

# Session 1.2: Branding and promoting origin-linked products

## Overview

In this session, participants will be provided with information on the **importance of developing an origin-linked product (OLP) branding strategy**; the different branding tools which can be used and factors to consider when implementing a business strategy for OLPs, which integrates intellectual property (IP) tools such as Geographical Indications (GIs).

Learning exercises will be used throughout the session to allow participants to apply the knowledge transferred during each section.

## Session learning objectives

- To discuss the importance of **developing branding strategies** for OLPs
- To discuss the importance of the **collective dimension** for the development of OLPs strategies inclusive of promotion in target markets
- To explain the different **steps to establish a business strategy** for OLPs using IP tools such as GIs
- To discuss the importance of integrating a **communication strategy** to convey key information on the OLP to relevant market players

## Session learning outcomes

By the end of the session participants will be able to:

- Explain **why** it is important to integrate a **branding and communication strategy** for OLPs in the overall business strategy of a producer group
- Explain **how** to develop OLP branding and marketing strategies and explain the importance of using IP tools to implement the strategy
- Explain why **quality schemes** developed for the OLP are important for exporters and consumers
- Discuss the role of the **producer group** in developing, implementing and managing an OLP business strategy

## Part 1: Interest in branding origin-linked products

There is global **interest** by consumers for **differentiated products with unique characteristics** which are primarily based on the **quality and reputation** of the products; the **origin** of the product; **sustainable production practices** and **cultural aspects** associated with the product.



This has meant a greater focus on branding and promoting OLPs using appropriate business tools which allow producers to communicate to consumers about the

**distinct quality or characteristic** of their products which is strongly linked to the territory of production.

### Building consumer **interest and trust**

Commercial strategies can integrate IP tools such as GIs and trade marks to **protect the interests of their producers in the fight against infringers**; they allow for the promotion of the product and also provide information to **inform consumers** of the authenticity / characteristics of the product as it relates to the quality-origin link.

When developing their OLP strategies, producers use powerful tools to **drive economic development in the territory** of origin primarily because these tools are based on **voluntary quality standards agreed to by all producers** and which are externally verified. Such strategies also give some guarantee to the consumers and to the markets. Consequently, **consumers are likely to have a higher value perception** of quality products and are often willing to pay price premiums for this perceived value.

### Learning exercise

A group of producers are considering using an origin-linked product **strategy to better position their OLP** on the market.

There is however, **no readily available information** about the product, its characteristics and quality linked to the terroir.

**Consumers are looking for such information** about the product.

Further, **potential exporters** do not want to trade the product because of the **lack of traceability information and guarantees**.

**Question:** Can the producers develop an OLP strategy?

**Answer:** An origin-linked product strategy could be developed in this case.

Why? Because **consumers are interested** in the product and are looking for more information. Producers within the geographical area of production can **collectively develop and implement a strategy** which can provide the **information, quality and traceability guarantees** both **consumers and exporters** are looking for.



## Part 2: Branding tools for origin-linked products

Origin-linked products have special characteristics, therefore, it is important to find a set of business tools which can be integrated in the overall marketing strategy developed by producers to **convey these unique elements to the consumer**.

Intellectual property tools are ideal for this purpose since the use of distinctive signs is important for branding goods and services.

## Branding tools for **origin-linked product promotion**

There are two types of IP tools commonly used to protect and brand OLPs. These are trade marks and Geographical Indications (that covers Appellation of Origin / Denomination of Origin and Geographical Indications concepts).

These tools can be used by producers to **distinguish their products in the market** as well as serve as **communication tools** to convey important information about the product.



### Geographical Indications

These are special IP tools which serve to protect products which have special characteristics linked to their geographical origin.

Importantly, some GIs also have associated with them a quality / certification scheme and can also serve to communicate product information to consumers in the marketplace.

### Trade marks

A trade mark is a sign used to distinguish the goods or services of one trading enterprise from that of another.

Producers can strategically use both Geographical Indications and trade marks to brand their products in the market.

Trade marks can be used by individual producers to distinguish their individual products while GIs can be used collectively by all producers to identify that they are part of the GI producer group authorised to use the GI designation associated with the product.

### **Learning** exercise

Our product has **unique qualities** due to both natural and human factors.

Currently however, there is no collectively accepted standard for production.

Due to the reputation of our products, **some producers located outside the delimited geographical area, use the name of our product.**

**Question:** What can we do when developing our OLP branding strategy?

**Answer:** Based on these factors, we can assess that **there is a need to protect the geographical name of the product and the producers.**



There is also a need for producers to **reach consensus on the production practices and standards** which will be adopted as a minimum standard; to determine the collective tools which will be used and the quality scheme which will be adopted.

Additionally, there is need to **strengthen the reputation of the product** among consumers by communicating to them about the product's quality.

## Part 3: Implementing origin-linked product strategies

### Motivating producers

Several factors can influence OLP producers to collectively develop a business strategy around their OLP. These factors include:

- A lack of value chain organisation for the product. Adopting a collective strategy to market and promote the OLP will result in **strengthening value chain actors**.
- There is a **need to legally protect** the name and traditional name of the product and develop a strategy for the product **to be distinguished on the market**.
- The potential to strengthen and codify production practices and to **integrate environmental, social and cultural conditions of production**.
- There is also the potential to **promote the territory of production, strengthening communities in the territory** and communication of the unique characteristics of the product to consumers and exporters.

### What is required

- There must be **a product** or several products which must have **specific quality characteristics or know-how linked to the geographical territory** of production.
- There must also be **producers operating within the geographical area** who are producing the product(s)
- Producers must select **an appropriate IP tool** such as GIs or collective or certification marks which can be integrated in the overall business strategy being developed for the OLP



### Steps in the process

- **Determining the potential** for implementing a collective origin branding strategy and benefits to be gained by the group of producers
- The producers must come **together to identify the needs, objectives and willingness** to collectively implement a strategy
- Establishment of formal or informal producer group structure and building the capacity of members of the producer group
- Development of an appropriate **strategy** which can be easily implemented by all value chain stakeholders
- Development of the **OLP management system** inclusive of GI specification for the product, and the control system
- Development of a **business plan** and appropriate IP protection and branding strategies

- **Daily management** by the producer group as it relates to implementing the OLP strategy and allocation of appropriate human, financial and technical resources for sustainability

### Developing **quality scheme**

Protecting OLPs using GIs provides a mechanism for producers to give some **guarantee(s) to consumers about the characteristics and quality of their product**.

Producers must therefore be competent in **implementing and managing a quality scheme** as it relates to the product specifications, the control system and monitoring plans developed to check conformity to the production practices defined in the specifications.

What are the **risks**?

- It is important to avoid **monopolies** which may favour the **most powerful actor** in the geographical area;
- **Exclusion of value chain actors** because of the delimitation of the geographical area or because of technical constraints.
- There may be **additional costs** to develop, implement and manage the OLP strategy which may **make it difficult for small farmers to implement quality schemes** (controls and certification) required for them to participate in the strategy being developed.

### Competent **producers' association**

The process of developing an OLP business strategy which integrates IP tools such as GIs **must be led by producer groups**. There are several **activities** that can be undertaken **by the producers' association** including:

- **Identifying** the **appropriate IP tool** to be used for the protection and branding of the OLP
- Defining **product specifications** and associated control system
- Implementing and **daily management** of the GI system (e.g. monitoring compliance)
- Defining and implementing a **collective branding and marketing strategy** for the product
- Enforcing **IP rights**
- **Networking** with other stakeholders to **enhance the promotion** and trade of the OLP

### **Market access** for OLPs

- It is important to **understand the target market** and the legal, regulatory, labelling, quality, compliance, and IP protection requirements to enter this market
- Knowing the **preferences of consumers** in the target market – tastes and gastronomic practices will also be important
- Establishing **partnerships** in the target market can facilitate ease of entry to the market and access to potential consumers
- **Visual appeal** of the product – packaging and design are important as information on the product can be communicated through these media
- There must be a clear, impactful **communication strategy** developed by the members of the producer group

## Summary: Implementing an OLP strategy

- It is important to **identify producers and value chain stakeholders** and to ascertain the **value of the OLP** and the potential added value due to its **unique characteristic** and quality **linked to the geographical origin**
- Identification of the most appropriate **intellectual property tool(s)** for branding and marketing the OLP
- Collective elaboration of the **product specification** and development and implementation of the **quality scheme** and the **control system**
- Identification, implementation and daily management of the **management system** developed to implement the OLP strategy
- **Capacity building** for the producer group and related value chain actors

## Learning exercise

**Question 1:** There is a collective group of producers for an OLP, however, there is no common vision for the OLP strategy. What are the implications in this case?

**Answer 1:** Building a collective strategy can take time because there is need to find consensus among the members within the group regarding key elements related to the specifications of the product.



Very **often mediation is required** to achieve **concrete objectives and consensus**.

**Question 2:** Is it mandatory that the control system developed for the OLP be a certification system?

**Answer 2:** The answer is no.

Origin-linked product certification is **compulsory only if it is mandated in the legal framework of the country and requested by traders or exporters**.

This can be the case for certain types of products traded on the market such as coffee or cocoa beans.

Other types of control systems are also possible for origin-linked product.

**Question 3:** Our OLP is protected as a GI, however, there is no communication strategy. What are the implications in this scenario for developing an OLP business strategy?

**Answer 3:** It is important that **producer groups develop a communication program** to convey to exporters and consumers the key elements of the origin-linked product.



A communication strategy should facilitate **visibility of your products** on the market and is therefore fundamental to the origin-linked product strategy.