

Almodovar, 11 December 2008
 Workshop on the Valorization of the
 Mediterranean Forest Resources

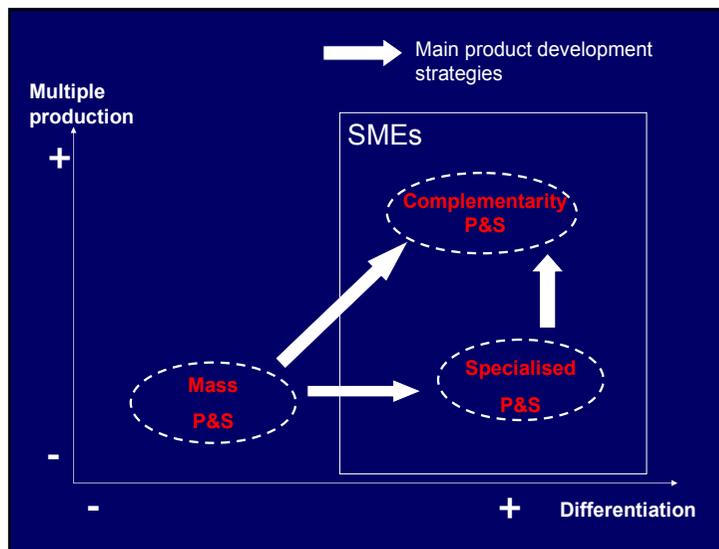
NWFPs MARKETING: THE ROLE OF NETWORKS

Davide Pettenella
 Dipartimento Territorio e Sistemi Agro-forestali
 University of Padua - Italy



Outline

- NWFP&S classification:
 - Mass products and services
 - Specialized products and services
 - Complementary products and services
- The role of networks in complementary NWFP&S: a conceptual framework
 - 3 network typologies
- Conclusions



1. Mass products and services

Products and services that are *not differentiated*, for a large number of consumers



Which marketing mix?

- 4 Ps** {
- Products: quality assurance, standardization
 - Place: logistic (JIT), packaging
 - **Price: cost minimization**
 - Promotion

+

- 2P** {
- Political power
 - Public support/participation



2. Specialized products and services

Typically products and services **well differentiated**, often available in relatively **limited quantities** (e.g. specialties like truffles) for a target market.

Which marketing mix?

- 4 Ps** {
- **Products:** quality assurance, certification, packaging, links with a territory or/and a local tradition
 - Place
 - Price: selling system
 - **Promotion:** local association, e-marketing

+

- 2P** {
- Political power
 - Public support/participation

Some examples: certified chestnuts

marron from Castel del Rio, marron from Mugello, chestnut from Monte Amiata, chestnut from Montella

Certification under EU regulations

- Registration of Protected Designation of Origin (PDO) (Reg. 2081/92)
- Protected Geographical Indication (PGI)
- Traditional Speciality Guaranteed (TSG) (Reg. 2082/92)



Organic production (Reg. 2092/91 and IFOAM)

Marron from Mugello-Fano in Garfagnana



<http://www.dallavalle.fi>

Fresh mushrooms class information for gatherers

CLASS I:

M. has to be whole, solid and without worms. Pores has to be white.



CLASS II:

M. has to be whole, solid and wormless. Pores has to be complete and yellowish or yellow.

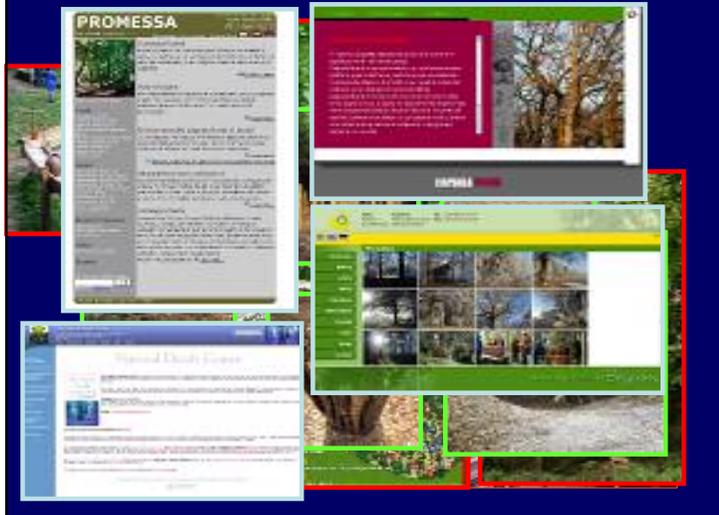


CLASS III:

M. has to be sliced in half. Pores has to be green. If pores are thick, half of them has to be taken off from their edges. In a rainy day, only the stem of the m. is included in class III.



Other examples



Specialized products and services

→ good income opportunities for a single enterprise
(= they give the *possibility of premium prices*)

Sometimes good links with a local natural resources, but often:

- seasonality
- exogenous investment
- no relevant impacts on the local economy
- specialized use of the forest resources (limited multi-functionality)

3. Complementary products and services

= those specialized NWFP&S that can be sold and used in strict association with other, due to the synergies deriving from their **conjoint marketing**.

Different links among products and services.



A crucial role of networks

“Network: a mode of organization that can be used by managers or entrepreneurs to position their firms in a stronger competitive stance”

Territory = “common denominator”

➔ to create a consistent portfolio of products and services

➔ to bundle marketing efforts for their coordinated promotion

An example of territorial marketing: Umbria region and the black truffle



Willingness to cooperate among private operators

Private/public partnership in promotion

The basic idea: we sell the product, but also the associated history, monuments, events, farm tourism, ...

http://www.umbriadoc.com/eng/prodottipico/generale/prodottipicocod_tartufo.htm



Törggelen holidays in South Tyrol : few days- one week holidays based on

- roasted chestnut +
- walnut +
- new red wine tasting +
- speck and the meat

Chestnut: networking

Fairs, exhibitions, ...



... restoring old building ...

... research:

- diseases, cultivation, graft and crown care
- recovering of old chestnut orchards and transformation of chestnut coppice
- harvesting techniques

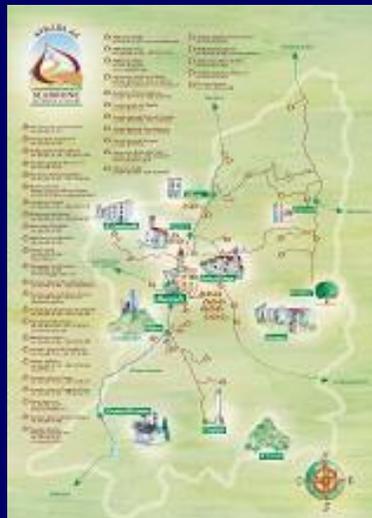


...museums,

... Sharing the experiences: a network of local municipalities (the Italian *Associazione Nazionale Città del Castagno*)

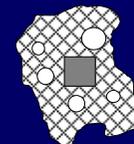


Very common tools for linking various products and services are trails, roads, itineraries or pathways which go across a territory (e.g. "Strada del fungo porcino" – the stone mushroom road; "Strada della castagna" – the chestnut road).



La Strada del marrone in Mugello (Tuscany)

Main typologies of networks in NWFP&S marketing



(a)

Concerts organized in a forest



= the territory



= NWFP&S / products and services from other sectors



= marketable / non marketable products and services

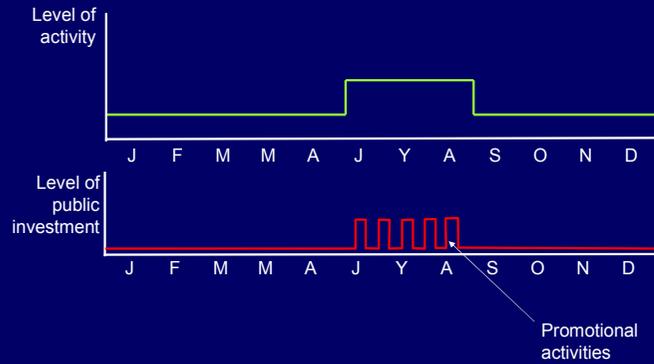


= size connected to no. of consumers or level of sales (profit)

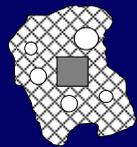
Concerts in forest



Concerts of classical, ethnic, etc. music by famous national and international artists organized in July and august in the Trentino region.



Main typologies of networks in NWFP&S marketing



(a)

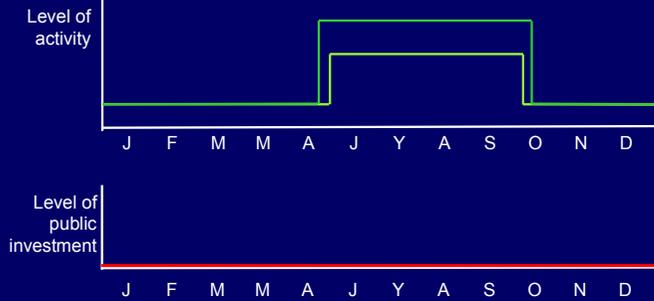
Concerts organized in a forest

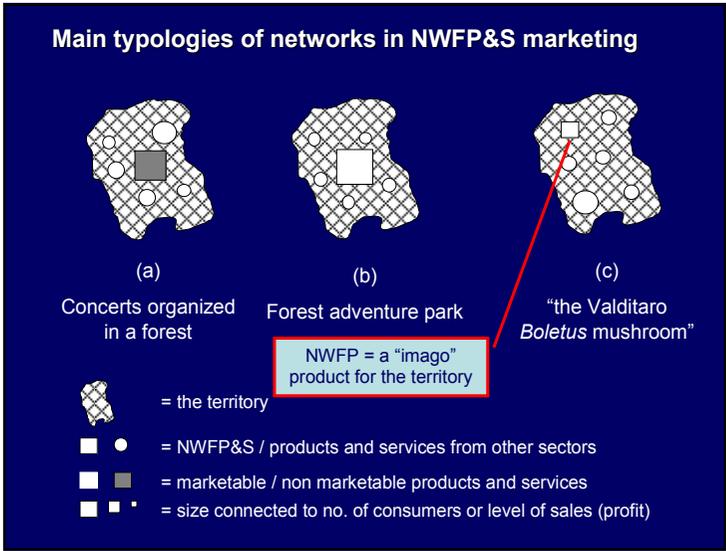
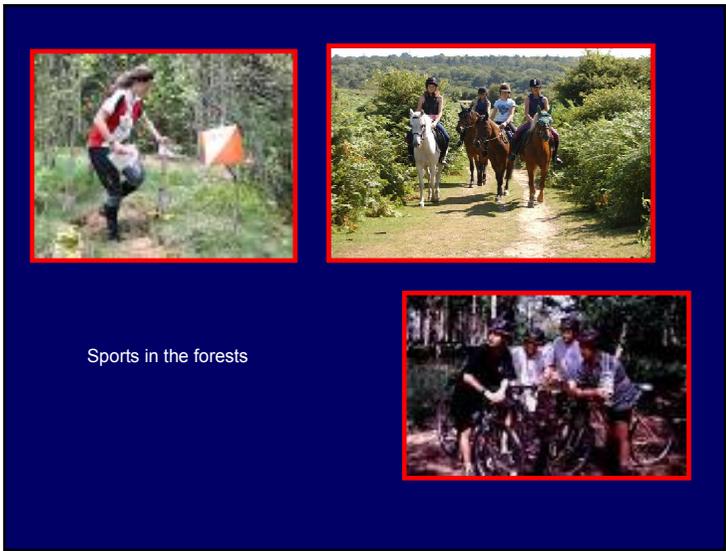


(b)

Forest adventure park

- = the territory
- = NWFP&S / products and services from other sectors
- = marketable / non marketable products and services
- = size connected to no. of consumers or level of sales (profit)





EC Mark of origin

Production areas

Type of permit

Growing rate

<http://www.fungodiborgotaro.com/default.htm>

<http://www.fungodiborgotaro.com/default.htm>

TESSERINO VERDE

Comunale di Gotra, Buzzò, Albareto, Boschetto, Groppo, Tombeto e Montegropo in Comune di Albareto.

Verranno rilasciati tesserini di colore verde con le seguenti caratteristiche:

- giornaliero** (valido per il giorno indicato nel tesserino):
 - costo: **Euro 15,00** per i non residenti in Comune di Albareto; Euro 6,00 per i residenti nel Comune di Albareto nonché per i proprietari, ed affittuari con contratto almeno annuale, di seconde case nelle frazioni delle Comunali;
- semestrale** (valido comunque non oltre il 15.11.2003):
 - costo: **Euro 150,00** per i non residenti nei Comuni di Albareto Euro 67,00 per i residenti nel Comune di Albareto nonché per i proprietari, ed affittuari con contratto almeno annuale, di seconde case nelle frazioni delle Comunali

Modalità di accesso: i tesserini saranno vidimati - nel punto di vendita, con il timbro della Comunale di accesso, da personale incaricato dal Consiglio di Amministrazione.

Tale tesserino darà diritto all'accesso ad un'unica Comunale, pur consentendo di percorrere a piedi e di esercitare la raccolta nel territorio di tutte le Comunali facenti parte dell'area B).

In considerazione dell'antica consuetudine di reciprocità fra le Comunali confinanti di S. Vincenzo-Rovinaglia in Comune di Borgotaro e Gotra, Buzzò e Albareto in Comune di Albareto è consentito agli utenti lo sconfinamento;

Per evitare un eccesso di carico giornaliero di cercatori con effetti negativi sulla capacità di rigenerazione dell'ecosistema, viene stabilito un numero massimo giornaliero di persone a cui consentire l'accesso come a seguito specificato:

- Comunale di Gotra e Buzzò n.100
- Comunale di Albareto n.700
- Comunale di Boschetto e Tombeto n.120
- Comunale di Groppo n.100
- Comunale di Montegropo n.200

Giorni e orario di raccolta : martedì, sabato e domenica; la raccolta può essere effettuata a partire da un'ora prima della levata del sole, mentre l'uscita dall'area B) deve avvenire entro e non oltre le ore 15.

Quantitativi: non oltre 3 Kg.

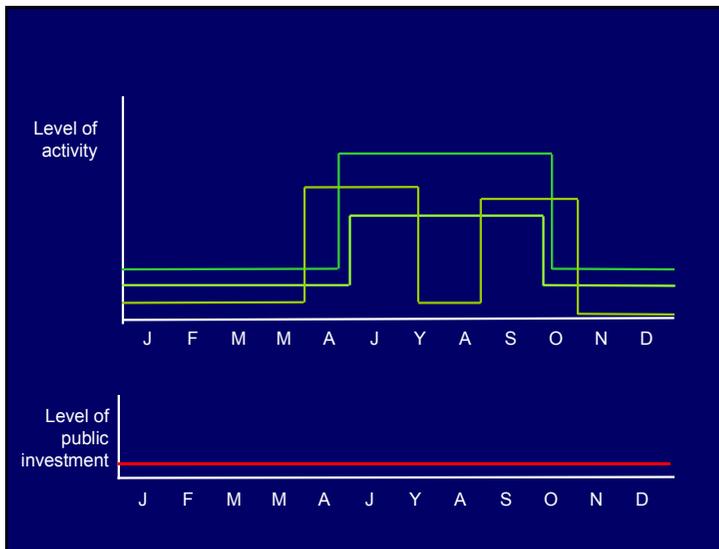
Daily permit: 15 Euro (for 3 kg max)

PARMA FUNGO FORCINO

WELCOME TO TRAIL OF FUNGIBO MUSHROOM

SEARCH

POBIA DEL FUNGO DI BORGOTARO SCP



Conclusions

Network and complementary NWFP&S: which marketing mix?

- 4 Ps
- **Products**: strong links with a territory or/and a local tradition; a good "basket" of different products and services
 - Place
 - Price
 - Promotion
- +
- 2P
- **Political power**: partnership (Leader approach)
 - **Public support/participation**: social capital (i.e. the capacity to cooperate among private and public actors)

A reference model for rural development policies aimed to a multifunctional use of forest resources and to community stability.

Networks are also dynamic: network growth can bring problems, conflicts and new risks, also because outcomes can have an asymmetric distribution among firms composing the network (Gulati, 1998)

Two components of the most advanced form of networks:

- **A (contractual) coordination** of economic agents for the supply of products and services to increase profit and/or stability (a market share)

- **A mutual trust:**

 - ← input = **social capital**

 - output = not only market products are supplied but also "**relational goods**"