



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

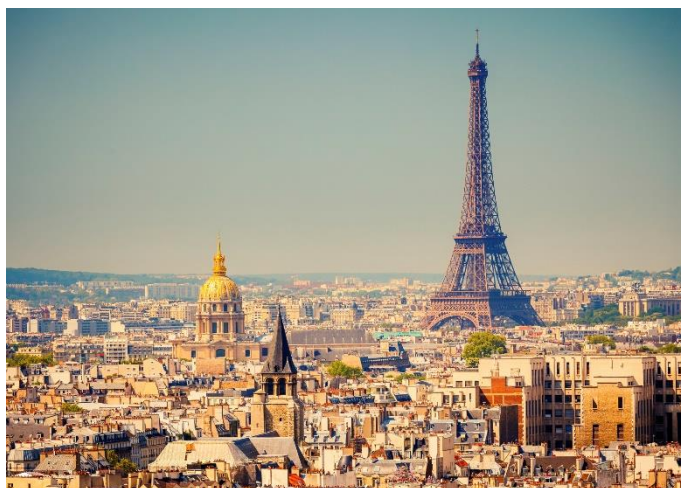
Give to AgEcon Search

AgEcon Search

<http://ageconsearch.umn.edu>

aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*



Local productive systems in agri-food supply chains, product specificity and consumer's behaviour: a cognitive approach

Denis Requier-Desjardins¹

¹ Université de Versailles-Saint Quentin - C3ED, Guyancourt, France

Denis.Requier-desjardins@ut-capitole.fr

Contribution appeared in Sylvander, B., Barjolle, D. and Arfini, F. (1999) (Eds.) “The Socio-Economics of Origin Labelled Products: Spatial, Institutional and Co-ordination Aspects”, proceedings of the 67th EAAE Seminar, pp. 330 - 339

October 28-30, 1999

Le Mans, France



Copyright 1997 by Requier-Desjardins. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.

Local productive systems in agri-food supply chains, product specificity and consumer's behaviour : a cognitive approach

Denis REQUIER-DESJARDINS

Université de Versailles-Saint Quentin - C3ED, Guyancourt, France

Abstract

This paper would like to relate theoretically and empirically, territorial production of typical products, product characteristics and consumer knowledge. It will intertwine two theoretical approaches :

- *The first one is an approach of "territoriality" which essentially boils down to the existence of specific assets managed by local actors in their interaction process, internal or external. In this setting, spatial proximity is often a proxy for cognitive proximity which enhances innovation processes.*
- *The second one is the approach of the consumption process developed by "New Household Economics, specifically Lancaster, as a "consumption technology" relating products and characteristics. This technology requires that the consumer know the relevant characteristics of products, which can be achieved by "proximity" with the product.*

By this intertwining we would like to show that the cognitive relationship between the consumer and the product in agri-food markets could be an example of specific asset as long as the knowledge of the product rests on a specific relationship to the area of production.

Some examples picked in various countries, developed and developing, will illustrate this point.

Labelling seems more likely to emerge in developed countries than in developing ones, as the institutional environment is more reliable. But, in both cases, the feasibility of territorial labelling seems linked to consumer's knowledge and learning as regards territorial characteristics of the product.

Keywords : consumption technology, learning, territoriality, labelling, proximity, developed and developing countries

INTRODUCTION

The part played by the geographical, or territorial, origin of food products is two-fold :

- First, the relationship between a product and its territorial origin is seen as a signal of its typicality in terms of a specific variety, a specific taste or a specific method of processing the product. For this reason quality labels of food products are often, though not always, related to the territorial origin of the product. More generally, typicality of products, is strongly related to the traditional know-how and processes rooted in the tradition of specific areas (*produits de terroir*), even if the typicality of these products can rely on various institutional devices and does not entail a label-building process in every case.
- Second, since it refers to specific processing methods, and to associated skills, know-how and technology, the production of "typical" products can often be considered, from the point of view of the productive system, as the backbone element of local production dynamics in some rural areas, either in developing countries or in developed ones.

If territorial typicality is an element of the definition of the quality of food products, quality can be broadly defined as "properties and characteristics of a product or service which give it its ability to satisfy the needs expressed by the consumers". When it exists an uncertainty on the actual quality of products, consumers can resort to institutional devices or regularities such as "quality conventions" which stems from a common knowledge on the characteristics of products (Sylvander, 1992 ; Allaire and Sylvander, 1997). Quality will therefore be known by the consumer through the existence of characteristics and territorial typicality must be epitomised by definite characteristics perceived by the consumer as objective.

This paper will try to relate theoretically and empirically, territorial production of typical products, product characteristics and consumer knowledge.

Its purpose is therefore two-fold :

- First, at a theoretical level, it would like to scrutinise the relationship between local dynamics and typicality of products by intertwining two theoretical approaches :
- The first one is an approach of "territoriality" which essentially boils down to the existence of specific

assets managed by local actors in their interaction process, internal or external. (Section 2) ;

- The second one is the approach of the consumption process developed by "New Household Economics" as a "consumption technology" relating products and characteristics. (section 3).
- Second, it would like to apply this analytical approach to some case studies in developing and developed countries. (section 4).

Finally, it will present some tentative concluding remarks (section 5)

1. TERRITORIALITY AND PROXIMITY

The study of territoriality is rooted in the debate on local productive systems. In this setting, spatial proximity is often a proxy for cognitive proximity which enhances innovation processes.

The theoretical analysis of economic dynamics of Local Productive Systems has been first scrutinised by Marshall writing on "industrial districts". Marshall stresses the part played by geographical proximity in the spreading of technological externalities (workforce, innovation diffusion, etc.). These externalities are merely the extension of the concept of branch externalities, as sources of increasing returns, in the special case of a geographical concentration of firms operating in the same branch.

Neo-Marshallians,¹ who have studied the emergence of "industrial districts" in Italy and in other European countries in the sixties and seventies, are more specific on the origin of externalities and stress new dimensions of these phenomena such as the importance of the sharing by local entrepreneurs of common values, habits, historical experience as sources of a common identity and a common social structure ; they also stress the intertwining between production units and domestic units. All that points at a better diffusion of technical and market information, a wider network of collaborations giving a more flexible character to the productive system of the area, etc.

These features of "industrial districts" may entail a lowering of transaction costs, and, consequently, a better resource allocation and a greater efficiency of market transactions between actors in the district (firms and work force). The trust they feel towards each other

reduces the risk of opportunism, or the cost of contractual devices aimed at reducing that risk.

However, proximity of values and behaviour also affects resource creation activities such as innovation : the diffusion of knowledge and the emergence of innovations are easier due to the tight network of relations between actors. The identification of two kinds of knowledge by evolutionary theory², namely codified knowledge, easily transferred and tacit knowledge, which bears mainly on know-how and skills, and for this reason locally idiosyncratic, can be useful, since tacit knowledge rests on shared visions of the world, physical proximity, interaction frequency. All elements which can be easily found in specific territories and explain why innovation processes which draw on such knowledge are not easily transferable outside their place of birth. Actual processes of innovation do associate the two kinds of knowledge, which lays the basis for an innovative advantage of Local Productive Systems (LPS).

In the eighties and nineties, the initial focus on "industrial districts" of numerous small businesses, intensively related, gave way to a more comprehensive approach, reckoning the diversity of Local Productive Systems and their capability to evolve, and even fade out. Similarly, the evolution of "Fordist" firms towards a more flexible organisation, featuring the relationship with networks of sub-contractors, sometimes locally concentrated, has been put to light. In this framework the innovative capacity of Local Productive Systems, whatever their form and composition, appears to be their common feature.

Innovation processes, because they draw on proximity relationships between actors, are often territorially-based processes. Territoriality is essentially related to geographical proximity. By facilitating all kinds of interaction between agents, it enhances what Bellet, Colletis and Lung (1993) call organisational proximity, based on the sense of belonging to the same organisation, but also to similarity as regards knowledge and systems of reference (Avilès-Benitez, 1999).

These analyses account for a new approach of localisation of activities. While localisation has been for years explained by the availability of "generic resources" - meaning that this kind of resource can be found in many areas - such as for example natural resources, or high quantity of low-qualified work force, they stress the

importance of "specific assets" - meaning assets which cannot be found in other places - in the localisation of activities, because they are born from the very relationships the actors create in the process of activity. Territoriality is therefore a specific asset for the actors involved in innovative or productive processes.

If the link between territory and innovation is the main result of LPS analysis, it has to be stressed however that this statement rests on a non linear approach of innovation, put forward by the evolutionary theory of technical change : there is no linear one-way alley from invention to innovation and from innovation to diffusion, but instead a network of backward and forward linkages between the actors involved in innovative process as conceivers, innovators or users. Learning by doing is compounded by learning by using.

When applied to the specific case of food, agriculture and agribusiness, this approach entails the following consequences :

- First, typicality can be defined by the existence of specific assets regarding the production process of food products (Allaire and Sylvander, 1997). Territorial typicality can be based on territorial specific assets, such as territorial labels, but also know-how, skills and a specific interaction between actors which can boost product innovation and diffusion of product characteristics. Local agribusiness systems can also be identified by the mastering of specific know-how and skills and their capacity to innovate related to a network of relationship.
- In the case of consumption products, such as food products, the reference to actors' interaction leads to scrutinise whether the consumer as user of the product should not be considered as an actor of product or even process innovation, as he or she can develop learning by using in the consumption activity. The kind of contact consumers and producers or sellers do develop is of crucial importance in this case. It cannot be reduced to market transactions and encompasses some sort of externality between production and consumption. The position of the consumer in the network of relationships attached to a food local productive system is therefore crucial.

These remarks take their full signification when considering the possibility to define consumption activities as based on a "consumption technology", that is to say on consumer's knowledge. These approaches

can thus be extended to the relationship between consumption and production.

2. THE "PRODUCTIVE APPROACH" OF CONSUMPTION

Consumption technology has been introduced by "New Household Economics" which endeavoured to remedy the setbacks of traditional neo-classical consumer theory. The term has been explicitly introduced by Lancaster (1966), even if it appears implicitly in Becker (1965).

This approach offers two interesting insights regarding the points we are now discussing :

- First, it shifts the focus of consumer's behaviour analysis from preferences to actual consumption activity, defined by their technical features.
- Second, it raises, though implicitly, the issue of consumer's knowledge and consumer's learning about consumption practices and product characteristics.

2.1. From preferences to consumption technology

In NHE approach, consumption goods do not bring by themselves utility to the consumer. They are only the inputs of the consumer's production function which allows him or her to "produce" the objects of his or her preferences. In Becker (1965), these are "commodities" made out of purchased goods and time devoted to consumption activity ; but, in Lancaster (1966), these are "characteristics" of products : a determined good can "produce" an array of characteristics and a determined characteristic is produced by a range of goods. Thus a "consumption technology" can be defined by an input-output matrix and the consumer is given, as in Becker, a production function : the technology relates to a matrix products/ characteristics.

By using this setting, Lancaster intends to redefine the relationship between consumption and preferences : substitutions between goods do not take place primarily along an indifference curve, but as technical substitutions entailing a change in the boundaries of a production set of characteristics. Subsequently, they tend to be clear-cut, complete switches instead of progressive slides, given the polyhedral multi-facet shape of the production set boundary, due to discontinuity between "characteristic production technologies", namely goods.

As a result of this appraisal of consumption substitution effects, based on a specific form of "consumption technology", there is a clear shift of focus from consumer's preferences, viewed as inessential in substitution processes to consumption technology (Requier-Desjardins, 1999). Actually, discrepancies between individual preference functions are of minor interest, as they bear little impact on substitution effects. Lancaster seems ready to give up the idea of individual preferences, and only retain given "consumption patterns" for each relevant category of income, in order to eliminate the impact of individual choice expressed in indifference curves, without giving up the concept of substitution.

This shift allows the introduction of product innovation in consumer's theory : new goods can be introduced without any change of the preference system, since this one refers only to characteristics. Consumer utility balances at different periods can be compared, even in the case of emerging new products. Thus, product change and innovation do not entail preference change, under the assumption of a constant batch of characteristics.

The reference to consumption technology as a simple "production function" linking goods and characteristics can be considered rather formal and abstract, as it does not refer to an actual technological process, but only to a concept of standard microeconomics. However, Lancaster retains only for simplicity purposes a one-to-one relation between goods and activities producing the characteristics and stresses that a more general model would retain activities using several goods as inputs to produce several characteristics, he gives to the consumer's production function an actual "technological" meaning as in Becker and not only a formal one : consumption technology is related to consumption activities. In any case, if the reference to consumption technology may seem formal in Lancaster (1966a). This is not the case in Lancaster (1966b) : he develops there a vision of the evolution of consumption technology in pace with the one of production technology, stressing a systemic coherence between them. The study of change, innovation and technical progress in consumption technology appears as relevant and legitimate as in production technology. Technical change in consumption can stem from the rise in efficiency of consumers below the average efficiency, of introduction of new consumption activities or new inputs for existing activities, namely new goods on the market³.

This leaves us with an intertwining of consumption and production activities, which can also be articulated as an intertwining between wage and domestic activities. They do display common features since Lancaster (1966a & b), rejecting the Beckerian view that time brings no utility in itself, stresses that even wage labour can create characteristics appreciated by the worker, which are different of characteristics produced by goods or services⁴. We are faced with an integrated approach of activity : time devoted to whatever activity, wage or domestic work, or "leisure"⁵, can produce positive or negative characteristics, in itself or through the goods which constitute the outcome of the activity.

2.2. The learning of characteristics

Lancaster (1966b), as well as Stigler and Becker (1977), though obviously building on rational consumer paradigm, finally come to stress the actual inefficiency of consumer behaviour. Some consumers, according to Lancaster, may lack managerial skills. This is due first to a lack of information. These skills could be enhanced by some extra information provided by advertising, social workers, consumer organisations and so on ; so consumer behaviour could achieve optimum efficiency. This inefficiency also involves cognitive limitations : consumers, endowed with routine consumption patterns, may sequentially adapt them by a trial and error process, as stressed by the *nouveau riche* example given by Lancaster. It is worth pointing out that transfers of knowledge associated with this enhancing process range from articulated information displayed by advertising to more tacit and non-codified knowledge, spread for example, by personal relationship between social workers and families.

Consumers are thus involved in processes of discovery, which could lead to a change, an innovation, in their consumption activity. These processes of discovery and learning directly regard the objective characteristics of the products.

The objective feature of characteristics, is stressed by Lancaster : only this "objectivity", which means an homogeneous perception by all consumers of products characteristics, as opposed to the subjectivity of individual preferences on these characteristics can allow for the distinction between "technical" substitution and "private" substitution : a change in the amount and structure of characteristics is not a subjective change of individual perceptions.

Nevertheless, if characteristics are common knowledge for consumers, as far as goods are concerned, nothing has been said by Lancaster on the process of emergence or the scope of this common knowledge. It is worth noticing though that, if preferences are private, common knowledge on products can be seen as a public good, and its emergence boils down to a public good production process. Moreover, if we consider both Lancaster (1966b) and Stigler-Becker (1977) approaches, there exists a process of "consumption capital"⁶ accumulation ; this process is a building process of knowledge about products, and it would be primarily a learning process.

"Consumption technology" approach raises therefore, explicitly or implicitly, the issue of consumer's knowledge.

However this leaves some remaining issues to be resolved which may be expressed as follows :

- The consumer learning process cannot be considered as purely individual and private, as it entails production of a common knowledge. Conversely, this common knowledge of characteristics is not always shared by all (as it is implicitly assumed by Lancaster), but most of the time only by "clubs" of variable sizes. For example, the characteristic of "typicality" of a food-product, based on territoriality, could be known only by consumers enjoying a special relationship with this territory.
- Territorial typicality of products is perceived by the consumer as an objective characteristic of the product which serves as an indicator of other characteristics such as taste or manufacturing process. At the same time the cognitive relationship between the consumer and the product in agri-food markets can be in some cases an example of specific asset as long as the knowledge of the product rests on a specific relationship to the area of production. This can only be achieved if the objectivity of the characteristics has been ratified by a collective, but not universal, learning process by the consumers, which is part of their consumption activity⁷.

Given these premises, product label definition, among other institutional devices, represents an economy of cognitive resources as it displays a guarantee on the nature of the product, which can be regarded as an objective characteristic. It is therefore a means of

producing relevant characteristics. But it is not the only way of building knowledge on the territorial characteristics of products. Actually the knowledge-building processes are dependent on the organisational structure of the supply chain and the consumption activity, as we shall see in the following case studies.

3. SOME CASE-STUDIES

The above discussion leads us to the following assumptions :

- The stabilisation of quality characteristics, which explain the emergence of "quality conventions" is achieved through their integration to the common knowledge of a group of consumers.
- This integration rests on a collective learning process of the consumers through their consumption activity, which includes often, in the specific case of food products, physical contact and manipulation of products.
- Typicality of products based on territoriality is a specific asset of the territory. But it is constrained by the above assumptions inasmuch as it has to be recognised by at least a group of consumers. While the consumption activity of the consumer with all its "technical" features is involved, labelling is only a device among others which is neither necessary nor sufficient.

Some examples picked in various countries, developing and developed, will illustrate these points.

3.1. Territoriality in social construction of quality in Burkina-Faso

In contrast with the dire predictions of ever-rising food imports and waning local food product consumption, the bullying activity of an urban food-processing sector, often informal, has been largely documented since two decades in various African countries.

African cities in particular have witnessed a diffusion of typical African preparations and processed products from one country to the other (Attiéké, Gari, Chikwangué, etc.). These products are often of rural origin and associated at the beginning with a specific social-cultural (or ethnical) group which can be geographically located in a territory (Bom-Konde, 1996), even if they come to be manufactured by members of other groups in cities. The ethnical character of products will often be

mirrored by their high consumption by members of the corresponding group living in the city. Typicality, epitomised by the socio-cultural affiliation of the producer, is therefore well represented in the batch of characteristics of food products, processed or not processed.

Cheyns (1998), studying in Ouagadougou the case of Soumbala a "traditional" condiment made out of nere seeds, shows that soumbalas are typified, and ranked according quality, largely by their territorial origin. "Bobo" soumbala is over consumed by people from Bobo-Dioulasso area and enjoys a quality premium, which is attributed both to its rural origin and to the existence of a specific know-how, even if, due to lack of supplies, everybody consumes most of the time the "mossi" soumbala from Ouagadougou.

This emphasises the role of product territoriality as a guarantee of quality for urban consumers in Sub-Saharan Africa. But the quality "convention" at stake is essentially "domestic", based on personal relationship between buyers and sellers ; it works particularly well for the soumbala bought at the village by urban dwellers. As far as urban soumbala is concerned, suspicion in on the rise as to the way the soumbala is produced, even when it looks like "Bobo" soumbala. Suspicion is the consequence of learning in consumption activities, particularly the experience of housewives as regards the behaviour of the product in the meal preparation process (sand, rotten inside, etc.). The learning process in that case deconstructs the convention. The territorial characteristic is no longer part of a common knowledge, given the uncertainties undermining the cognitive process of the consumer.

Quality conventions used in this new pattern are not territorial, but based on renewed personal relationship in transactions ("raadanga"), based on trust built by frequent transactions, or on the professional ability of the producer or seller established, for example, by the respect of norms of hygiene.

The following conclusions can be drawn :

- This example shows that the territorial characteristics of products are related to the practical experience of the consumers, either through their relation to the village, or through their testing the product in the preparation processes .
- It shows also that the trend towards the adoption of professional norms does not favour systematically the territorial definition of quality : given the "ethnical"

definition of proximity between people living in the city and their area of origin, and the development of urban food-processing activity, the consumer learns to use other devices to establish quality guarantees .

- The organisational and geographical features of the commodity chain plays a part in this evolution. Rural processed production in this setting is mainly domestic but marketed processed production is urban, which can be a cause of the change of base of the corresponding quality production.

3.2. Local Productive Systems of rural agribusiness in Latin America

Although liberalisation and globalisation seem to put at the margins the peasant economy systems, Latin-American rural small food-processing units are currently developing in many countries. These systems of small food-processing units often concentrate in definite areas and specialise in products made out of local food-crops through a technology and know-how specific to the area.

For example, although cheese is not a specific Latin American product and has often been introduced by external actors (Swiss NGO in Ecuador for example), there exist clusters of small processing units specialised in the production of cheese in the Andean region (*Cajamarca* in Peru, *Ibaté* in Colombia), in Brazil (*Gloria* in Sergipe) or in other countries. There exist also "traditional" products, like *panela* in Colombia and sour cassava flour in Colombia or Brazil, which are manufactured by small units through a technology and a know-how, which are specific assets of specific areas.

These production systems have been able to innovate in process and product, even when they can be considered as traditional¹⁸ We are therefore faced with truly territorial dynamics with the constitution of local productive systems. No process of territorial labelling is currently developing in most cases, but some elements of recognition of the territorial characteristics of the product do exist.

We will concentrate on the case of Colombian *panela* as an example. *Panela* retains all the elements of typicality. It is a traditional sugar which is produced by evaporation of sugar cane juice instead of centrifugation. For that reason, the product enjoys some interesting nutritional characteristics, compared with industrial sugar. Colombia is the second producer behind India (*gur*) and the

first per capita consumer. *Panela* is therefore a main component of the Colombian diet, and consumption patterns can be quite different of those of sugar, especially when the product is consumed as an energetic beverage (*agua de panela*) such as tea or coffee. It is produced in specific areas which a specific technology resting on a know-how shared by many people in those areas (D'Haultdt, 1994 ; Rodriguez, Rangel and Roa, 1997 ; Rudas and Forero, 1997).

However there is, up to now, little legal protection or labelling of the product : a law prevents sugar manufacturers of the area of Cali to manufacture *panela*. But, sugar manufacturers are lobbying to repel the law, and some "fake" *panela*, made of brown sugar, seems to be marketed in some cases.

The relationship to the consumer seems largely determined by the features of the commodity chain and the experience of the product he or she has.

For most of the production, there is little tracing-back of the product : commercialisation is performed by middlemen (a few in each area of production) with a network of collectors. The product usually is gross-marketed under the form of square pieces packed in cardboard boxes, with random geographical indications or brands on them. In most cases, the product is retailed under the form of these square pieces, without any packaging, in shops or even supermarkets.

In this "traditional" commodity chain, with collectors, middlemen and retailers, the quality of the product is mainly defined by its colour, which must be of a clear honey orange. To achieve this colour demanded by the middlemen, producers sometimes add chemical products such as aniline or hypochlorite, which can be dangerous for consumers' health. This commodity chain typically provides low-income consumers, which are supposed to be attracted mainly by the low price of the product. As a matter of fact, per capita consumption has slowly been declining since thirty years, especially in the capital Bogota. *Panela* seems to be considered by low-income consumers as a cheap alternative to sugar, but with some setbacks such as the difficulty for the consumer to part the standard square piece of *panela*.

In some emerging commodity chains however, quality is associated with specific conditioning of the product, powder, granulated or tablets, and with an indication of origin. In that case, a direct commercialisation by producers is developing, with a higher price, and the

targeted market is high-income consumers. Up to now, this market is still marginal, but its development is congruent with the spreading of information and advertising, particularly by Colombian media, which links the consumption of *panela* with health and sport.

There is even an incipient existence of a "biological" commodity chain, based on the necessity to reduce the ecological impact of this activity : in some areas cropping techniques are biological (no use of agro-chemicals) and, as far as kilns are concerned, there exists now a "clean" technology. In some cases, the definition of quality labels could help to settle potential conflicts between actors. However, this could not be achieved without recognition of the validity of this characteristic by consumers.

The criteria of quality, "conventions", are therefore different, depending of the kind of actors involved. As far as the relationship with the consumer is concerned, there are two different conventions of "quality" : one for the low-income segment and one for the high-income segment.

The cognitive relationship between the consumer and the product has in this case a strategic role to play as regards the future of the activity.

3.3. The ambivalence of geographical labels in France

In France, the link between territoriality, typicality and quality is mediated through legal devices, based on a strict definition of the territorial characteristics of the product.

This does not mean that a strict correspondence can be established between the territorial definition of the geographical denomination, the existence of an actual localised production system and the corresponding relationship to the consumer. Allaire and Sylvander (1997) stress that the same legal framework (AOC in France) related to a territorial origin of the product applied to the same sector (for example cheese production) could in some cases only refer to a regulation without any link to a specific know-how and processing, while others are strongly connected with the territorial specificity of the production process and are therefore recognised by "connoisseurs". This set up a link between consumer's knowledge of product characteristics and the local productive system.

While a label can exist without this specific link, it can also exist without the label, which appears to be, even in a developed country, only one of the devices by which the cognitive link between the consumer and the product is secured.

For example, some field work and interviews in Lot *département* (Chignier et alii, 1998) show that producers can develop different strategies aiming at securing the gains of a territorial quality definition. In some cases, producers will stay aloof of the institutional structure of the AOC in order to develop their own image of quality, based on their know-how and network of relationships, particularly with groups of consumers. "A process of territorial qualification can be the answer to various situations and individual strategic goals, it is not systematically carried out in a market logic, and not systematically achieved by the mobilisation of more territoriality".

In Lot, for example, where the production of typical products is steadily expanding⁹, there exist three labels for wine (*AOC Cahors*), lamb (*label rouge Quercy*) and cheese (*AOC Rocamadour*), each one defined by legal specifications which must be enforced by the producers. *AOC* is specifically territorial, *label rouge* only refers to production process characteristics and product tracing back. The territorial specific assets they underline are very different even inside the same legal kind of label.

In the case of *Rocamadour*, the following points can be underlined :

- The geographical denomination is very precise, but there is no associated territorial know-how.
- *Rocamadour* is a cheese with an important local market and with an increasing national market. The *AOC* product is marketed more and more through supermarkets and less and less through the gross and retail chain.
- *AOC* is not necessary for small local producers who can share with their consumers a common knowledge of production process. There exist producers with a more traditional know-how and technique but they do not seek the *AOC* label, and enjoy a local market secured through a direct perception by consumers (local or tourists) of the conditions of production.
- *AOC* is not very profitable for producers marketing their product outside the region : the price premium is low, even if the taste is specific. *AOC* nevertheless

created a territorial image for the consumer, deemed positively though rather general, which can be extended to other non-labelled products.

In the case of *Quercy lamb label rouge* :

- The existence of a know-how, product of history, seems more obvious for producers staying outside the label than being inside.
- The typical *caussenarde* variety is more common in the non-labelled production than in the labelled one.
- Tracing-back do play an important role in the consumer-producer relationship but it exists in the non-labelled as well as in the labelled production.
- The possibility of tracing-back the product up to the producer seems to be more important as a guarantee of quality for the consumer than the territorial identity of the product *agneaux du Quercy*. Some lambs can very well be marketed with other territorial denomination, less specific (*agneaux d'oc*), or corresponding to the place of slaughtering. The tracing-back included in the *label rouge* legal constraint is more important than the territorial origin of the product.

In the case of the *AOC Cahors* :

- There exists also an ambivalent attitude towards the *AOC*, depending of the kind of relationship each producer has developed with the distribution and the consumer.
- The label *Cahors* seems important for exportation, the label *vin de pays* more for the national market. But

the channel of distribution which emphasises the role of specialised shops *cavistes* operated by actors equipped with a technical ability in oenology, is of course very important in the transfer of the proximity effect to the consumer. Proximity with the consumer is mediated by oenology : the learning process has been transferred from the consumer to the specialist who controls at the source the quality of wine.

To sum up, label is only a means among others to stabilise as a specific asset the relationship to the consumer and is not always connected to a determined local agri-food productive system.

4. CONCLUSION

These examples show that territorial typicality of products, and possibly all kinds of typicality rest on a specific cognitive relationship with the consumer, defined by the recognition of product characteristics. These typicality characteristics can be rather formally epitomised in labels, but labelling seems more likely to emerge in developed countries than in developing ones, as the institutional environment is more reliable. The feasibility of territorial labelling seems linked to consumer's knowledge and learning as regards territorial characteristics of the product and the existence of the same kind of label can give way to different interpretations by consumers. Moreover, the way the product is integrated in consumption activity delineates the way by which its territorial quality characteristics will be recognised, whether labelled or not.

NOTES

- (1) This term encompasses a group of scholars, mostly Italians at the beginning, who wrote on industrial districts. The seminal paper is Beccatini (1979).
- (2) On this point see for example Lazaric (1997).
- (3) The idea of a co-evolution of consumption and production techniques is not confined to Lancaster. Becker (1965) gives the example of the waning of barbershops in the US, as a consequence of the improvement in domestic devices, such as electric razors. Some consumption technologies may entail externalities on production technologies, even if the reverse is more often stressed. The fact is, as Lancaster (1966b) points out, that some activities may shift from production to consumption, or the other way round, depending on the evolution of the global technical system.
- (4) A taxi driver would be less likely to drive on the weekend, having fulfilled his or her "craving for driving" during working days.
- (5) Leisure, considered an idle period of time, does not really exist in NHE, since it has to be combined with other inputs in a consumption activity.
- (6) "Consumption capital" is introduced by Stigler and Becker (1977) as a kind of human capital dedicated to consumption activities.
- (7) In agri-food supply chains, the interface between consumption and the last ladder of food distribution enjoys a strategic position. This can be seen in very different social and economic settings, from the retail chain store sector in developed countries to the petty food processors in some developing countries. That means that the coherence between production activities and consumption activities is mainly activated at this level.
- (8) In the case of cheese for example, one can witness the diffusion of the cheese "*queso suizo*" in Peru and Ecuador, the introduction of a "*pre-mantecoso*" phase in the production of "*mantecoso*", the emergence of temperature treatment of the milk such as in the case of the "*precozido*" in Sergipe (Brazil), etc. Other examples could be quoted regarding other products such as *panela* and sour cassava flour.
- (9) The production of Quercy lamb has jumped from 2000 to 35000 heads between 1983 and 1993. The production of Cahors wine from 1500 hl to 220000 hl between 1958 and 1993. The production of goat milk for Rocamadour was set to grow from 7.1 to 11 million litres between 1995 and 1998 (CHIGNIER et al.)

BIBLIOGRAPHY

- ALLAIRE G., SYLVANDER B. (1997). Qualité spécifique et systèmes d'innovation territoriale. *Cahiers d'Economie et de Sociologie Rurales*, n° 44, pp. 30-59.
- AVILES-BENITEZ A. (1999). Quel rôle de la proximité dans la gestion des ressources naturelles par l'agriculture ? 2^{èmes} Journées de la proximité, Toulouse (FRA), 1999/05.
- BECCATINI G. (1979). Dal settore industriale al distretto industriale. *Rivista de economia e politica industriale*, vol. 5, n° 1.
- BECKER G. (1965). A theory of the allocation of time. *Economic Journal*, vol. LXXIV, n° 299, September 1965, pp. 493-517.
- BELLET M., COLLETIS G., LUNG Y. (1993). Introduction to the special issue "Economie de la proximité". *Revue d'Economie Régionale et Urbaine*, n° 3, pp. 431-448.
- BOM-KONDE P.C. (1996). Etude des trajectoires d'activité agroalimentaire du sud et de l'ouest du Cameroun : une approche évolutionniste du territoire. Ph. D., University of Lyon II, February.
- CHEYNS E. (1998). Identification et construction sociale de la qualité de produits agroalimentaires : le cas de l'alimentation urbaine au Burkina-Faso. Ph.D., ENSAM, Montpellier, November, 381 p.
- CHIGNIER C. et al. (1998). Territoire, homme, technique : quelles relations ? Etude dans le Lot : agneaux, fromages et vins. Report, research project SYAL, CNEARC - CIRAD/TERA- INRA/SAD, 83 p.
- D'HAULDT I. (1994). Entreprises agroalimentaires rurales : règles d'équilibrage et de fonctionnement. DEA dissertation, USTL, UFR de Sociologie.
- LANCASTER K. (1966a). A new approach to consumer theory. *Journal of Political Economy*, April.
- LANCASTER K. (1966b). Change and innovation in the technology of consumption. Papers and proceedings, *American Economic Review*.
- LAZARIC N. (1996). Routines et apprentissage dans la théorie évolutionniste : portée et limites des fondements cognitifs. Conference "L'évolutionnisme : fondements, perspectives et réalisations", Université de Paris 1, Sorbonne, Septembre 1996.
- LOPEZ E., MUCHNIK J. (1997) (Ed.). *Petites entreprises et grands enjeux : le développement agroalimentaire local*. L'Harmattan, 362 p. et 356 p.
- PECQUEUR B. (1993). Territoire, territorialité et développement. In : Actes du Colloque "Industries et territoires : les systèmes productifs localisés", IREPD, Grenoble (FRA), 1992/10, pp. 71-88.
- REQUIER-DESJARDINS D. (1989). *L'alimentation en Afrique : manger ce que l'on peut produire*. Karthala, 169 p.
- REQUIER-DESJARDINS D. (1999). Producer-Consumer approach : from Consumer's Preferences to Consumption Technology. www.cybercable.tm.fr/~jarmah/public_html/DENIS5.htm
- RODRIGUEZ G., RANGEL C., ROA Z. (1997). La production de panela dans la vallée du rio Suarez en Colombie. In : Lopez, Muchnik (ed.) "*Petites entreprises et grands enjeux : le développement agroalimentaire local*", L'Harmattan, pp. 323-334.
- RUDAS LLERAS G., FORERO ALVAREZ J. (1997). L'agro-industrie de la panela en Colombie. In : Lopez, Muchnik (ed.) "*Petites entreprises et grands enjeux : le développement agroalimentaire local*", L'Harmattan, pp. 335-349.
- STIGLER G., BECKER G. (1977). De gustibus non est disputandum. *American Economic Review*, march 1977.
- SYLVANDER B. (1995). Conventions de qualité et institutions : le cas des produits de qualité spécifique. In Nicolas F., Valceschini E. (éds) "*Agro-alimentaire : une économie de la qualité*", Colloque SFER "La qualité dans l'agro-alimentaire : questions économiques et objets scientifiques", 1992/10/26-27, INRA-Economie, Paris, pp. 167-183.