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A collective marketing strategy to assess and manage the sustainability of Geographical Indications. The case of Parmigiano Reggiano PDO.

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***Abstract* – The paper proposes an innovative methodology which frames the brand manifesto of Parmigiano Reggiano into the FAO SAFA indicators. In this way, it is possible to better monitor the sustainability of the food system and develop a more effective communication marketing strategy about the Geographical Indication's sustainable production.**

***Keywords* – sustainability, marketing, geographical indications, SAFA.**

Introduction

The "Food to Fork" strategy was launched by the European Commission in 2020 to redesign sustainable food systems, considering the sustainability as the result of a strategy based on the territory, where the environment, the economy and the social dimensions are integrated. According to literature, Geographical Indications (GIs) and their legal protection and promotion institutions, can support the sustainability of the food system, since GIs naturally generate public goods and meet sustainability expectations expressed by consumers and society, representing an additional quality plus on the market (Arfini, F. et al., 2019). Products under GIs specifications are characterised by a strong embeddedness with the local territory, which is given both by natural elements, such as soil and climate conditions, and anthropic factors, such as cultural practices and traditional knowledge. GIs products differentiation, their higher value price on the market, together with their high-quality environmental and local resources protection system and collective enhancement of the territory, can clearly promote the environmental, social and economic sustainability of the system. The public registration of a GI product could indeed catalyse a series of positive externalities generating added value for the local community, beyond the farmers that are directly involved in that precise supply chain. In this sense, GIs can be fundamental in supporting rural development. Furthermore, they encourage local actors' self-esteem about the role they play within the system, they strengthen local identities and promote the generation of tourist flows, especially thanks to a solid identity reputation of the area.

Up to the present, more than 10.000 GIs have been registered worldwide with a commercial value of over $ 50 billion. In Italy the consumption of GIs has meaningfully increased during the last ten years, showing consistent export values, and contributing up to the 20% of the national agri-food sector economy. (ISMEA, 2020).

Despite the huge market and the contribution to the sustainable development of rural areas, there is a lack in monitoring, acknowledge and frame all the dimensions of the sustainability by the stakeholders of GIs, such as farmers and consortium that manage its food chain. This results in a lack of capacity in properly communicate the actual sustainability of GIs to the consumers.

The aim of the paper is to develop a methodology for the assessment of the overall sustainability of GIs to properly address the communication marketing strategy towards consumers and territorial stakeholders. The methodology is applied on the Parmigiano Reggiano Local Agri-Food System (LAFS), which food supply is managed by the Parmigiano Reggiano Consortium (CFPR).

With this contribution, we aim to provide to the consortia management of GIs an operative tool to focus on its own productive activities enhancement, to achieve a more sustainable fulfilment, implement an effective communication system toward consumers and therefore communicate in an accessible and understandable way where, how and why the product is sustainable.

Methodology

The CFPR has developed a brand manifesto which present the Mission of the Consortia and describes the features of sustainability of the Parmigiano Reggiano with respect: environment, animal welfare, nutrition and wellbeing, community, territory. In order to properly assess the effective sustainability of farms, this study applies the framework of FAO SAFA indicators (FAO, 2014). With the SAFA indicators, FAO frames the sustainability of the farming system around 4 main pillars: Environmental integrity, Economic resilience, Social well-being, Good governance. By using this framework of analysis, (1) it is possible to have a more harmonized understanding of the sustainability of the GIs food chains in order to better

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understand in which dimensions GIs are more sustainable; (2) the societal values trough the brand manifesto can be better communicated to consumers and to local stakeholders.
Being the research a pilot analysis, the data came from three farm dairies, producing Parmigiano Reggiano cheese strictly from their own milk, respectively representative of hill, mountain and plain areas. Despite this narrow application area, this pilot project could then be extended to social and private dairies. Two different data sources have been applied: to collect an impartial data set, several information have been directly provided by the CFPR, while the remaining material, gathered in a questionnaire, was than collected through producers' interviews.
The data acquired on the three farms, were thus processed to create two different indexes: (1) a dimensional index, which shows the observed value of a single variable and led to the comprehension of a specific indicator performance, (2) and a synthetic one, which, on the contrary, shows an overall view, it aggregates different parameters and led to a systemic understanding of the sustainability level of the CFPR farm dairies.

Results

The results of the synthetic indexes at farm level show that the hill dairy has a better performance in terms of environmental sustainability (forage self-sufficiency and crop diversification) and animal welfare dimension. The plain dairy obtained instead better results in terms of economic performance and of community sustainability. The mountain farms showed good results in terms of animal welfare and "Nutrition and wellbeing" dimension.
Following the dairy activities results, the hill reference achieved higher scores in terms of environmental resilience and in terms of "Nutrition and wellbeing", while the mountain dairy achieved higher scores in terms of community sustainability (thanks to a wider participation to local fairs, exhibitions and events). From an economic perspective, similar results have been achieved by the three samples.
In general, the results showed an overall positive performance of the system, especially in terms of animal welfare (thanks to high standards in terms of wide boxes, free range and high quality animal feed products), local territory impact (soil and identity features) and surrounding community involvement; more specifically, concerning the environmental dimension, good outcomes were obtained thanks to low intensity farming methods of the three dairies under observation, which in turn are strictly linked to low-intensity livestock pressure on the soil, and therefore to low animal waste, nitrogen and carbon amount release. Positive results were also recorded in terms of production efficiency, which has beneficial effects not only on the environment (food waste amount), but also on the overall system economy (disposal costs investments). Moreover, evidence of internal and external social sustainability came to light: the first could be linked to the large contribution and involvement of the family members in dairies management decisions, to the low average age of the family components that work in the farm (around 44 years old) and their inclination towards new technological changes. The latter is rather given by good local community involvement in different types of activities such as farm visits or school laboratory experiences.
Moreover, the use of non-chemical fertilizers or synthetic pesticides and the alfa-alfa cultivation is also fundamental regarding the overall sustainability performance of the system. All these elements prove how important is the Code of Practice in giving fundamental guidelines to producers as well as rules with significant positive impacts on the system.
On the contrary, some critical issues between the three samples were observed in terms of environmental sustainability (energy sources, employed fuel, water consumption amount) and economic resilience (commercial strategies and stability in markets). Furthermore, a high rate of male employees and a low employment rate have been recorded from producers' interviews. Finally, it has been pointed out that further research should be conducted in order to realize a better understanding of the overall organic matter status of the soil.

Discussion and Conclusion

Consumers have a key role in supporting more sustainable value chains only if they are properly informed about the products they buy and consume every day. This is the reason why they should not be considered as simple marketing targets from the food industry, which should instead start thinking about new and effective ways to better communicate to their consumers their sustainability efforts.
In this scenario, GIs could be good starting points to better explore the issue; owing to the fact they are easily associate to sustainable productive systems, more likely than common and standardized food products, they could be exploited to test new communication and marketing strategies which accurately come from a sustainability assessment. This study has thus designed practical tools which turn useful for food companies and GIs Consortia in monitoring the sustainability of their food system, in order to better communicate it to consumers.

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