



Focus Group 'Alternative solutions for
livestock product differentiation'

Vienna, Austria
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Summary of key findings from 1st meeting

Paolo FERRARI

Coordinating expert, EIP-AGRI Support Facility

Main tasks of the Focus Group



- › Identify **good practices and innovative approaches/strategies/business models** for product differentiation in livestock systems
- › Identify **instruments and tools** to help farmers to implement business models for livestock product differentiation
- › Collect **good examples of communication/differentiation solutions and communication tools** to approach the market and deliver objective and evidence-based information to consumers and citizens
- › Explore/identify which/how **ICT technologies and devices** could help bridging this gap, especially for producers in remotes areas



Business models concept

Composition of strategies that livestock farmers can implement to:

- › ***satisfy consumer preferences*** for specific livestock product attributes
- › ***organise supply chains*** according to promising marketing channels
- › ***implement information and communication tools*** to approach the market and provide objective and evidence-based information to consumers and citizens

Business models for product differentiation ***to be discussed in the second Focus Group meeting***



Breakout 1 - which consumer preferences are more important for product differentiation business models?

The analysis of heterogeneous consumer demand is the starting point to understand consumers' expectations to segment the market

Importance of consumer's trust in product attributes to avoid "greenwashing" and "welfare washing" but level of consumer's trust and WTP are difficult to assess

- › ***Price, taste, health and nutritional value***
- › ***Origin***
- › ***Animal Welfare, Antibiotic-free, environment sustainable***
- › Combination of ***exclusive*** and ***non-exclusive*** attributes
- › ***Shelf-life*** and ***convenience***



Breakout 1 - which consumer preferences are more important for product differentiation business models?

Farm strategies to match with the **product attributes** most important to consumers and to best suit to the ***farm's characteristics and resources***

- › **Cost calculation** for developing new products
- › **Business plan** and **price setting**
- › **Mix of products of high quality** aimed at different, specific, market segments
- › **Organic** schemes
- › **EU Geographical Indications**
- › **Certification** for long chains (e.g. for export, B2B)



PARMIGIANO
REGGIANO



GLOBAL G.A.P.
The Global Standard for Good Agricultural Practices



Breakout 2: How is the chain organized – Relationship between the different stakeholders in the chain & Logistic and product preparation

Marketing channels:

- › **Direct sale** (farm shop, farmer market, SPG, CSA)
- › **Online platforms** (e-commerce, REKO)
- › **Ho.Re.Ca.** (direct to restaurants, sustainable public procurements)
- › **Long chains**

Farmers can develop **Short Supply Chains** (SSC) to achieve:

- › food chain transparency
- › greater share of the value of the food sold
- › involvement of intermediaries as partners in SSC



Breakout 2: How is the chain organized – Relationship between the different stakeholders in the chain & Logistic and product preparation

Main challenges: Logistics, Bureaucracy, Time consuming, Scaling-up

Farm strategies:

- be **supported and energised** by a catalyst person or an organisation around one or more excellent products
- be **skilled, trained and experienced** in marketing, business planning and contracting with service providers and retailers
- maintain **leadership** in order to ensure fair remuneration for their business
- develop **reliable business plans for new logistics**, taking scalability options into account



Breakout 3: Information and Communication tools

Key points:

- › **Consumer confidence.** “The way you talk about your products is very important through true stories”
- › Using many **different channels** to spread the info/story in different occasions/special days
- › **Direct contact** with the consumers
- › **Real-time information**
- › **Education** on sustainable livestock production





Breakout 3: Information and Communication tools

Farm strategies:

- Develop a **communication strategy**, including professional use of social media, with regular information, at least weekly
- **Storytelling** (animal and environment friendly, happy farmers, culinary experiences)
- **Visits on farm**, including degustation, **farmer market, fairs, open days, school visits**
- **Ambassadors**, chefs, opinion leaders
- **Brand** creation
- **Certifications, traceability, precision farming** and **ICT** (QR codes)
- **Packaging and labelling**



Collection of Good Practices and Mini Papers

- › 38 Good Practices for ***livestock differentiation***
- › 20 Good Practices for ***supply chain organization***
- › 35 Good Practices for ***information and communication***

and ...

for 4 Mini Papers proposed



EU CAP Network Focus Group 'Alternative solutions for livestock product differentiation'

2nd meeting | 9-10 April 2025 | Vienna, Austria

All information on the Focus Group is available on the webpage:

<https://eu-cap-network.ec.europa.eu/focus-group-alternative-solutions-livestock-product-differentiation>

