

# Enhancement of Territorial Products and e-Commerce

Immacolata Viola<sup>1</sup>

<sup>1</sup>Fondazione Simone Cesaretti, via Casaraia, 12, 80049 Somma Vesuviana. Italy,  
e-mail: immacolata.viola@gmail.com.

**Abstract.** The Millennium Goal, namely to halve, between 1990 and 2015, the percentage of population living in extreme poverty and those who suffer from hunger, and the renewed international attention on the effects of the food crisis, have restored centrality to the theme of agriculture and agribusiness in general. It records, today, excessive attention to food production, without a focus on social, economic and environmental impacts of agricultural production and consumption of agricultural products in the face of human pressure<sup>1</sup> (Cesaretti G.P. et al, 2015). Who today can, and should, play a key role in achieving a production that is sustainable socially and environmentally are *small farmers*<sup>2</sup> and new *forms of marketing of products* such as *short supply chain*. The tool that can make a considerable contribution about the spread of information, such as the origin, the organoleptic quality and safety of food products, to the widest possible audience, is the ICT.

**Keyword:** short supply chain; information and communication technology; e-commerce; security; traceability; made in Campania.

## 1 Introduction

The agrifood system is highly developed and widespread and is, by tradition and importance, a distinctive element of the economic system of the Campania. The strength of this sector is due in large part to the wide *variety* and high *quality* of its typical products, as well as the importance of the sectors that make it up and holding a post of prime importance in the national economy. The agricultural cultivations, herds of cattle and pigs, the production of canned vegetables, fruit juices, milk, cheeses, meats and sausages, and also the technologies used in the food industry to create products recognized worldwide. While *quality*, *safety* and *tradition* are the characteristics of the sector.

The exceptional potential of agrifood system is finally enhanced by other positive factors, such as the differentiation of the finished products, the competitive prices on

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<sup>1</sup> [www.fondazionesimonecesaretti.it](http://www.fondazionesimonecesaretti.it)

<sup>2</sup> Small producers should receive support through investments in infrastructure, capacity building, knowledge transfer, social protection policies, organization and stabilization of demand.

the market, the good technological level of companies, the wide availability of workers increasingly trained and qualified.

In the agri-food system in general, and in particular that of Campania, one of the main problems is that concerning the potential changes that may result in the creation of a product. The European Union in recent years, in order to make a greater contribution to the protection of the consumer, including in response to major crises of food security, has enacted a body of law very complex and stringent.

In support of this, it is to consider the commitment of the information society and new technologies to ensure and communicate to a wider audience as possible the source, the organoleptic quality and safety of food products and should be lived and used as a means to link the "producer" and "consumer". Today, thanks to ICT can computerize all this.

It is therefore necessary to reflect deeply on how it will change the agricultural world and more generally the agrifood in the passage from an economy of production in an economy mainly determined by the technology.

## **2 Made in...Campania**

The Campania agrifood boasts several firsts internationally.

The agricultural model field has, in fact, won the top positions not only in the quality and uniqueness of the production, but also in value added per hectare of land (Viola, 2014). Productions bells have also acquired also the primacy of *food security*, with a record 99% of regular samples of fruits, vegetables, wine and oil, with chemical residues below legal limits.

As for the leadership in the typical products, the food system of Campania is one of the most important components of the regional economy, boasting a broad basket of products, many of which are protected by national and international brand. Campania, in fact, is distinct from other regions of the South for the presence of about 28 products including DOC, DOCG and DOP, to which must be added another 300 traditional products of different territories. The number of food businesses registered with the Chamber of Commerce is very high. Firms in the sector, in the area, offer the best Italian, possessing, in their organization, notable features such as: experience, mastery, authenticity, traditions, ancient crafts, culture of doing, can create products high quality and tradition. Not surprisingly, many of the several quality products closely linked to the traditions and the specificity of the territories of origin have gained recognition of a community trade mark. The agrifood is characterized above all by highly specialized production both fresh and transformed: the mild climate enjoyed by the region generally, is, in fact, can get high quality products, competitive compared to national and foreign, with a calendar of very large offer made by the possibility of so many crops in open field and in protected environment. Most of the food Campania products are the stars of the culinary tradition typical of the countries of the Mediterranean basin and southern Italy in particular, universally known as the "*Mediterranean diet*". Linked to the sun, the sea

and the land, this type of power is based on the consumption of simple products: bread, pasta, olive oil, wine, vegetables, fruit and vegetables, supplemented by small quantities of products of animal origin, such as milk, cheese, eggs, meat and especially fish, but rich in beneficial health properties, which for centuries have marked the kitchen of the rural populations in the South.

Campania has surely a wealth of food only for variety and quality, rightly recognized since ancient times: the Greeks and Romans recognized the superiority of the wines and the purity of olive oil from Campania Felix.

The enhancement of local products is an effective strategy for achieving multiple objectives of both economic (revitalization of traditional crops, diversification of production, acquisition of new markets, etc.) and socio-cultural (recovery of traditions and culture local, strengthening local, etc.). It is based on specific potential of an area know-how, traditions and cultures that give the products their specific image (typical) and an economic activity that requires precise identification of potential market outlets, the definition and implementation of business strategies and compliance with a requirement: quality.

### **3 The Short Supply Chain and Enhancement of Territorial Production**

The Campania agrifood has an unquestioned commitment to quality. This is true not only for the considerable reputation of the gastronomic traditions, but also thanks to agricultural commodities and their great variety, due to a mix particularly happy and diverse environmental conditions and historical and cultural sedimentation (Carbone A., 2006). In particular, the richness and variety of gastronomic traditions bells represent undoubtedly the strengths on which to leverage, in a growing appreciation of the traditional products, diversified and with a strong content of *typicality*. It is commonly accepted that, for the agri-food system in Campania, to focus on *quality* - from time to time in an agreement or in some of its multiple meanings - is an obvious choice to regain a competitive edge in terms of productivity (Carbone A., 2006).

The establishment of quality and typical food products by consumers is largely conducted at the time of consumption. Of course, consumers prefer to make their own choices in the presence of as much information as possible in order to restrict the margin of uncertainty about the quality of the goods purchased and the sourcing of raw materials. This implies that for the promotion and enhancement of the quality agro-food enterprises bells must activate specific forms of communication and promotion (Verbeke, 2005).

An alternative route for the exploitation of certain food products is that they are marketed on so-called short chains. Short supply chains, in the various forms in which it declines, are expressions of the will of the actors involved to build different forms of sales compared to conventional circuits of production-consumption, aggregating and involving different subjects around values, principles, goals and meanings which environmental, cultural and ethical (Whatmore e Thorne, 1997;

Marsden et al., 2000; Hinrichs, 2000; Holloway e Kneafsey, 2000; Goodman e DuPuis, 2002; Sage, 2003a,b; Renting et al., 2003; Ilbery e Maye, 2005; Kirwan, 2004 e 2006; Brunori, 2007). A common feature of these circuits is the willingness / ability to give the food a significance that goes far beyond that of simple consumer goods. Examples of short supply chain are: the direct sales company, shops collectives of farmers, farmers' markets, the various forms of buying groups, e-commerce. By examining these configurations we realize that it is not easy to define it unique. In fact, the concept of short supply chain incorporates at least three dimensions of proximity: geographic proximity, social and economic (Galli, Brunori, 2013).

Short supply chains were identified originally as examples of farmers' resistance to modernization and then globalization of the food system (Van der Ploeg et al., 2000). Through greater proximity with consumers, farmers can develop autonomous strategies of marketing based on differentiation, which allow to keep it this way a larger share of added value within the company or the local economy. These strategies are often based not only on proximity, but also on the transmission of values '*alternative*' incorporated into the product, such as sustainability (environmental, but not only), biodiversity, cultural tradition, solidarity. In recent years, these initiatives are proving more and more interest on the part of individual producers and producer groups but also by consumers for a number of reasons, such as the fact that the short channels have the merit to have suffered a minor number of passes through intermediaries that lengthen the time between the completion of the production process and consumption. The long supply chains, in fact, make it necessary to make storage and keeps reducing the freshness of the product and may adversely affect the organoleptic and nutritional properties and, in extreme cases, the healthiness.

A result not least, the long and complex route taken by the products along the traditional industries, is also the least clarity on the origin of products, and sometimes it is less certainty of raw materials (Lamine, 2005). The opportunity to know directly the producers and the geographical origin of the product is seen by some segments of the question, as a form of indication to quality assurance of the goods. In addition, some consumers appreciate the opportunity to support, in this way, local small businesses.

Finally, the limitation of transport and the number of steps can have a restraining effect on prices, which grow progressively as we approach the final ring of sectors, namely the distribution which, in virtue of the power marketIt owns, manages to capture a substantial portion of the added value created in the chain.

As for manufacturers, product placement on short chains, therefore, has the advantage of allowing the acquisition of a larger share of added value. Next to this, there is also the possibility that a more direct contact, and in a sense more personalized, with consumers is a prerequisite for a relationship of trust and long-lasting that helps to increase the stability of commercial outlets.

Evidently, next to some advantages, these modes of commercialization also meet some significant difficulties, especially for the purpose of the adaptation of the requirements of demand - both as regards the definition of the quality profile of the product with regard to the temporal synchronization between supply and demand and

for all services to be incorporated in the product - but also for the organization of the functions of sale and / or delivery of goods.

The pooling of some of these functions with other manufacturers may be an opportunity to overcome the difficulties that arise, as well as to increase the visibility of individual firms, it is a necessary condition for the enhancement of quality by consumers. Increasingly in recent years, groups of farmers manage in common the relationship with customers along the short supply chain thus increasing the range of the offer and offering a joint service of delivery, or in the workplace, which simplifies the management of purchases from customers.

#### **4 Strategy Digital Business: e-Commerce**

Among the most advanced types of short supply chain, there is no doubt e-commerce.

The term e-commerce refers to the exchange of goods and services through the use of Internet. Understood in the strict sense, e-commerce is expected that the transaction is that the payment should be sent electronically; understood in a broad sense however, there even if the order is done online but the payment is offline (A. Foglio, 2010).

According to the European Commission: *Electronic commerce covers many different activities, such as the sale of goods and services electronically, the online distribution of digital content, electronic transfer of funds, (...) the online selection of suppliers, marketing direct services for the consumer, as well as the after-sales service. In e-commerce includes both products and services that new activities”.*

Depending on whether the operators of the interaction are commercial company, a private or public entity, defining different types of e-commerce. In particular:

- Business-to-business (B2B): includes commercial transactions between companies in the network involving services and industrial goods. Transactions of this type are implemented via extranet, a private network that allows you to extend the boundaries to other selected companies, thanks to connections via the Internet protected and for the exchange of information and cooperation;
- Consumer-to-consumer (C2C): it consists of the transactions between consumers through the network.

The set up of an e-commerce is the activation of a new sales channel that has two additional advantages compared to the traditional ones: a head, as the site is active 24 hours a day, seven days a week and a advantage of geographical, as a site allows you to sell to consumers in any part of the world. The customer also has the option to access a wide and diverse choice both in terms of product characteristics for both the price: you can find unusual products, specialist, amateur, niche simply by using search engines. As we have said, with e-commerce buying process is changed, switching from a linear, one-way to a multi-channel, characterized by a network of interdependent activities. Another success factor for e-commerce are the tools of CRM (Customer Relationship Manager), which help in the collection and analysis of quantitative and qualitative data, allowing the user profile to include consumer

choices, buying preferences and behaviors. The data collected allow the mapping of the purchasing behavior of our customers and better identify their needs, enabling the company to take advantage of this information to target supply and after sales service.

#### **4.1 e-Commerce and Traditional Products of Campania**

According to P. Cuccino, 2007, compared to the products, e-commerce reveals a double reality: on the one hand, products must be flexible enough to allow some adaptation to the tastes of different consumers; on the other, as it allows to operate globally via the Internet, e-commerce is a strong stimulus to the expansion of currently reduced percentage of products sold anywhere without adaptations.

In this dual context, various types of local products in category Made in ... Campania, are particularly suited to e-commerce, such as consumer goods brand easily identifiable. Made in ... Campania must therefore express their excellence to exploit the opportunities arising from e-commerce and acquire leadership positions undoubtedly within his reach in an international context characterized by a still incomplete exploitation of the potential of electronic commerce.

Build an interactive platform, e-commerce, it has many advantages including: promoting and spreading towards the Italian and foreign consumers the great food tradition territorial bell; promote the internationalization of the operators from Campania; encouraging networking initiatives between local agri-food businesses in order to give support to the creation of the critical mass required to successfully compete in the international markets.

An example of e-commerce for the enhancement and promotion of the typical products of a territory, such as that of Campania, is the portal "Agribusiness of the Campania Region." The portal space is managed by the industry in order to tell their own reality, their own productions and events that organize the territory. A meeting place, then, to know the products, their history, those who produce them and where they can find and the quality of the productions themselves, the raw materials, the culture, the organoleptic qualities and finally security. Among the products promoted and valued on the portal there are cheeses, spirits and liqueurs, fresh pastries and bakery products, vegetable products, etc., which are the result of a complex evolutionary process of contraction and interaction between local producers, and between them and the local population and with consumers and local citizens when the system opens to distant markets (Belletti et al, 2006).

## **5 Conclusions**

Focus on quality and the close link with the territory, it is increasingly the first choice for businesses agribusiness Campania, which implies the adoption of strategies aimed at enhancing and promoting. This involves a number of difficulties are not trivial, especially when those involved are numerous and heterogeneous between them, in terms of structural and production specialization.

In other words, the different strategies of commercial promotion of food quality, not always turn out optimal in providing adequate safeguards for consumers, or in ensuring a better market position and better economic performance for operators. Hence a possible solution is to take in the short chain, is e-commerce. The e-commerce is that particular form of exploitation and promotion of local products aimed at consumers "sensitive" to the product that counts among its features a strong bond with the territory of origin.

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