

Article

# Foods and Places: Comparing Different Supply Chains

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**Abstract:** This paper explores the relationships between food and places and how these affect the organization and functioning of different supply chains. The theme is increasingly relevant due to demand trends and new production patterns, including globalization, that deeply affect the (re)localization of production. This is a conceptual paper extensively relying on previous studies done by the author and on evidence and concepts discussed in the literature; it does not present new in-depth case studies or any other original evidences. First, the different ways of conceptualizing and thinking the linkages between food and production places are discussed. Then, three chains that seek at delivering products for which the place of origin is important are compared: (i) short chains, where producers integrate the whole process in order to access the final consumer; (ii) geographical indications, where producers gather under a common name in order to build their reputation in connection with the place of production; (iii) retailers specialized in high quality foods, where advantages of large retailers are combined with the strong identity of products. The objective is to contribute understanding differences in the coordination modes and in the kind of governance at stake in each chain and to compare their strengths and drawbacks in terms of capacity to assure place-related quality and of delivering reliable information to consumers. Attention is also given to the role of farmers within the different chains, as these are usually strongly rooted in the place of origin but the weakest knots in the chain in terms of bargaining power. Vertical and horizontal coordination, together with collective actions, are essential for an effective alignment of the production process that can enhance quality and create/distribute value. The discussion also assesses difficulties and drawbacks related to sharing decisions and to managing common resources.

**Keywords:** food origin; food quality; supply chain; collective action

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## 1. Introduction

This paper revolves around the multifaceted and complex relationships between food and their places of origin. The expression ‘place of origin’ is generally referred to as the birthplace, the geographic area of provenance or the source [1]. As such, the expression recalls the idea of the roots, or of the cradle, of any leaving being, object, idea, process, and so forth. The relevance of the topic relies on the vast recognition that food quality, food places, and their connections have gained within the greater public and, at the same time, on the market failures due to asymmetric information related to these product features. Furthermore, shaping product quality based on the place of production increasingly represents a common pillar in the marketing strategies adopted by farmers/producers in order to enhance their visibility and to improve their positioning along the supply chain as well as in the final market [2–4]. Notwithstanding, especially for the small firms that populate the agri-food sector, it is not always trivial to adopt such strategies and many constraints and drawbacks may arise that it are worth acknowledging, considering that a comprehensive discussion is lacking in the literature, so far.

More in details, the paper first explores the different factors and trends in supply and demand that make this food–place relation more and more complex and explicitly relevant. Different ways of

conceptualizing and of thinking the linkages between food and places of origin are explored, including aspects related to the environment, to consumers' identity, the search for proximity, the discovery of ethnicity, and others. Afterwards, the organization and behavior of different supply chains centered on delivering products for which the place of origin is important are discussed and compared with special reference to the prevailing quality conventions, to the kind of stakeholder who populates the chains, and to the target markets.

Three kinds of supply chains are chosen based on their relevance and on the role that the place of origin plays in their organization and in terms of product specification and nature. These chains are: (i) short chains, where producers integrate many stages of the whole process in order to deliver local products to the final consumer and where quality is assured via informal face-to-face relationships; (ii) geographical indications (GIs) that rely on the certification of origin set by the EU Regulation (the first EU Reg. 2081/1992 and subsequent ones) and where producers collectively build their reputation in order to reach further markets; (iii) outlets and retailers specialized in high quality food, where the advantages related to size—also in terms of visibility and reputation among others—promote products with a strong geographical identity.

The conceptual framework used to analyze and compare these chains is focused on different aspects such as the coordination modes within the chains and their kind of governance and on the collective actions required for their functioning. These can shed light on: (i) the effectiveness in delivering place related quality; (ii) the way information is delivered to consumers and its reliability; (iii) their capacity to assure a sustainable role to smaller stakeholders, usually the farmers/producers, who also face more sources of rigidity.

The text is organized as follows: the discussion of the relation between foods and places is developed in Section 2. The comparison of the different food supply chains where the place of production is an important quality clue is done in Section 3. Some concluding remarks are discussed in Section 4.

## 2. Food and Places: A Multidimensional Complex Relationship

Different strands of Economics and of Geography have, over time, assigned a major role to places in shaping supply and demand, even if, over time, the accent on this aspect has been somehow uneven. To our purposes, it is just worthwhile recalling the milestone contributions of masters such as Smith [5], Ricardo [6] Marshall and Becattini [7], who, among others, focused on the spatial dimension of economic activities from different perspectives, not simply looking at the distance between agents/institutions but analyzing the very nature of places, each one with its own peculiarities. The relevance of places is widely acknowledged at whatever scale: from very local and narrowly defined areas to wide regions, nations, and almost entire continents.

A few examples of areas and products that share the same name thanks to which they are reputed for their high and idiosyncratic distinctive quality will leave no doubt about the overall intimacy of the food–place relationship in the consumers' mind. The first one relates with names such as Sheffield cutlery, Cayenne red pepper, Marseille soap, Champagne. At a first step, the names of these products are identified with the name of the place of origin; at a second step the products have become so famous that they pushed the reputation and fame of their place of origin; while, at a third step, the products have turned out so famous that, in everyday jargon, their names become almost generic nouns (this is true even for the last one that despite being a GI is frequently used as to refer to white sparkling wine, just as it happens to Prosecco) [1].

In the agri-food sector, as already seen, the nature of the place of production and the geography of consumption are particularly important under many respects and are, evidently also strictly interconnected [8,9]. Among these locational factors, it is worth recalling natural conditions including climate, soil, plant varieties, and animal breeds that are place specific and, thus, determine peculiarities and strong identities of products coming from different places. Moreover, human factors—such as culture, historically based practices, traditional know-how, the legal framework, social norms and so

forth—interact with the physical and biological environment adding relevance to the place of origin as a source of specificity and differentiation of production processes and products. Hence, not surprisingly, many examples can be found within this sector: (i) in the wine market the area of production has been a basic feature for product classification and identification for centuries. Consumers use this information when they choose their wines as it is clear just looking at how wines are displayed in wine-shops, menus, catalogues, wine guides and the like, where they are ordered according to the Country/Region of origin; (ii) the next example is provided by the increasing frequency with which large retail chains display local products in separated and well visible areas of the outlet with labels such as 'Km0', 'close to you', 'local food', and the like; (iii) last, the spreading of food items in souvenir shops in touristic places in railway stations, airports, and the like confirms the large interest of people in typical products and their high symbolic and emotional value.

Again, with reference to the demand side, patterns of food consumption are also acknowledged to be geographically diversified and deeply rooted in places in relation to factors such as: levels and characteristics of wealth, health and demography, tastes, habits, traditions, culture, available information, and so forth [10]. These differences in the demand expressed by consumers of different areas act as powerful factors for product differentiation and market segmentation, also in relation to the role of places of origin.

Along the second half of the 20th century, the complexity of the so-called agribusiness greatly increased. This process has been often referred to as the industrialization of agriculture [11]. More recently, globalization brought segmentation and delocalization of the different production stages, with raw materials and semi-processed inputs that travel forwards and backwards around the globe [12]. Industrialization and globalization of the agri-food sector increased the actual as well as the perceived distance between consumers and food. As a consequence, food production is basically perceived as a "black box" and feelings of suspicion and mistrust are widespread [13]. Emerging concerns include: (i) pollution levels in production areas; (ii) pollution and energy used for moving goods; (iii) the massive use of additives and preservatives for moving and stocking raw material and semi-processed products; and so forth. These are the reasons why consumers seek for food from close-by areas and/or from areas renown for low environmental pressure [8,14]. Products coming from nearby areas (i.e., local food) are often considered, other things being equal, healthier, fresher, more genuine and, thus, with better nutritional and organoleptic properties [15]. Shorter transportation distances and reduced conservation times are, in turn, also associated with lower environmental impact. Also, local food is regarded as traditional and, thus, it is seen by some consumers as a way for reinforcing local identity and awareness of belonging to the local community [16,17]. Somehow related to this last aspect, the relation between food and its place of origin is also considered by some consumers in the light of the economy that is behind the product itself. Consumers willing to sustain the economy of the place where they live may choose to boycott global distant companies in favor of local products from small businesses [18]. Besides, consumers that wish to promote development in poorer areas may choose products that come from such countries even if they are distant.

It is worth pinpointing that consumption tendencies described in this paragraph are usually mixed-up all together and may also result in non-coherent feelings and behaviors, where irrational emotional and even contradictory attitudes may arise [8]. This is the case, for example, of the mixed feelings often surrounding foods from distant countries including a lack of trust, or even, suspicion, together with curiosity for what is perceived as exotic. Furthermore, new foods from remote countries/areas are also sought by consumers who desire variety and who like to experience novelties. Also, ethnic food is considered a way for getting insights on traditions of places that are new to the consumer [19,20]. Besides, an increasingly mobile world population also seek food coming from their home country in case of migrants, or food from vacations, past travels, and so forth [21,22]. Exotic foods may also take a shade of rarity and preciousness, especially in case the place of origin is limited and production volumes are small. In such cases, the desirability of these foods increases and they may become true status symbols: a feature that is highly appreciated in an era of growing importance

of food as a hedonic good [23]. It is interesting to note that these mixed feelings may pertain to food perceived as exotic regardless to its actual provenance. In fact, these products may be imported as well as domestically produced, at least in part, as many large producers and retailers have developed sophisticated mimetic abilities thanks to which they deliver to the marketplace home produced food with an exotic appearance [24].

However important the place of origin may be to the consumers, and regardless to the reasons why it is so, origin is altogether a so-called credence attribute (i.e., a quality feature that cannot be ascertained autonomously by the buyer) and that, thus, determines a situation of asymmetric information between producers and buyers [25,26]. In a context where origin is an important feature in itself and it is also interpreted as a clue for other related quality attributes, it is clear that market failures due to the lack of information have wide and relevant implications. On the demand side, the release of complete and reliable information about the product origin is required for making correct choices; on the supply side, it is the basis for fair competition among producers from different areas in cases where the location matters.

Mechanisms put in place to remedy this market failure are many and diverse. These span from those pertaining to the general legal framework (including mandatory information rules for country of origin labelling, traceability, geographical indications, and the like), to those put in place by private agents (e.g., private labels, specialized guides, websites and so forth), and to the more informal ones (social networks, face-to-face relationships, word of mouth, etc.). Trusting the information, however received, will make the consumer believe in the origin claim accompanying the product and, everything being equal, this will enhance its willingness to buy the product [26,27].

### 3. Supply Chains and Product Origin

This section outlines three kinds of supply chains that differ under many respects but are all targeted to quality food with the place of origin playing a key role in terms of organization and with respect to product specification and nature, though in different ways. These chains have also been selected thanks to their relevance that is increasing in many places around the world, both in developed and richer countries as well as in developing ones, where wealthier consumers tend to have similar consumption profiles than those in better-off countries.

In order to analyze and compare these chains, the conceptual framework adopted focuses on the nature of the focal company and on its kind of governance as well as on the coordination modes and on the collective actions required and actually adopted for their functioning. These allow to shed light on different outcomes and specifically on: (i) the chain competitiveness and effectiveness in delivering food for which quality is place related; (ii) the way reliable information is delivered by the chain to its clients; (iii) the degree of sustainability for smaller stakeholders, usually the farmers/producers, who also face more sources of rigidity.

The first is the case of short chains, where food is basically featured as local and many functions are vertically integrated downstream by farmers who need also to connect horizontally [28]. Trust is here essentially based on face-to-face relationships. The second is the case of chains that manage geographical indications. This is a way to certify the place of origin with the goal to enlarge the market beyond the place of origin as in this case the production area is related to the concept of typicality more than of proximity. As a consequence, information and trust rely on formal and codified rules with a third party guarantee [1,29]. Lastly, chains with a focal company that is a retailer specialized in high quality food and for which the place of origin highly matters, are presented. It is worth indicating that, in this case, product origin may be understood and appreciated in different ways such as typicality ethnicity and exoticism. These kinds of chains have been spreading in the last decade in many and diverse countries.

It is important to keep in mind that these typologies are not to be thought of as completely separated and/or independent one from the others. Actually, the contrary is much the case; interactions and intersections are frequent and individual stakeholders usually contribute, at the time, to different

chains with different products/services or with exactly the same one; regardless of its size, the degree of specialization, kind of location. This behavior stems from more than one cause [30]. Among these, it is worth recalling that: (i) the search for different markets and marketing channels, in order to seek the possibility to sell larger quantities, and as a strategy for diversification and risk reduction; (ii) reaching different market segments is also a necessary strategy due to the diverse quality of the final product. In fact, in both fresh and processed food, quality is intrinsically variable due to climate and other biotic factors that are never completely under the producers' control. Quality may vary over time but also in the same production year, so that high and low qualities of the very same product are to be truly considered as conjoint productions [24,31].

### *3.1. Supply Chains for Local Products: The Case of Short Chains*

Following the demand trends of consumers who are looking for local produce and who are interested in establishing direct connections with the producers and with the production area, an increasing number of small to very small producers seek opportunities to directly (or almost directly) market their products [32,33]. Marketing via short chains offers small producers, farmers, and artisanal processors, the opportunity to better use owned inputs as well as increasing the quota of the value added they capture. Furthermore, in doing so they trade in a better market position, as they avoid the bottleneck represented by larger retailers, and get higher prices thanks to the higher willingness to pay (WTP) of the final consumers for goods channeled by short chains [15,34].

Products usually marketed through this kind of chain are many and diverse, however there is a prevalence of fresh fruits and vegetables for which shortening distance and time from farm to table is particularly relevant to an increasing number of consumers. Different ways for marketing goods in the short chains include: on-farms' shops; farms' stores in nearby towns; farmers' markets; deliveries to final consumers (whether or not organized in groups) at their homes; in offices, schools, or even in shops. One more possibility is increasingly offered by large retailers that host dedicated spaces to small producers in their outlets in order to attract consumers willing to buy local produce. Last, the new information technologies (NITs) allow for e-commerce, also enabling small producers to reach farther clients. In this respect, some authors have pinpointed the possibility, and advantages, of using social networks as a cheap and effective tool for selling and also for establishing their reputation in the larger market [35]. Quite often, these channels are complementary one to the other as farmers diversify their markets in order to reach diverse clients and stabilize sales.

Thanks to direct, often face-to-face, relationships with the consumers, these chains may be able to offer personalized services as well as convenience attributes such as home deliveries, home-made ready to eat food, flexibility in last-minute changes of orders, possibility for the consumer to co-plan in advance with the farmer, the production mix, and the production calendar, and so forth.

However, for small producers, vertical integration is not at all an easy task and brings many challenges. First, they need to acquire competences in order to perform the new necessary tasks and to reorganize the whole process and set of functions. For example, dealing with the final consumer is complex, time intensive, and requires appropriate facilities. Producers are usually not trained to this end and tend to underestimate the required competencies and related costs. Small businesses may face difficulties in building their own reputation due to inefficiencies associated to small scale, limited financial capabilities, and intense competition.

Furthermore, the basket of products offered is usually limited compared to the consumer's demand that seeks for variety and needs to reduce transaction costs related to shopping activity which is featured by severe time constraints. Local chains are also constrained by strong seasonality and short supply periods. Producers that choose to market in short chains also face difficulties in properly scaling the quantity supplied (especially for perishable produces). In fact, on the one side, they shall manage stocks in order to limit exceeding production; while, on the other side, they shall avoid leaving clients without the product they are willing to buy as this will end up in favoring competitors.



Horizontal coordination may be effective in addressing these limitations and drawbacks, at least partly. Forms of collaborations and proper collective actions undertaken by nearby farmers or other local stakeholders that are targeted at the same market niche are usually adopted in this light [36,37]. For instance, in cases where nearby farms organize themselves to jointly market their products, a more efficient scale may be reached and/or they may enjoy scope economies (i.e., sharing transport cost and/or the cost connected to investments for establishing selling facilities; external services and labor inputs). Collective actions help in widening the variety of supply, extending the calendar of presence in the market and reaching a more stable and reliable time pattern of supply. Usually, the better endowed firm in the group (in terms of physical assets and/or human capital) takes the leadership and become responsible for gathering and selling the products. Thanks to its position and relative power, this focal company enjoys a virtual circle thanks to the insights gained over demand trends and to the skills acquired in these vital tasks related to vending. Notwithstanding, coordination in this kind of chain is basically relational, as stakeholders do not differ much in terms of size endowments and rigidities [24,31,38].

However, it is here worthwhile to pinpoint that these forms of collaboration, coordination, and collective action are complex and show downsides [30]. First, modifications in the production process in the market conditions, and so forth, require reactions that need to be agreed on and put in place by all participants. Likely, any major change implies internal adjustments and overall alignment. Firms need to cooperate and specialize together, or, saying it with Teece, they co-specialize [39]. Co-specializing creates links among firms. These links are associated with an increase in the value of the final product, but they also create interdependencies and, thus, expose the partners to losses in case one breaks the cooperation. The process requires trust, complex reciprocal repeated exchanges, co-learning, and other cooperative attitudes and activities. Complexity also implies that the timing of reaction to changes in the market setting tends to be slow. In a market environment of frequent and sudden changes, this may impinge the competitiveness of the chain.

Furthermore, the collective action that creates linkages among individual firms is also a source of ambiguity [40]. In fact, on the one side, producers are supposed to collaborate, to cooperate for the common ends that gave birth to the collaboration initiative. Nevertheless, at the same time, they are competing in the same markets and/or counterparts in exchanges and, thus, they are likely to have conflicting and/or diverging interests. This ambiguity is full of consequences in terms of reciprocal trust and of the probability that opportunistic behaviors arise. A partial recovery may be provided by setting reciprocal control routines; though, these are costly, time demanding, and never fully effective.

Finally, it is worth recognizing that the face-to-face, informal, and non-codified kind of relationships through which information is conveyed to consumers leave room for ambiguities and uncertainties while the small scale of production and the local nature of markets may significantly reduce efficiency with a negative impact on costs and prices [41,42].

### *3.2. Supply Chains for Typical Products: The Case of Geographical Indications*

Geographical indications are names for food that refer to the location where production takes place; in other words the product is called after the name of the production area [1]. In The European Union, EU the Reg. 1151/2012 (ex Reg. CEE 2081/1992) includes two different GIs: Protected Denominations of Origin (PDOs) and Protected Geographical Indications (PGIs) (For more information on the EU legal framework for GIs and on the goals of the policy, see [43,44]).

The basic underlying hypothesis of GIs and of the EU Regulation, in particular, is that providing the product with a formal set of information regarding quality features that stem from the place of origin, builds an effective reputation that will 'carry' the product to farther consumers. The formal (and trustable) certification of the place of origin pushes the good beyond the local market and helps it competing in the global arena. Furthermore, these schemes may also provide support to different goals; beyond fostering the reputation of the GI, they can be a lever for territorial marketing and can contribute to the rise of economic spillovers in favor of other industries rooted in a particular area [45].

All the producers gathered under the umbrella of the GI are entitled to sell their product with the name of the place of origin. Thus, they share the reputation of the GI that becomes a common pooled resource (CPR). Following Elinor Ostrom's definition [46], a CPR is a localized good/resource that is not (or only partially excludable) but (at least partially) rival. In a nutshell, and with reference to implications that are meaningful to the present discourse, Ostrom's main findings are that common property protocols that regulate local community management are the most efficient ways to use CPR. This includes the reputation of the place itself (the CPR), as well as the sum of the reputations of each individual producer and, thus, relies on the producers' behaviors and on the way the GI is managed [29,46,47].

In order to understand how a GI functions, or should function, it is important to have in mind that it is based on two key dimensions: the territory and the chain. The territory is key in product definition and it is the common element to all the stakeholders. The whole GI chain—from the farms that deliver the raw material to the processing firms—shall be aligned and it requires effective governance. Managing the GI is, hence, complex and delicate: both horizontal and vertical relationships should be in place and there is a need for aligning actions, settling controversies among members, detecting frauds, protecting product quality and reputation and, finally, promoting the GI. In other words, there is a need for a governance body or a focal institution. The EU assigns these functions to the so-called consortium; however, in many GIs the consortium never saw the light of day and simply there is none performing these functions.

GIs come from areas of different sizes and also production volumes can vary widely [48,49]. Besides, many diverse organizational forms may be found. Some chains are ruled by consortia that are quite capable of representing the different kinds of stakeholders involved; some are run basically by cooperatives of producers that act as focal companies but just for some of the stakeholders involved in the GI (e.g., their associates); while others are populated with many diverse kinds of stakeholders with no effective governance and often characterized by significant conflicts and/or conventions on quality that are not effective in the marketplace [49,50].

It is also not unlikely to find GIs that remain on paper or sell only very small quantities with the certification, compared to the potentials of the area. This is more likely to be the case when the chain is populated by extremely small firms and no focal institution takes over neither the governance of the GI nor the marketing functions. In Italy, for example, this is often the case of GIs that are promoted by public institutions with little involvement of the chain stakeholders [49].

As already stated above, the functioning of a GI chain is, by definition, based on the product-place reputation that is a CPR. This implies that a major threat to its effectiveness and sustainability comes from the lack of a fair and effective alignment of actions; in turn, the probability that an effective and stable coordination is reached decreases with the heterogeneity of stakeholders when a governing body is missing. The larger the protected area and/or the larger the number of producers included, the more likely it will be that heterogeneity will increase. There are, of course, some exceptions, especially in areas where cooperation behaviors have strong roots (i.e., Prosciutto di Parma, Parmigiano Reggiano). Generally speaking, larger stakeholders will have more influence in the management of GIs. To this respect, it is worth underlining that the presence of the GI may paradoxically worsen the bargaining position of the farmers as they have no alternative to selling their produce to the processors within the GI [51]. Furthermore, being gathered under the same GI requires cooperation, while at the same time enhancing competition, free-riding, and other opportunistic behaviors may arise that may damage the GI reputation [29,49]. GIs managed by effective consortia generally work better in terms of product enhancement and for assuring smaller stakeholders a better positioning along the chain. This is because the consortium acts as the unifying institution of the chain, being in charge of managing the CPR at the base of the GI.

With respect to the guarantee of the place of origin offered to consumers by the EU GI certification scheme, it is important to acknowledge that, while in principle the information conveyed is quite specific and the third party certification rule offers a reliable guarantee, there are relevant situations in

which this is not exactly the case and consumers may be puzzled by the actual content and reliability of the certification. The reason basically resides in some quite relevant exceptions that the EU authority admits to the general rules settled by the Regulation. For example, there are PGIs that are actually ruled by product specifications that are fully coherent with PDOs (e.g., PGI Toscano extra-virgin olive oil for which the rules of production are almost identical and as stringent as those for many other PDO olive oils) and vice-versa (e.g., PDO Parma ham that is produced with swine meat coming from areas different than Parma province). Furthermore, there are GIs that are named after areas that are basically no more involved in the production of the product protected by the GI (e.g., PDO Romano cheese that is almost entirely produced in Sardinia).

### *3.3. Supply Chains for Food Specialties: The Case of Retailers Specialized in Ethnical Exotic and Typical Products*

In the last years, a wide interest flourished around store chains like Eataly, iGourmet, Eat's Food Market, and others that sell high quality food specialties, featured as traditional, ethnical, typical, organic, dietary, and so forth. For our purposes, the focus is on products that are related to the place of origin; this means, once again, products usually referred to as typical; however, here the words 'ethnical' and 'exotic' are also used in order to underline that these chains are not univocally related with one specific location and, specifically, with proximity; rather, they offer a full range of products coming from a variety of places, from nearby to far distant ones [52,53]. In these kinds of chains the focal company is a multi-located retailer that may be nationally or internationally based that sells via outlets and/or on the web. Quality, in its broader sense, is the key element of their reputation and their true competitive leverage, while price in itself is far less important compared to other marketing channels; although, of course, the price/quality ratio is all the same important. The core capacity of these retailers is to scout the excellence of food around the world and to tell their stories to the wider public. The retailer is a true story-teller, able to tailor its own story on each product and has the ability to create and launch the so called 'food icons'.

Here, producers can enjoy their visibility in the larger market and can build their own reputation that, at the same time, is also an important asset for the retailer. The basic message delivered to consumers is of an intimate alliance and deep knowledge between the seller and the producers; where the seller—a gourmet specialist—is committed to directly linking these excellences of food with the consumer. The reputation of the retailer, its commitment and ability to scout high profile products is the very base for consumers' trust. Notwithstanding, thanks to their reputation, their know-how, and capacity to innovate within tradition, the producers that populate these chains, with their handicraft typical products, are not in a totally captive position. However, retailers' size and reputation compared to the producers place the producers in a clearly less favored trading position. Thus, here again, horizontal coordination and collective action may improve the countervailing power of small farmers/producers operating in such chains.

One set of additional advantages of these specialized retailers, and that they share with the conventional ones (e.g., WalMart, Carrefour, and the like), are the prolonged opening times and the presence of outlets with similar products supplied in a wide range in diverse locations. These allow consumers to enjoy scope economies and time-saving shopping. The combination of these advantages may turn out to be essential: on the one side, this helps to enlarge the market for small producers well beyond the local area; on the other side, it may help GIs producers to gain a higher visibility and reputation and a better bargaining power compared to the position they usually get when they sell through conventional large retailers where price competition is more intense and the retailers' market power is stronger. Finally, it is necessary to underline that also in such chains small producers and their products are threatened by the 'sounding' effect and to the mimetic capability of larger and less place-rooted producers able to present their product in an artisanal and local style thanks to packaging and communication strategies tailored for this purpose [31].



#### 4. Conclusions

The paper first explored the consumers' perspectives on the role that the place of origin plays on the nature and quality of food. Deep differences—and in some cases even contradictory traits—existing among these perspectives have been assessed. Afterwards, three supply chain typologies are presented, all delivering food for which the place of origin matters. Their organization and functioning have been depicted with the goal of analyzing their effectiveness with respect to information conveyed to consumers about product provenance and regarding the producers' overall role, their visibility, and their bargaining power within the chain.

Arguments made and evidence taken from the literature can affirm that there are no a priori elements for confirming that one of the studied chains is more effective or more sustainable than the others in terms of reliability for consumers or in terms of distribution of benefits among stakeholders. Furthermore, it has been acknowledged that these chains are often interrelated and reciprocally crossing due to: (i) the nature of the production processes in the agri-food sector (i.e., quantity and quality variability); (ii) portfolio diversification strategies [54]; (iii) the preference for variety and the complexity of consumers' patterns that push the same consumer to switch from one chain to another one according to different buying occasions [55].

For each of the studied chains, peculiarities as well as strengths and weaknesses are discussed. Notwithstanding, some common traits emerged among which two, clearly interconnected, are worth recalling. The first concerns small producers: despite playing a key role in delivering local artisanal typical food, they are the weak knot even in these supply chains that are, to some extent, tailored on them. The discussion showed that they need to cooperate and to align their actions in order to establish: (i) horizontal relationships that allow them to build countervailing power and to improve their positioning in the market; and (ii) vertical relations for being innovative and enhance overall chain quality along with reaching a more stable position within the chain while getting a larger share of value added. However, it has also showed that, while collective actions are purposely pursued as they are meant to reach goals that cannot be targeted by individual actions, they are also difficult to put in place and, furthermore, they are a source of ambiguity in the relations established by those gathered by the collective action.

Any effective strategy aimed at enhancing these chains—whether undertaken by chain stakeholders or by the Public Authority in charge of framing the institutional settings in which the agro-food sector shall operate—needs to be based on full awareness of the above premises. Such difficulties should be always addressed by putting initiatives in place aimed at avoiding and/or solving the obstacles and constraints highlighted for collective actions.

The European policy makers are increasingly acknowledging the importance of the relational environment in which the various stakeholders operate. This is clear, for example, when reading the scopes and instruments for the rural development policy for 2014–2020. Notwithstanding, at the origin of the failures of strategies that (should) involve small stakeholders in direct marketing and in enhancing the value of quality products, there is a persistent attitude to undervalue the possible contradictions and drawbacks underpinning to the collective actions required. Consequently, actions aimed at increasing the attitude to act collectively in rural contexts and within the agro-food sector should be more focused on increasing the general awareness of its scope, its difficulties, and possible drawbacks. [56–58]. Future research shall go beyond case studies evidences in order to provide larger and more comparable results as a more solid base for policy makers who seek to design effective chains actively in which small and place rooted producers participate.

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