketing strategy. Market analysis involves studying the business environment, competitors, and consumers. Targeting involves prioritizing segments for marketing efforts, while positioning aims to establish a distinct product perception in consumers' minds, often aided by a logo as a quality symbol.

GETTING STARTED: marketing and remuneration

3.2 Marketing and remuneration: The marketing mix (operational marketing)
Is the practical implementation of the strategic marketing plan, taking into account the GI Code of Practice. It involves combining four operational factors:

- Product, which includes tangible and intangible attributes, the brand of the producing firms, and packaging and labeling. The brand of the firm can be associated with a specific quality-price ratio, while packaging and labeling contribute to value creation and provide important information about product characteristics and the guarantee of conformity.
- Price is a determinant of profits and will attract a certain type of customers and competition. It is important to set the price correctly, considering the pricing objectives of the organization's members, competition, and consumer preferences.
- Place involves selecting distribution channels, geographical location, and intermediaries for selling the GI product. Three main channels can be considered: traditional distribution and local direct selling, large-scale distribution, and innovative distribution (i.e. e-commerce or agricultural markets).
- Promotion is crucial for communicating with consumers and conveying information about the specific quality and characteristics of the GI product. It can be managed both at the collective and individual level.

GETTING STARTED: long term sustainability

4. Long term sustainability

Geographical Indications (GI) seek to ensure the long-term sustainability of natural and human resources within the system. This involves fair distribution of value, preservation of resources, and biodiversity. Local actors play a vital role through empowerment, collective management, and networking. Monitoring and evaluation systems are necessary to assess the impact of strategies on sustainability. The GI system should prioritize economic, social, and environmental dimensions while considering diverse stakeholder impacts and communicating positive effects.

The rules of Geographical Indication (GI) products are not fixed and can be modified to adapt to new challenges. Changes should maintain the specific quality and territorial link of the product. GI systems should evolve to ensure sustainability and the reproduction of local resources. Reasons for rule changes include market demand, consumer preferences, scientific information, technical innovations, and sustainability concerns. Stakeholders play a role in enhancing the system's sustainability. The process of changing rules should involve careful consideration, local producer participation, and adherence to legal regulations

GETTING STARTED: long term sustainability

GI products enable extended territorial strategies by leveraging local resources, reputation, and traditions to enhance the competitiveness of the entire community. Rural tourism and GI products have synergistic effects, with cultural events and attractions supporting the marketing of GI products. Successful implementation requires involving local stakeholders, fostering social cohesion, and recognizing specific local resources. Public actors play a crucial role in facilitating integrated development strategies and considering social, cultural, and environmental aspects. Partnerships between the rural community, private sector, and government are essential for leveraging local resources, generating economic opportunities, and promoting local products. Policies that highlight the gastronomic heritage and facilitate the promotion of local products contribute to the success of the extended territorial strategy.

GETTING STARTED: protection

5. Protection

Geographical Indication (GI) protection involves two main approaches:

- public law entails dedicated legislation that grants official recognition and a seal of quality to GIs,
- private law relies on existing laws like trademarks and unfair competition regulations.

Trademarks, including certification and collective marks, are commonly used to protect GIs, alongside other intellectual property rights such as patents and industrial designs. Registration is crucial for defining legitimate users and ensuring GI protection. However, the choice of legal tools depends on specific contexts, with varying advantages, constraints, and costs.

Local stakeholders seek more than just prevention of misuse; they desire overall codification, protection of product characteristics, and official recognition. Early protection is necessary to prevent generic use and expropriation of GIs. Building public awareness, leveraging online platforms, and participating in relevant associations contribute to safeguarding GIs.

An effective legal framework for GI protection requires clear rules, stakeholder involvement, transparency, and enforcement mechanisms. The registration process should be transparent and accessible, especially for small-scale producers. Coordinated enforcement and stakeholder engagement are key. Information dissemination and capacity-building initiatives strengthen the legal framework's effectiveness.

6. Supporting tools

Public policies play a vital role in supporting Geographical Indication (GI) systems by creating favorable conditions, maximizing positive effects, and ensuring sustainability. They involve a proactive approach, balancing public and private initiatives, and engaging various stakeholders at different levels. Policy tools are designed in consultation with local stakeholders to support each phase of the GI, promoting transparency, representation, and tailored strategies for successful implementation.

KEY POINTS: pros and cons

1. Pros and cons

Geographical indications (GIs) have both positive and challenging aspects. While they can be valuable assets for countries, they are not always feasible or commercially viable. Pursuing a GI strategy may not always be the optimal answer, and other interventions like institutional strengthening or quality practices may be more appropriate. Developing successful GIs requires significant resources and a well-thought-out strategy. GIs are limited in number and not easily achieved, but they can deliver benefits to regions and consumers. However, protecting GIs alone is not enough for their success; an enabling environment and factors like quality and consistency are crucial.

The costs of developing and operating a GI include defining boundaries, establishing linkages with commercial enterprises, legal expenses, adapting production methods, and organizational adjustments. On the other hand, the benefits of GIs include increased sales, higher prices, access to new markets, and incentives.

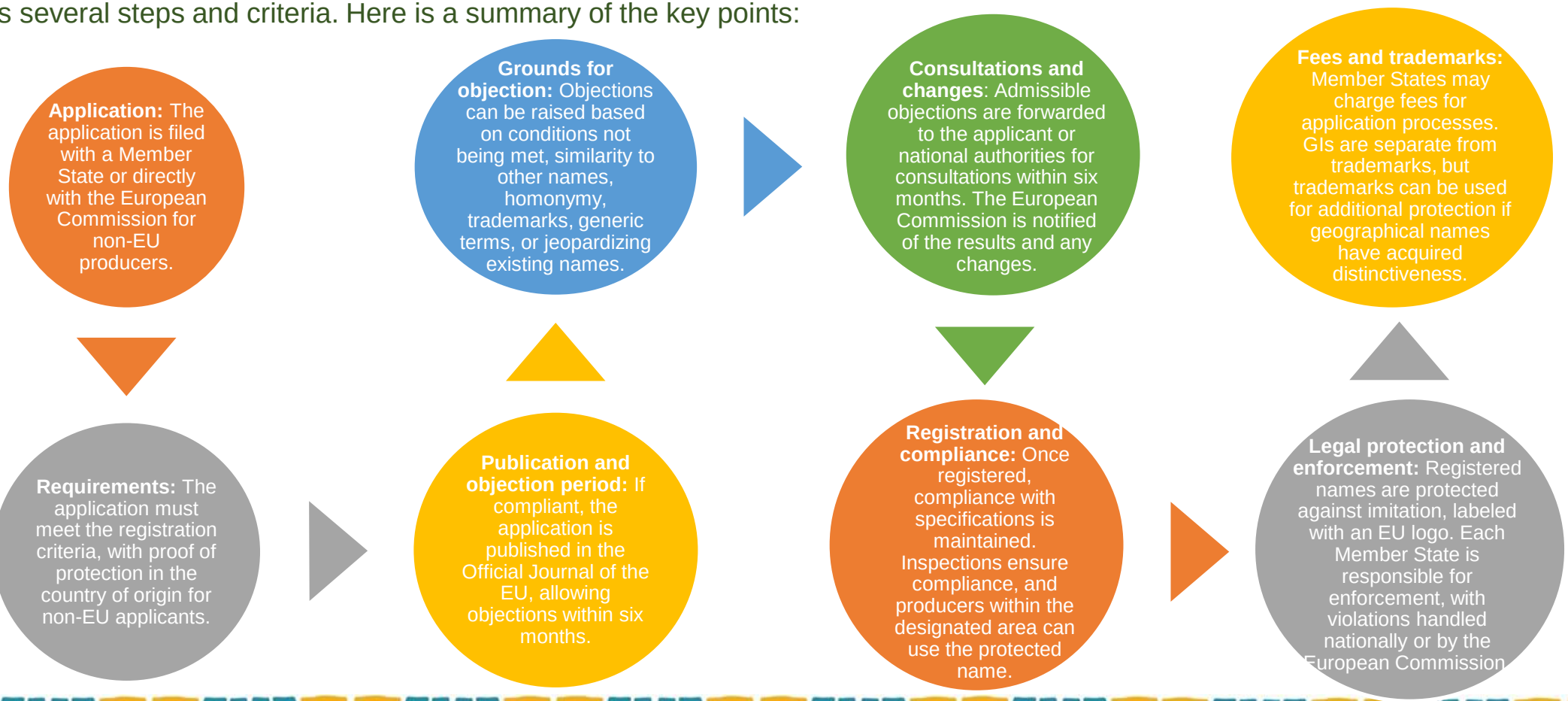
Each GI has unique costs and benefits, influenced by factors such as the producer group's capacity, product mix, infrastructure, and public support. A sound strategy supported by cost-benefit analysis is necessary to determine the feasibility of developing a GI. GIs convey unique characteristics of products and provide a lasting competitive advantage based on traditional methods and terroir.

However, there can be challenges in defining boundaries, adapting production practices, and maintaining protection against misuse. GIs require ongoing administrative and bureaucratic costs, but they offer benefits in terms of distinctiveness and market advantage.

KEY POINTS: Registering a GI in the EU

2. Registering a GI in the EU

The process of registering a Protected Geographical Indication (PGI) or Protected Designation of Origin (PDO) in the European Union (EU) involves several steps and criteria. Here is a summary of the key points:



KEY POINTS: the road to success

3. The road to success or the main factors that influence the success of Geographical Indications

The key success factors for Geographical Indications (GIs) can be summarized as follows:

1.Strong organizational and institutional structures: The success of a GI relies on the development, maintenance, marketing, and monitoring carried out by well-established structures. These structures should ensure long-term commitment, cooperation, and institution building. Local institutions such as producer associations, indigenous communities, cooperatives, and NGOs play a crucial role in the development and management of GIs.

2. Equitable participation: Equitable participation among stakeholders is vital for a successful GI. This involves justly sharing costs, benefits, and decision-making related to the GI. It requires strategies such as stakeholder mapping, analyzing barriers to entry, assessing resource availability, and identifying potential winners and losers. Adequate participation ensures that the benefits of GIs are distributed fairly and that diverse interests are taken into account.

3. Strong market partners: The strength of market partners is essential for promoting and commercializing the GI in the long term. Producers and firms need to employ effective marketing strategies to highlight the unique qualities of the GI and establish it as a brand. Building partnerships with private firms that can distribute the product and undertake its promotion is crucial. Successful marketing plans help target markets and select appropriate commercial partners.

KEY POINTS: keep in mind

4. Effective legal protection: A robust domestic GI protection system is crucial. The appropriate method of protection should be selected, considering various factors and seeking experienced legal counsel. Effective protection involves ongoing monitoring, updating, and enforcement or conflict resolution in relevant markets. Investing in a strong domestic GI system reduces the likelihood of internal fraud and protects the reputation and validity of legal protection overseas.

When you are thinking of setting up a geographic denomination, there are a few key points to keep in mind:

1. **Public Benefit:** Geographical Indications (GIs) can offer public benefits to the stakeholders of a region. However, in the absence of effective governance structures, some GIs can lead to the consolidation of a public asset in the hands of a few private entities, resulting in limited benefits for the majority of stakeholders.
2. **Marketing and Reputation:** the reputation of a region plays a significant role in the success of a GI. Consumers often associate certain origins with higher quality, leading to premium prices for products from renowned regions. GIs can also facilitate market access and differentiate products, particularly in export markets.
3. **Quality Standards:** GIs often have specific quality standards that must be met at every stage of production. These standards help build reputation, preserve artisanal production methods, and prevent domination by large firms. By securing quality levels, GIs can benefit local producers and ensure higher prices for their products.

KEY POINTS: keep in mind

4. **Costs of Establishing a GI**: while direct costs such as legal registry may not be excessive, the indirect costs of establishing and operating a GI can be significant. These costs include marketing expenses and the legal maintenance of protection, which can be considerable, particularly in countries where governments do not provide these services.
5. **Market Saturation:** while there is currently no evidence of GI saturation preventing their effectiveness as a form of product differentiation, a crowded market could dilute the individual effectiveness of GIs. It is important to ensure that GIs continue to convey unique characteristics and maintain consumer differentiation.
6. **Time for Success:** GIs often take many years to establish recognition and begin reaping premium prices. Success is measured in decades, and the establishment of a GI requires patience and sustained commitment of resources. Specific measurable indicators for long-term success are still an area of ongoing research.

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UNIT 3

Description of emerging trends for niche market food

Description of the Module

This Module is giving an insight to emerging food trends of our time.

The ever-shifting patterns of what people love to eat make exploring food trends challenging and at the same time interesting.
What might food trends for the future be for home cooking, popular ingredients, beloved beverages and beyond?

- Will healthful, comforting ingredients dominate the menu of new food trends?
- Or will special delights and exotic flavors become the specials of the day?

It is difficult to predict the trend, its happening, its volume and its duration of course, but it is possible to get experienced in the field of emerging trends and emerging markets.

This module will focus on **new producer-consumer relations for niche market food** like sponsorship, subscription models, purchasing groups, commons, common goods, etc.

Description of emerging trends for niche market food

A. Getting started

1. From Farm to Food
2. Emerging Trends in Farming
3. Emerging Food Trends
4. Lifestyles – Farm – Food
5. Exemplary Food Niches

B. New producer-consumer relations Trends – Concrete Examples

1. sponsorship
2. subscription
3. Purchasing groups
4. Common goods/Commons

C. References

Niche Market Farming

A. Getting started

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1. From Farm to food

Farms today offer a broad range of specialization or diversification.
The structure on operative level as well as on organizational level tend te become more and more complex in all relevant fields of farming business from production over processing and packaging to selling.

Farmers offer all kind of means basic for life: food, feed, energy, fiber.
If we focus on food there is a huge variety of ways to produce, process and sell a product.

Depending on the market access B2B or B2C the farmer needs to prepare his infrastructure in different conditions along the way in the added value chain up to the final consumer.

For instance the perishability of the produce is an important factor as well as need for cooling or any kind of means for conserving along the added value chain.

A quite vivid example could be seen in the comparison of an egg to a chicken filet or from a potatoe to a microgreens.

If the farmer wants to enter these markets he has to assure special conditions of storage or high speed of process from producing to selling.

1. From Farm to food

What is the **'farm to fork'** strategy?
- ensure sufficient, affordable and nutritious food within planetary limits.
- halve the use of pesticides and fertilisers and sales of antimicrobials.
- increase the amount of land devoted to organic farming.
- promote more sustainable food consumption and healthy diets.

This political-societal decision leads to new fields of innovation in the frame of **green deal** as well as **ESG**.
- Disruptive Agriculture
- Agronomic Data
- Regenerative agriculture
- BioTech
- new value chains
- all kinds of AgTech
- new additional proteins

2. Emerging trends in farming

Whether you own a small scale or larger scale farm or even an industrial style one, there are top trends which can be recognized in the above mentioned framework.
The following trends mentioned are exemplary and to not claim to offer completeness.

1. Biotechnology
Quality produce and good quantity obviously profits farmers. As a result, technologies that guarantee higher quality or are assuring quantities for the specific conditions are growing in popularity. For example, biotechnology essentially edits the DNA and RNA of produce, giving it a better chance of reaching maturity with minimal flaws. By genetically modifying crops, bioengineering protects them from diseases and harmful outside influences like insects.

2. Water Management
The earth is around 70 percent water, but more than 95 percent of it is in the oceans. This means there is actually not much freshwater – which is essential for agriculture. As a result, water optimization has been and will continue to be a priority.
Technology and even first tools with artificial intelligence show usefulness for irrigation innovations; for example, sensors can detect leaks and malfunctions instantly and automatically. As a result, irrigation systems can be repaired sooner, reducing the water lost through leakage.
However, water remains such an essential part of agriculture that there can never be a single solution. Solutions to reduce water usage will continue to develop and improve throughout the coming years.

2. Emerging trends in farming

3. Vertical Farming

Vertical farming brings plant production to controlled indoor environments where light, temperature, humidity, and air are managed to optimize production. Vertical farms can be built closer to urban areas where the majority of the population lives, increasing access to fresher produce and reducing the storage and transportation costs of such items.

This trend may reduce the amount of carbon emissions involved in trucking produce from warmer climates to those with shorter growing seasons and encourage people to purchase locally grown items in their own communities.

However it seams tricky for farmers to really take position in this market. Depending on the produce the key may be in delivering the standard quality and quantity earlier and later to the markets than in the typical high season.

4. Data-Driven Decision Support

Several technologies can help to provide farmers with data regarding their soil and microbe life, enabling them to make better, smarter decisions about their farms. For example, some technologies can support the production of safe, healthy food while protecting the biodiversity of the soil while others encourage nitrogen breakdown in order to access beneficial compounds.

Monitoring technologies that provide data about soil temperature, moisture, plant health, and nutrient levels can also help farmers determine actionable priorities on a regular basis. Much of this information can be shared and accessible through the Internet of Things, giving today’s farmers access to big data.

2. Emerging trends in farming

5. Pinpointing Agricultural Needs

When it comes to sustainability, farmers must find ways to more accurately use fertilizers and pest control technologies to minimize exposure and reduce waste while still boosting the quality of food production.

Today, technology such as drones can support this accurate farming by planting seeds, injecting fertilizers such as nitrogen only where needed, and watering in an optimal manner. Such technologies will help farmers maximize yield with minimal resources.

GPS and other technologies can assist in accurate farming practices, providing the spatial and location data needed to drive more accurate usage of resources.

6. Regenerative Agriculture

In staying with the theme of increased sustainability, agricultural practices will continue to find ways to close the production loop, returning nutrients to the soil through crop rotation and cover crops, working to minimize tilling, and using overall crop health to discourage disease and pests.

This conservation approach focuses on regenerating topsoil, boosting biodiversity, improving water usage, and increasing the health of the soil. A wide range of technologies and practices are included such as recycling farm waste, using compost from other sources, and employing no-till farming methods.

Finding ways to regenerate the soil must be done in order to increase food security and minimize the impact that the agricultural industry has on our overall environment, protecting the world for generations to come.

2. Emerging trends in farming

7. Rewilding

Related to regenerative agriculture, rewilding is a practice that works to restore an area of land to its natural state, which means replanting a diverse set of species in that particular area. This can encourage the growth of plants that are native to the area, making them more likely to survive and thrive. This not only beautifies the space but also provides cleaner air and water, restores soil nutrients, and mitigates erosion and the effects of extreme weather.

Rewilding also draws down carbon from the atmosphere through restoring areas such as peat bogs, grasslands, and wooded areas and helps wildlife adjust to changes in our climate and the overall environment.

8. Asset Operations Management

Although many of the trends in agricultural technology are designed to serve huge agricultural conglomerates, Asset Operations Management can give enterprise-grade functionality to any size farm. Asset Operations Management supports streamlined workflow, deeper reporting and analytics, resource optimization, and improved visibility and control.

As farms around the country seek ways to address seasonal and market demands, they will turn to Asset Operations Management solutions to help streamline their maintenance, reliability, and operations in 2023.

Conclusion

As farms of all sizes ring in the new year, these and other similar trends will dictate the priorities of the most successful ones. While many of these improvements are geared toward increasing the quality, yield, and profitability of farming businesses, a majority are also designed to help increase overall food security and minimize the impact on our environment.

2. Emerging trends in farming

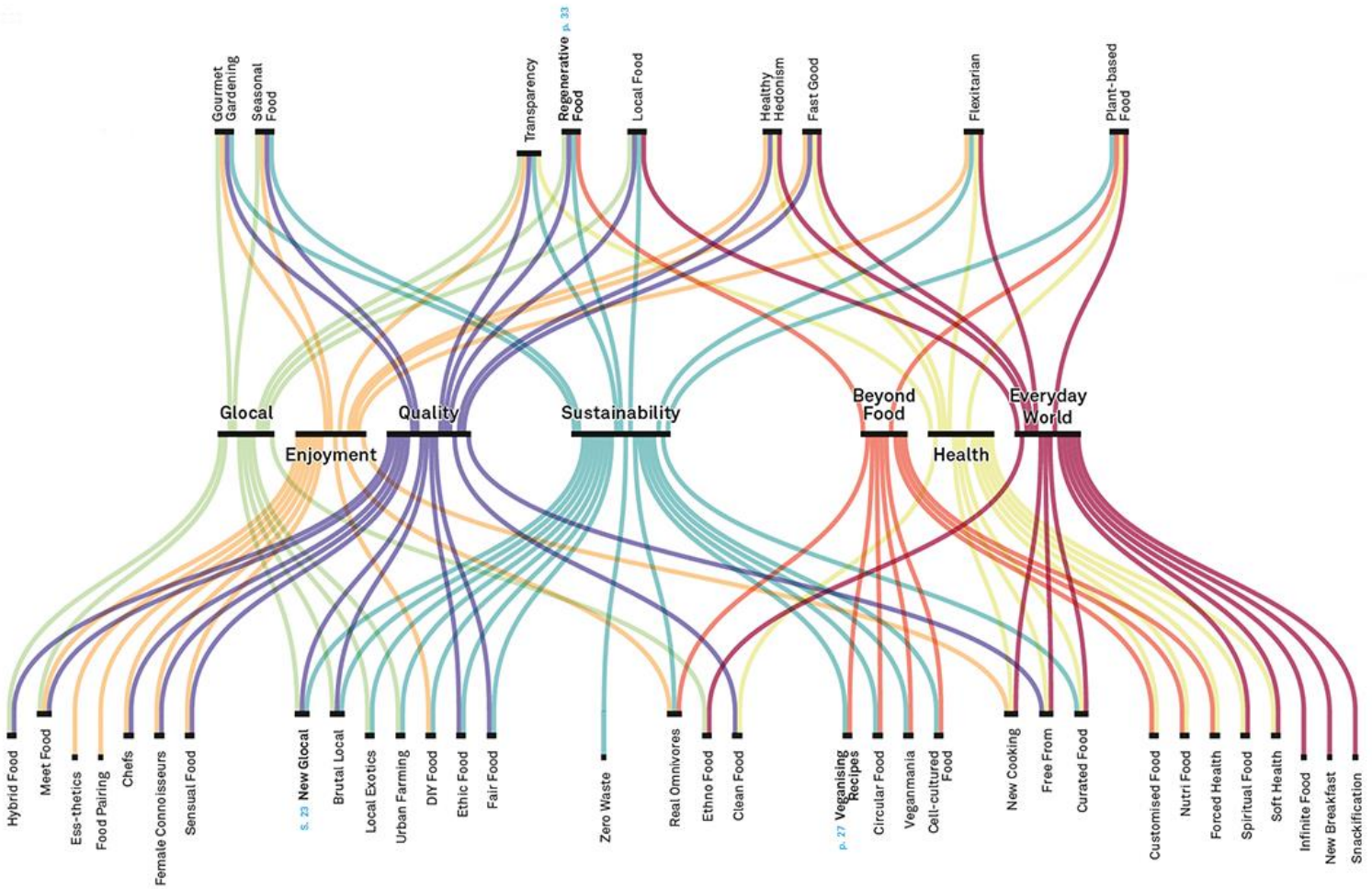
Conclusion

The above mentioned trends and other similar trends will dictate the priorities of the most successful ones.

While many of these improvements are geared toward increasing the quality, yield, and profitability of farming businesses, a majority are also designed to help increase overall food security and minimize the impact on our environment.

3. Emerging food trends

The ZukunftsInstitut is a thinktank always aiming at identifying trends to the future. In its Food Report 2023 it is showing as well a food trend map.



Source: https://www.zukunftsinstitut.de/artikel/food/food-trends-hanni-ruetzler-en/#c77339

zukunftsInstitut

3. Emerging food trends

In the Food Report 2023 food trends are described as:

• giving answers to current problems related to our diet or food production, i.e. offer solutions or present viable proposals for solutions and worthwhile alternatives.
• reflecting culture-specific yearnings, wishes and needs, but even go beyond them: not all food trends are consumer driven.
• standing for certain values, are points of reference for identification processes and therefore offer navigational guidance for our daily eatingdecisions and the selection of our food, including strategic decisions and conceptual orientation of companies involved in food production, trade and gastronomy.
• having a durability of five to ten years, are not static but dynamic, i.e. they change and develop further.
• differing from social megatrends, are not ubiquitous, do not influence everyone nor include every level of society, not even every food sector. On the contrary, they address various target groups and are carried along by a wide range of different actors. For companies, food trends are not operating instructions that should simply be followed, but meaningful sources of inspiration to ensure they remain fit for the future.

3. Emerging food trends

3 food trends are observed:
1. New Glocal
2. Veganising recipes
3. Regenerative food

1. New Glocal

The established model of shipping food and animal feed around the world taking advantage of differences in economic cycles, growth and inflation, which involves huge amounts of greenhouse gas emissions and puts great cost and performance pressure on local producers, is beginning to crumble.

New glocal may answer to the massive upheaval in the globalised food system. It reflects the wish for a new, more sensible ratio of locally produced to globally imported food, will develop into guidelines fit for the future of the food industry.

The trend's movement towards glocalisation is driven forward by strong dynamics: the ecological consequences of a globalised food industry are increasingly finding their way into public consciousness. The shortfalls and scarcities in pandemic times have already shown the dependencies of globalised supply chains and their fragility. Geopolitical crises then drew more disturbing attention to the vulnerability of the system.

New glocal seams be no passing trend, but a harbinger of the next evolutionary stage in global food production in which a new focus on regionality and sustainable farming with resilient restrictions on international and global structures will prevail. Gradually, this will also lead to a reorientation of the assortment available in supermarkets and an expansion of international direct trading.

3. Emerging food trends

2. Veganising recipes

Almost every cuisine in the world includes dishes that have always been vegan. However, many people socialised in omnivorous eating cultures who wish to avoid food derived from animals in their diets find it difficult to follow a balanced and diverse meal plan.
The food industry is not the only one reacting to this with the creation of increasingly sophisticated substitute products to “veganise” traditional dishes. On the cookbook market and countless recipe platforms, instructions on how to prepare traditional dishes “animal-free” are appearing.
Vegan alternatives of certain traditional dishes will become standard in our culinary repertoires. Just as chili sin carne has become as well known as chili con carne, there will be similarly successful equivalent alternatives to other classics from a wide range of cuisines.

3. Emerging food trends

3. Regenerative food

The way in which we produce food today is contributing as cause for climate change and the loss of biodiversity. Unlike lifestyle diets occasionally suggest, sustainable diets do not end with the question of what we eat. The question of how our food is produced plays a crucial role. Even plant-based food or ingredients for vegan dishes can have a negative impact in terms of energy and sustainability if those are grown in a non-regenerative way which consumes too much water or reduces the amount of humus in the soil.
Regenerative food, the production of food in accordance with the criteria of regenerative agriculture, offers a farsighted answer to the threat of climate change aside from fostering diversity of planted species human diet is based on. Therefore, this agricultural method provides more variety on our plates.
Regenerative food will attract the attention of the environmentally conscious foodie scene in the near future and will be a differentiating feature for premium brands and products. In the medium term, regenerative agriculture methods will become a component alongside further important cultivation techniques, such as organic agriculture, permaculture and low-tech methods, which all make a contribution to the bigger, urgently needed transformation of agriculture.

3. Emerging food trends

Conclusion

Changes in food culture always have far-reaching implications for product development, marketing strategies and supply chain management of companies in the food industry and therefor of course for farmers as well no matter if they are engagingg in directmarketing B2C or delivering to market partners on B2B-level.
The influence of changed food cultures also reaches deep into adjacent industries, and into politics - into the shaping of consumer protection laws, agricultural policies and environmental guidelines. The drivers of change are manifold, because food is emotional; changes in consumers' ethical and ecological values are manifested in food, as are their taste demands.

The above mentioned food trends reflect this change and initially grow in niches before they gradually change the food system with the innovations they initiate. Knowing and understanding these developments in food culture is therefore essential to prepare for change early on as an organisation in the whole fied of food.

4. Lifestyles – Farm – Food

In the context of sustainability and a kind of green wave, various new lifestyles are establishing themselves, which, in addition to basic concepts for necessities of life, housing, energy, mobility, also affect eating and consumption habits.

In the following, 3 such lifestyles are presented as examples.

- **LOHAS**
- **LOVOS**
- **Reducetarianism**

4. Lifestyles – Farm – Food

LOHAS

The abbreviation 'LOHAS' stands for a group of people whose lifestyle is oriented towards health consciousness and sustainability. The phenomenon came to the attention of American sociologist Paul Ray in 2000, who described the movement in his book "The Cultural Creatives: How 50 Million are changing the World". The group was spurred on by discussions about climate protection, natural disasters and genetic manipulation. The initially small group of "cultural creatives" has become increasingly popular in recent years. In Germany alone, about 12.5 million people follow this alternative lifestyle.

LOHAS have made it their mission to improve the situation on the world market in a sustainable way through the targeted consumption of organic products and fair trade goods. They want companies to become more transparent and act in a more environmentally conscious way. However, they are less politically and ideologically oriented than sensually and aesthetically oriented.

4. Lifestyles – Farm – Food

LOVOS
LOVOS are a subgroup of LOHAS. They act and live according to the motto: less is more. They are therefore also considered true minimalists who become happy in life by reducing consumption. Here you can find out everything about this lifestyle.
The word LOVOS stands for "Lifestyle of Voluntary Simplicity", which means voluntary simplicity through conscious renunciation. With their simple lifestyle, LOVOS are thinking about the future, because they are turning their backs on the affluent society that only consumes without thinking.
People who choose a simple life out of conviction and thus voluntarily are usually well off. The decision is made against material abundance, instead for time as the highest good. LOVOS value shared activities with family or friends, but also time for themselves, more than hanging out in front of the TV.

Reducetarianism
Reducetarianism is the practice of eating less meat - red meat, poultry, and seafood - as well as less dairy and fewer eggs, regardless of the degree or motivation. This concept is appealing because not everyone is willing to follow an "all-or-nothing" diet. However, reducetarianism is still inclusive of vegans, vegetarians, and anyone else who reduces the amount of animal products in their diet

5. Exemplary Food Niches

Functional Food

Functional foods are foods that are enriched with additional ingredients and advertised as having a positive effect on health. However, specific effects on health have not been sufficiently scientifically proven.

Added ingredients are mainly vitamins, minerals, bacterial cultures and unsaturated fatty acids. So far, there is no legal definition for these products in Europe. Therefore, they can be encountered on the German market as foods for general consumption, such as probiotic yoghurt, or as dietary foods, such as margarine enriched with plant sterols, as well as wellness products, e.g. drinks or milk products with herbal extracts of ginseng, aloe vera, ginkgo, or isomaltulose.

Functional foods are to be clearly distinguished from food supplements, such as vitamin or mineral preparations, which are offered in concentrated and dosed form, such as tablets or powders.

5. Exemplary Food Niches

Health Food

Health food includes certain foods that can help to maintain health or even alleviate complaints.

Health food means nothing more than a healthy and balanced diet.

In order to stay healthy in the long term or to prevent certain diet-related diseases such as cardiovascular diseases or obesity, the supply of vitamins, minerals and trace elements is essential.

Secondary plant compounds also influence many of our metabolic processes. The quality of carbohydrates, proteins and fats plays a central role in food selection.

The requirements for a healthy diet can be met from a variety of plant-based and animal-based foods, although additional sources of vitamin B12 are needed for those following a vegan diet.

Various nutrition guides are published by medical and governmental institutions to educate individuals on what they should be eating to be healthy.

Nutrition facts labels are also mandatory in some countries to allow consumers to choose between foods based on the components relevant to health.

5. Exemplary Food Niches

Smart Food

Because everyday life is often stressful and a balanced meal is not readily available many people choose fast food, eat a one-sided diet or skip meals.

A nutrition trend is that more and more people want to eat a simple but balanced diet; this is the idea behind Smart Food - a category of food with a full nutritional profile that you can consume quickly and easily at any time.

Smart Food is not a substitute for classic food made from fresh and high-quality foods. A varied diet and eating together are essential.

Smart Food can fill an important gap: Exactly when you don't have time or access to healthy food, samrt food fits perfectly into fast-paced everyday life and offers a balanced, delicious and practical alternative.

5. Exemplary Food Niches

Super Food

The term superfood has been used since the beginning of the 20th century, but has only become widely known in recent years.
There is no official or legally binding definition of the term.
The term is used to describe a nutrient-rich food considered to be especially beneficial to health and well-being.
The European Food Information Centre refers to "foods, especially fruits and vegetables, that have higher health benefits than other foods due to their nutrient content" as superfoods.
Superfood is a marketing term that describes foods with alleged health benefits. I
n part, the positive health effects associated with certain foods are based on scientifically proven correlations.
However, it is questionable how such scientific findings, obtained for example under laboratory conditions, with animal experiments or by administering very high doses, can be transferred to real diets.

5. Exemplary Food Niches

Climate-Conscious Food

Climate-conscious foods have been grown or raised in an environmentally sustainable way. This means they have been produced using methods that do not cause harm to the environment, such as using pesticides or fertilizers.

They also require less water and energy to produce than other foods.

5. Exemplary Food Niches

Pasture-raised Meat and Eggs

Following the pattern of many other food trends of 2023, those with the means to purchase pasture-raised meat and eggs may be interested in making the shift.

The reason is multi-faceted: Environmentally doubted factory farms have fallen out of public favor over the past several years, with more consumers looking to purchase meat and eggs from small, local farms where animals are raised ethically with plenty of space and natural diets.

There's also a health component. Compared to factory-farmed livestock, pastured animals are less likely to suffer dangerous bacteria outbreaks such as e coli, staph or salmonella. Quality is also significantly higher: there are arguements that grass-fed beef contains less saturated fat, lower levels of inflammatory omega-6 fatty acids and higher levels of vitamins than grain-fed beef typical of a commercial farm.

There can be a premium to buying pasture-raised, but as many folks move away from meat-focused diets, they are more willing to pay for higher quality in smaller quantities.

Niche Market Farming

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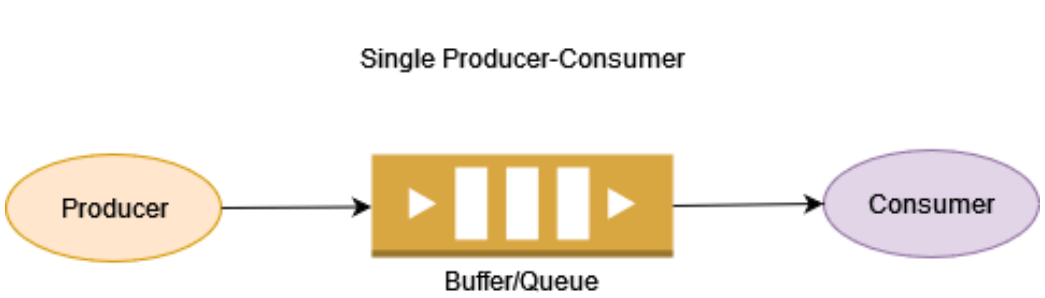
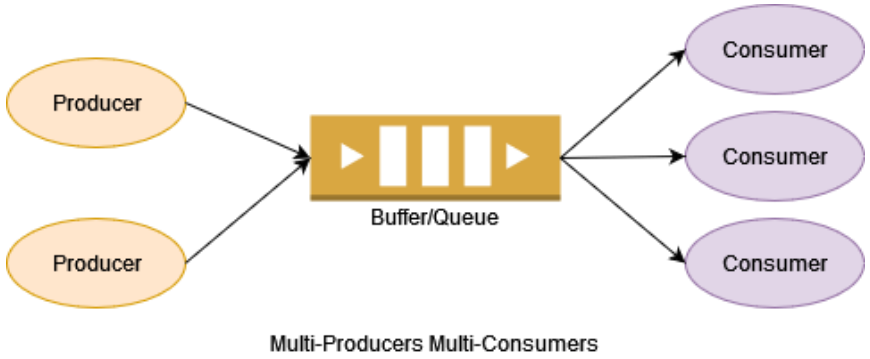
B. New producer-consumer relations – Concrete Examples

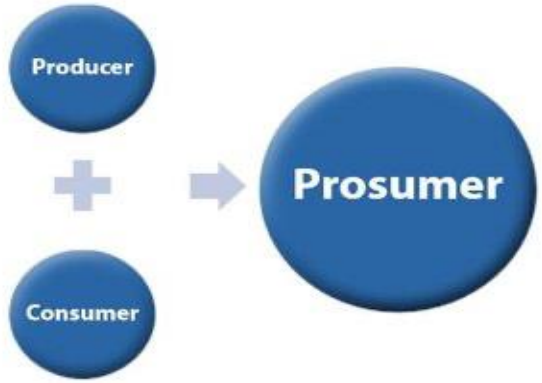
New producer-consumer relations for niche market food

The lifestyles and food niches mentioned above are accompanied by new types of roles in markets. The typical producer-consumer relationship is changing and adapting. There are new roles that differ from the typical design of the market, where the producer produces, and the consumer consumes as soon as he reaches the product.





Source: https://www.baeldung.com/java-producer-consumer-problem



New producer-consumer relations for niche market food

An interesting term to be considered seems to be the „ProSumer“:

Although the term is relatively new, prosumption has been widespread throughout history. Before the Industrial Revolution, most people were prosumers, as hunters, gatherers and farmers provided for the needs of their own families and communities.

Prosumption differs from consumption because prosumers take an active role in producing the goods and services they consume. Some prosumers do unpaid work by offering goods and services for free, and producers and consumers may collaborate to develop new products. Meanwhile, prosumption for own consumption or sharing, so-called bricolage or do-it-yourself projects, and cooperative peer-to-peer prosumption are quite common. What all forms of prosumption have in common is that prosumers create value together and transform the good or service before consuming it.

Prosumption is different than consumption, since prosumers take an active role in creating goods and services that they consume. Some prosumers provide unpaid labour, offering goods and services at no cost, and producers and consumers may collaborate to develop new products. Meanwhile, prosumption for one's own consumption or for sharing, referred to as bricolage or "do-it-yourself" projects, and cooperative, peer-to-peer presumption are quite common. A common theme of all forms of prosumption is that prosumers cocreate value and transform the good or service before its consumption.

Source: https://tkmagazine.com/blog/the-concept-of-prosumption-more-power-to-consumers

New producer-consumer relations for niche market food

The above mentioned contexts open up a wide field of opportunities, of chances, margins and perspectives for USP as a farmer on a single farm level or based on good partnerships and collaborations along the added value chain.
At the same time all this open space to be designed is challenging as well to the whole agricultural sector and the single farm.
Trends, Lifestyles – even if they are based on reduced consumption or sustainable or organic products – at the very bottom need investment. And there is of cause some risk for the one investing based on his very own predictions in the market.
As strong as the farmer or rural entrepreneur may be convinced to have identified and addressed a niche market over all and to be able to reach a good and fair chare of the margins as strong may be his error about the niche at all and about how long it would last to be interesting.

The following slides are exemplary naming some new relations of producers and consumers ending up in new ways not only of communicating & relating but in new ways of financing as well.

New producer-consumer relations for niche market food

New models in the producer-consumer relation can be used for a wide of investment on farms from animals over machinery and infrastructure up to whole farms.
There are correspondingly different investment situations and investment amounts.
In practice, they are used as a supplement rather than an alternative to bank loans.

Some of the models seem more suitable for start-up-situations but there can be adaptation to all situations of a lifetime of an enterprise.
When thinking strategically about the business and financing plan, there has to be integrated planning of Marketing, consumer acquisition and keeping them.
Integrated Communicating and financing models are about more than just raising funds. Therefore, the farmer should also think about whether and how his enterprise can make food production tangible for citizens and create direct contact with them.
It is important to acknowledge that these efforts require time for administration, public relations and communication with those who provide money to your company.
Considering these efforts it is a rule, such means are not cheaper than bank financing. And the personal relationship with consumers brings with it a special responsibility - especially if a project fails.

1. Sponsorship

Sponsoring a farm not only increases production and income for smallholder farmers, but also earns the sponsor an interest. A sponsor supports a farm to enable management of the resources by the farmer during the different growing seasons, from preparing the fields to planting, weeding, harvesting and marketing.

2. Subscription Finance

Starting Point:
The market for credit facilities secured by subscription Credit facilities, also known as "capital calls" or "capital commitments" ("underwriting Facilities"), continues to grow rapidly.
As the market for underwriting facilities continues to grow the functionality of subscription facilities has also evolved.
A capital call facility is a line of credit provided to bridge other funding purposes.
With the liquidity provided by the facilities, farmers/ entrepreneurs gain funding flexibility and certainty, coupled with operational relief.

Within Farming Business we can see **Community Supported Agriculture (CSA)** as a similar thing: it is one type of direct marketing, consists of a community of individuals who pledge support to a farm operation so that the farmland becomes, either legally or spiritually, the community's farm, with the growers and consumers providing mutual support and sharing the risks and benefits.
In most cases there can be reached a pre-financing of the operative business leading to much more security for the producer.

3. Purchasing Groups

A purchasing group (PG) is an entity established to leverage the purchasing power of a group of enterprises and entrepreneurs to obtain discounts from suppliers based on the collective purchasing power of PG members.

Many PGs are funded by administrative fees paid by the vendors that the PG oversee. Some PGs are funded by fees paid by purchasing members. Some PGs are funded through a combination of these two methods.
These fees can be set as a percentage of the purchase or as an annual lump sum. In some PGs, participation is compulsory for members, while in others it is entirely voluntary. Members' participation is based on their purchasing needs and their confidence in the competitive prices negotiated by their PGs.

4. Commons/ Common Goods

Common goods are the cultural and natural resources available to all members of a society, including natural materials such as air, water and a habitable earth. These resources are common property even if they are privately or publicly owned.

Traditional examples of commons are forests, fisheries or groundwater resources, but the term commons is increasingly used for a wider range of areas, e.g. knowledge commons, digital commons, urban commons, health commons, cultural commons, etc.

Based on the following example it is easy to see the challenge of sustainable management and use of a commons by individuals and by a community. In this example a meadow is the common good:
The Commons can support 100 cows. One hundred farmers bring one cow each, and the meadow produces enough fodder. But each farmer thinks, "If I bring an extra cow, it doubles my entire income and only puts a 1% drain on the commons." If all 100 farmers think this, all bring an extra cow, and 200 cows quickly overgraze the commons. Quickly, the shared resources is overused.

Meadows recover quickly. But other resources can be overused beyond the point of recovery.

Wrap up

Emerging trends, ever-changing markets affect farming and rural entrepreneurship.

The additionally accruing shift and change in the roles on market of consumers and producers to new extremes as well as to a mix of both leads to risks and chances.

Addressing a niche market with a product or service which has „stand-alone-character“ today can be backed and even pushed by further thoughts on involving the consumer.

Excellent product together with letting the consumer be part can help reaching a unique USP.
At the same time of course it is necessary to keep in mind that this way to new roles and keeping a vital relationship needs a lot of ongoing work in the field of customer relations.

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UNIT 4

Description of emerging trends for niche markets: from biodiversity and heritage food to geographical indications

INTRODUCTION TO UNIT 4

Agriculture has been developed for the last 50 years as an industry, continuously increasing productivity and food production, in all developed countries with the consequence to reduce the biodiversity, depopulate less mountain and hill areas and endanger food security of traditional rural communities. The ***geographical indications, PDO, GPI*** *and* ***TSG*** *aim to maintain species diversity and their ecosystems and protect and support the* ***intellectual property values of traditional heritage*** *providing them with an added value as a* ***guarantee of authenticity****.*

The aims and objectives of the unit are:

- **Combining agricultural biodiversity and geographical indication** schemes as a protection of the quality product and label.
- **Fostering importance of farmers' active cooperation** to create and share a consortium.
- **Networking human resources**, research and public bodies with agricultural and commercial representatives.
- **Revitalizing rural communities** such as territorial, cultural, agro-food and gastronomic identities.
- **Ensuring compliance with production protocols** created with bottom-up methodology.

Unit 4

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Niche Market Farming

- 3.4.1. Combining agricultural biodiversity and geographical indication schemes as a protection of the quality product and label.
- 3.4.2. Fostering importance of farmers' active cooperation to create and share a consortium.
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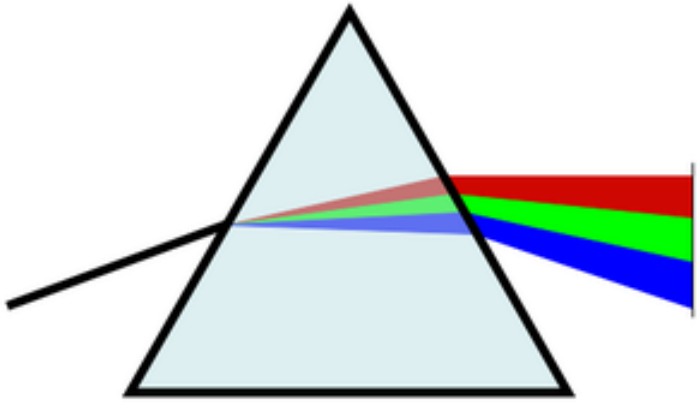
3.4.1. Combining agricultural biodiversity and geographical indication schemes as a protection of the quality product and label.

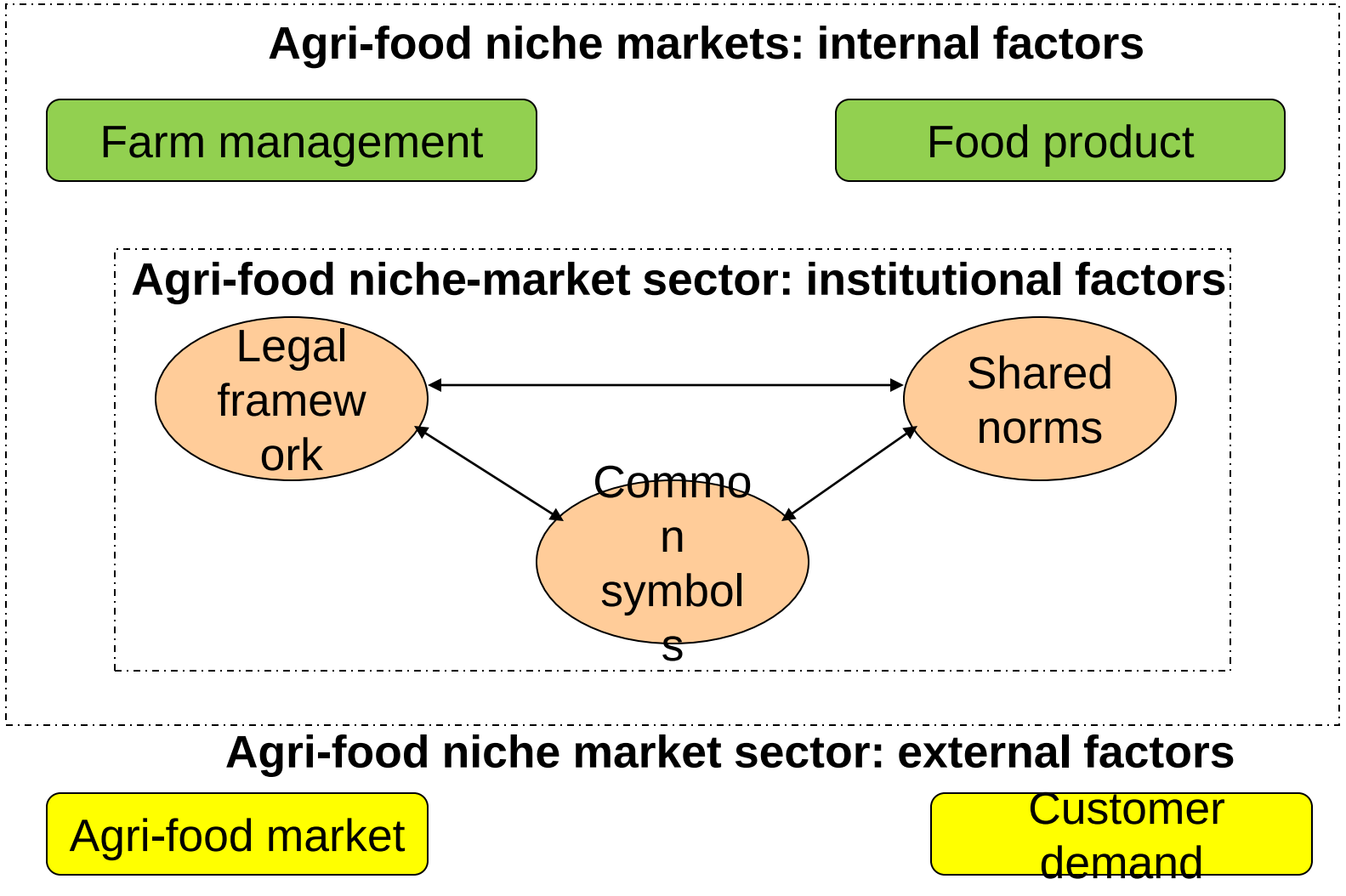
For generations up to now, **agriculture has been the source of a multitude of species and habitats** that deserve to be protected today. The agriculture industry has more and more endangered biodiversity and soil fertility aiming to increase food production quantity. A **sustainable use of agricultural land** is of prime importance to **protect biodiversity**, **preserve the cultural landscapes** and **avoid land abandonment**. **Geographical indication schemes can contribute to make agricultural biodiversity more valuable on the markets, protected from imitation frauds and be a driver of recovering local rural development**.

Agriculture



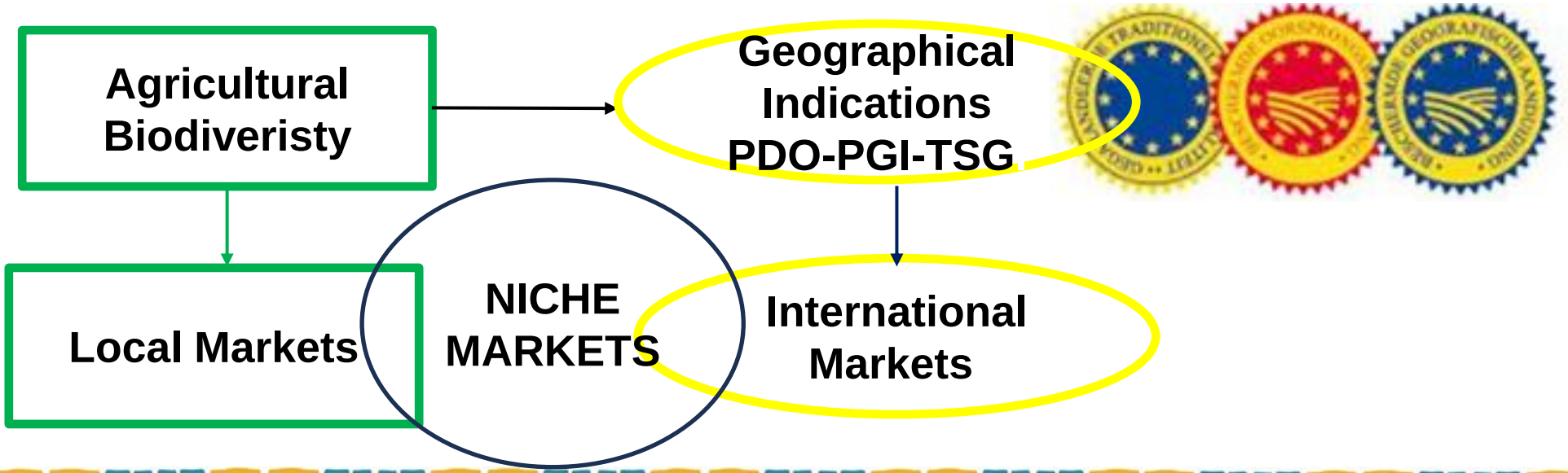
Food
Environment
Landscape
Soil & Water
Leisure & Tourism
Territorial Identity

3.4.1. Combining agricultural biodiversity and geographical indication schemes as a protection of the quality product and label.



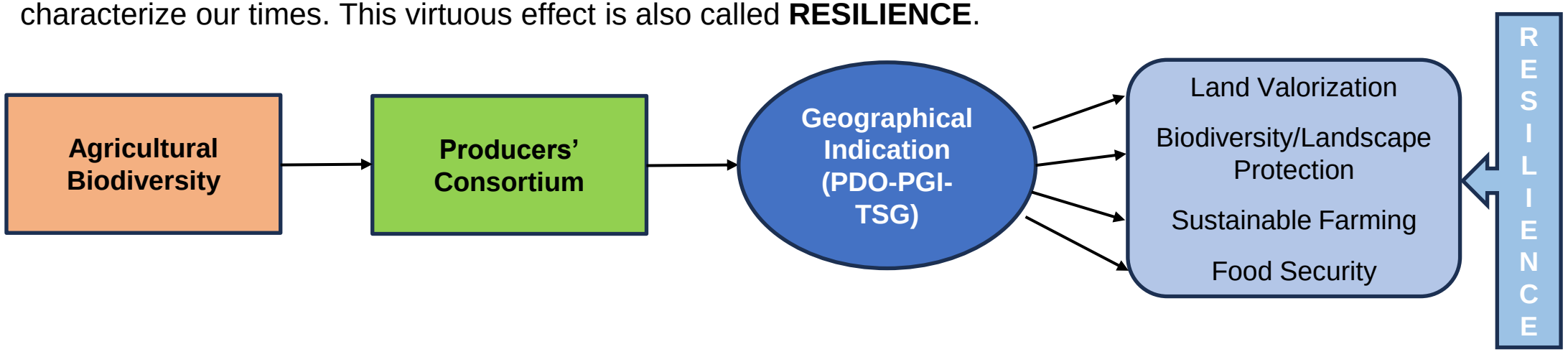
3.4.1. Combining agricultural biodiversity and geographical indication schemes as a protection of the quality product and label.

Agricultural biodiversity guarantees the **peculiarity** and sometimes the **uniqueness** of the **agri-food product**. In this way the product, or the recipe, becomes a **distinctive symbol of the food and gastronomic tradition of a territory** and sometimes comes to represent a real **cultural identity**. **These products are therefore suited to niche markets**. **The geographical indication can give greater international prominence and certify the guarantee of its quality with the European certification**.



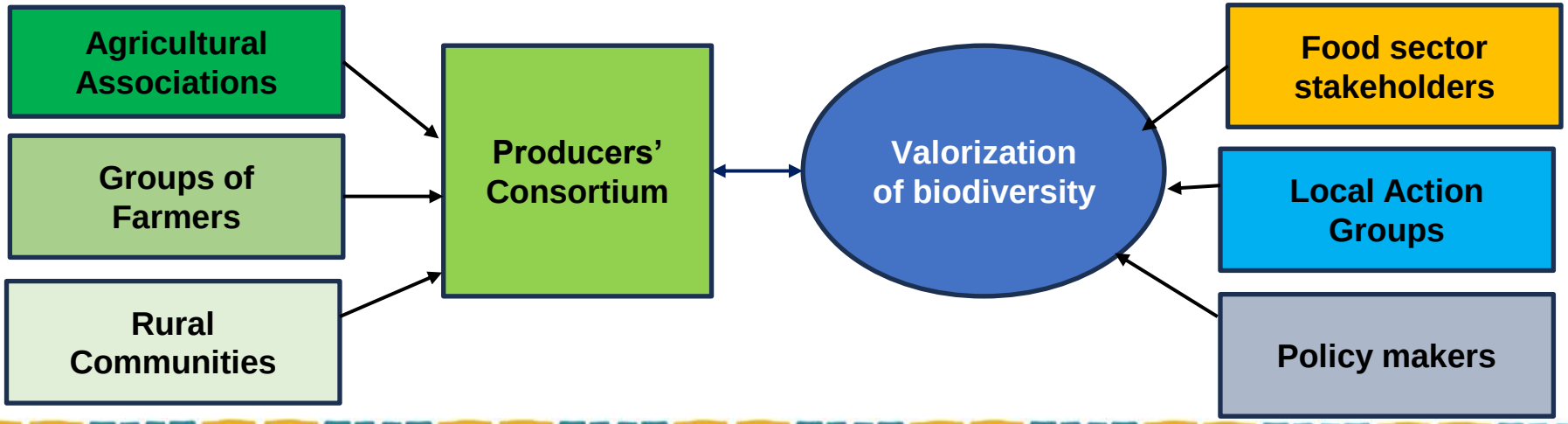
3.4.2. Fostering importance of farmers' active cooperation to create and share a consortium.

The **traditional heritage** represented by the **agricultural biodiversity** owned by a **group of farmers**, or a **rural community**, can be considered, in terms of **quality guarantee** and **territorial driver**, **a kind of product and process innovation**. In fact, the **producers gathered in the consortium under a common brand** aimed at a niche market which is transformed into a **geographical indication**, make a **market leap in quality** which projects them towards an identity aimed no longer at a local market but at an **international audience and public**. This change can contribute to **maintain agricultural areas with high food heritage value**, **protect biodiversity and landscape**, **practice sustainable agriculture**, ensure the **community food security**, and demonstrate that the promoters are also better able to withstand the economic and environmental crises that characterize our times. This virtuous effect is also called **RESILIENCE**.



3.4.2. Fostering importance of farmers' active cooperation to create and share a consortium.

The activity of organizing the phases of **confrontation and the decision-making processes** can be stimulated by **agricultural associations**, **groups of farmers** with similar productive, economic, cultural, social and environmental interests, **food sector dealers and stakeholders**, **local action groups**, **rural communities**, **environmental associations**, and **policy makers**. This **bottom-up activity phase** is fundamental for the growth of motivated and organized groups that can create a **consortium of producers** aimed to the **valorization of agricultural biodiversity**.
Collaboration with the world of academics and research can also arise from these moments of discussion and decision-making, allowing for an **exchange of scientific topics and practical field experiences**.



3.4.2. Fostering importance of farmers' active cooperation to create and share a consortium.

The **involvement of farmers in the Green Architecture of the new CAP 2023-2027 as members of a geographical indication (PDO-PGI-TSG) consortium** is shown within a context in which **biodiversity** is enhanced as one of the focal points.

National/regional plans and related environmental, climate and biodiversity objectives deriving from legislative instruments

Measures of the National Strategic Plan (NSP) and regional application of the CAP measures

European Green Deal Biodiversity Strategy Farm to fork

INTERVENTIONS PLANNED IN THE GREEN ARCHITECTURE OF THE STRATEGIC PLAN

Strengthened conditionality	Eco-schemes	Agri-environmental climate payments	Other II Pillar interventions

Farmers' role a members of a geographical indication consortium valorising local biodiversity

3.4.3. Networking human resources, research and public bodies with agricultural and commercial representatives.

This approach concerning the modulation of interventions based on the principle of **maintaining biodiversity through collaboration between the various subjects** is **consistent with the general objectives of the post-2020 CAP**. These **targets**, set at European level, are divided into **9 specific objectives**, hinged on **3 areas** of sustainability (**economic**, **environmental** and **social**).

Smart, resilient and diversified agricultural sector that guarantees food security

Guarantee of a fair income

Increased competitiveness

Rebalancing power in the food supply chain

Strengthening of protection environment and climate action Contribution to the achievement of EU environmental and climate objectives

Actions for climate change

Environmental protection

Protection of the landscape and biodiversity

Strengthening of the socio-economic structure of rural areas

Support for generational change

Dynamic rural areas

Protection of food quality and health

3.4.3. Networking human resources, research and public bodies with agricultural and commercial representatives.

The **transversal objective** “**Promotion and sharing of knowledge, innovation and digitization**” shows how the theme of knowledge and innovation is central in the **CAP 2023-2027**. Strong emphasis is placed on the **system approach and on the coordination of the various professionals**. In each **National Strategic Plan** (**NSP**) there is a section dedicated to the **AKIS** strategy on "**Knowledge and innovation systems in the agricultural field**".

Transversal objective of **modernization, knowledge sharing, innovation and digitization** (Art. 5)

Each NSP contains a section on stimulating the **exchange of knowledge, innovation and digital technologies in agriculture** (art.102)

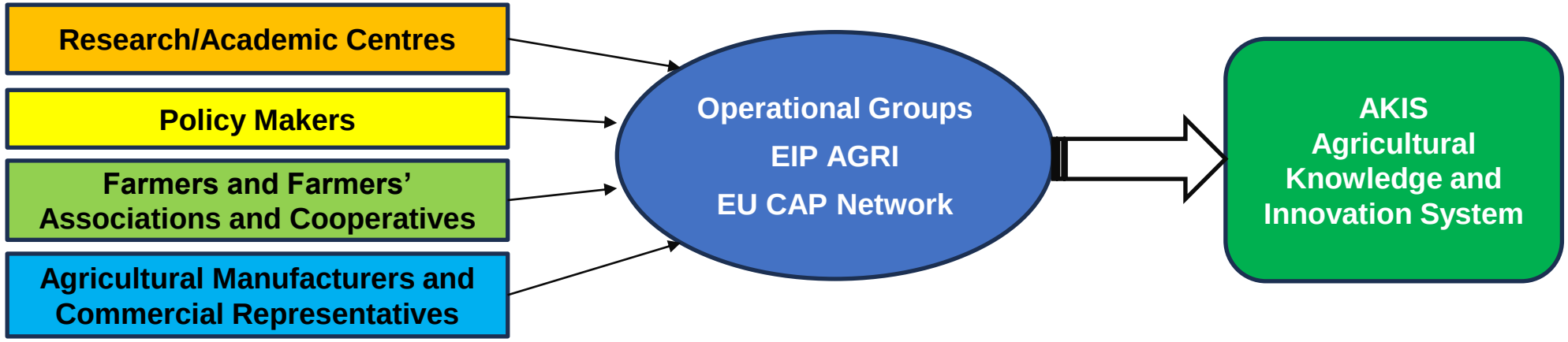
Support for **consultancy, training, innovation and knowledge exchange in rural development** (Arts. 71, 72 73)

Continuation of the European partnership for agricultural innovation (Arts. 113, 114)

3.4.3. Networking human resources, research and public bodies with agricultural and commercial representatives.

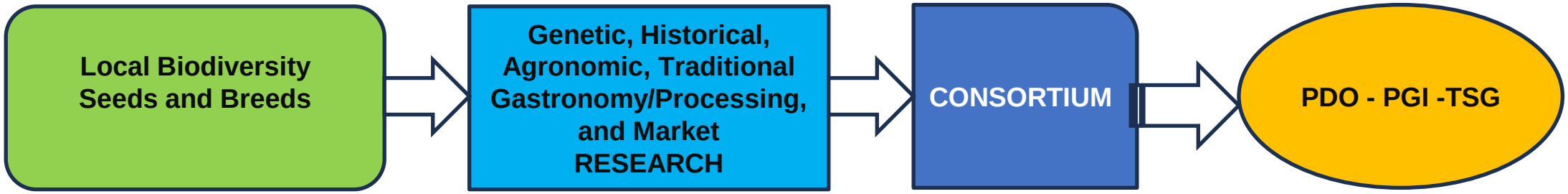
Sustainable development goals, Green Deal, Farm to Fork Strategy, long-term vision for rural areas, promote Europe's high-quality food standards and **"…strengthen the system of geographical indications. It is a key part of maintaining high food quality and standards and ensuring that our cultural, gastronomic and local heritage is preserved and certified as authentic across the world“** (European Commission. strategic plan on geographical indication system 2019-2024)

These objectives can be achieved only through an active collaboration of all human resources concerned, **multiple actors**, including **research/academic centres** and **policy makers**, **farmers** and their **representatives' associations**, **advisory service professionals**, **agricultural manufacturers** and **commercial representatives**, contributing to enhance and implement the **knowledge and innovation supply chain** in the **farming sector**.



3.4.4. Revitalizing rural communities such as territorial, cultural, agro-food and gastronomic identities.

Experiences made, particularly starting from the years 1970s so far, demonstrate that **seed savers** and **germplasm banks** together have contributed to recover biodiversity constituting a **barrier to the progressive erosion of biodiversity**. In some cases, the initial seed species or animal breeding saved have been able to expand, becoming the **heritage of larger groups of farmers**, becoming a **symbol of the territory** and a **successful production** known to **consumers**. These cases were mostly due to a combination of factors, starting from **farmers** in connection with **genetic, historical, agronomic, traditional gastronomy/processing,** and **market research**, and favoured by **public and private funding matching the market**. The following step can be often the **protection of the geographical indication** as a **guarantee of origin and production manual**. The geographical indication, **PDO**, **PGI** or **TSG**, can in fact contribute, each of them in a different way, to establish the intellectual property of farmers gathered within a consortium and regulate the right to use the product name. The recognizability and uniqueness of the name therefore serves to guarantee the **origin of the product and its characteristics** which make it a **heritage of a specific territory**.



3.4.4. Revitalizing rural communities such as territorial, cultural, agri-food and gastronomic identities.

Not all biodiversity, despite being important for farmers and the rural community, manages to create the interests necessary to create a consortium of producers. However, there are forms of **recognition, i.e. by the Municipalities** of that geographical area, or **farmer markets** and **fairs** that represent the ability to make known and extend the fame of such niche market products in the area. These opportunities should not be ignored but instead be cultivated and increased, gathering **groups of farmers** who continue the production**, researchers** who characterize the qualities of the product, and **agricultural associations** and **public bodies** who support **farmer markets** and **fairs**. If a real initiative is not developed on the part of farmers**, associations and local authorities can take the initiative** to create the conditions for **farmers' markets**, **popular street food initiatives**, **festivals and celebrations of local products** also involving **testimonials** and **chefs**.

3.4.4. Revitalizing rural communities such as territorial, cultural, agri-food and gastronomic identities.

Food and wine tourism is increasingly establishing itself as a motivation for travel most important and a unique resource for rural areas. A growing demand for this form of tourism, **looking for niche market products**, includes all those aspects that characterize today **tourist demand or interest in culture, traditions, authenticity and sustainability**. It has been demonstrated, through numerous studies (The World Tourism Organization, Second Global report on Gastronomy Tourism, 2017), that this kind of tourism is an effective **driver of sustainable local development** through its transversality capable of **involving different economic sectors**, **agriculture and food**, **craftsmanship**, and **services**, but it has also positive effects on the **conservation of local traditions**, and **protection of local biodiversity** and **traditional landscapes**.

https://www.treviturismo.it/

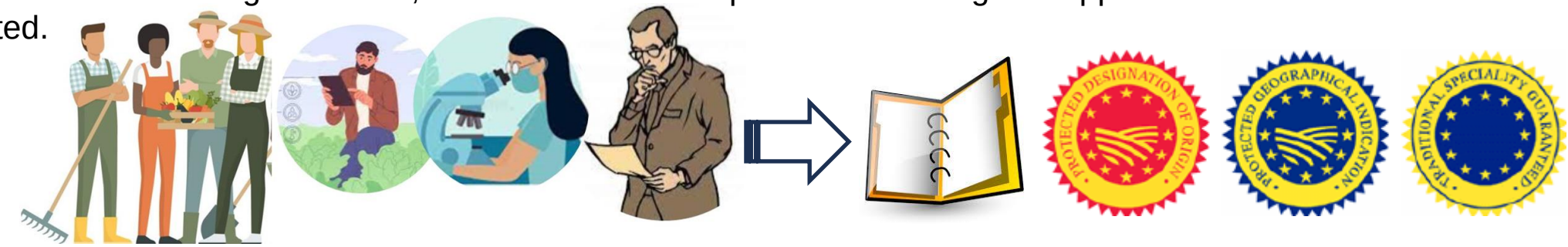
https://eatpolska.com/

https://www.elperiodicodearagon.com/

https://www.german-way.com/

3.4.5. Geographical indications consortia and networks: bottom-up strategy and governance.

Agricultural biodiversity can be better legally protected by a geographical indication certification released within the European procedure. This also ensures the food product protection extended at international level. There is obviously the need for a **critical mass of producers** who join the consortium and who recognize and follow the approved **production manual**. It is therefore necessary to build a **bottom-up** process of aggregating producers and sharing **historical origins** and **consolidated agronomic and food techniques** within a common dossier which will constitute the basis for the **request and approval process of the geographical indication**. It is important to underline the bottom-up strategy that underlies the construction of the consortium, and which supports the entire hypothesis of achieving the recognition of the geographical indication that it intends to acquire. This does not exclude that even a **small group of producers** can promote the request for recognition, but it requires the decision of the promoting group to **share a common path** and to also take on the **bureaucratic, financial and administrative burdens**. For this reason, it is a good practice for **researchers**, **farmers' associations** and **policy makers** at local and regional level, to contribute to the phase of creating the application and the dossiers to be submitted.



3.4.5. Geographical indications consortia and networks: bottom-up strategy and governance.

Following the successful initiatives of the **EU quality schemes**, including **organic agriculture** and **PDO**, **PGI** and **TSG**, **networks** at national and international level have grown to support the movement aiming to protect the names of specific products to promote their unique characteristics, linked to their **geographical origi**n as well as **traditional know-how**.

At European level it was established in 2003 the **Organization for an International Geographical Indications Network**, ORIGIN, https://www.origin-gi.com/ , based in Geneva, as global alliance of Geographical Indications (GI) from a large variety of sectors, representing currently **577 associations of producers** and other **GI-related institutions from 40 countries**.

There are synergic initiatives, based on **networking**, **legal support** and **strengthening** of the geographical indications at European and world level, between the **European Commission** and the **ORIGIN network**, to play an important role aimed to **protect the intellectual property rights** in trade negotiations between the EU and other countries.

oriGIn

Organization for an International Geographical Indications Network

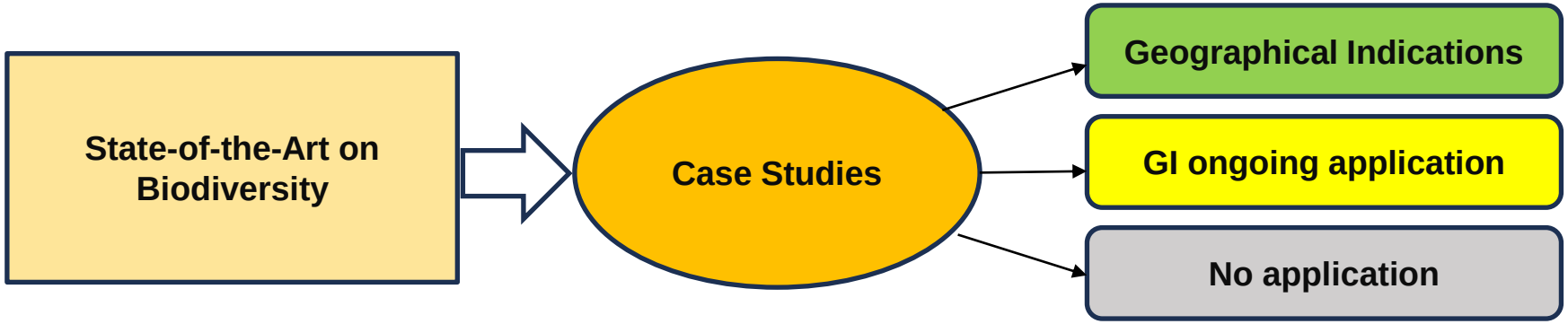
https://youtu.be/IEugZL03fbY

3.4.5. Geographical indications consortia and networks: bottom-up strategy and governance.

There is a single common thread that unites the efforts of **rural communities**, **groups of seed savers**, and **national and international organizations** that make the **defense of biodiversity and the environment** their common battle. Nowadays, with increasing **threats** to the **agricultural biodiversity**, **traditional landscape** and **rural communities** defending the **food security and small farm production systems**, it is fundamental to protect and recover the **agri-food heritage** of the territories. This should push farmers and rural communities to look for necessary support and a landing point in **geographical indications**, as well as in the **national and European structures** and **networks** that constitute their defense. Equally important is that this defense is **not dominated by bureaucratic and invasive patterns** but is **based precisely on the community of producers as the basis and foundation of growth and resilience**. A **fair balance between rural communities and governance** of territories and their production must be sought to make the **protection of rural heritage** and the **conservation of biodiversity** and **local production capacities** more effective and sustainable.

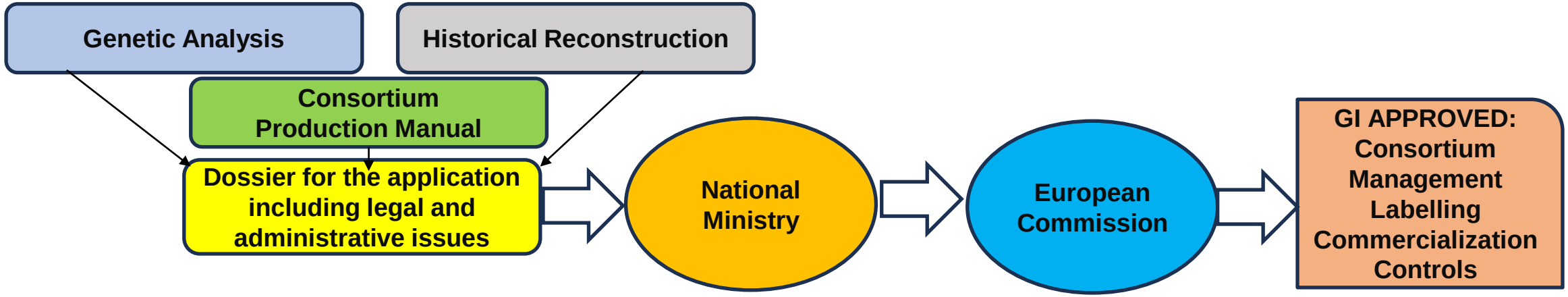
3.4.6 Examples of agricultural biodiversity producers claiming for geographical indications.

In the path of growth of local productions through the **knowledge and recovery of genetic resources and agronomic and agri-food techniques**, **elderly and young farmers** who dedicate themselves to the defense of their territories and their communities, constitute the **pact for the conservation of these values and native species**. The **digital technologies** that young people know how to use can contribute to conserving in the field and making more sustainable the productions that express biodiversity, but the basis remains the **ancient knowledge** that the elderly are capable of passing on to the young generations. From our preliminary **state-of-the-art study** in the four countries participating in the NMF project, **case studies** emerged that highlighted the **importance of genetic resources** and the **process of understanding their qualities from genetics to the field and to the table**. Some of the **case study promoters** passed **from the initial individual production to consortium** and then to **geographical indications**, some of them are **on the way to apply for GI**, and some others do not plan to do it as the producers have **no critical mass or no agreement** about this engagement.



3.4.6 Examples of agricultural biodiversity producers claiming for geographical indications.

Some problems can make the **procedure for obtaining the geographical indication certification** difficult. In addition to the difficulty of gathering a **sufficient critical mass of producers**, also creating a **virtuous process that allows a profitable positioning of the niche product** on the market, building up **the dossier for the application** can pose some problems. In fact, it is essential to demonstrate the **historicity of the product** by reconstructing its **territorial location** and the **historical denomination** dating **back at least 25 years before the nomination**. The **legal and administrative aspects** of the **agreement between producers** and the **genetic analyses** of the various **populations of the product representing the biodiversity** can also represent an obstacle. The contribution of **researchers**, **agricultural associations** and **decision-makers** from the **region** and the **territories** involved are of fundamental importance for the **success of the initiative**.



3.4.6 Examples of agricultural biodiversity producers claiming for geographical indications.

The analysis of the **state of the art of biodiversity**, the **trend of niche products towards organic certification** and the **certification process as a geographical indication** demonstrate the efforts of **producers**, **Member States** and the **European Union** to protect the **agri-food heritage** and **intellectual property** of history, territories and knowledge resulting from **centuries of tradition and culture**. These **protections** are exercised thanks to the **in-depth analysis of legal issues** and **negotiations** conducted by the European Union towards countries that are not part of it. Despite these efforts, there is still **large use of types of commercial products and names that imitate certified geographical indication products**. There are examples of legal victory over some countries due to the **ability to demonstrate the geographical and historical origin** with respect to the imitation product, but the quantity of **imitation products placed on the market** continues to be **one of the most relevant problems for quality products** that goes by the name of **counterfeiting**. For these reasons, **the European Parliament adopted on June 1st 2023,** a text including **amendments on "Geographical indications for wine, spirit drinks and agricultural products" regulations against counterfeiting**.

Conclusions

- The role of **farmers who maintain biodiversity in the field**, of **rural communities who preserve their agri-food traditions** and of **researchers who conserve and study agricultural biodiversity** are the **main players in the potential for success of traditional local products and niche markets**.
- The role of **agricultural associations**, **policy makers** and **consortium networks** that represent agricultural biodiversity at a local, regional and national level is **also strategic**.
- The **geographical indication certification process** has demonstrated its effectiveness but also some **difficulties in application for smaller and poorer rural communities and groups of farmers**, who are **unable to create sufficient critical mass** to achieve the protection and **proper recognition of their niche products**.
- One of the main problems remains the **counterfeiting of the most well-known and popular geographical indication products**, for which the European Parliament together with the Commission and the Council of Ministers is moving to **strengthen international legal defense mechanisms against counterfeiting**.
- The **diffusion of awareness and knowledge of the importance of the values represented by agricultural biodiversity** and their importance for enhancing territories at risk of abandonment is a fundamental task for all those who care about the **conservation of the rural landscapes and the ecosystems associated with them**.
- The organization of meetings between **farmers who grow products representing the agricultural biodiversity** of the area and of **training courses with field visits that show young farmers and students the richness and knowledge represented by niche market products** are of fundamental importance for the future as well as **farmers' markets** that support these productions.

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Unit 5

Description of emerging trends for niche market food II

List of contents

Unit overview

This unit describes the newest trends, which are most popular in the year 2023 regarding niche markets with the special focus on a healthy lifestyle. There are three main trends elaborated in this unit. First of all you will find the answer to the question what functional foods are. You will be able to differentiate between conventional and fortified food and you will see which food categories can be qualified as functional food.

Furthermore the unit elaborates the definition of superfoods, giving national examples and a case study from Poland.

Last but not least, the third chapter talks about the various aspects of sustainable and environmentally friendly agriculture by introducing the concept of smart foods and their benefits for people's health.

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Chapter I:

Functional Foods

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What is functional food?

Natural foods that can be enriched or altered are referred to as functional foods. It promotes health in addition to providing nutrients. It can also generally enhance health and wellbeing. It can lower the risk of contracting certain diseases, particularly so-called civilization diseases. Its fundamental requirement is that it must resemble regular food. Additionally, it must have positive effects in dosages that can be met by a typical, well-balanced diet. It's also crucial to remember that it can't be either tablets or capsules. The carriers of bioactive substances in functional foods are commonly consumed items like dairy products, cereal products, and fruit juices.

What is functional food?

It is important to understand the differences between the concept of functional foods and fortified foods, as they are not the same although they often get confused:

By incorporating biologically active ingredients, fortified foods (also referred to as supplements or modified food) are made to make up for nutrient losses that occur during the production process. This implies that processed foods like milk, flour, and juices are fortified with vitamins that would otherwise be lost. Foods that have undergone modification have had their nutritional value increased by adding extra ingredients like vitamins, minerals, probiotics, or fiber.

On the other hand, functional foods are all-natural and further enhanced with components that enhance bodily function, promote health, or offer protection from a particular disease. The so-called conventional foods are actually made up of whole foods that are high in vital vitamins, minerals, antioxidants, and heart-healthy fats.

What is functional food?

Designer foods are another name for functional foods.
You can get it in two different ways. The first is the traditional method, but it makes use of raw materials from unique cultures or crops cultivated under strict guidelines. It can be obtained by using biotechnological modifications or special variety selection. This action aims to increase the amount of components that promote health or decrease the amount of components that have negative effects on health in the raw material.

Division of functional foods

In the world literature, the most common division of foods can be found by purpose or by composition.

Considering the purpose, functional foods can be divided into, among others:

- reducing the risk of cardiovascular disease,
- reducing the risk of cancer,
- reducing the risk of developing osteoporosis,

for infants,for pregnant and lactating women,for athletes andf or the elderly.

By composition, functional foods can be divided into:
- enriched foods,
- rich in fiber,
- low-energy, low-sodium and low-cholesterol,
- probiotic foods.

Selected bioactive substances found in functional foods

The following table lists a the most crucial bioactive ingredients used to enrich and fortify food.

All of the product groups listed in the table have already been studied and used in food design for many years.

Effect of fortified functional foods on health

Bioactive components	Example	Beneficial effects on health
Prebiotics	Inulin, oligofructose, oligogalactose	Stimulation of the development of probiotic intestinal flora, prevent constipation, reduce blood cholesterol levels.
Probiotics	L. acidophilis, L. plantarum, L. rhamnosus	Prevention of constipation, reduction of blood cholesterol, stimulation of the immune system.
Dietary fiber	Pectins, beta-glucans, carrageenans, lignans	Anti-constipation and anti-colon cancer, reduction of blood cholesterol levels
Amino acids	Peptides, proteins Carnitine,taurine, protein hydrolysates, protein concentrates	Ensures proper tissue structure, regulate metabolic processes, facilitate mineral absorption.
Choline and lecithin	Soybean, rapeseed	Improvement nervous system, facilitate fat digestion
Vitamins	B, D and A, C, E	Regulation of metabolic processes, stimulation of the immune system, neutralization of free radicals
Polyols	Sorbitol, xylitol, isomalt	Reduction of blood glucose levels.
Polyunsaturated fatty acids	Omega-3 Group	Counteraction of cardiovascular disease, improves metabolic processes.
Minerals	Calcium, magnesium, iron, zinc, selenium, iodine, manganese	Ensures proper bone mineralization, regulate metabolic processes, stimulate the immune system.

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Chapter II:

Super Foods

What is superfood?

Superfoods are foods that are gaining a lot of popularity on the market.

This is the common name for foods high in vitamins, minerals, and nutrients, such as spices, fruits, vegetables, and fish. Incorporating superfoods into your diet is a healthy way to give your body essential nutrients.

These foods are simply a much healthier option to supplement pill form. Antioxidants, which slow down cell aging and prevent the formation of free radicals, are present in all superfoods. As a result, they are frequently referred to as natural antibiotics, which also lower the risk of cancer.

Although there is no single strict definition of the word, the simplest way to say it is that "superfoods" are simply foods that are extremely rich in fiber, vitamins, minerals and antioxidants - they are super in every way. As a result, the consumption of products in this category leads to better well-being, which is also linked to good overall body condition.

What is superfood?

The best way to avoid unnatural supplements in the form of drinks and capsules is to reach for different types of superfoods. Nowadays, superfoods are available not only in health food stores, but also in all hypermarkets and even in small local vegetable stores.

How is this possible? Although popular superfoods, such as acai berries, chia seeds, known as chia or camu camu, seem rather exotic, many valuable products, such as onions and garlic, can be found on traditional menus.

Most well-known superfoods

Superfoods such as maca root, goji berries and chia seeds have attracted a great deal of consumer interest because of their exotic origins and their large number of health-beneficial ingredients. Buying shouldn't be difficult, as some of them have been available in large hypermarkets for years. Reaching for spices, fruits or vegetables from another latitude is an excellent way to add variety to daily meals.

Popular superfood products include:

- lucuma,
- turmeric,
- chlorella,
- maca root,
- guarana,
- camu camu,
- goji berries,
- spirulina.

National example: Superfoods in traditional Polish cuisine

Although many people associate superfoods mainly with exotic spices and fruits, it's worth knowing that superfoods can be found in every vegetable shop in Poland.

Garlic is one of the most valuable superfoods in Polish cuisine, as it is a valuable natural antibiotic that fights viruses, bacteria and fungi.Because it has an intense flavor, it has many fans and opponents. Due to its health-promoting properties, it can be added to soups, sauces or salads.

Beets are another Polish superfood of high quality. The original color and sweet taste of these vegetables is not everything; the most important thing is the wealth of vitamins and minerals they contain.

People struggling with iron deficiency should reach for beets, as one serving of the vegetable provides enough iron. They can be used to make homemade sourdough: the liquid is ideal for drinking on an empty stomach or as a base for red borscht.

Case study: Purella Superfoods

All Purella products are tested and certified. BIO/Organic standards are implemented throughout the supply chain to ensure that quality requirements are met from the harvest itself, through production, to delivery to the final consumer.

BIO/Organic certification is also an assurance that only organic methods are used during cultivation and production, and that the land on which the work is done is clean and free of heavy metals and other contaminants.

Each of Purella's products is NON-GMO certified, which means that none of them have undergone modification to speed up growth. In addition to raw material certification, Purella products are tested regularly in laboratories for gluten content, as well as the presence of heavy metals and contaminants.

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Chapter III: Smart Foods

What is smartfood? Definition

The definition of "Smart Food" includes being good for you, offering excellent nutrition and health benefits, good for the environment, being sustainably produced, and good for the farmer.
Eating smart – this is how the smart foods concept could be defined in two words. Organic foods are more expensive than conventional foods, therefore only the rich or those who care about the environment can buy them. Campaigns for organic food, however, will aim to promote sustainable agricultural development.

What is smartfood? Environmental concept

Today, much of our food is:

- produced using fossil fuels and pesticides,
- processed and contains ingredients that harm our health,
- packaged in plastic, which creates environmental problems in landfills and oceans,
- transported over long distances, which emits large amounts of greenhouse gases,
- and wasted, which harms household budgets

One goal of smartfoods is to provide innovative, socio-technological solutions for sustainable food production and consumption in order to create a sustainable, smart city in the future. The goal is to encourage residents to produce food themselves and change household behavior in order to:

- improve healthreduce energy waste and greenhouse gas emissions
- improve social integration
- and increase residents' environmental awareness.

What is smartfood? Environmental concept

The Food and Agriculture Organization (FAO) has developed the idea of "climate smart agriculture," which aims to increase agricultural productivity sustainably, increase agricultural resilience to climate change, and reduce greenhouse gas emissions that can help to lessen the effects of climate change. Localization of these goals will help them reach their full potential while providing end users with smart foods.

Niche Market Farming

What is smartfood? Healthy concept

It can be said that obesity is an epidemic of modern societies. People can take many measures to lose weight, such as drastic diets, intense exercise and surgery. Every year, pharmaceutical companies outdo each other in producing weight-loss pills, and thousands of books describing the latest "miracle diets" appear on the market.

After slow food and comfort food, the time has come for smart food, or intelligent food. One of the peptides in the stomach (GLP-1) is the one that causes the feeling of satiety and tells the brain when it's time to finish a meal. As a result, the obesity problem could disappear quickly if such information reached the brain much earlier.

What is smartfood? Healthy concept

This is how smart food works. Smart food aims to increase our satiety center and inform our brain much earlier that we are already full. This will solve the problem of overeating, which is one of the most common causes of overweight. Eating foods that contain special products reminds us that our stomach is full! However, there is no denying that this is an imitation of artificial stimulation to help control appetite.

However, sugary, salty snacks and fast food disrupt the human satiety center and make them hard to resist. Most times when we open a package of chips, we end up with one or two chips. This is comparable to a pack of salty sticks or small fries, which have about 250 kcal, and our appetite only increases after eating them. It's all due to substances such as plain salt, aspartame or MSG, which can cause a drug-like addiction.

How does the smartfood theory work?

Smart Food's dietary principles involve two stages. First, it focuses on getting to know one's own body. Body mass index (BMI), body fat distribution (apple, pear body type, etc.), health status and daily diet should be taken into account.

The second step is smart phasing. The transition to this eating style should be done slowly. We need to get used to less sweet and salty flavors. Then the neurons will stop demanding them, and the movement will be more vigorous. Seasonality is also an important principle of the diet, which means that the daily menu should be adapted to the season, as well as to the growing season of vegetables and fruits.

For the Smart Food diet, limiting your meat intake is sufficient. Twice a week you should get 70 to 100 grams of meat.White poultry or rabbit meat without skin is best. If you choose red meat, you must avoid the skin. Cured meats should be removed from our menu, and sometimes we can eat long aged hams.

Conclusions

Various consumer preference changes, advances in nutrition science, and a growing understanding of the significance of diet in overall health are some of the factors that influence the emergence of healthy food trends. Here are some important causes for the increase in healthy food trends:

- Awareness: More people are becoming aware of the effects of diet on health as a result of easier access to information. Because of this awareness, there is a demand for foods that have particular health advantages.
- Scientific Research: Ongoing studies in the fields of nutrition and health sciences keep learning new things about the advantages of various substances, nutrients, and dietary patterns. The development of healthy food trends is guided by this research.
- Environmental Issues: A shift towards more plant-based diets and sustainable food options has resulted from awareness of sustainability and the environmental effects of food production.
- Globalization of Food Culture: Increasing exposure to international cuisines has resulted in the mainstreaming of novel and exotic ingredients.

Niche Market Farming

ifls
Institut für Ländliche Strukturforschung
an der Goethe-Universität Frankfurt am Main

on projects

AGRICOLTORI ITALIANI
UMBRIA

MADREVITE

Stowarzyszenie ARID

HOF UND LEBEN

Co-funded by the European Union

Unit 6

Ingredients and new trends in the agrifood sector: making value in the niche market farming

INTRODUCTION TO UNIT 6

The EU's geographical indication system helps consumers to identify a product to a specific territory and is a valuable tools for niche market farmers, as they provide recognition, protection, and market advantages for their unique and regionally tied products.
By leveraging the benefits of EU certification scheme and implementing effective marketing and branding strategies, farmers can enhance the market perspective of their agricultural products, reach a broader consumer base, and achieve higher profitability while preserving and promoting the cultural and geographical identity of their region.

The aim of this unit is to give farmers and rural communities new opportunities to increase their presence, role and income within the food supply chain.

Unit 6

3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

3.6.2 The role of rural tourism and valorization of niche product: new trends and opportunities

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product

GETTING STARTED

Niche products are closely tied to the territory both for the environmental qualities that determine their existence and for the role it plays in terms of communication and marketing.
The market for certified niche products helps consumers identify a specific territory with a particular production, guiding them to discover not only the productive excellences but also the gastronomic heritage and landscape treasures of rural areas.
The territory, understood as a cultural container, becomes a generator of positive externalities, playing a central role in the connection between niche productions and theirs markets.

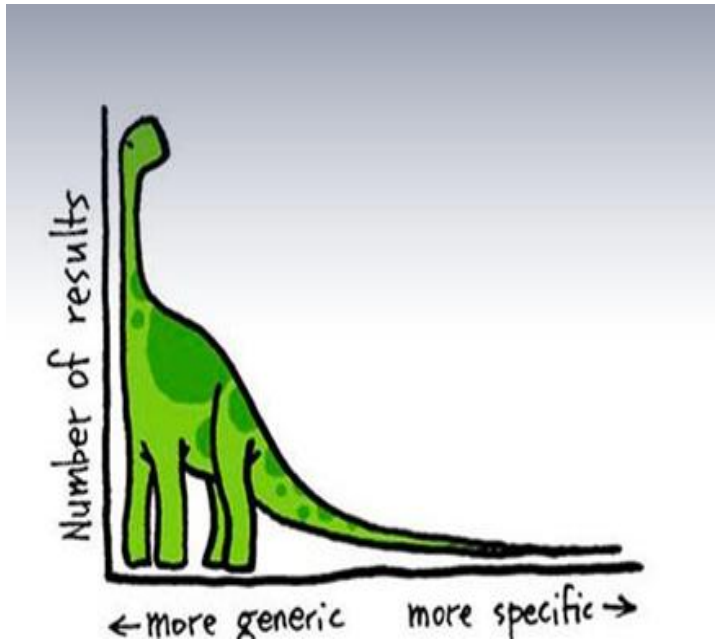
Territory

niche product

Markets

3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

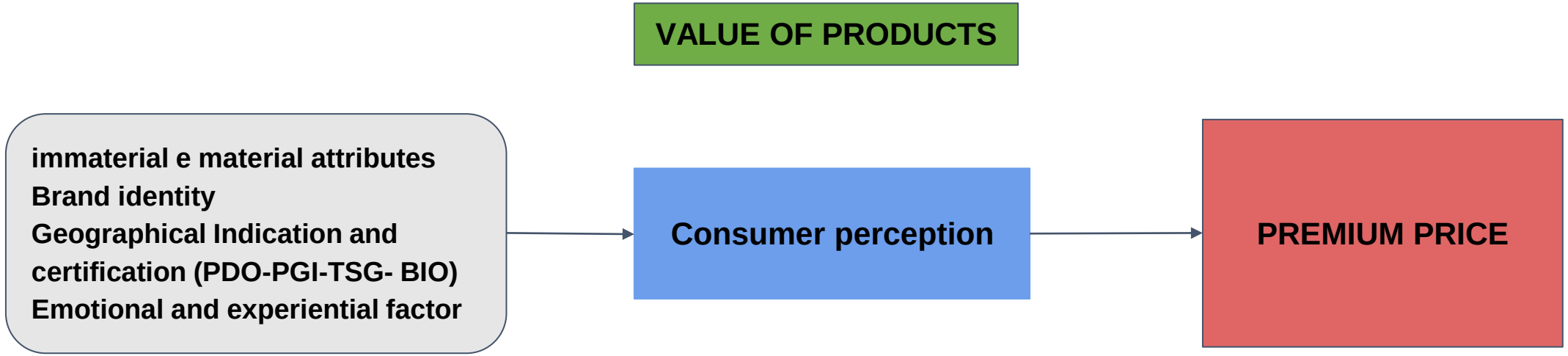
The niche market strategy (or target market strategy) is based on the ability to identify and evaluate the product attributes and **consumer perceptions** within specific market segments. The goal is to find groups of consumers with homogeneous characteristics and behaviors within the group, differentiated from those outside the group. Th**e consumer plays a central role in the market**, as we have shifted from a mass market to a market of the masses. This becomes a primary factor for small and medium-sized businesses in organizing their business model. The role of the customer/consumer/citizen is central in organizing communication, marketing, and commercialization strategies for niche food products. **The european denomination scheme, the certification (es biological) or presidi such as slow food, match the products with his specific segment of market: the niche market**



The long tail is a business strategy that allows companies to realize significant profits by selling low volumes of hard-to-find items to many customers, instead of only selling large volumes of a reduced number of popular items.

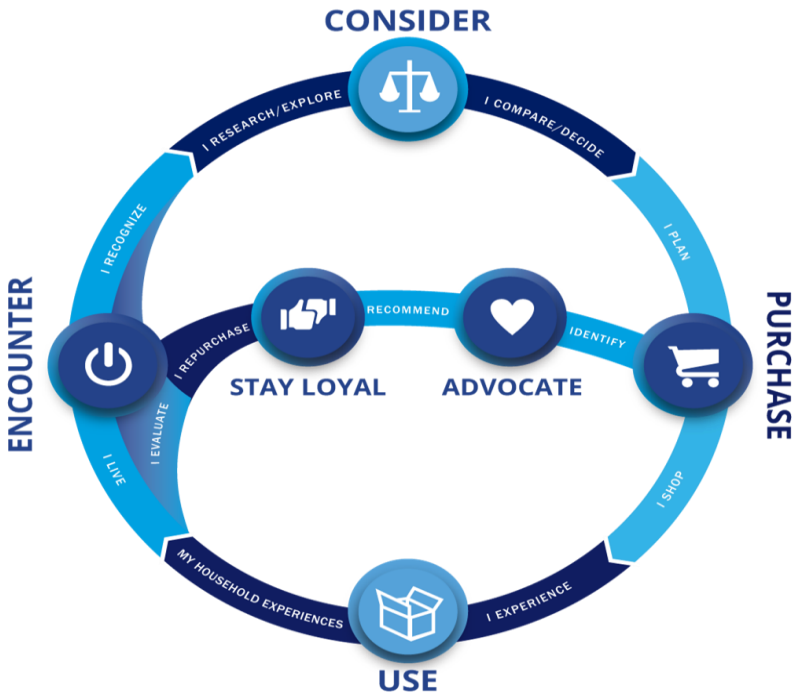
3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

Valorization means creating value (and therefore income). The creation of value is founded on a complex and ongoing interplay between the world of production and the needs expressed by society.
The concept of value in typical productions is indeed strategic; it is proportional to the consumer's perception, not only of the named product but also of the territory as a cultural context that influences the final consumer in terms of purchase choices. This goes beyond the traditional dichotomy of utility/convenience, encompassing factors that belong to the experiential emotional sphere and the intangible aspects of the product that make a consumer willing to pay a premium price.



3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

the consumer plays a fundamental role in the value chain as the recipient of all company strategies and choices. **The european denomination scheme**, in addition to guaranteeing the organoleptic and identity qualities of a territory, represents security given by the collective brand, thus **collaborating with the consumer in his purchasing journey.**



The **customer journey** is the complete sum of experiences that customers/buyers go through when interacting with your company and brand. Instead of looking at just a part of a transaction or experience, the **customer journey** documents the full experience of being a **customer**.
This is essential because by keeping in mind the customer/consumer journey, we can assess and monitor our relationship with the market. By identifying the **most effective touchpoints,** we will be able to understand the purchasing journey of our target audience with the goal of reaching a l**oyal consumer base.** Through the analysis of the consumer path we can understand if we have any gap and adjust it in order to gather broader consumer base.

3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

Agricultural biodiversity along with labels, influences productions and the territory, directly affecting the market in terms of both price and market penetration. After a careful analysis of the market scenario in which the company's production is placed, it is essential to make the right choices that allow the business to achieve the highest profitability while respecting the company's trust and values.

To enhance the potential for market penetration, it is desirable to proceed with **diversifying the product lines** undertaking an internal diversification of products, even under the same label, segmenting the offering in a micro-level approach to penetrate different markets with varying purchasing capabilities, tastes, and needs. which means applying for exemple different processing techniques, logo, packaging, distribution channels and communication strategies.

Taking as un exemple the Gamay variety (see next slide) , we can see how in the same area applying different oenological techniques and labelling is possible to produce a wine targeted to different market,responding to different taste,food pairing and purchasing capacity.

Developing this kind of diversification provides a greater security in terms of risk, given the volatility of niche products.

3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

Bisbetica

UMBRIA
Protected Geographical Indication

VARIETALS:
Gamay del Trasimeno **HARVEST and WINEMAKING:** *Manual grape harvesting. Cold skin maceration for 6/8 hours, gentle pressing, natural cold static clarification, and controlled temperature fermentation at 16°C.*
MATURATION and AGING: *At least 4 months in steel or concrete on fine lees. 3 months in the bottle.*
CHARACTERISTICS: *This wine, with its brilliant cherry color, "La Bisbetica," captivates with floral and fruity aromas of raspberry, pink grapefruit, and strawberry. On the palate, it stands out for its salinity and a pleasant, zesty vein that makes it intense and persistent in flavor.*
PAIRINGS: *Excellent as an aperitif and*

Opra
TRASIMENO Controlled Designation of Origin
Gamay del Trasimeno
VARIETAL: Gamay del Trasimeno
HARVEST and WINEMAKING: *Manual grape harvesting. Spontaneous fermentation without the use of added yeasts is followed by skin maceration, which varies depending on the vintage.*
MATURATION and AGING: *10 months in concrete. 3 months in the bottle.*
CHARACTERISTICS: *Vibrant ruby red color. The aroma is rich in red fruit, plum, and sour cherries, blending with spicy notes. The taste highlights the typical finish of crispy cherries and a fine, silky tannic texture.*
PAIRINGS: *Pairs very well with first courses, light meats, pizza, and assorted cured meats*

Cross bottles, they are in the same segment of market respondent to differents taste. the main target are millennials

C'Osà TRASIMENO Controlled Designation of Origin
Gamay del Trasimeno **RESERVE**
VARIETAL: Gamay del Trasimeno
HARVEST and WINEMAKING: Two to three weeks after the initial grape harvest for the rosé, the final harvest of the remaining bunches is carried out, with additional manual selection. Spontaneous fermentation without the use of added yeasts is followed by skin maceration, which varies depending on the season, with 20% whole cluster grapes.
MATURATION and AGING: 6 months in concrete, 12 months in large 10 hl oak barrels and concrete. 6 months in the bottle.
CHARACTERISTICS: The color is not very deep ruby red. On the nose, it expresses floral notes, aromas of wild berries, raspberry, strawberries, cherries, and spicy and marasca nuances. The taste is elegant with subtle fruity notes, intense freshness, and good persistence. **PAIRINGS:** Pairs very well with risottos, meats, and dishes that are not particularly heavy but are characterized by the

As a riserva the C'Osà is targeted to wine lovers and passionate. it is placed in an higher segments in terms of taste and price

Example of internal wine diversification in Madrevite.

3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain

Diversification of agricultural productions and business multifunctionality are important strategies for farmers seeking to adapt to an ever-evolving agricultural environment. These approaches help reduce risk, improve economic stability, and make the most of available resources, thereby contributing to the sustainability and success of agricultural businesses, both in terms of effectiveness and profitability.

DIVERSIFICATION OF PRODUCTION

Risk Reduction: By cultivating a range of products, farmers can reduce their exposure to risks associated with a single crop or factors like weather and price fluctuations.

Enhanced Economic Stability: Diversification can help stabilize farm incomes, as different crops may have different production and market cycles.

Access to Various Markets: Diversification can enable farmers to access a variety of markets.

Resource Optimization: By making more comprehensive use of their farm resources and diversifying, farmers can maximize the potential of their land, labor, and equipment

MULTIFUNCTIONALITY

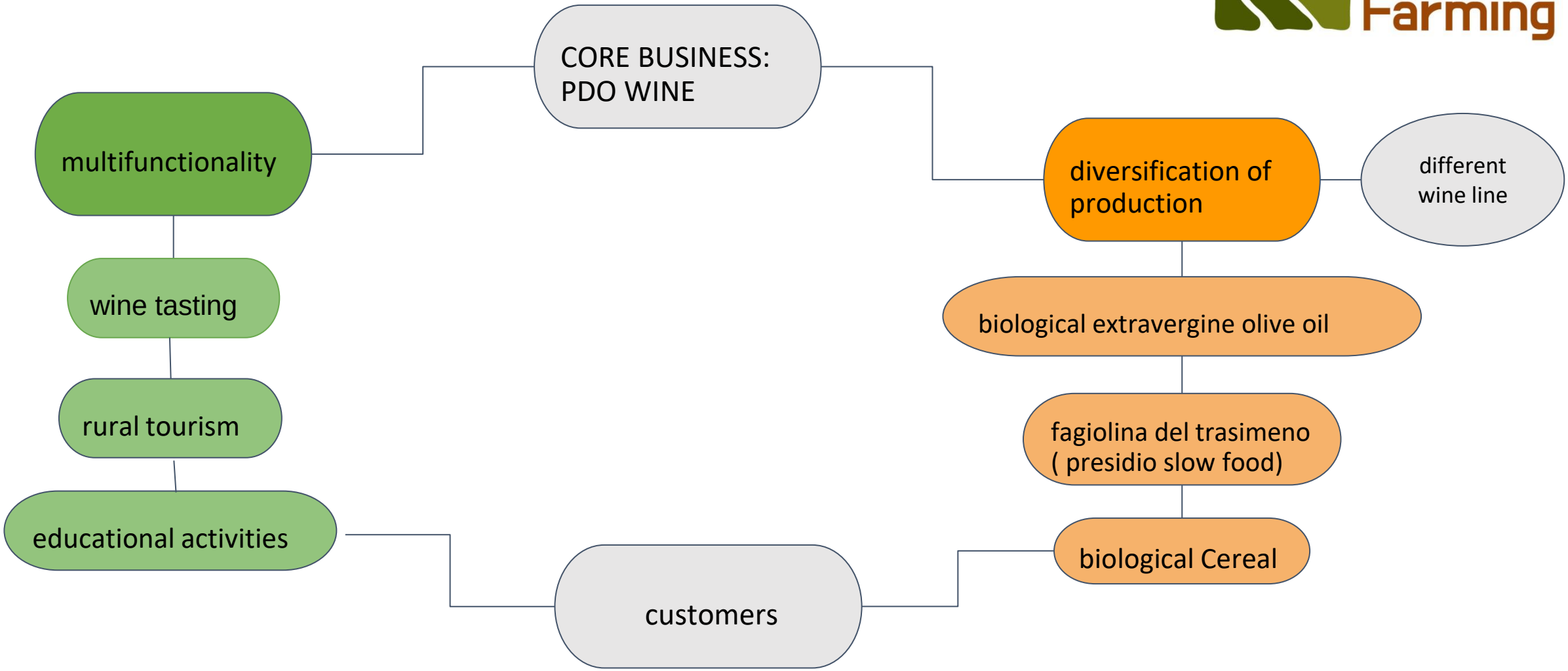
Agritourism: Offering hospitality services, such as accommodations and dining, to visitors on a farm, allowing farmers to diversify their income and promote their production.

Education and Awareness: Organizing educational tours, courses, and outreach activities for the public to promote awareness and appreciation of agricultural practices and the environment.

Renewable Energy Production: Utilizing resources like sunlight or wind for energy production, contributing to energy independence and generating additional income, as demonstrated in the case of the farm producing energy from olive residue biomass.

Rural Tourism: Leveraging the rural location of the enterprise to promote local tourism, such as countryside walks or nature excursions.

3.6.1 Relationship between agricultural biodiversity, certification and consumers in the value chain



3.6.2 The role of rural tourism and valorization of niche products

Over the past decade, **rural tourism** has been on the rise, steadily gaining significance in comparison to more conventional forms of tourism. Recent studies indicate that a key factor contributing to the success of rural tourism is the shift in tourists' preferences. Instead of merely searching for a destination to visit, tourists now yearn for **genuine and authentic experiences**. In this context, exploring the countryside as a tourist can evoke deep emotions and fulfill the desire for an **authentic encounter**. Gastronomy, an integral part of cultural heritage, plays a crucial role in rural tourist activities, occupying a special place in the quest for a sense of place. Tasting, purchasing, and bringing home local products provide the assurance of a genuinely immersive experience being a primer drive in the **generation of income for sustainable farming.**

3.6.2 The role of rural tourism and valorization of niche product

In line with the strategy focusing on customer appeal, it facilitates the conversion of an agricultural region into a **multifunctional territory** that produces services, experiences, and changes.The regional identity and image play a crucial role when the product's brand is linked to the name of the region (PDO,PGI) it opens the door to getting regionally-distinct products into distribution channels. A collaborative approach between municipalities, clusters of farmers and private business such as the incoming tour operator can generate a winning situation for a sostenible development of the territory guaranteed a fair distribution of revenue. Besides the macro category of rural tourism, we can distinguish specialized kinds of tourism matching the consumer's interest such as: food tourism (new term, to indicate Culinary Tourism and Gastronomy Tourism), wine tourism and beer tourism.

3.6.2 The role of rural tourism and valorization of niche products

Food tourism offers immersive opportunities for people to appreciate and **experience local cuisines and beverages**,highlighting the historical, cultural, and environmental aspects of a specific region. These activities, which blend tourism and entertainment, establish culinary traditions as a cornerstone of regional identity and cultural heritage,valorising the profound interplay between food and society.On the other hand, farmers increase their chance of encountering markets, both customers,tourists and/or ho.re.ca. In this contest farmers broaden their business opportunities, having as a channel of distribution **local traditional restaurants** that through their chef can valorise the **biodiverse** and local production playing a role of **ambassador of the cultural heritage** of the territory giving back new opportunities of **direct sale to food tourists** (see consumer journey path and touch point). Food tourism has a wider range of opportunities to engage the consumer: **show cooking, unconventional farmer markets, cooking classes, food testing in the multifunctional farms** are some of the strategies that can be set up for the common development of the rural area, therefore indirectly the farmers income.

3.6.2 The role of rural tourism and valorization of niche products

Wine tourism, classified as a form of special interest tourism, has gained significant prominence in the world of wine regions. It serves as a **magnet, drawing visitors to these wine-producing areas** (wine district) such as Porto and the Douro Valley, Portugal, Bordeaux, France Mosel, Germany La Rioja, Spain, tuscany italy. Those are only a few examples of connected development between **wine labels and cultural identity, pushing reciprocally for the development of the district even thanks to the European certification scheme that have reinforced it.** Notably, visiting these regions has emerged as a fresh market opportunity for small-scale wine producers. Wine tourism represents a vital component within the marketing and sales strategies of wineries and wine-related businesses,focused on tastings and visits to wineries, with the possibility of private tours and direct meeting of the farmers' owners, winemakers, and agronomists that will have the chance to **storytell the farm tradition, the wine processing and qualities, the biodiversity, and how the locals relate to their traditions and history.** Wine tourism not only enriches the visitor's experience but also serves as a catalyst for local economic growth. The proliferation of tourism opportunities bolsters smaller, inland towns by introducing new avenues for commerce and employment. A consistent influx of travelers year-round ensures a stable source of support for the local community and empowers local entrepreneurs.

3.6.2 The role of rural tourism and valorization of niche products

Wine tourism is mostly about the experience, While traditional activities like wine tastings and remain essential, the realm of possibilities extends far beyond these conventional options, new winetoursim can be considered:

Tailor-made vineyard tours: These constitute the fundamental aspects of any visit to a wine-producing area. Delving into the intricacies of winemaking begins with gaining first hand insight into how a winery operates. Most vineyards provide guided tours of their premises, led by knowledgeable guides who walk visitors through each stage of production, unveiling the behind-the-scenes secrets of the wine realm, from grape cultivation to bottling.

Wine museum: certain regions boast dedicated spaces that chronicle the history of their wine production. Wine enthusiasts can anticipate discovering permanent and temporary exhibitions that delve deeper into the traditions and techniques of winemaking, vineyard biodiversity and uniqueness quality.

Immersive experiences: In the grape harvest season, some vineyards extend an invitation to tourists, enabling them to partake in and rekindle ancient customs. Visitors have the opportunity to roll up their sleeves, engage in regional dances, stomp grapes, and pluck fruits directly from the vineyard.

Wine Education: Wine tourism often includes educational aspects, such as workshops, wine appreciation classes, and the chance to learn about the various grape varieties and wine styles.

All this b2c initiative contribute to enhance the **farmer income and brand identity both locally and internationally.**

3.6.2 The role of rural tourism and valorization of niche products

Of primary interest in the **wine food tourism sector** is the development, with the involv consortium, municipalities and agricultural association, **action designed** to **bring the visibility of wine region and wine label at an international level.**

In this contest communities can arrange wine district **tailored tours directed to international stakeholders** such as wine influencers, sommelier, expert of the food wine sector, buyers, researchers, chamber of commerce and their representatives, **with the aim of increasing the interest and knowlodgence's region and the enhancement of incomes for the locals social actors involved.**

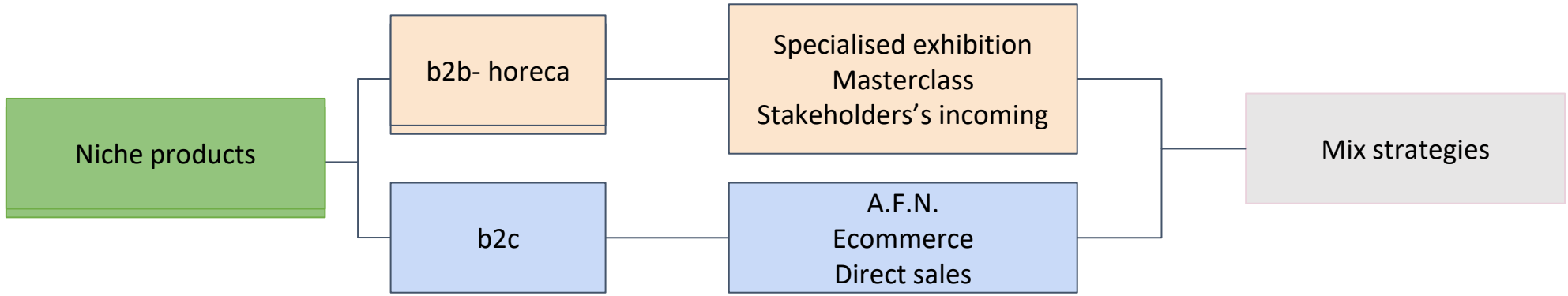
Certain characteristics of typical products in fact are best appreciated in a highly contextualized way, which involves consuming them at the very location where they are produced. This could include appreciating the landscape shaped by the product's cultivation or the connections to local culinary and folk traditions enriching the experience and the memories of stakeholders willing to share the experience and bring the district within their home country. Through incoming tourist journey farmers can have **high potential business and visibility opportunities**. fundamental in this kind of encounter is to potential the human relationship, the ability to communicate through storytelling the value of biodiversity and the territory itself.

3.6.2 The role of rural tourism and valorization of niche products

Another growing sector in the food-wine industry is the **beer tourism**, which is relatively a recent trends in the category of culinary and beverage tourism. Beer tourism, also known as ale tourism or brew tourism, i**s a growing niche** that involves traveling to various destinations, particularly regions renowned for their beer production, to explore and experience the world of beer. Craft beer, characterized by its creation at the hands of small, independent brewers, often mirrors the tastes and preferences of local beer aficionados, **incorporating regional ingredients and showcasing the unique identity of the territory.** Beer tourism follows in the successful footsteps of enotourism, which revolves around the world of wine production and consumption. **Beer festivals** are a significant part of beer tourism, these events can be local, national, or even international in scale and offer an opportunity to taste a wide range of beers often alongside food and entertainment. Beer tourism, in fact, often goes hand-in-hand with exploring the culinary scene of a region combining **Beer and food pairing experiences**, such as **beer dinners.** Some regions have developed **beer trails** or ale trails, which are self-guided tours that lead visitors to multiple breweries, pubs, and taprooms in a specific area.

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

Niche farmers have essentially two ways to distribute their products in the food channel chain **b2b or b2c.** Within these two macro categories farmers can declinate their distribution presence at local and international level which involve strategic marketing choice and business model development. By adopting an integrated B2B and B2C strategy, we will have greater income potential and lower risks. Thinking about the COVID-19 pandemic, in fact, companies that had based their commercial strategy solely on the HORECA sector were penalized. Whereas companies that had already adopted forms of commercial diversification, such as e-commerce or home delivery, had generated higher income compared to the pre-COVID period



3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

Very often, small-scale agricultural businesses that preserve agricultural biodiversity have limited sizes, just as their productions are limited. As seen in unit 4, business resilience is crucial, and collaborating offers advantages, especially in terms of marketing local products. Through aggregation, medium and small agricultural enterprises can have more opportunities for visibility at both national and international levels, saving on organizational costs and the management of territorial promotion activities, thus increasing their market penetration capacity. For this reason, it would be beneficial to work on two connected and interdependent levels:Corporate Branding and aggregation. **The combination of brand identity and being part of a consortium enable the farmer to reach a wider consumer base both locally and internationally.** The **primary way to reach international markets** is taking part at **international exhibitions** in fact they are an opportunity to encounter **international stakeholder** (**buyers, distributors, journalist, chef&sommelier, influencers, researchers**) and **generate new leads**. It is always better to participate as a consortium or within the local pavilion for both cost saving and visibilities. **Certification scheme**, in addition of being a prerequisite to take part in specialised exhibitions, drive the international stakeholders to a specific territories facilitating the identification of the corporate brand with special organoleptic and territorial qualities.

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

Taking part in the **international specialised fair** is not only about improve their export capabilities, it is also about networking activities, discovery new trends for the sector through seminars and workshop, analysing the competitors. Moreover specialised exhibitions promote event to premiate the highest qualities of a denomination which is a great recognizement for the farm in terms of positioning in the market and intangible value. In summary, international exhibitions offer niche farming businesses an invaluable platform for expanding their reach, connecting with a diverse audience, and staying informed about global trends and opportunities.

VINITALY

BIOFACH

SALON INTERNATIONAL D'AGRICULTURE

PROWINE

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

Another channel to reach **international markets** is to be part of regional initiative who aim to bring the territorial identities abroad through the organization of **masterclass**. The consortium, farmers associations or municipalities can organise target directed masterclass abroad within **the aim of raise interest in the region and in their products as well as the profitabilities of the local economy.** Masterclass compared to international exhibition have a smaller visibities but **more targeted audience**, the stakeholders taking part in the masterclass are highly interested therefore the possibilities of generating new effective leeds is higher. Masterclass can consist in seminaries with food/wine tasting and a direct interaction between producers and stakeholders. very important are the soft skills of farmers in the relationship management so as their abilities of storytell.**Masterclass** can be hold also **locally** with the incoming of international stakeholders willing to know closely the region identities and culture. this kind of activities is more expensive for the holding organisation but offer a full immersion in the local culture and heritage generating direct and indirect value (5.3.2).

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

The **web** play a central role in in the development of a commercial strategies at **local and international level, for b2b and for b2c distribution channel**. there is no online without offline and vice versa. The company web presence contribute to the realization of the brand identities. Internet user are grown in the past years and the time each person spend on social media and search engine (also gaming) is quantified on more than 4 hours per day. So either to reach international customer, either to engage local communities an internet presence is essential for the business development. Farmers can decide to apply different strategies in accordance within the business model. Having an owned **e-commerce** have the advantage of selling b2c directly to worthwhile user ended up in my funnell, but with the exposure of the final price to consumer which might generate issue in the price market position especially if the product is placed in different markets. Being part of a **vertical marketplace** can generate the same kind of issue about the price but as an advantage we can consider a wider users base and a recognition between the passionate of the sectors and to not be available in a vertical markets might means to lose the opportunities to be known and reach a potential consumers.

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

Agriculture biodiversity are becoming increasingly central also in the relationship with the ho.re.ca sector both at a local and international level.
The **synergy between high-quality certified food and the catering industry** has emerged as a significant avenue for agricultural enterprises. The keen interest of the culinary world and chefs in their quest for unique products not only enhances the local economy but also adds value to the region. In this context, **chefs play a pivotal role in rejuvenating age-old productions and traditions through innovative and traditional recipes alike.** From the producers' perspective, this represents not just a source of income but also an opportunity to gain recognition for local varieties among a broader audience, thereby expanding the potential for direct sales.

Farmers and commercial organization, alongside presidiums and local institution, actively **promote the growth of the producer-restaurateur relationship.** They achieve this by organizing business-to-business (B2B) events and guided tours of production facilities, as well as acting as stewards of territorial biodiversity, all aimed at encouraging and nurturing this important relationship.

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

The channel of distribution is a very strategic choice for the farm as it can qualify the product, the price and value perception of the product itself.

Many niche productors have decided since the start up to distribute their products through **direct sales**. The direct sales customers have the advantage **to not lose value in the distribution chain as there are not intermediaries between producer and buyers.** Along with the traditional direct sale channels (farmers markets, shop in the farms) are proliferating alternative format of direct sales, changing the relationship from producer to consumers, initiative such as adopt a olive tree, a cow, a grapevine are only an example of the attempt to generate a closure and personalised relationship based on transparency , trust and fidalization between consumers and producers. All the experience mentioned in 3.5.2 are indirectly channel of direct sale, wine food testing and all the multifunctionality activities that the farmer can set in place are opportunities to realise direct sale to consumers so as the ecommerce and social commerce.

3.6.3 How farmers can reach international and local markets: new trends and channel for valorizing niche product in the food channel chain

The **alternative food networks** have based their existence on the assumption that green value and sostenible lifestyle including critical consumption are the basis for a fair, democratic and ethical lifestyle development in which niche production have their natural place. Around europe have been developed different style of alternative food network such as farmers market, food coop, pre ordering system. New trends in the A.F.N. is the position of customers, in fact people involved are not passive consumers but they are active actors holding the status of proconsumers. farmers in this contest have those products valorised but with the active participation of citizen in the business productive plan have an higher base of loyal proconsumer, which imply having settled the delivered productions at the planning stage. Moreover the proliferation of a.f.m give at farmer a central role in the **urban regeneration**, in fact farmer and their genuine, healthy product bring to cities not only food but an ethical vision of consumption and pro social behaviours. The European Economic and Social Committee (EESC) has recognized the important role that these initiatives plays in the relation between agriculture and local communities supporting the development of direct sales and short food chain

Conclusions

Certified niche market product have a wide range of opportunities to reach a wider consumer base and generate incremental revenue. starting from any business stage farmers need to understand the central active role of consumers on the food value chain, and offering the more tailored food experience while preserving the authentical vision and mission. territory, identities, diversification, multi functionalities, aggregation, rural tourism, communication and placement are the key words on which generate a business strategy able to valorise the biodiversities preservation. the eu certification scheme help producers and consumers to address their effort facilitating the access to international and local marketing, guaranteeing transparency

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