

# LOCALISATION VS. GLOBALISATION OF TYPICAL PRODUCTS AND EXPERIENTIAL CONSUMPTION

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**Abstract.** *The transformations taking place in the world economy can facilitate integration processes, both on a horizontal and vertical scale, and can be an opportunity for all businesses, of whatever size and sector. Nowadays, in this globalized economy consumers seem to be more and more interested in buying artisan products as synonymous of quality, tradition, culture and environment respect. The aim of this paper is to analyse and define characteristic local products in the framework of an economic model of experience. In this perspective, once having highlighted the strengths and weaknesses of this particular supply system, we intend to stretch the conceptual scheme of the typical product to the point of including in the concept of supply the relative experience connected to such specificity to be found only in their places of origin.*

**Keywords:** Globalisation, local markets, typical products, experience economy.

## 1. Introduction

Globalisation as a vector of development blending the relations between culture, institutions and economics, both in horizontal and vertical terms, facilitates integration processes and at the same time, offers an opportunity to widen the competitive scenario for all the actors involved. While in the first instance, globalisation from a business viewpoint, was closely connected to consumption uniformity, i.e. identifying global segments of demand and supply to achieve large scale economies, nowadays, it is considered more as a *driver* for enhancing specific individual competence in a much wider scenario. The aim of this paper is to:

- analyse and define characteristic local products in the framework of an economic model of experience. In this perspective, subsequent to pinpointing the strengths and weaknesses of this particular system of supply, a conceptual scheme of characteristic local products will be drawn up, to trace in the concept of supply the experience linked to the specificity or character deriving from their respective places of origin; characteristic products, which only up to a few years ago were relegated to marginal production and commercial activities or individual consumption, are nowadays, a potential means of enhancing a composite and multidimensional supply strengthened by interaction between businesses, territories of origin and consumption in terms of „values”;
- describe characteristic products from another perspective, the globalisation-localisation dichotomy albeit closely linked to the uniformity of consumption, is in a phase of transition that in conceptual terms, exalts differences, specificities and character and confers a new perspective of observation in terms of the integration of social, territory and economic systems.

Competition can be enhanced through the contingent presence on different territories and through a filtering process of the „differences” that enable businesses and territories to create supply, in other words, the sum product of cultural and productive processes that benefit mechanisms both of learning and of comparison in wider terms.

### 2. Theoretical model

The perspective of the economics of experience, (Csikszentmihalyi, 1990; Pine and Gilmore, 1998, 1999; Zarem, 2000; Thompson, Rindfleisch and Arsel, 2006), would suggest we consider traditional/characteristic products as a system of supply proposed by one or more firms and/or institutions rooted in a territory geographically, culturally and historically delineated which is perceived by demand as a package of elements which are tangible (agro-alimentary products, arts and crafts, home made and craftsmanship products), intangible (information, culture, history, knowledge, tradition, etc.) and supply of services and experience (entertainment, events, folklore) characterised by an image or by an identity of a unified brand.

The characteristic product supply system, in its guise of unique narrator of knowledge, traditions, customs of a specific territory is a fertile ground for the creation of experiences, considered as memorable events that emotionally involve individuals. Economic supply of experiences is achieved every time a firm succeeds in using services as a stage and products as a support for the show involving its own client spectators. The predisposition of experiences, modelled on the characteristics of the actors involved, inevitably, recalls the potential of going beyond, in terms of eventual transformations in the participants of the event. When an experience is personalised, a transformation takes place that is actually the phase subsequent to the experiential phase the realisation of which firms aspire to. Transformations are a distinct economic supply/offer/proposal in which the drive of personalisation increases the probability of pressing emotional involvement and, above all, on the desire to change expressed by the client, with the scope of encouraging and guiding this desire towards an effective change of attitude. The firm has to discover the *set* of experiences that facilitates the start of the transformation process, guiding clients in the direction that will lead them to achieving their aspirations. In order to demarcate the field of action, those who intend to generate „transformations” have at their disposal four areas of experience that describe the multidimensionality of the phenomenon/attribute „involvement” (Pine and Gilmore, 1999).

### 3. Typical product and consumption experiences

Traditional products are *cultural goods* that need no additional services to guide customer choices in that they are already provided with significant symbolic components that produce both functional and experiential benefits. The rediscovery of the crucial importance of the variety of local contexts as an ingredient for change, is destined to remain unfulfilled and unsatisfactory until the issue is faced of how:

1. variety influences the generating of competitive advantages for firms or countries;

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2. it is reproduced over time.

If we analyse the issue of traditional production in terms of an opportunity of development for specific areas, for small and medium size businesses and for the reinforcement of competitive capacity for Italy within the new scenarios of globalisation (Kotabe and Helsen, 2000), it would be worthwhile to enquire which products should remain (and justly so) within the restricted markets where most consumption practice takes place and on the contrary, which products, albeit respecting the requisites of typicality desired, can aspire (with or without community approval) to gain access to markets different to those of the restricted area of production. Utilising traditional production to sustain global competitiveness/competition (Porter, 1980) has to be however, considered with due caution and care; in actual fact, as indicated above, often production is limited, and consequently, unable to compete on global markets through widespread distribution and product recognition that often, constitute a parameter of identification for global products (Albaum, Strandskov and Duerr, 2002). Consequently, we are unable to propose a uniform and univocal interpretation for internationalising traditional products, bearing in mind that every classification is restricted by its own specific issues and opportunities. If the starting point is the creating of a model in terms of the combination product-country (Roth and Romeo, 1992), then it would be possible to identify directions of development based on the typology of the traditional product, i.e. (basic-luxury) (1) and on the collective image rating its territory of origin enjoys (high rate- low rate).

- If the traditional products in question are luxury goods and the collective image of the territory is highly rated, an approach for creating a global niche can be considered in the sense that, plausibly, a virtuous spiral effect can be started for processes of enhancement both of typical products and of the territories of origin. Such mechanisms hold for products that already enjoy their own well-defined visibility. In this case it is far easier to identify a higher placing/positioning on the international client's map of perception, by means of an extended prismatic effect. The consumer, by purchasing a traditional product, is bound in a certain sense, to the culture the product reflects and to the history of the territory it comes from; a consumer who in effect, desires „to live” the territory involved in the widest sense.
- *Basic* traditional products with low rated collective image of the territory do not evoke products and territories with a well-defined collective image in the perception of the consumer. When the „made in” effect is properly enforced the consumer will satisfy his consumption practice experience requirements/needs connected to the culture of a territory without identifying precisely its coordinates of belonging; in this case, the identity of a country or territory is discovered without any kind of in depth enquiry. The model of consumption practice in question is perceived from a distance, imported by our collective imagination, is not sustained by interaction and there is no delving too deeply into the customs and traditions of the place.
- The strong point of luxury products characterised by a low rated image of the territory is their capacity to be marketed easily through manifestations that

link traditional products to their country of origin by means of a wider showcase i.e. the place of origin itself. The link between the image of a specific productive sector and the image of the country/territory in question is consolidated by these events. Even in this case the consumer is the expression of a changing purchasing and consumption practice scenario compared to that of a few years ago; in actual fact, by abandoning the logics of homologated and mass consumption practice, trends are moving towards productive categories of quality and craftsmanship. Obviously, compared to before, the consumer is interested above all in the category of product as opposed to the territory of origin.

- At last, *basic* products that are conjugated to a high collective image of the territory are those of greater appeal in local terms; in actual fact, thanks to tourist flows attracted to the area, product qualification mechanisms can be activated. In this case the consumer is principally the tourist who visits the territory, which is highly qualified for its vocation of tourism and culture. And it is thanks to the qualification of the territory that the product can be accredited. The consumer's goal is to fix as deeply as possible in his memory his stay in the territory and the purchase of a local traditional product contributes to achieving this aim. Hence, the more highly quoted the territorial system the more the product represents its functional expression and a purchase to complete an experience of cultural tourism that can in no way neglect local traditional production.

The production of ceramics is one of the most representative crafts of the *made in Italy* category. Included in this sector are both innovative artistic productions and more traditional and artistic productions i.e. ornaments, crockery, floors and decorations etc., the technical production of which often differs significantly.

Situated in the South of Italy in the Province of Salerno at Vietri sul Mare where the Amalfi Coast begins, is the world famous ceramics district renowned for the originality and hues of its production. The environmental and cultural heritage, in particular, is the stimulus and the starting point for inspiring new paths of creative development for the firms belonging to the district in question. The characterising elements of the district are:

- a population of family groups;
- businesses in which all the productive phases are carried out without recourse to delocalisation;
- a product representative of the area, distinct from any other ceramic product;
- a continuous proliferation of businesses that are an off-shoot of ceramics manufacturing and enriched by a network involving tourism, enogastronomy and cultural events.

And indeed, participation at an international fair could be an excellent scenario for staging experiences. It is well-known, in effect, that fairs are a unique showcase for achieving greater visibility, both on home markets and on an international scale, above all for traditional sectors of *made in Italy*.<sup>7</sup> Using this channel not simply as an instrument of communication, but rather, as a scenic space in which to display a set of involving and

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memorable experience for potential customers, might increase the probability of circumscribing the core of the sphere of experience in which to create transformations. The most important activities would undoubtedly concern the educational sphere: the description of the ceramic product, its history and its traditions would enable the firm to augment familiarity of the *audience* towards the typology of the product offered. In effect, traditional products enjoy, almost as a matter of course, a positive image rating, having, genetically, as it were, the capacity to take consumers, both national and international, away from uniform consumption models which, often predominate in contemporary society, and provide the consumers with an effective means of emancipation towards creative consumer behaviour and, consequently, more responsible behaviour. The next step could be that of illustrating typical workshop techniques for ceramic production, organising mini courses of the art of ceramics in which to actively involve the visitor. If in this kind of experience visitors can *learn hands on*, the contextual organisation of an exhibition of local artists will complete the spectacle from an aesthetic point of view.

A memorable encounter presupposes a much more in-depth experience transporting the individual onto a fresh, undiscovered and appealing plane (Pine and Gilmore, 1999). The combination of Vietri ceramics with traditional agro-alimentary products of the Amalfi Coast favours reinforcement of the character and authenticity of the experience, rendering it as similar as possible to consumption experience in the place of origin. An original ceramics product succeeds in emphasising its competitive advantage by transferring the extremely positive impact that the place of origin claims, even as far as an international target is concerned, onto the product supply system. The characteristic product thus, becomes an ulterior factor of differentiation and qualification of a wider territorial system, offering itself as a critical resource with high tourism potential, relevant also in a perspective of *destination management*.

#### **4. Final remarks**

The growing interest for categories of products denominated „traditional products” is connected to the emergence of a sophisticated and complex system of consumers the functional logics of which go far beyond the mere boundaries of mass production towards specialist production characterised by its capacity to transmit emotions, experiences and sensations tied to specific periods and places.

Conclusions of this paper and the prospects of development for future research works can be summed up with following remarks:

- typical products, by the light of experiential prospective, may spread local knowledge, experiences and learning that appear expanded thanks to the speed exchange and communications that globalisation may offer.
- firms marked out for their typical offer, thanks to a strong and deep link with their belonging area, may arrange suitable internationalisation procedures, considering at the same time, both the relation typical product-area image, and the experience typology that the consumer, above all the international one, lives through the experiential consumption.

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From this point of view, global means „in more places at the same time, i.e. trans-local” (Beck, 2001), the local factor does not only determine the global factor but, indeed, is a definite aspect; globalisation implies the encounter between different cultures, between distant ways of thinking, between individuality expressed, hence „*glocalisation*” as an appropriate term.

## Notes

(1) The former, typical *Basic* products are represented by offers that, having an ample geographical area at their disposal for supplies of raw materials and/or for cultivation or transformation areas, succeed in generating high rates of production. At the same time, they enjoy satisfactory visibility and a good reputation outside their place of origin. Examples of products in this category are consumer goods such as San Daniele cured ham or Parmigiano Reggiano matured cheese. On the contrary, for *élite* or prestige production, or with a marked exchange value, typical *Luxury*, products, which are considered so in virtue of the fact that, although their production is on a very low scale, their reputation is high and goes well beyond the confines of local contexts. These products often enjoy a potential demand which is not exceedingly high in absolute terms, but which is much higher than the supply available to satisfy it.

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