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Small-scale forestry in the Italian Alps: from mass market to territorial marketing

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Outline

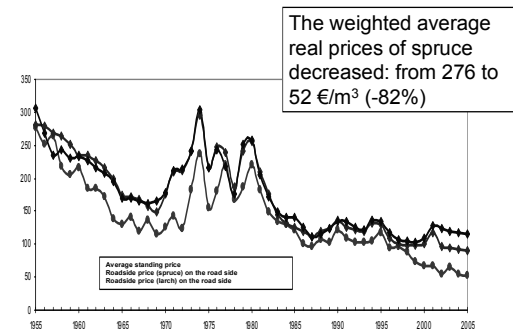
- Background: the economic context
- The need for diversification of income sources
- New marketing strategies:
 - *Specialized* products
 - *Complementary* products
- Conclusions

A paper derived from the work carried out during the COST Action E30 by a team of experts: see the final report "NWFP&S Marketing lessons learned from case studies in Europe" by D.Pettenella, A.Hegeudus, A.Hingston, S.Klöhn, S.Posavec, T.Thorfinnsson, S.Dragoi, A.Matilainen

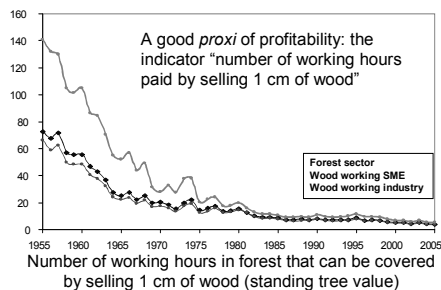
In Italy, in the Southern part of the Alps, a substantial decreasing level of timber production activity in the last 20 years

Three main reasons:

- 1) **fragmentation of the local timber supply** (landownership pattern, lack of horizontal integration, small-scale level both of harvesting and of sawmilling activities)
- 2) **market globalisation** (shutting down of many small- and medium-size sawmills or their internationalisation, mainly to Eastern Europe)
- 3) remarkable **decrease of profitability** in forest activities oriented to the production of industrial roundwood



Average real prices of conifer industrial roundwood in the Southern Alpine Region (1955-2005)
Source: Ciotti & Pettenella (2005)

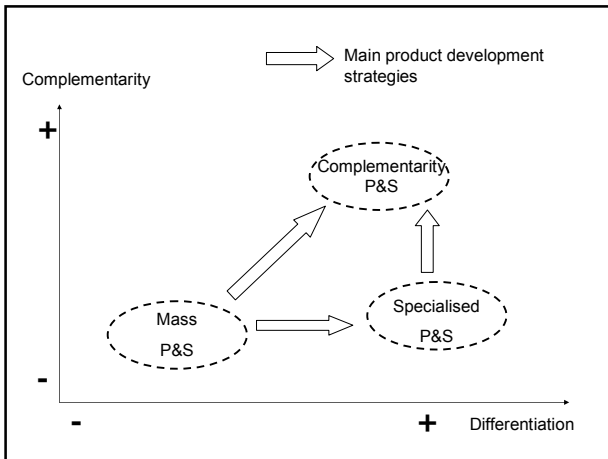


In 1955 1 cm of wood sold covered the cost of 141 working hours of a forest worker.
In 2005 only 5.3 working hours (-96%).

If we consider the prices of industrial roundwood the close-to-nature silvicultural systems are now well far to be economically sustainable



To maintain all the public, non marketable functions of Alpine forests, an increasing role is played by traditional and new NWFP&S



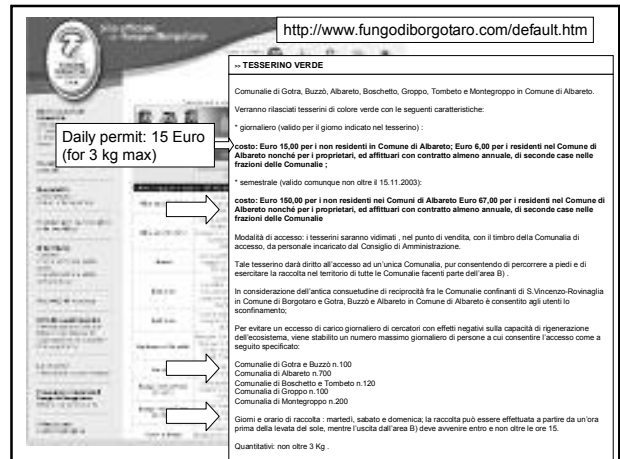
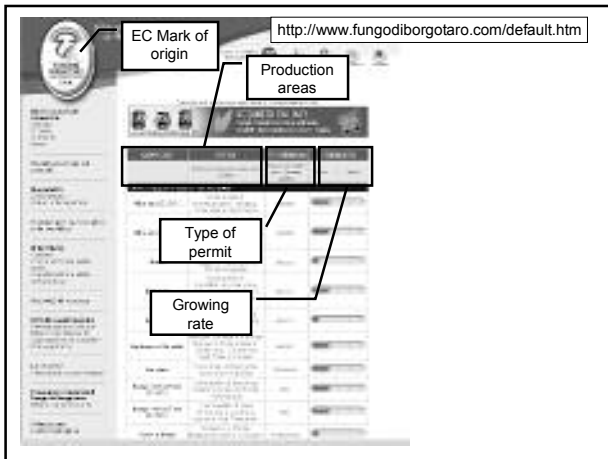
1. Specialized products and services

Typically products and services well differentiated, often available in relatively limited quantities (e.g. specialties like truffles).

Important instruments for product/service differentiation:

- quality assurance
- standardisation
- certification

they give the possibility of *premium prices*.



Example: Chestnuts

marron from Castel del Rio, marron from Mugello, chestnut from Monte Amiata, chestnut from Montella

Certification under EU regulations

- Registration of Protected Designation of Origin (PDO) (Reg. 2081/92)
- Protected Geographical Indication (PGI)
- Traditional Speciality Guaranteed (TSG) (Reg. 2082/92)



Organic production (Reg. 2092/91 and IFOAM)

Marron from Mugello-Fano in Garfagnana



2. Complementary products and services

= those products that can be sold and used in strict association with other, due to the synergies deriving from their conjoint marketing.

Different links among products and services.



In NWFP&S marketing a fundamental link is that one among products and services having a **specific common territory (e.g. a valley, a municipality, a region)**

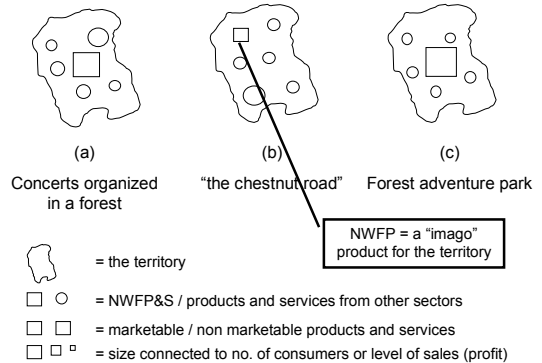
→ new branch of marketing: **territorial marketing**.

Territory = "common denominator"

- ➔ to create a consistent portfolio of products and services
- ➔ to bundle marketing efforts for their coordinated promotion

Very common tools for linking various products and services are trails, roads or pathways which go across a territory (e.g. "Sentiero delle Dolomiti" – the Dolomiti trail; "Strada della castagna" – the chestnut road).

Main typologies of links between NWFP&S and other products/services within the same territory



Törggelen holidays: few days-one week holidays based on

- roasted chestnut +
- walnut +
- new red wine tasting +
- speck and the meat

organized in South Tyrol

http://www.wanderhoteleuropa.com/it/wandern/angebot_05.html

Willingness to cooperate among private operators

Private/public partnership in promotion

The basic idea: we sell the product, but also the associated history, monuments, events, farm tourism, ...

http://www.umbriadoc.com/eng/prodottotipico/generale/prodottotipicodoc_tartufo.htm

Concerts in forest



Concerts of classical, ethnic, etc. music by famous national and international artists organized in July and August in the Trentino region.

www.isuonilledolomiti.it

Chestnut road



<http://www.marrone.net/rubriche/strada.htm>

Chestnut – Marketing

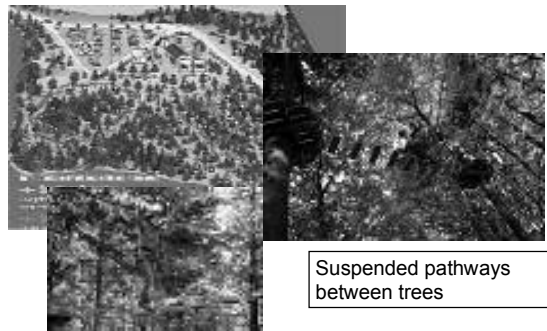
- **Networking and promotion**, e.g. local associations for chestnut marketing (www.marrone.net): → fairs, exhibitions, museums, ...



- Network of local municipalities (the Italian *Associazione Nazionale Città del Castagno*)



Forest adventure park

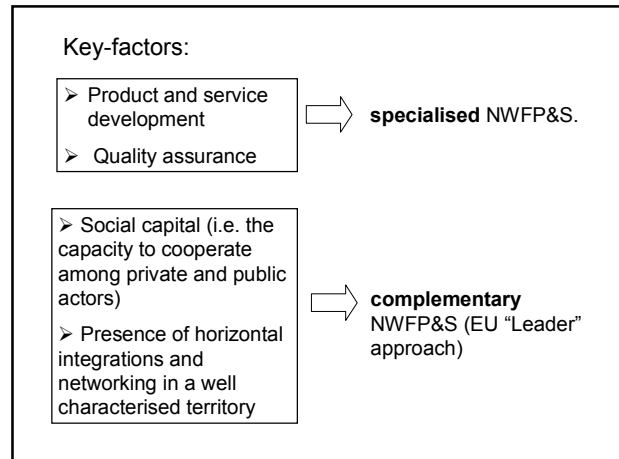
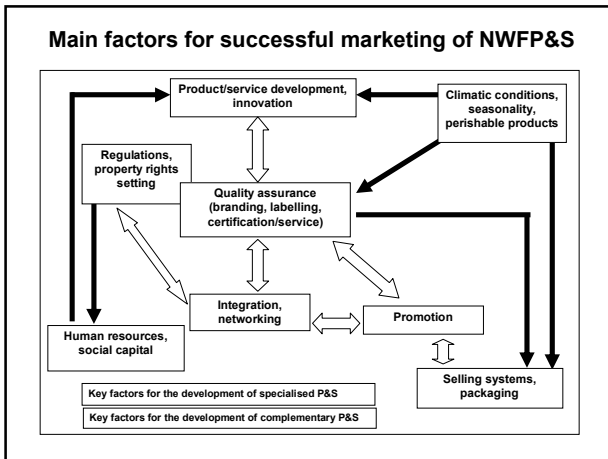


Suspended pathways between trees

www.jungleadventure.it / www.sellaneveaparco.it

Product/service	Area	Flag product	Connecting idea	Network organization	Web link
(a) typology Route "Artenatura" (i.e. "nature and art") - temporary and permanent exposition of works of art mainly made with wood or plants and displaced along a path in the forest	Val di Sella (Trento province)		Exposition of works of art in the forest	Arte Sella, international biennial exhibition of contemporary art	www.artesella.it
Sounds of the Dolomites Festival of music, open-air concerts, in the Dolomite forests or in alpine huts	Trentino Alto Adige region		Open-air concert	Trentino joint-stock company	www.suonidelledolomiti.it
(b) typology Road of Borgotaro mushroom - "Gastronomic autumn" (special menus in the restaurants) - Mushroom – vintage car trophy - Tourist packets in collaboration with local SME association	Borgotaro (Parma)	Cep mushroom	Road	Imbrani Mutual Aid Association	www.stradadefungo.it
Honey road - explanatory boards about the area and the honey production activity - sale of typical products - thematic menus in the restaurants - Festival of honey	Roeri area, mainly Cuneo, but also Asti province	Honey	Road	AsProMiele (Associazione Produttori Miele Piemonte) Association "Strada del miele del Roero"	www.mieliditalia.it/aspromiele/stradamiele.htm
Road of Alba's White Truffle of Southern Piedmont - development (tourist, cultural, environmental, eno-gastronomic) of the area	Southern part of Piedmont region	Alba's White Truffle	Road	Cuneo, Asti and Alessandria province sharing with Piedmont region	www.provincia.cuneo.it/turismo_territorio/taruffo_bianco.asp
Exhibition-market of white truffle - guided tours in a truffle-ground and search demonstration - gastronomic stands also with other local products (oil, wine, delicatessen, ...)	San Miniato hills, Municipality of Volterra, San Miniato and Palaja	White Truffle	Week / Exhibition-market	Association of truffle-sellers of Cecina valley (Pisa province)	www.villerequistoc.com/appuntamenti/taruffi.asp

Product/service	Area	Flag product	Connecting idea	Network organization	Web link
(c) typology Suspended routes among trees Various routes, differentiated according to the age of participants. And also: - businessmen stages/courses - organization of scholastic trips (with tours at the botanic route, etc.)	Sella Nevea (Friuli Venezia Giulia)		Adventure route	"Parco Aventura" Sella Nevea	www.sellaneveaparco.it
Adventure Park Suspended pathways between trees	Villeneuve (Val d'Aosta)		Adventure route	Rafting Aventura (associated with the French organisation Amazone Adventure)	www.raftingaventura.com/wwwparcoaventuracom/it/index_it.html
Adventure Park Suspended pathways between trees and also: - stage for businesses - hotel accommodation	San Zeno di Montagna, Garda Lake		Adventure route	Park Jungle Adventure, with the sponsorship of the hotel-owners of San Zeno di Montagna	www.jungleadventure.it



- Conclusions**
- Development path: from a **product-oriented to a customer-oriented approach** (i.e. timber-based activity → NWFP&S-based activity)
 - **Entrepreneurial capacity development:** NWFP&S marketing requires **more efforts for market research** (info on customer needs and demands)
 - Key-factors for NWFP&S marketing: **external support, networking, integration**
 - In many cases, it is essential:
 - technical assistance by public institutions
 - public awareness of the positive role of an active NWFP&S economy in supporting SFM