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## **Marketing channels, quality hallmarks and the theory of conventions**

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# **Marketing channels, quality hallmarks and the theory of conventions<sup>1</sup>**

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## ***Abstract***

*The aim of the paper is to analyse the evolution of coordination mechanisms among actors within marketing channels linked to a typical agro-food product on the basis of the conceptual framework given by the economic theory of conventions.*

*The case study regards Chianina beef, with particular reference to the zone of origin of this "local breed" (province of Arezzo, Tuscany, Italy).*

*After having reviewed the essential points of the economic theory of conventions and its principal applications to quality in agro-food system, the focus of the paper has been centred on the main changes regarding the systems of production, marketing and consumption of Chianina beef in order to underline the evolutions in the operative quality conventions.*

*Particular attention has been paid to the different quality hallmarks present on the product on the final market : quality hallmarks have been interpreted as "conventional supports", expression of the will to enforce and make more visible the active quality conventions.*

*Keywords : conventions, typical products, quality, quality hallmarks*

## INTRODUCTION

After a long period characterised by the dominance of the mass consumption model, the rise of a new consumption model in recent years has strengthened and amplified interest in traditional and typical agro-food products.

The aim of this paper is to outline the evolutionary passages that have distinguished a system of production, marketing and consumption linked to a typical agro-food product as a reaction to changes in the external context. In this evolutionary process, new factors, new functions and new coordination mechanisms partially replace and partially support previous elements, creating and changing territorial and sectorial dynamics, moving regulation centres and modifying territorial spaces of reference. The whole of this process develops in an environment of negotiation and social construction, made of alliances, conflicts, mediation and compromises that, while far from crystallising the situation, accompany the life and history of this typical product and support its adaptations to the evolution of the external context.

The interpretation of the issues on hand will be done using the conceptual framework of the economic theory of conventions. This allows the analysis of the different coordination mechanisms among actors as a result of various *social accords*, which *justify their actions*, in particular, the quality of the product.

This case study regards *Chianina* beef, with particular reference to the zone of origin of this "local breed" (province of Arezzo, Tuscany, Italy). After having reviewed the essential points of the economic theory of conventions and its principal applications to the quality of agro-food products (par. 1), the focus of this paper will be centred on the main changes regarding the systems of production, marketing, and consumption of *Chianina* beef in order to underline the evolutions in the operative quality conventions (par. 2). The type and informative content of the quality hallmarks present on the final market and their connections to the active quality conventions will be presented in the following paragraph (par. 3). The last paragraph contains some conclusive considerations.

## 1. THE THEORY OF CONVENTIONS AND QUALITY IN THE AGRO-FOOD SYSTEM

### 1.1. The theory of conventions

It is commonly observed that the Neo-classical approach is not suitable for fully comprehending real phenomena. This is particularly true in the presence of market failures, and in general in every situation in which the relationship between subjects is not established through the market, or in which the subjects pass incompletely or ineffectively through it [De Benedictis, 1991]. Therefore a (pure) market cannot be considered the only effective coordinating mechanism between operators.

Within theoretical approaches and schools developed on the basis of a quite strong criticism of the neo-classical economic paradigm, that have tried to bring the theory closer to reality, some schools of thought have gradually altered the *protective belt* [Lakatos, 1970] of the basic hypotheses of the neo-classical model. They have accomplished this especially by introducing transaction costs and information costs, and the restrictions derived from property rights [Eggertsson, 1990 ; De Benedictis, 1991 ; Gomez, 1994]. These research schools, often grouped under the label of *Neo-institutional economics*, have not altered the theoretical-methodological assumptions of the *hard core* of standard economics, and in particular they have not eliminated or changed the hypothesis of methodological individualism.

Among the largely heterodox research trends which try to deviate from the *hard core* of standard economics, the *theory of conventions* attempts to be the most global approach possible for economic organisational problems [Brousseau, 1993].

The theory of conventions approach was developed from some pioneering contributions by Lewis [1969] and Schelling [1977], who created the first definition of the concept of *convention*. The convention is considered a coordination mechanism that emerges to collectively resolve a situation that could not be done exclusively through an individual decision. While the *American school* has developed an approach in the context of games theory and problem solving based on the actors'

will of socialisation prior to the actual exchange itself, the *French school* has focused attention more on the way of forming conventions and how they function [Gomez, 1994]. A decisive improvement in the French school approach was reached with the text by Boltanski and Thévenot [1987], developed in its economic aspects in issue 2/1989 of the *Revue Economique*, and further elaborated and extended by numerous theoretical and applied contributions<sup>2</sup>. Even though economic theory of conventions has not given way to an autonomous and complete theory [Brousseau, 1993], its research fields vary from macroeconomics (regulation theory) to the analysis of organisations and of product and factors of production markets (with special reference to labour), and to management [Gomez, 1994].

As with other theoretical study trends, the starting point of the theory of conventions is in showing how the coordination between firms – and more generally between the actors within a given system – can be based on decision making mechanisms [Thévenot, 1996] besides the free market pricing system. Unlike different approaches, however, the theory of conventions has a wider vision in that it postulates the *overcoming of the hypothesis of autonomy* and therefore the absolute sovereignty of the individual, which is one of the founding ideas of standard theory, even in its "extended" version [Thévenot, 1996]. Overcoming, however, does not mean removal, but rather extension: the hypothesis of the existence of socially determined conventions accompanies – rather than replaces – the hypothesis of methodological individualism [V.A., 1989]. The theory of conventions proposes the aim of incorporating the social interaction mechanisms between operators and of evaluating the effects on economic phenomena. In this way, it tries to fuse the sociological and economic approaches in an attempt to guide individual logic to social logic and vice versa.

The formation of agreements, which are socially made and variable in time and space, reached and operating even before the actual carrying out of a transaction, originates conventions that are useful for better functioning of interpersonal relationships in general, and specifically in market and organisation transactions. Therefore, the convention emerges in uncertain decision-making situations, that is to say when the actors can determine their own utility only by knowing that of others. In this way, regularity shared by other operators, which replaces and supports the decision, is formed.

The market agreement is not always possible without a common preventive agreement, or without a "constituent convention" [Orléan, 1991, p. 138].

## 1.2. The theory of conventions, coordination, and quality of agro-food products

The conventions economy found a fertile field of application in the coordination issues among operators within the agro-food system. Moving from the crisis of perfect competition as sole possible efficient coordination mechanism between operators, and from the crisis of Fordism regulation system, the applications of conventions theory to agro-food phenomena have been directed mainly to the analysis of firms models and coordination mechanisms between actors.

In this context, the process of quality definition (of "social construction") assumed a significant importance. The problem of quality, which began to present itself with Chamberlin, who introduced the differentiation of goods on the market, and was amplified by the introduction of information problems with Akerlof [1970] and Stiglitz [1987], is endogenously determined by the economic theory of conventions [Eymard-Duvernay, 1993; Gomez, 1994].

In the theory of conventions, attention is focused on the process of quality definition of the products subject to market exchanges. According to conventional view, quality is an *endogenous social construction* that contributes to coordinating the actors' activities, to the same extent as other conventions. Quality emerges from a process of negotiation among the actors, with reference to common principles which are able to "justify" their actions, such as the market price, respecting specific standards, adherence to moral and ethical principles, etc. [Eymard-Duvernay, 1993].

Consequently, the definition of quality comes from a common procedure, or more specifically on the basis of a "qualification convention" [Gomez, 1994]. The qualification convention, rather than defining the quality of the exchanged good, it refers to the rules of the game and the role of the actor within the exchange. With reference to the works of Boltanski and Thévenot [1987, 1991], the principal coordination mechanisms among actors in the agro-food system – which also represent particular quality conventions – are<sup>3</sup> [Eymard-Duvernay, 1989; Sylvander, 1995a]:

- *Market co-ordination (convention)* : based exclusively on market relations and price ; the actors are able to evaluate by themselves the quality of the goods exchanged at the moment of the market transaction ; they do not need further support to justify their actions apart from the price ;
- *Domestic co-ordination (convention)* : the co-ordination among actors is based on a face to face relationship, on personal trust established in previous transactions. The connections established between the actors are stable and lasting in time ;
- *Civic co-ordination (convention)* : the coordination and justification of actions is based on the actors' adherence to a nucleus of collective principles ; the individual actors renounce their own individuality and do not consider their own personal interests in order to concentrate on the common good and/or aim ;
- *Industrial co-ordination (convention)* : the co-ordination and exchanges are based on the respect of standards ; quality is a given if the characteristics of the good/service comply with a set of standardised and codified rules ;
- *Opinion co-ordination (convention)* : contrary to domestic convention, but similar to market convention, the opinion coordination convention is not greatly based on a direct experience, on transaction repetition, on memory. The quality of a good is judged exclusively by the opinions of others and the reputation of the operators.

Each one of these forms of coordination refers to different evaluation principles to determine to quality of goods, and cannot be but into a hierarchy. Product specificity derives from the realisation of the variety of coordination conventions among the actors.

In establishing, maintaining, enforcing, or activating contact with the consumer the central issue is to create a link, an agreement and an approval. "Conventional" marketing channels are determined when a group of actors refers to the same quality conventions. Along these lines (conventional channels), adhesion to the same convention is likely to bring about the creation of specific "firm styles" [Van der Ploeg, 1994 ; Ventura and Van der Meulen, 1994a and 1994b].

Therefore within *one* sector different quality conventions can be active among groups of operators ; in this way

the *same* product can be exchanged among actors on the basis of different quality accords [Eymard-Duvernay, 1989]. Moreover, *one* operator can use different quality conventions (justifications) according to the particular transaction circumstances [Glandière and Sylvander, 1999].

### 1.3. The theory of conventions and typical products

On the basis of the theory of conventions, careful attention has been paid to *specific quality products*. Most cases studied<sup>4</sup> show that the mixing of different conventional typologies is a constant, not only in product typologies (organic products, environmentally friendly products, typical products, etc.), but also in individual firms, throughout time and space.

The *typical product* derives from the evolution of a local and traditional product at the moment in which this product begins to be known and appreciated by non-local consumers. The increase in the physical and cultural distance between producer and consumer brings about new links and new coordination mechanisms founded on different quality agreements from previous ones. As observed even for direct sales or "farm" products [Capt, 1995 ; Sylvander, 1995a], producer - consumer coordination differs according to the final destination and the motivation of the purchase, and therefore the expectation that the consumer, local or not, has of the product.

Normally market coordination prevails when the purchaser is a local, regular and well-informed consumer : in other words, when he/she has a rich knowledge of the product and the production conditions that allows him/her to make the decision mainly on the basis of a comparison of market prices. Instead domestic coordination is usually used when the purchaser is a non-local or occasional consumer ("pleasure model"), or rather when the availability of information is not sufficient to make a choice : in this case, in the absence of any institutional means of quality identification, it is trust that guarantees quality in time.

However, the range of consumer types and purchase motivations can be transversal to the consumer's place of origin [Belletti and Marescotti, 1998]. Even the local consumer, aware of the safeguarding of traditions and

(rural) development problems of his/her own area, can abandon market conventions to adhere to civic conventions : the purchase and consumption of a traditional product by a local consumer becomes a symbolic act, a vehicle to express collective belonging. In the same way a non-local consumer can purchase directly from the producer stimulated by a market quality convention when the motivation is to save money, just as he/she can be moved by a desire to safeguard the traditions and gastronomic wealth of an area within a civic convention.

Consequently, the coexistence of different coordination models and quality agreements is normal for typical products, and other specific quality agro-food products.

However, this is not a harmony without contradictions and contrasts, which tend in time to be subject to a plurality of pressures from the evolution of society and the agro-food system. The evolution of agro-food system and Community regulations, especially relating to health and hygiene, tend to lead to production process industrialisation and product characteristics standardisation. In this way typical products risk to be trivialised [De Sainte Marie, 1996] and to change their "nature", having to comply with severe Production Specifications imposed by protection or rigid standards dictated by food-safety regulations [Boisard and Letablier, 1987]. Besides, "historical" producers may be subject to competition from non-traditional ones<sup>5</sup>, and expropriated in the control of the product by external subjects (other firms, certification companies, syndi-cates, etc.)

## 2. QUALITY CONVENTIONS AND COORDINATION AMONG ACTORS : THE *CHIANINA* BEEF CASE

### 2.1. Characteristics and evolution of the beef system in Italy

#### 2.1.1. From the traditional system to the modern system

The system of production, transformation, distribution, and consumption of beef in Italy has undergone profound changes in recent decades. The *traditional* system was centred on small-medium sized cattle farms, public and/or service slaughterhouses, and small local butcher shops. The butcher was the central figure and regulator of supply and demand in an environment

of mainly local consumption or of well defined territorial exchange circuits. This system yielded to the *modern* system quite quickly beginning in the 1960s, in the so-called phase of mass consumption (Fordist period).

The modern system, based on scale economies and cost competitiveness brought about by the growth and enlargement of markets, resulted in an increase in the size of cattle-breeding farms and the productive capacity of slaughterhouses. There was also a concentration of conditioning and controlling powers within the single production phases in the hands of an ever-diminishing nucleus of firms [Fanfani, Green, Pecci and Rodriguez-Zuniga, 1996].

Large cattle-breeding firms gradually replaced small and medium sized farms. Cost competitiveness imposed by the prevalent type of competition of the period caused the closure of "inefficient" (from a *pure market* point of view) small-medium cattle breeders, often situated in mountainous or disadvantaged zones. In all the phases of the production chain, the firm's objective was to increase production and productivity. Even the structure of the bovine CMO (Common Market Organisation) is coherent with the intensive system dictated by modern logic. In the phases of processing and conditioning there was a gradual and rapid substitution of small, often public, slaughterhouses with large private slaughterhouses [Becker, 1997 ; Ismea, 1998].

The strong and rapid rise of modern distribution, with competitiveness based on production costs, crushed butcher shops, whose number declined dramatically. Moreover, the need of modern distribution to have suppliers able to flexibly manage very consistent product volumes and to offer an increasing number of incorporated services, brought about a sharp reduction in the number of slaughterhouses, and an even more accentuated territorial concentration of activity volumes in this production phase. The contact between the final distribution and production became rare, while the figure of large wholesalers-importers and private slaughterhouses grew in importance. Exchange coordination was still based on product price, but respect for precise supplying specifications was increasingly requested in light of the strong growth in consumption satisfied by modern distribution. The modern distribution product has to be increasingly standardised and homogeneous in space (in the sales points of modern distribution firms) and time. Supplies were sent in big, regular lots.

Relationships with the supplier are anonymous and based on standard supplying (written) contracts. Consequently, there was a move towards a mixed market-industrial type of co-operation, in all the phases of the production process.

In this period meat consumption grew notably in Italy, and even the differences in regional consumption structures diminished [Marescotti, 1998]. In particular, beef consumption tended to be oriented towards quarter-hind cuts (cutlets and steaks) rather than front quarters. This orientation, which even now continues to characterise beef consumption in Italy, had important effects on imports: the Italian agro-food balance, in fact, had to increasingly import quarter-hinds, in addition to having to bear import burdens on live cattle to be fattened in Italy, as Italian environmental characteristics are not well suitable to extensive breeding systems. Even traditional butcher shops increasingly turned to imports of quarter-hinds: the price convenience, the availability of incorporated services, and the possibility not to purchase the entire animal but to select cuts based on their clients' demand, were all factors that broke the links between butcher shops and direct supplies from local cattle farms, the former becoming more oriented towards a purely market based quality convention.

### **2.1.2. The 1980s : towards a new model of production and consumption**

In the 1980s a *new consumption model* that was more sensitive to individual decision spaces came into being: new tendencies were affirmed, dictated on the one hand by evolution of society and work organisation, and on the other by attention to the socio-cultural and environmental dimensions.

The new consumption model also affects the *production model*, further supported by the changes brought about by the Common Agricultural Policy. The revision of the bovine CMO, begun with the MacSharry reform and elaborated by Agenda2000, marked the end of the logic prompted by the mass production model. It also tended to reward extensive production activities of small dimensions located in mountainous or disadvantaged areas, based on respect for the environment and product quality.

The change and differentiation of consumer demand provoked a kind of competition no longer based entirely

on price, but also on the qualitative characteristics of the products offered. In the meat sector particular attention was paid to the aspects linked to health and hygiene [Miele and Parisi, 1997], tendencies that were accentuated with the "mad cow" crisis and the recent "dioxin chicken" crisis.

The current "qualitative" needs can largely be satisfied by the new technical and organisational mechanisms of modern production and distribution cycles: logistic and information management, specialisation and territorial concentration of production phases and relocation of complete production processes, and quality standards, are all responses to changes in consumption and in society. Nonetheless, the emergence of a multifaceted complex of quality needs on behalf of the consumer offers space for niche, typical and "high quality" products, aimed at reaching specific consumer segments. These products are sometimes still based on more traditional and territorially-based production and distribution systems, which by this way can be stimulated and acquire new strength and development opportunities.

In other words there is new room for more varied responses compared to the *mainstream*, which seemed to involve the plurality of the production and organisation models in one direction. An example is given by the revaluation of "local" breeds, distinguished by strong connections to the territory and often the use of "traditional" breeding techniques, carried out in small production units (cattle breeding farms, slaughterhouses with a limited capacity, small butcher shops) in limited territorial areas.

### **2.2. The decline of a traditional product : Chianina beef in the Fordist period**

Among the more prestigious Italian breeds, *Chianina* undoubtedly enjoys a notable fame and reputation. *Chianina* is a very old breed, autochthonous of the Val di Chiana (Chiana Valley), a region of plains situated between Tuscany and Umbria. This is a dual-purpose breed (work and beef production).

*Chianina* breeding has always been concentrated in the hilly zones of Tuscany and Umbria and has remained tightly linked to its zone of origin, even if the breed has been diffused throughout the years, both pure and crossbreed, in other Italian regions and in many countries of the world [Van der Meulen and Ventura,



1994b ; Nebbiai, 1998]. *Chianina* breeding is characterised by the prevalence of small or medium sized traditional family farms, often located in hilly or piedmont zones, using the closed reproduction cycle (cow-calf line). There are very few cattle-farms specialised in fattening of *Chianina* breed, and normally calves are purchased from farms in the area.

In the Fordist period the production and distribution process of *Chianina* beef and its crossbreeds is structured according to the *traditional* system. Marketing exchanges were made almost exclusively through short and local channels.

The butcher is the central figure of the traditional system. The butcher "selects" the animal to be taken to the slaughterhouse, which carries out mainly a service role. The butcher has direct contact with cattle-farms, and transactions are based on personal relationships and trust built on past exchanges, or information easily obtainable in the area. The direct relationship the butcher establishes with the breeder offers the possibility to negotiate even on breeding techniques so as to synchronise qualitative characteristics of the product with the butcher's commercial needs, as well as those of the client [Van der Meulen and Ventura, 1994b].

The client is mainly local, accustomed to *Chianina* beef, informed about the characteristics of the breed, the production process, and the actors who participate on a local level. The connection between butcher and client is based on trust and regular purchases, just as the exchange between breeder and butcher. The proximity, not only physical but also socio-cultural, of the producer and consumer (often represented in one person-firm-family) facilitates the identification of the product and its quality.

Coordination among operators takes place in every phase of the supply chain (*filière*) on the basis of a mixed *market-domestic* quality convention. Negotiation on the final market is based on price, but the fact that meat is an *experience good* brings the consumer to evaluate quality also according to trust in the butcher coming from past transactions, even in the absence of a quality hallmark or place of origin.

In the 1950s and 60s the *Chianina* breed underwent a very difficult period : the arrival of mechanisation and the agricultural exodus caused a loss of interest in the

typical genetic characteristics of the breed. Moreover, despite producing high quality beef, the morphology of the animal did not allow for a sufficient quantity of hind-cuts which, as we have seen, are the cuts most requested by Italian consumers.

The rise of the modern system brought about an important reduction of the demand for *Chianina* beef, whose production and distribution system illustrated a limited adaptation capacity. In particular the excessive number and reduced productive capacity of breeders of *Chianina* and *Chianina* crossbreeds provoked difficulty in organising a unit marketing of the product. In addition there was a high level of heterogeneity of final products qualitative characteristics - derived from the use of different breeding and feeding techniques, and the high number of crossbreeds, not always controlled or controllable - and the higher production cost of calves for re-stalling due to the high volume of the brood-female. All this developed in a quantitative context with a very low annual production, which discouraged single firms to take any promotional initiative ; besides this, the difficulty of the "*Chianina* system" to comply with the ever increasingly rigid health and hygiene food-safety standards proposed even more obstacles. For all these reasons *Chianina* beef rarely found space in modern channels in the Fordist period, also considering the lack of an explicit demand by consumers.

The demand decrease affected price levels (often equal or lower compared to less precious breed), and marketing of *Chianina* calves for re-stalling, leading to a fall in the number of selected animals and breeders registered in the National Herdbook. Beginning in the 1950s, a decrease in the number of *Chianina* farms and animals has been reported<sup>6</sup>, in spite of a slow process of production concentration with the rise in the average number of animals per farm. In this period, *Chianina* breeding suffers the competition from other specialised and more productive breeds, from other cultivations (tobacco, tomato, cereals and oilseed) and from industrial and tertiary sectors.

This process, markedly strong for the *Chianina* breed, was inserted in the larger context of the cattle-breeding crisis (in particular for meat production) in Tuscany and in the province of Arezzo. This period was characterised by the closure and shake up of many breeding farms, the closure of slaughterhouses, and the drastic fall in the number of butcher shops, and, in general, by the

expansion of the modern system [Rovai, 1998 ; Angeli et al., 1998 ; Boncompagni and Visi, 1997]. Therefore, the *Chianina* crisis seemed to be the final result of globalisation and mass production, whose principle foundations were the standardisation and industrialisation of production processes.

### 2.3. From traditional product to "local" typical product : a comparison of *Chianina* beef marketing systems

#### 2.3.1. Changes in the 1980s

Beginning in the 1980s new consumption trends gave new value to typical and specific quality products in general, often based on "traditional" production models. The renewed interest for local breed beef, notably increased following the BSE disease crisis but started long before, was re-enforced in Tuscany by cultural consumption habits linked to the territorial gastronomic traditions – the *Chianina* breed is the traditional supplier of the "Florentine steak", deeply rooted in local consumption - and in general by the regional food consumption model ; in Tuscany there is a higher consumption of red meat than the national average [Marescotti, 1998].

An increase in the type of marketing channels was derived from this : not only was there a return to direct farm sales and a re-evaluation of local circuits and the traditional production system, but for the first time *Chianina* beef entered modern distribution channels.

#### 2.3.2. Changes in the traditional system

Even now, the prevalent marketing channel of *Chianina* beef revolves around the traditional system, but with the passage of time, some of the actors' operative mechanisms along this channel have changed.

Firstly, a pure traditional system has remained only in rural zones well-protected from the growing modern system and the logic of modern distribution. In rural areas the traditional system is more coherent with local consumption models : the resident population, often composed of a higher percentage of elderly people than average, exercises a different demand for beef than that of the city, remaining more attached to "less prestigious" cuts (front quarters) and to products with a lower quantity of incorporated services.

In urban areas and medium-sized centres in rural areas, instead, the traditional system has adapted to the modern one : butchers often go to wholesalers and importers for their supplies in a prevalently market coordination context. When there is *Chianina* beef, its presence is derived mainly from a need to differentiate further the assortment available in modern distribution. Even for supplies of *Chianina* beef, often bought sporadically because of the difficulties of selling front quarters and of finding animals, the butcher increasingly often goes to a mediator, within a form of *domestic* coordination.

Moreover, in the rural and urban areas of the breed's territory of origin, the production quota purchased in traditional small butcher shops by a *non local* (with reference to the normal sales zone of the butcher shop) consumer has grown ; in this case purchases are motivated by a desire to have more certainties about the origins and quality of the meat. In the case of *Chianina*, the non local consumer's demand on the final market for prestigious production activated a *domestic-civic* form of coordination, when the transaction on the final market is based on a shared desire to preserve a local cultural heritage or a precious collective good. In other cases it is possible to observe a renewed *domestic – market* coordination model when the non local consumer is stimulated by the desire to purchase meat of guaranteed origin at a reasonable price ; this guarantee is given by on-site purchase and trust in the butcher.

Together with the non local consumer demand, there is also a *new local consumer*, often urban, who through the consumption of locally produced *Chianina* beef, wants to recapture his/her own food and cultural traditions, and at the same time be protected from a hygienic – health point of view.

#### 2.3.3. The entry of *Chianina* beef in the modern system

About ten years ago *Chianina* beef entered the sales of some modern distribution firms in its more traditional zones of production and consumption. The insertion of *Chianina* in meat sales – sometimes done in a periodic fashion within a promotional campaign and/or only in some types of sales points in the self-service counters – has been dictated mainly by the need to further reduce spaces for traditional small shops, while at the same time, meeting the local consumption habits, to increase consumer loyalty in a competitive environment with other modern distribution companies.

As we have seen, the structure of the farms that breed *Chianina* or its crossbreeds, and in general the "*Chianina*" system, is rarely coherent with the modern system in terms of dimension, product homogeneity, regular delivery, respect for minimum quality standards, etc.

In cases where modern distribution has been able to insert *Chianina* beef, it has been necessary to make the traditional system as coherent as possible to the modern one. This has given way to a hybrid form of the two coordination systems, the fruit of a compromise between an *industrial* and a *domestic* quality convention in the relationship between modern distribution firm and its suppliers.

In other words, the modern system, while maintaining its particular characteristics, gains some mechanisms of the traditional system, trying to adapt them. In this way, contrary to the usual supply mechanisms and the tendency to delegate to large private slaughterhouses, some modern distribution firms have reactivated direct contacts with breeders on a local scale, forming once again the habit of using their own specialised personnel to directly visit breeding farms and select the animal to purchase. In the same way the transactions with local *Chianina* breeders are generally established outside any formal contract due to trust coming from the repetition of exchanges throughout the years, even for extremely limited supplies (2-3 heads a year).

The production specifications, extremely rigid in the case of large homogeneous supplies with big suppliers, have also shown an increased flexibility and tolerance in the case of direct relationships with traditional small breeding farms, even in the rigorously controlled hygienic-health aspects of the product, which must (obviously) respect the same standards of "conventional" products.

Nonetheless, the tensions brought on by the dominance of the industrial coordination type make the compromise reached unstable. In fact, to arrange regular and homogeneous supplies under the qualitative characteristics for typical meats, modern distribution has promoted the creation of large modern fattening centres and finishing centres which, in time, will bring about a further supplier selection to the detriment of traditional cattle breeding farms.

Industrial coordination also characterises the relationships with the final consumer, linked to a market or civic coordination, and within these types of sales points, domestic coordination is marginalized in most cases.

## 2.4. Marketing channels and quality conventions

In conclusion, the economic theory of conventions allows an analysis of different organisational systems in terms of *relational spaces*, in which isolated and collective actors take part. Within these spaces, specific quality agreements (conventions) are active which help to improve coordination between actors.

The dominance of one particular convention is determined by the actors present in the specific marketing channel, by their strategies, by the particular context in which they operate, and by the relationships of co-operation and conflict established internally.

According to the quality convention in use, even single quality characteristics (material and immaterial) of the product assume a different importance. The agreement about product "quality" will in time provoke the creation of "diverse" products along specific conventional channels, and to reward some unique traits of the product at the expense of others.

The *Chianina* beef case illustrates how the rise of the modern system developed during the Fordist period through the affirmation of the industrial - market quality convention was shown to be completely incoherent with the traditional system of exchange and coordination between actors. In other words, it was incompatible with the domestic quality convention, causing serious threats to the existence of the breed itself.

In the 1980s, the emergence of a development model made the simultaneous activation of several quality conventions possible, which gave rise to diverse types of consumer demand through different convention channels.

The quality agreements and the particular coordination mechanisms present are subject to changes in time. In the *Chianina* beef case, the route followed by the changing process of quality agreements will depend on the evolution of the unstable compromise between an industrial and domestic-civic quality convention. The

result of this process will not be without consequences in the orientation of product transformation (genetic selection, breeding and feeding techniques, age and weight upon slaughtering, animal gender, presentation methods, etc.) and the structure and organisation of the firms and production process.

### 3. CONVENTION ECONOMY AND QUALITY HALLMARKS FOR *CHIANINA* BEEF

#### 3.1. Hallmarks and convention economy

In economic theory the hallmark is seen as an instrument to decrease the information gap between supply and demand, to reduce the risk of market failures [Kapferer and Thoenig, 1991 ; Carbone, 1996 ; Pilati and Flaim, 1994]. The opening of spaces for the production and circulation of goods has undoubtedly amplified problems of incompleteness, uncertainty, and information asymmetry. The process of product identification has become more difficult, as well as ascertaining the hygienic-health quality of the product. Compared to the production and mass consumption model, the consumer is certainly more active, but at the same time needs more and better information.

In these situations, the hallmark, just as any information source, becomes increasingly important. The hallmark can in fact be read as an *information summary* [Valceschini, 1999] which facilitates, in as much as it acquires credibility, transactions between operators and in particular selection of goods on the market by the consumer (intermediate or final), thus stimulating trust in product quality and in the person who produces and/or sells it.

From a conventionalist point of view, the hallmark is a sign that assures quality testing through the client's verification of what he/she has bought and what he/she expects to obtain. The development of quality hallmarks can be seen as an expression of the will to enforce and make more visible the various types of coordination among operators [Pivot, 1999].

The characteristics and uses of hallmarks can therefore help to comprehend the quality convention types inherent in the product, the type of conventional consumer segment present [Sylvander, 1995b], as well as the coordination mechanisms among operators at various levels of the production process throughout space and

time. Actually, hallmarks strengthen the active quality convention by signalling its presence to actors. Each type of hallmark can be understood as a support for one particular quality convention [Valceschini and Nicolas, 1995], as a *conventional marker*: it also can be seen as an "*investissement de forme*" [Thévenot, 1985] which makes more explicit the coordination form actors intend to use, establishes lasting relationships with other organisations or individuals, and makes "equivalences" possible [Eymard-Duvernay, 1987 and 1989 ; Thévenot, 1995]. In other words, hallmarks are the fruit of a more general constitutional effort of common references, of information transmission in an economic cognitive context : as a result the format used by the information contained in the hallmark must be coherent and linked to the coordination mechanisms [Thévenot, 1995].

Agro-food sector information problems, and in particular those related to the transmission of information about product quality, are aggravated by the nature of "experience" or even "trust" in the many characteristics of the product exchanged. This is particularly true for fresh meats, where the appreciation for the meat quality may only be minimally based on "research" characteristics (e.g. colour, visible fat content) and not always adequately based on experience, through the act of consumption after the purchase.

In the next paragraph some hallmarks utilised for the marketing of *Chianina* beef will be examined in order to highlight their similarities and differences, and to underline the "conventional" support function in coordinating relationships which are established between the actors on the final market<sup>7</sup>.

#### 3.2. A comparative analysis of quality hallmarks for *Chianina* beef<sup>8</sup>

##### 3.2.1. The modern distribution hallmark "*Prodotti con Amore*"

The hallmark "*Prodotti con Amore*" (*Produced with Love*) was created by Coop Italia, the most important modern distribution company in Italy. It is a *private brand* concerning fresh products (fruit, vegetables and beef), which are more sensitive to chemical inputs used in the production process. Its objective is to reduce the risks derived from the critical points of the production process, thus guaranteeing consumers throughout Italy a production carried out in the best qualitative characteristics,

especially from a hygiene-health and nutritional point of view [Gatti and Valli, 1995]. The products *Prodotti con Amore* must respond, in fact, to quality standards imposed by Coop Italia, which are even more rigid than those of "conventional" products regarding both the production process (adoption of integrated production methods) and the quality characteristics of the final product, especially the hygiene-health aspects. The *Prodotti con Amore* system required Coop Italia to strengthen the coordination with the other firms of the supply-chain, and a better information management.

The hallmark beef marketing began in 1988 for white calf and French bullock beef. The integration with previous phases in the production chain was based on the production specifics which, in the case of beef, mainly regarded industrial slaughterhouses charged with selecting breeding farms, and rarely involved direct relationships with industrial cattle breeding farms. Even in the case where the relationship is established only with the industrial slaughterhouse, the system allows the use of specifics with cattle farms subject to approval and direct control by Coop Italia.

The system was extended to Chianina beef only in 1994: *Chianina* beef was placed in the category of *Carni Pregiate* ("Prime cuts") in only a few sales points in Tuscany, and in particular in the area of origin (provinces of Arezzo and Siena), generally at the self-service counter.

The insertion of the *Chianina* was made possible by the availability of a few large fattening centres which, prompted by Coop Italia, converted production towards the finishing phase of *Chianina* head. In this way Coop Italia could guarantee a large part of its need (around 600-700 heads a year) from one supplier, satisfying the remaining part directly from small or medium sized cattle farms<sup>9</sup>.

Coop Italia's initiative has had a considerable success: in the past eight years, *Chianina* beef sales have grown from 150 to 2600 animals, interesting 12 out of the 88 sales points in Tuscany. This success has brought Coop Italia's competitors to insert *Chianina* beef in the sales, thus rapidly increasing the demand of *Chianina* pure breed and crossbreed. The already mentioned supply rigidity has hindered the complete expansion of *Chianina* beef marketing in modern distribution channels.

As we have seen<sup>10</sup>, compared to the industrial logic dominant in modern channel distribution, the introduction of *Chianina* beef implied reaching a unstable compromise among different quality conventions. In supplier relationships industrial coordination had to adapt to domestic, giving rise to a differentiated relationship between large fattening centres and small traditional cattle farms, both in the establishing of relationships and in the production specifics.

On the final market, the goal of the hallmark is to express and guarantee the hygienic-health safety of the product based on rigorous respect for the production specifics and good quality-price rapport. The insertion of *Chianina* beef in the *Carni Pregiate* category accentuates the superiority of the beef quality compared to a "normal" product, derived in particular from the breed and the traditional breeding techniques. The active convention is *industrial-civic*, fuelled by worries regarding the health and the healthiness of the product. This trademark does not signal the presence of the domestic dimension, entrusted to other hallmarks sometimes associated with the *Prodotti con Amore*.

### 3.2.2. *Chianina* beef in the small butcher shop : the "Consorzio 5R" experience

The *Consorzio 5R*, founded in 1982, has the goal of protecting typical Italian breeds of white mantle beef (*Chianina*, *Marchigiana*, *Romagnola*, *Maremmiana* and *Podolica*) and crossbreeds from sires. The Consortium is based on the construction and control of a marketing circuit that associates cattle breeding farms, slaughterhouses, and final distributors. The cattle farms must be located in *Chianina*'s traditional breeding zone and respect a certain type of breeding (fixed stabling, free or semi-wild), as well as follow precise feeding rules, especially using feed produced in the firm itself. The associated cattle-farms can freely decide whether to sell to associated butcher shops or on the free market. The associated butcher shops<sup>11</sup>, on the other hand, are obliged to sell exclusively 5R beef, to post "beef identification certificates", to slaughter in slaughterhouses authorised by the Consortium, and to post the hallmark, identification and promotional material of *Consorzio 5R* in the shop [Di Iacovo and Moruzzo, 1995 ; Van der Meulen and Ventura, 1994b].

The Consortium has gone through a long difficult period, partially due to Product Specification contents. In

particular, the need to impose to associated butchers not to sell other beef than 5R beef, originated from control problems, has introduced rigidity in butchers' supplies in a period in which the rise of the modern system was strongly making the whole supplying system unstable and wider [Di Iacovo and Moruzzo, 1995].

Today associated breeders are about 1400, and the system allows 6000 animals (pure breed and crossbreed) to be slaughtered each year (10% of the animals born in cattle-farms registered to the National Herdbook). Associated butcher shops are about 150 and are located mainly in breeds' areas of origin, and very often in small-medium sized urban centres in rural areas.

The 5R hallmark was set-up from the need to offer the consumer beef born and raised in Italy with systems and feed that guarantee authenticity. The hallmark image exposed on the product is tightly linked to the value of typical national breeds of beef. The aim of the *Consorzio* is to protect breeds and simultaneously to guarantee the characteristics of the production process to the consumer (with particular attention paid to the animal feeding) and especially to guarantee the quality characteristics of the beef (healthiness, superiority of the organoleptic characteristics compared to the norm), fruit of the uniqueness of the breed.

On the final market, the working quality convention is mainly industrial in that the message of the Consortium is largely based on respect for the Product Specification and rigorous checks. Nonetheless it is also possible to identify a *domestic-civic* component in that the consumer is aware of the protection for national and typical breeds and/or recognises the product quality based on connections to the food, purchase traditions (traditional butcher shops) and consumption in his/her native zone. The majority of the butcher shops associated with the *Consorzio* are in fact located within the production zone, and in the Province of Arezzo the hallmark *Arezzo Qualità*<sup>12</sup> is added.

### 3.2.3. The hallmark and the territorial origin

a) *PGI "Vitellone Bianco dell'Appennino Centrale - Chianina"*

With Community Regulation (EC) No 134/98 of 20 January 1998, *Chianina* beef obtained the PGI

(Protected Geographical Indication)<sup>13</sup> upon advanced request by the CCBI (*Consorzio Produttori Carne Bovina Pregiata*), which already managed the 5R hallmark. The Product Specification<sup>14</sup> allows only *pure* breed *Chianina* cattle registered in the National Herdbook to obtain the PGI. This is an evolution and specification within the Product Specification created by the *Consorzio 5R*, which allows the hallmarking of crossbreeds<sup>15</sup> as well.

The Product Specification has been written on the basis of traditional breeding and feeding techniques of 5R breeds' zone of origin. The codification of techniques was expected to lead to a higher homogenisation of beef produced, and a selection of best quality animals [CCBI, 1993].

The adoption of a hallmark is justified by the need to identify an already famous product, available in limited quantity but high quality, linked to a traditional system based on the relationship between butcher shops and a group of many small family-run cattle-farms, and high production costs. The hallmark must therefore include "*the guarantee of quality, origin, and typicality both for the final seller and the consumer*" [CCBI, 1993].

The genetic assets, breeding, and feeding systems are the elements that give value to the product. The codification - in a rigid Product Specification - of the breeding techniques and beef characteristics, the goal of reaching better homogenisation of the final product, and the need to extend product commercialisation outside traditional butcher shops, underline the important presence of an *industrial* convention. This is a compromise between a domestic-civic convention and a new industrial convention. Institutionalisation can be interpreted as the will to fix in time the qualification agreement [Letablier and Nicolas, 1994] in one of the most advanced form, which is to say that sanctioned by the law.

b) *The hallmark Arezzo Qualità*

The initiative regarding the hallmark *Arezzo Qualità* began in 1991 upon request of a group of wine growers in the Province of Arezzo, desirous to create an autonomous promotional space outside *Chianti DOC* wine. The idea was then strengthened and spread to other products (extra-virgin olive oil, organic production, agri-tourism and beef) thanks to the supporting actions of the Provincial Administration of Arezzo.

In the specific case of *Chianina* beef, the goal of the promotional initiative was principally to "offer the consumer beef both guaranteed in its origin and healthiness, and in being surely *Chianina*" [Provincia di Arezzo, 1998, p. 2] and to clearly identify the breed on the market.

Unlike wine and extra-virgin olive-oil, *Chianina* presented more difficulty at being inserted in the general promotional scheme because it lacked a Product Specification that specified the technical production contents and the nature and responsibility of checks<sup>16</sup>. For this reason the initiative was linked to the Product Specification used in the application for PGI *Vitellone Bianco dell'Appennino Centrale* ("White bullock of the Central Appennines"), with some modifications that root the product even more to the provincial territory of origin<sup>17</sup>.

To aggravate further the difficulty of insertion in the scheme was the position of the majority of butcher shops, initially not interested in the initiative. In fact the supply of local beef required, other than having to guarantee a certain minimum of purchases and marketing, a return to the past, to the traditional system, when the butcher individually selected livestock from the local cattle farm, purchasing the entire animal.

The initiative, operating since 1996, has had notable success, and the number of animals slaughtered, while not high, has constantly risen<sup>18</sup>. Almost all the selected cattle breeding farms of *Chianina* have joined the initiative in the Province of Arezzo, and many fattening centres in Val di Chiana, Valtiberina, and Valdarno (Province of Arezzo) have calves from selected cattle farms located outside the provincial borders.

The 23 associated butcher shops (as of 16-12-1998) are almost entirely located in the Province of Arezzo, with the majority in the chief provincial town, its principal urban centre. Moreover, a modern distribution firm (Coop Italia) joined the initiative, therefore augmenting its effectiveness, by introducing *Arezzo Qualità Chianina* beef in some sales points in the provincial territory, in particular in the chief town recently opened hyper-market.

The hallmark *Arezzo Qualità* was not directed to a non-local consumer, but was conceived mainly to re-establish the connection with urban consumers and the

local surrounding areas, the place of production of a typical breed. The prevailing quality convention is mixed *domestic-civic*. The hallmark recalls the place of origin (Arezzo), the breed (*Chianina*), and the respect of product specifications. However this respect for the Product Specification – which would seem to signal the existence of an industrial coordination form also in the final market – is less stressed than the territorial origin and breed. The presence of civic quality convention is clearly underlined by the targets and contents of the many supporting initiatives promoted by the Provincial Administration<sup>19</sup>.

### 3.3. Types of quality hallmark and types of quality convention

The cases examined show how the hallmarks present on the product in the territory of the breed's origin are expressions of specific quality conventions, active in the coordination of operators along the marketing channels, and supporting the decisions of the actors on the final market. Each quality convention utilises specific coordination forms between actors, and tends to reward some product characteristics (material and immaterial) at the expense of others.

The quality hallmarks examined illustrate the rise of the industrial convention (complying with quality standards) and of the civic convention (hygienic-health checks) as an expression mainly of the growing concern about the hygienic-health aspects of the beef, greatly fuelled by recent scandals. As a matter of fact, quality hallmarks are based on the respect for disciplinary production, more or less efficiently supported by legislation.

In the case of *Chianina* beef, the rise of industrial coordination evolved through a mediation with domestic and civic coordination which, especially on the final market, prevailed, as in the case of the *Arezzo Qualità* hallmark.

Therefore, the rise of industrial coordination, at the expense of a coordination based on opinion<sup>20</sup>, does not hinder the emergence and sometimes the dominance of a different type of coordination. This is reflected in the simultaneous activation of different conventions and compromises between quality conventions along the various marketing channels, which can be revealed by the presence of different hallmark combinations. This was the case, for example, in the marketing of *Chianina*

beef through modern distribution channels in the principal urban centre of a zone, in which the hallmark *Coop Prodotti con Amore – Prime cuts - Chianina* was used in combination with the hallmark *Arezzo Qualità* to mark the activation, together with the *industrial* convention, of a *civic* convention for the local consumer interested in the origin of the beef and the retrieval of the traditions and cultural heritage of his/her territory.

It is important to note in conclusion the still frequent cases of the *lack of any hallmark* on *Chianina* beef in the breed's territory of origin, signalling the resistance of the market – domestic convention. This type of convention continues to persist mainly in the rural zones further away from urban centres, where the local consumer, and the traditional system, still dominate. Along these channels consumer and butcher, just like butcher and breeder, base their relationships on trust and reciprocal knowledge, and they do not need further elements (more or less institutionalised) and identification supports neither the person nor the product.

## CONCLUSION

The economic theory of conventions gives us the possibility to analyse product quality as the result of a social negotiation among actors. In this way, it is possible to justify the adoption of particular coordination mechanisms and support types in light of the appropriate quality convention (or conventions) for that moment.

The case examined offers an example of how a traditional and typical product, destined to be marginalized by the forces of modernisation in an environment of quality agreements based on industrial or market conventions, can re-establish itself thanks to changes in consumer and societal behaviour as well as activation and renovation of different types of quality conventions.

The re-evaluation of *Chianina* beef was made possible through a plurality of marketing and promotional forms which activated diverse quality conventions, the result of the interests of the different categories and operators involved in the supply-chain. These different quality conventions can be simultaneously present on the product, can be different within the supply-chain phases, be convergent or contrasting among themselves, and can consequently give rise to quite unstable and problematic coordination forms.

Hallmarks can be interpreted as supports for the identification of particular quality conventions operating in the actors' coordination conditions on the final market. In this way, it is significant to note how the hallmarks analysed, specifically conceived for the *Chianina* breed, were finalised for correct product identification, especially in the eyes of the local consumer. The revaluation of the product passed mainly through a reconstruction of the relationship with the local consumer, in which personal relationships played an important part [Boisard and Letablier, 1987].

In this way the *market* convention does not seem to adapt to the valuation of typical products [Letablier and Nicolas, 1994], while the *industrial* convention can only be "assembled" within the production process in an industrial-domestic compromise, paving the way for contradictions and instability. Therefore, the most appropriate quality convention for typical products seems to be the result of a compromise between *domestic* and *civic* logic.

The coordination between individuals in domestic logic is developed by contiguity from an original source : in this case the hallmarks present on the final market refer to the product's territory of origin and try to recover the geographic-cultural proximity connection with the consumer [Eymard-Duvernay, 1989]. The quality of the good is established in time by the relationships found in the space of production and circulation, and the quality agreement is reached considering a common good which supports a particular convention [Letablier and Delfosse, 1995].

However *civic* logic appears just as important : the interest of the local community in maintaining the territorial link alive, even through goods, meets the need to protect and economically utilise a collective cultural heritage (possibly preventing the use by those without rights) [Bérard and Marchenay, 1995], socially built throughout time by a group of actors (producers, consumers, citizens, local institutions) who have contributed in various ways to its evolution. For this exact reason the initiatives of protection and promotion – included those examined - are taken from local public institutions (especially when the asset is at risk of disappearing, changing radically and altering), while only later, and sometimes after great difficulty, are economic operators able to see the utility.



As for "local breeds", the emergence of a *civic* convention is the reflection of a plurality of new objectives of the local community ; these goals are often integrated in issues

regarding the general community and public institutions even at non-local levels, and are welcomed within political-agricultural and rural development objectives as well<sup>21</sup>.

## NOTES

- (1) This work has been made within *Ricerca di Ateneo dell'Università di Firenze "Evoluzione dei consumi alimentari e ri-organizzazione dei canali commerciali dei prodotti tipici"* (Coordinator : Alessandro Pacciani), and *Ricerca "I prodotti tradizionali e tipici nel sistema agro-industriale. Rapporti organizzativi e problemi di mercato"* (University of Florence, Coordinator : Alessandro Pacciani), which is part of *Ricerca di Interesse Nazionale Murst "Il sistema agroalimentare italiano e l'integrazione europea"* (National Coordinator : Roberto Fanfani).
- (2) For a deeper analysis of the rise and development of the economic theory of conventions of the French School see Orléan [1994, pp.13-16].
- (3) Boltanski and Thévenot identified six common "worlds", that is, coherent frameworks based on how people measure the *grandeur* of others making out "equivalences", above all by means of the mediating factor of objects quality evaluation process [Boltanski and Thévenot, 1991, p.165]. The "worlds" are the following : market, civic, industrial, domestic, opinion and inspiration.
- (4) For a panoramic vision of conventional typologies in specific quality products see Sylvander [1995a]. More specifically, the case of *environmentally friendly* products has been analysed by Glandière and Sylvander [1999], and the *Label Rouge* by Sylvander [1995c]. A particularly useful case study, which highlights the evolution of the different quality conventions and their compromises, can be found in Heintz [1995].
- (5) This may happen even when typical product is protected by the Law, as in the case of Council Regulation (EU) No. 2081/92 [Giacomini, 1998 ; Arfini, 1999].

- (6) In 1954 Italy had about 510.000 *Chianina* heads (300.000 in Tuscany) ; in 1968 there were 360.000 heads, 190.000 in 1983 and about 100.000 in 1996, of which less than one third registered in the National Herdbook [Nebbiai, 1998].
- (7) The analysis has not examined the quality hallmarks which refer to bovine meat in general (see Becker [1997] for a complete list of quality hallmarks in Italy).
- (8) The information needed to write this paragraph has been drawn from interviews carried out by the Author in firms and public institutions.
- (9) The trend to reduce the number of suppliers, originated from quality-check problems and high transaction costs, is limited by the need to lower supply-breaks and excessive dependence risks. Surely the decision to commercialise typical products, usually available for small quantities compared to the needs of modern distribution firms, makes excessive dependence risks grow ; nevertheless transactions repetition, and trust established within the relationship, in time lowers transaction costs [Barjolle and Chappuis, 1999].
- (10) See paragraph 2.1.2.
- (11) The sales points of modern distribution firms can use the 5R hallmark only to sell the product under vacuum pack and with a special agreement with the 5R Consortium.
- (12) The civic dimension also comes from some initiatives taken up by Consorzio 5R, Regione Toscana and URATA (Unione Regionale Associazioni Toscane Allevatori - the Regional Breeders Association) : it is the case of the initiative called *Le strade della Chianina : itinerari attraverso gli allevamenti toscani e le macellerie specializzate* ("The paths of the *Chianina* : itinerary through tuscan cattle-farms and specialised butcher shops"), which allows for a visit to the Tuscan breeders and the specialised butcher shops ; this itinerary was especially created to allow the consumer to know more about the production environment and the retail distribution within the production area.
- (13) The PGI concerns *Vitellone Bianco dell'Appennino Centrale* ("White Bullock of the Central Apennines"), and involves the beef of the Chianina, Marchigiana and Romagnola breeds.
- (14) To be eligible to use a protected designation of origin (PDO) or a protected geographical indication (PGI) an agricultural product or foodstuff must comply with a *Product Specification*, which shall include also the name and the description of the agricultural product or foodstuffs, a description of the method of obtaining the agricultural product or foodstuff, the definition of the geographical area and evidence that the agricultural product or the foodstuff originates in the geographical area, details of the inspection structures (art.4 EEC Regulation 2081/92).
- (15) The production which cannot be attributed to PGI will continue to be guaranteed by the 5R hallmark.
- (16) Moreover the application of the label to beef cuts seem to be a more difficult task than that of other productions [Provincia di Arezzo, 1998].
- (17) The *Arezzo Qualità* system may be considered as an experiment under the provisions of the PDO. Recently the Province of Siena and the Provincia di Arezzo have taken initiative to request the PDO *Chianina Classica delle Province di origine Arezzo e Siena* ("Classic *Chianina* beef from the provinces of Arezzo and Siena"), which foresees that the cattle farms are only situated in the territory of the Province of Arezzo and Siena. In order to analyse the problems which the PDO regulations arose in the matter of "local breeds" see Veau [1995] and Béranger, Monin and Casabianca [1999].
- (18) During the first 16 months of activity 264 animals (half male, half female) were slaughtered [Provincia di Arezzo, 1998]. The following year (1998) 328 animals were slaughtered, while in the first five months of 1999, 164 animals.
- (19) The initiatives of the Province of Arezzo have been directed not only to give information about the hallmark *Arezzo Qualità*, but also to recover the link between the urban consumer and his/her territorial origin by means of (*Chianina* beef) consumption. In this context, the insertion of *Chianina* beef in school activities (meeting with schoolboys/girls, teachers, parents, cooks) and local restaurants, and the arranging of guided tours in the local cattle-farms can be easily explained. A further attempt concerned the promotion of front-quarter consumption through old and traditional recipes.
- (20) Indeed the quality convention based on opinion is often met in private trademarks or commercial ones, whose penetration and affirmation on the market is often based on advertising and the use of opinion leaders. It is not unusual to find the re-evaluation of typical products through opinion conventions [Delfosse, 1996]. However, in the cases under study the effect of the "pure" opinion convention seems to fall into the background compared to the others, owing to the presence of Product Specification.
- (21) Besides safeguarding biodiversity, environmental (the use of pastures located in marginal areas and the safeguarding from territory and local culture erosion) and economic repercussions (the presence of medium-sized family-run farms, the low contribution to Community overproduction) are often highlighted.

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