



Authenticity vs. Growth in Place Based Branding: The Case of Pastel Bordallo

Rodrigo Capinha

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Abstract

Title: Authenticity vs. Growth in Place Based Branding: The Case of Pastel Bordallo

Author: Rodrigo Capinha

This dissertation examines the strategic dilemmas of authenticity in place-based branding by using the case study of Pastel Bordallo, a regional pastry developed by ACCCRO to represent Caldas da Rainha, Portugal. The pastry aims to promote local economic development and territorial identity. It represents cultural heritage associated with Rafael Bordallo Pinheiro and the ceramic heritage of the city. Although the project had a successful launch and experienced sales growth, it also encountered difficulties associated with production capacity, coordination, and the long-term implications of geographic exclusivity.

The case study uses primary data from semi-structured interviews with key stakeholders and secondary data from industry reports, institutional documents, and academic literature on authenticity, geographic indications, place branding, and stakeholder governance. The results show the multidimensional nature of authenticity with material, symbolic, and organizational aspects, and illustrate how geographic origins can create competitive advantage while also imposing structural limitations on scalability.

This dissertation is centered on the managerial problem faced by ACCCRO regarding the development of a viable ecosystem for Pastel Bordallo that balances authenticity and growth. Embedded within a complex B2B2C model with interdependent stakeholders and limited organizational resources and variable stakeholder expectations regarding scale and territorial integrity, the case will explore the development of viable governance structures and coordination systems to support brand authenticity and sustainability.

As a teaching case for Strategic Marketing and Brand Management courses, this research will highlight the significance of governance and authenticity management for sustainable competitive advantage in place-based branding systems.

Keywords: Place-Based Branding; Brand Authenticity, Geographic Indications (GI), Territorial Identity, Stakeholder Governance, B2B2C Model, Local Economic Development, Cultural Heritage, Regional Products, Food Branding, Authenticity vs. Growth, Brand Management, Place Marketing, Value Co-Creation, Strategic Marketing, Governance Systems, Scalability Constraints, Artisanal Production, Competitive Advantage, Portuguese Gastronomy.

Resumo

Título: Autenticidade vs. Crescimento em Branding de Lugar: O Caso do Pastel Bordallo

Autor: Rodrigo Capinha

Esta dissertação examina o dilema estratégico da autenticidade em branding de locais, utilizando o Pastel Bordallo como caso de estudo — um doce regional desenvolvido pela ACCCRO para representar Caldas da Rainha, Portugal. O produto visa promover o desenvolvimento económico local e a identidade territorial, representando o património cultural associado a Rafael Bordallo Pinheiro e a tradição cerâmica da cidade. Apesar de um lançamento bem-sucedido e crescimento nas vendas, o projeto enfrentou dificuldades relacionadas com a capacidade de produção, coordenação e as implicações a longo prazo da exclusividade geográfica.

O estudo de caso combina dados primários, entrevistas semiestruturadas com stakeholders-chave e dados secundários, incluindo relatórios setoriais, documentos institucionais e literatura académica sobre autenticidade, indicações geográficas, branding territorial e governação. Os resultados revelam a natureza multidimensional da autenticidade, com dimensões materiais, simbólicas e organizacionais, e ilustram como a origem geográfica pode gerar vantagem competitiva, impondo simultaneamente limitações estruturais à escalabilidade.

A dissertação centra-se no problema de gestão enfrentado pela ACCCRO: desenvolver um ecossistema viável para o Pastel Bordallo que equilibre autenticidade e crescimento. Num modelo B2B2C com stakeholders interdependentes, recursos limitados e expectativas divergentes quanto à escala e integridade territorial, o caso explora estruturas de governação e sistemas de coordenação que sustentem a autenticidade da marca e a sua sustentabilidade.

Como caso pedagógico para unidades curriculares de Marketing Estratégico e Gestão de Marca, esta investigação irá destacar a importância da governação e da gestão da autenticidade para uma vantagem competitiva sustentável em sistemas de branding baseados no território.

Keywords: Branding baseado no território; Autenticidade da marca; Indicações Geográficas (IG); Identidade territorial; Governação de stakeholders; Modelo B2B2C; Desenvolvimento económico local; Património cultural; Produtos regionais; Branding alimentar; Autenticidade vs. crescimento; Gestão de marca; Marketing territorial; Cocriação de valor; Marketing estratégico; Sistemas de governação; Limitações à escalabilidade; Produção artesanal; Vantagem competitiva; Gastronomia portuguesa.

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Table of Contents	
Abstract	i
Resumo	ii
Acknowledgements	iii
List of Exhibits	5
List of Abbreviations	6
1. Introduction	7
2. Methodology	9
3. Literature Review	11
3.1. Authenticity and Geographic Indication	11
3.2. Place Branding and Products as Place Symbols	14
3.3. Stakeholder Governance in B2B2C Coordination	17
4. The Case of Pastel Bordallo: Growing a Place-Based Brand	20
4.1. ACCCRO and Local Mandate	20
4.2. Designing a Pastry for a Place	22
4.3. Early Demand and Market Constraints	26
4.4. Beyond Caldas	28
4.5. What Should ACCCRO do?	30
5. Teaching Note	32
5.1 Synopsis	32
5.2 Learning Objectives	32
5.3. Assignment Questions	33
5.4. Suggested Class Discussion and Analysis	33
5.5. Board Plan	40
5.6. What happened after meeting?	41
6. Conclusion	42
Appendix I: Case Exhibits	43
Appendix II: Teaching Note Exhibits	55
References	57

List of Exhibits

Exhibit 1 - Population Age Distribution between 1999 and 2019.....	43
Exhibit 2 - Map of the West Region of Portugal (left) and Map of the Central Region of Portugal (right)	43
Exhibit 3 - Average Monthly Income	44
Exhibit 4 - Pastel Bordallo	44
Exhibit 5 - A Porcelain Figure of <i>Zé Povinho</i> a character created by Rafael Bordallo Pinheiro	44
Exhibit 6 - Examples of Rafael Bordallo Pinheiro’s art pieces	45
Exhibit 7 - Trademarked Logo by ACCCRO for Pastel Bordallo	45
Exhibit 8 - Packaging of Pastel Bordallo	45
Exhibit 9 - Number of Businesses in Caldas da Rainha	46
Exhibit 10 - Tourism Sleepovers in Caldas da Rainha	46
Exhibit 11 - Industry revenue manufacture of bread, fresh pastry goods and cakes Portugal 2012-2019.....	47
Exhibit 12 - Industry revenue “manufacture of rusks and biscuits, pastry goods” Portugal 2012-2019.....	47
Exhibit 13 - Quantity of Products produced in the Bakery and Pastry Sector, 2015 - 2019	48
Exhibits 14 - Sales Value of production in the Bakery and Pastry Sector, 2015 - 2019	48
Exhibit 15 - Share of women consuming bakery products daily in Poland, Italy, Portugal and France between 2015 and 2016.	49
Exhibit 16 - Composition of Ultra-Processed Food Consumption by Category and Gender	49
Exhibit 17 - Ultra-processed food consumption as a percentage of energy intake	49
Exhibit 18 - Companies manufacturing bakery and other flour-based products.....	50
Exhibit 19 - ACCCRO’s Revenue and Expenses of 2018.....	51
Exhibit 20 - Study on Regional Pastries and their IP protection.....	51

List of Abbreviations

ACCCRO – Associação Empresarial das Caldas da Rainha e do Oeste

B2B2C – Business-to-Business-to-Consumer

GI – Geographical Indication

INE – Instituto Nacional de Estatística

KPI – Key Performance Indicator

PGI – Protected Geographical Indication

TN – Teaching Note

UPF – Ultra-Processed Food

LORE Food – Local and Regional Food

1. Introduction

In an increasingly globalized marketplace, local and regional products face a fundamental tension: how to preserve territorial authenticity while achieving commercial viability. This challenge is particularly acute for place-based food products, where geographic origin, cultural heritage, and artisanal production methods form the core of their identity and competitive advantage (Tellström et al., 2006; Almansouri et al., 2022). As consumers increasingly value authenticity and unique cultural experiences, such products have gained market prominence (Napoli et al., 2014; Rindell & Santos, 2021). However, the same territorial specificity that differentiates these offerings can also constrain their growth and expose them to strategic dilemmas (Zocchi et al., 2021; Cohen & Cohen, 2012).

This thesis examines these tensions through the case of Pastel Bordallo, a regional pastry created in 2017 by ACCCRO (*Associação Empresarial das Caldas da Rainha e do Oeste*) to represent Caldas da Rainha, Portugal. Although the product experienced a successful launch and gained initial market traction, by 2019 it faced a critical decision point: how could ACCCRO build an ecosystem capable of scaling Pastel Bordallo while preserving its territorial authenticity and local economic impact?

This project is developed as a teaching case designed to support classroom discussion of real-world managerial dilemmas. Its primary contribution is pedagogical, as it provides a detailed scenario through which students can engage with key strategic tensions involving brand authenticity, stakeholder alignment, and place-based identity in complex business-to-business-to-consumer (B2B2C) environments.

This case provides a rich context for exploring how organizations manage the intersection of authenticity, place branding, and stakeholder governance in multi-layered B2B2C structures. The decision facing ACCCRO's president, Luís Gomes, illustrates the practical challenges of balancing competing stakeholder interests while maintaining brand integrity.

The thesis is guided by three research questions:

RQ1. How do place-based products construct and maintain authenticity, and what role do geographic indications play in formalizing this value?

RQ2. How do stakeholder dynamics in B2B2C structures influence strategic decision-making for place-branded products?

RQ3. How can the Pastel Bordallo case serve as a pedagogical tool for teaching concepts of authenticity, place branding, and stakeholder governance?

By addressing these questions, this research contributes both to academic understanding of place-based product management and to practical teaching materials for strategic marketing and brand management courses. The thesis is structured as follows: the Methodology section outlines the research approach; the Literature Review grounds the case in relevant theory by clarifying key theoretical concepts of authenticity, place branding, and stakeholder governance; the Case Study presents the Pastel Bordallo narrative and decision context; and the Teaching Note provides a framework for classroom application of these concepts.

2. Methodology

This research employs a qualitative case study methodology to examine the strategic tensions between authenticity, place branding, and stakeholder governance in geographically linked food products. The Pastel Bordallo from Caldas da Rainha, Portugal, serves as the primary case study, offering insights into managing place-based products within multi-stakeholder B2B2C structures.

A single-case study approach was selected as it enables in-depth exploration of contemporary phenomena within real-world contexts where boundaries between phenomenon and context are not clearly evident. The Pastel Bordallo case provides a contemporary example of strategic dilemmas faced by organizations managing place-branded products, making it ideal for examining authenticity, place branding, and stakeholder governance in practice.

Data collection employed a multi-method approach, combining primary and secondary sources to ensure comprehensive analysis and enhance validity.

Primary Data: Semi-structured interviews were conducted with key stakeholders involved in the creation, management, and production of the Pastel Bordallo. The interviewed subjects included current employees, former ACCCRO board members, as well as a local pastry producer. This approach allowed flexibility in exploring emerging themes while maintaining focus on research objectives. The insights obtained from these interviews were used to reconstruct the development of the Pastel Bordallo initiative, understand stakeholder perspectives and conflicts, and inform the design of the case narrative, including the identification of key decision points and strategic tensions. Interviews ranged from 60 to 90 minutes and were conducted between August and November 2025.

Secondary Data: Multiple secondary sources were consulted to contextualize the case and provide comprehensive market analysis. These included ACCCRO's official communications and internal documentation; local and national media coverage; national and European statistical databases (INE, PORDATA, Eurostat, Statista); geographic indication certification materials; and academic literature on place branding, authenticity, and stakeholder governance. Industry reports on consumption patterns and competitor analyses further enriched the contextual understanding.

This combination of primary and secondary data enabled comprehensive understanding of the organizational context, market dynamics, stakeholder perspectives, and consumer behavior

surrounding the Pastel Bordallo project, and provided the empirical basis for the construction of a decision-focused teaching case and its associated teaching note

For the purpose of this dissertation, Generative AI was employed to support certain tasks, including the identification of relevant keywords for literature searches, summarizing complex academic texts, improving the structure of arguments, and grammar and language clarity. It should be noted that the Generative AI was only employed to support the readability and clarity of the dissertation and did not in any way replace the author's independent analysis, originality, and critical thinking.

3. Literature Review

This literature review is structured around three interrelated themes that define the strategic tensions in the Pastel Bordallo case. It begins with brand authenticity, which serves as the primary analytical lens given the importance of authenticity as a value that consumers consider in evaluating products that are linked to tradition, craftsmanship, and geography (Beverland, 2005; Grayson & Martinec, 2004; Napoli et al., 2014). It then moves on to geography and territoriality as primary sources of brand authenticity in place-defined and regionally defined brands. Finally, it addresses stakeholder governance, as maintaining place-based authenticity requires coordination among multiple actors whose roles and interests influence brand meaning and strategic decision-making.

3.1. Authenticity and Geographic Indication

Authenticity represents a critical dimension of place-based products, as perceptions of authenticity influence brand credibility, differentiation, and long-term value (Beverland, 2005; Napoli et al., 2014). In branding research, authenticity is not understood as an objective notion of “realness,” but rather as a consumer perception that a brand is sincere, credible, and consistent with its claimed identity. These perceptions often emerge from cues linked to regional culture, local knowledge, and territorial ingredients, which connect products to specific places and traditions (Tellström et al., 2006; Beverland, 2005). Because such cues can take multiple forms, scholars have conceptualized authenticity as a multidimensional construct evaluated through different signals and frameworks rather than a single universal definition (Grayson & Martinec, 2004; Napoli et al., 2014).

Because authenticity is ultimately interpreted by consumers, research has sought to identify the signals through which authenticity is recognized and evaluated. Several studies suggest that consumers rely on cues related to heritage, sincerity, and production practices when assessing whether a brand appears genuine (Napoli et al., 2014; Rindell & Santos, 2021). These cues may refer to tangible aspects such as ingredients, craftsmanship, or geographic origin, but they also include symbolic elements that connect the product to historical continuity and cultural meaning (Beverland, 2005; Grayson & Martinec, 2004). In this sense, authenticity is not communicated through a single attribute but through a combination of signals that collectively reinforce the perception that a brand remains faithful to its origins and values. Studies of traditional and heritage foods similarly emphasize the importance of coherence between place, tradition, and community knowledge, as consumers often interpret authenticity through connections between geographic origin, historical recipes, and the cultural practices

surrounding production (Almansouri et al., 2021; Almansouri et al., 2022). Together, these perspectives suggest that authenticity is evaluated through multiple interrelated cues linking products to heritage, territory, and consistent brand behavior.

Despite the emphasis on heritage and origin, authenticity is not an inherent characteristic of a product but rather a perception shaped through social and cultural interpretation. Branding research consistently describes authenticity as something that consumers infer from narratives, symbols, and practices that appear consistent with a brand's identity and historical roots (Beverland, 2005; Napoli et al., 2014). Because these interpretations depend on cultural expectations and shared meanings, authenticity is continually negotiated between producers and consumers rather than objectively determined. This interpretative process also explains why authenticity signals may vary across contexts, as different audiences may emphasize different aspects of tradition, place, or craftsmanship when evaluating a product's legitimacy (Grayson & Martinec, 2004; Rindell & Santos, 2021). As a result, authenticity should be understood as a socially constructed concept that emerges through interactions between market actors and the cultural narratives that give meaning to brands and products.

The socially constructed nature of authenticity also creates tensions when heritage products enter broader commercial markets. While references to tradition, craftsmanship, and geographic origin can strengthen brand credibility, attempts to strategically manufacture or exaggerate these signals may undermine their perceived legitimacy (Beverland, 2005; Napoli et al., 2014). Holt (2002) describes this dynamic as an authenticity paradox, arguing that the deliberate commercialization of cultural meanings may erode the very authenticity brands seek to communicate. When authenticity becomes an explicit marketing strategy, consumers may begin to question whether heritage narratives reflect genuine cultural practices or simply serve promotional purposes. These tensions are particularly visible in products closely associated with place, where expanding production or adapting traditional practices for larger markets can challenge established understandings of authenticity (Grayson & Martinec, 2004; Almansouri et al., 2021). Consequently, authenticity in heritage products is not only a matter of historical origin but also of maintaining credibility as products evolve within commercial markets.

As the economic and cultural value of authenticity becomes increasingly recognized, institutional mechanisms have emerged to formalize and protect authenticity claims associated with specific places and traditions. In the context of food products, authenticity is often rooted not only in geographic origin but also in localized knowledge systems and cultural practices

embedded within production processes (Fonte, 2008; Almansouri et al., 2021). These place-based products reflect what Fonte (2008) describes as a relationship between knowledge, food, and territory, where traditional production methods, community expertise, and environmental conditions collectively shape the identity of a product. Such connections reinforce the perception that certain foods cannot be easily replicated outside their original context, as their meaning and value are closely tied to local heritage and cultural practices (Tellström et al., 2006; Beverland, 2005). Because these relationships between product, place, and tradition represent valuable symbolic and economic resources, various institutional frameworks have been developed to formally recognize and protect them.

One of the most prominent mechanisms for protecting place-based authenticity is the system of Geographic Indications (GIs), which link products to specific territories and legally recognize the relationship between origin, production practices, and product identity. GIs function as a form of institutional authentication by formally certifying that a product possesses qualities or characteristics attributable to its geographic origin (Cohen & Cohen, 2012; Dogan & Gokovali, 2012).

Through this certification, geographic indications transform territorial heritage into a form of intellectual property that allows producers to differentiate their products and restrict imitation by competitors operating outside the designated region (Dharmojirao & Devaraja, 2024). By establishing formal standards for ingredients, production methods, and geographic boundaries, GI systems aim to preserve both the economic value and the cultural significance associated with traditional food products. At the same time, these institutional protections reinforce the symbolic link between authenticity and place, strengthening consumer perceptions that products certified through such systems represent genuine expressions of regional heritage and identity (Fonte, 2008; Dogan & Gokovali, 2012).

Despite their potential to protect heritage and create economic value, geographic indication systems also generate important strategic and governance challenges. While GIs can strengthen product differentiation and enhance market value, the benefits they create are not always distributed evenly among the actors involved in production and commercialization (Ragnekar, 2004; Dogan & Gokovali, 2012). In some cases, larger or more resourceful firms are better positioned to capture the economic gains associated with certification, while smaller producers may struggle to meet regulatory requirements or absorb the costs associated with formal protection. At the same time, the process of defining and institutionalizing traditional products

may require the standardization of recipes, production methods, and territorial boundaries, which can reshape local practices and potentially exclude certain stakeholders from participating in the protected system (Zocchi et al., 2021; Fonte, 2008).

These dynamics highlight that safeguarding authenticity through institutional mechanisms involves not only legal protection but also the coordination of diverse actors with different interests and capabilities. As a result, the governance of place-based products becomes a central issue in ensuring that authenticity, territorial identity, and economic value can be sustained simultaneously.

3.2. Place Branding and Products as Place Symbols

Brand authenticity is therefore not only an intrinsic brand characteristic, but a relational construct shaped by the sources of meaning brands draw upon and the consistency with which these meanings are enacted over time (Beverland, 2005; Napoli et al., 2014). Among these sources, place and geographic origin occupy a particularly powerful role, as they provide culturally embedded cues that consumers use to infer credibility, heritage, and sincerity (Beverland, 2005; Grayson & Martinec, 2004; Anholt, 2010). When brands anchor their identity in place, authenticity becomes intertwined with territorial narratives, local actors, and shared cultural symbols, extending beyond communication into practices and governance. As a result, place-based authenticity does not merely enhance brand meaning but also introduces coordination and control challenges, as multiple stakeholders become involved in producing and sustaining what the brand promises (Kavaratzis & Hatch, 2013; Freeman, 2004).

Following a shift from managerial to entrepreneurial governance in the 1970s, cities began using marketing strategies to differentiate themselves and compete more effectively (Harvey, 1989; Anholt, 2010). As territories became more active participants in global economic competition, local governments began to adopt branding strategies traditionally associated with commercial products in order to enhance their visibility and attractiveness. In this regard, place branding became a strategic approach through which cities and regions attempt to communicate distinctive territorial features and position themselves in competitive environments (Kavaratzis, 2004; Vela, 2013).

The similarities between product branding and place branding can be seen when examining the importance of perceptions and associations in building brand equity. In marketing studies, brand equity is defined as the value generated when consumers form strong, favorable, and distinctive associations with a brand in memory (Keller, 1993). A similar process is at work in the realm

of place branding, where territories are assessed not only based on their objective attributes but also on the basis of the images, stories, and symbolic meanings associated with them (Anholt, 2010; Kavaratzis, 2004; Vela, 2013). As such, the reputation of a city or territory is largely dependent on the meanings attributed to them by audiences and not merely on the actions of local marketing initiatives. This view supports the notion that place branding is essentially about creating perceptions and associations that link territorial identity to unique cultural, economic, or social attributes (Kavaratzis & Hatch, 2013).

While there are some similarities between place branding and more traditional marketing methods, it is also important to note that place branding is distinct from more traditional forms of city marketing that were based largely on communication and marketing mix strategies. While city marketing is often more focused on communicating the benefits of a particular location in order to attract visitors, investors, or residents, place branding is more focused on building and maintaining a consistent territorial identity that reflects the values and qualities of the location (Kavaratzis, 2004; Vela, 2013; Anholt, 2010). In this way, place branding can be seen as more than simply a communication or promotion strategy and instead represents the larger process by which the identity of a place is defined and understood through interpretation and experience by various audiences (Kavaratzis, 2004; Vela, 2013).

Residents are key stakeholders in place branding, as they not only benefit from place branding efforts but are also active participants in the creation of place identity and reputation. Rather than being mere passive recipients of place branding efforts, residents can also be considered active partners and co-producers of meanings and experiences associated with a place (Braun et al., 2013; Kavaratzis, 2004). As Braun et al. (2013) argue, residents impact place brands in three ways. First, residents are an integral part of the place identity itself, as their activities and interactions contribute to the cultural and social context of the city. Second, residents serve as ambassadors of the place who communicate and reinforce place identity through informal communication channels such as word-of-mouth, which is often viewed as more authentic than formal communication channels. This corresponds with what Kavaratzis (2004) describes as tertiary communication, referring to the unofficial and uncontrolled communication about a place that occurs through interpersonal interactions and media discourse. Third, residents have political power through their capacity to support or oppose place branding efforts, which in turn impact how territorial identity is represented and managed.

The importance of stakeholders in shaping place identity has led scholars to conceptualize place branding as a dynamic and dialogical process rather than a top-down marketing activity. The earlier approaches to place branding tended to consider place identity as a relatively stable set of historical, cultural, and geographical features that could be communicated through branding strategies. Nevertheless, more contemporary approaches to place branding tend to focus on the idea that place identity is a dynamic process of ongoing interactions among different stakeholders who interpret and negotiate the meaning of a place over time (Kavaratzis & Hatch, 2013; Braun et al., 2013). According to this view, place branding is a continuous dialogue among institutions, residents, businesses, and audiences, through which territorial identity is constructed, contested, and reinforced. Consequently, the success of place branding is not only dependent on communication strategies but also on the alignment between the narratives communicated by institutions and the experiences of stakeholders.

Food products are a particularly strong territorial marker, as they simultaneously embody material and symbolic dimensions of place identity. They connect intangible cultural meanings and territorial heritage (Fonte, 2008; Dogan & Gokovali, 2012; Tregear et al., 2007). Furthermore, because food products are consumed and create a visceral connection between the consumer and the place they represent, they differ from other place branding elements such as architecture or landscapes. In this sense, food can be understood as “edible heritage”, where each act of consumption becomes a performative engagement with local identity (Tellström et al., 2006). However, this same territorial boundedness creates inherent tensions: the place-specific attributes that differentiate these products simultaneously limit their scalability and expose them to authenticity challenges when commercial imperatives demand broader market reach.

Research has shown that the authenticity associated with local food cultures is often strategically constructed in marketing contexts. Research on “local and regional food culture” (LORE food) illustrates how food marketing actors use cultural symbols, stories, and traditions selectively to appeal to urban consumers in search of experiences of rural authenticity (Tellström et al., 2006). In such efforts, authenticity is not always constructed through direct historical roots, but rather through representation that corresponds to ideal perceptions of rural simplicity and tradition. While geographically protected products are valuable for their territorial specificity (Dharmojirao & Devaraja, 2024), these meanings are often simplified or adapted in marketing in order to appeal to a wider audience. Thus, the commodification of local food culture represents both the opportunities and challenges of territorial marketing, as

narratives of place can reinforce differentiation while also creating stereotypical or simplified representations of local identity (Holt, 2002; Kavaratzis & Hatch, 2013).

These dynamics also have implications for the economic viability of organizations that operate in place-based branding systems. Organizations that use regional products as a means of differentiation may end up benefiting from increased demand and positioning, but they may also end up being more vulnerable to economic downturns (Lopes et al., 2022). This is referred to as the “differentiation dilemma,” which reflects the challenge of ensuring territorial authenticity while also being commercially viable.

While food remains a powerful lens, symbolic coherence between brand and place is increasingly central to how consumers interpret authenticity in categories like fashion, luxury, and digital branding. Studies of local fashion and luxury brands, for example, show that place-based authenticity can be constructed through symbolic references to local culture, design traditions, and community engagement, even when production processes are not strictly tied to a single geographic location (Ginting et al., 2023; Rachbini et al., 2023). These findings suggest that territorial authenticity is not solely determined by physical origin but can also emerge through narratives that connect brands to cultural and social contexts. In this way, place branding extends beyond material attributes and incorporates symbolic and narrative dimensions that shape how consumers interpret the relationship between brands and the places they represent (Kavaratzis & Hatch, 2013).

Place-based authenticity is also increasingly constructed through digital storytelling and online brand narratives. Research on Chinese luxury brands shows how digital platforms can reinforce connections between brands and territorial identity through symbolic representations of culture and place (Yao, 2021). Even when production is geographically dispersed, brand meaning can remain anchored in place through narratives that evoke heritage, craftsmanship, and local identity. Digital environments therefore become spaces where authenticity is continuously negotiated between firms and consumers. In this way, place branding today extends beyond physical production and incorporates symbolic and digital expressions of territorial meaning.

3.3. Stakeholder Governance in B2B2C Coordination

Stakeholder theory offers a critical foundation for understanding the governance of place-based branding. It conceptualizes stakeholders as groups or individuals that can affect or are affected by the achievement of an organization’s objectives, emphasizing that firms operate within networks of interdependent relationships (Freeman, 1984; Freeman, 2007). This definition is

especially relevant to place-based brands, where authenticity emerges not from a single firm but through ongoing coordination among local actors, producers, institutions, and consumers (Kavaratzis & Hatch, 2013; Beverland, 2005).

Stakeholder conflicts arise due to differences in the values, behaviors, and contextual backgrounds of the several groups involved, shaping their priorities (Freeman, 2004). In place branding contexts, the meaning of the brand is not owned by any individual entity but is instead negotiated through the interaction and interpretation of various stakeholders in the social, political, and symbolic environment (Saraniemi & Kylänen, 2011; Braun et al., 2013). The fact that these stakeholders may have different understandings of what the place brand represents may create conflicts regarding decisions and the direction in which the brand is developing. The study on brand authenticity shows that brand authenticity is not an attribute that is owned by the brand itself but is instead perceived through the interaction and negotiation of various organizations (Grayson & Martinec, 2004; Napoli et al., 2014). In such complex systems as B2B2C in regional branding and GI supply chains, stakeholder governance is essential for ensuring that the strategies of the firm are aligned with the perceived authenticity and meaning of the brand.

To manage the problems posed by conflicting stakeholder interests, various theoretical models for managing and prioritizing stakeholders have been proposed. Stakeholder theory argues that stakeholders have legitimate claims on organizations due to their involvement in and being impacted by corporate activities and that such claims are intrinsically valuable rather than valuable only to the extent that they contribute to the interests of other actors (Donaldson & Preston, 1995; Freeman, 2004). However, recognizing stakeholder legitimacy does not resolve how organizations should respond when stakeholder interests diverge. As scholars note, identifying stakeholders is only the first step, as managers must still determine how to balance competing claims in decision-making (Freeman, 2004; Orts & Strudler, 2009). In response to this challenge, research on stakeholder theory has proposed mechanisms for identifying and prioritizing stakeholders based on their attributes and network position (Mitchell et al., 1997; Rowley, 1997; Neville et al., 2011).

These governance issues become more visible in the form of business-to-business-to-consumer (B2B2C) systems, which involve multiple layers of relationships in the food supply chain. Research on short food supply chain systems indicates that these systems operate in the form of interconnected systems or “ecosystems” where interdependencies are high among different

stakeholders (Stoeva et al., 2024). In addition, other research on networked market systems indicates the importance of interactions among multiple stakeholders in the creation of value, rather than firm-level activities (Nenonen & Storbacka, 2010; Vargo & Lusch, 2004). In these systems, the producers need consumers to supply market demand, while they also need businesses and institutions to supply technological, logistical, and regulatory needs. Consumers benefit from the products produced locally and the cultural and territorial values associated with these products. In this way, B2B2C systems involve complex networks where multiple stakeholders simultaneously influence the creation, communication, and perception of value.

In this context, it is argued that value is not contained within individual organizations but is instead co-created through interactions with multiple actors in the market system (Nenonen & Storbacka, 2010). This perspective resonates with broader theoretical concepts on value co-creation, which underscore that stakeholders are not passive receivers of value but rather co-producers in co-creating brand meaning and markets (Ind & Iglesias, 2016; Vargo & Lusch, 2004). In the field of territorial branding, this means that authenticity and brand meaning are negotiated through ongoing co-interactions with multiple actors rather than being owned and managed by individual organizations. This means that the authenticity and meaning of territorial brands are ultimately dependent on the ability to coordinate multiple actors who contribute to co-creating brand identity.

Taken together, the literature suggests that place-based brands must balance three elements: perceived authenticity, territorial legitimacy, and stakeholder coordination. The Pastel Bordallo initiative provides an opportunity to explore how these elements interact when a place product faces demand beyond its place of origin. This study therefore examines how ACCCRO can govern a network of stakeholders while preserving the symbolic and territorial authenticity that gives the product its value.

4. The Case of Pastel Bordallo: Growing a Place-Based Brand

In September 2019, Luís Gomes, newly elected president of the *Associação Empresarial das Caldas da Rainha e do Oeste* (ACCCRO), was preparing for his first board meeting. His election on August 30 marked a change of leadership for the association, and the board expected him to set the tone for association's next phase. Among the projects inherited from the previous leadership was Pastel Bordallo, a small sweet tart created to represent Caldas da Rainha and its connection to ceramics heritage in the region.

The pastry had been launched two years earlier at the Feira dos Frutos, the region's horticulture fair. Only two businesses had acquired the license to produce it, Pastelaria Paris and Forno do Beco. Since its launch, sales had reached about 30,000 boxes, roughly 200,000 pastries. While still limited, the early sales hinted that the pastry might have broader potential, both within the region and outside it.

As the meeting approached, Luís began to realize that the Pastel Bordallo had become a point of tension within the board. Several members approached him individually to share their views. Some believed the Pastel could become a staple of the city if production expanded beyond Caldas da Rainha, where it was currently geographically restricted. Others argued the pastry still had untapped potential but should remain tied to the city, preserving the original idea of a product closely linked to Caldas.

Luís believed that Pastel Bordallo could become more than it currently was, but he also recognized that, two years after its launch, the initiative had reached a pivotal moment. With only a few days left before the board meeting, he needed to decide what direction to propose for the Pastel Bordallo initiative and whether growth beyond Caldas should be part of its future. He started off by reviewing the history of the ACCCRO and the role it had played in supporting the West region in the past.

4.1. ACCCRO and Local Mandate

ACCCRO was founded on the 12th of November 1902 and for over 117 years it had been a pivotal part of the business fabric of the municipalities of Caldas da Rainha and the West Region. The Business Association of Caldas da Rainha and the West, formally known as Commercial Association of the Municipalities of Caldas da Rainha and Óbidos was a non-profit association that represented the retail, services, hospitality and other businesses of the West Region, with the goal of creating value for its associates.

Looking over the association’s website, Luís scrolled through their “Who are we?” section, finding a couple of paragraphs that encapsulate the purpose and mission of ACCCRO: to modernize the business fabric of Caldas da Rainha and the West Region, while protecting and representing the interests of the associates. The organization aimed to be more than a representative body, and it aspired to be an active partner in creating value for the local economy.

ACCCRO provided various services for its associates: from legal and technical support, to helping businesses with registrations, licensing, as well as managing workplace obligations (contracts, schedules, ACT communications, vacation maps). The organization also offered brand and corporate image services and organized events for local businesses.

One of the largest initiatives, the president remembered quite well, was the directive role ACCCRO had in dynamizing the Holiday Season. Developing a Christmas market for local businesses to participate in and promote themselves and their products and also the decoration on the streets of the city and the Christmas tree, which in 2016, was the tallest in Portugal, measuring 35 meters tall and 20 meters in width.

Luís also recalled the project ACCCRO developed with the local newspaper, Gazeta. The goal was to support local commerce and provide benefits both to newspaper readers/subscribers and to member businesses of ACCCRO. Under the agreement, subscribers of Gazeta received a voucher equal to the price of their annual subscription (approximately €20) that could be used as a discount in participating shops. In turn, these shops would “redeem” that discount by investing the in advertising with the newspaper. The goal was to drive foot traffic and sales for local businesses, while giving subscribers meaningful savings, making consumption more attractive during periods of weak demand, and helping local shops gain visibility through media exposure.

Now looking inward and measuring the people involved, ACCCRO only had 2 full-time employees, while the remaining collaborators were entrepreneurs, business owners and other entities of the city that are associates, this means that “ACCCRO works with few resources but a large access to industrial information, business insight and network of partners” he thought.

Caldas da Rainha

A significant number of associates were from Caldas da Rainha, so the president knew he had to consider the city’s history, culture and market to make a strategic decision.

Caldas da Rainha with a population of 50869 people (Exhibit 1) was a municipality in the West region, in Central Portugal (Exhibit 2), and the place Luís always called home. As a local, Luís knew and lived the economic situation of the city, the median salary was of around 784 euros and increasing over the years. (Exhibit 3)

The story of the city began in 1484 when, Queen Leonor, wife of King João II, discovered the healing properties of the region's thermal waters and, the following year, ordered the construction of the Thermal Hospital of Nossa Senhora do Pópulo, considered the oldest thermal hospital in the world. The city developed around this establishment and owed its name to the Queen herself, with its foundation deeply tied to the region's thermal identity.

Caldas da Rainha also gained notoriety for its ceramic tradition, epitomized by Rafael Bordallo Pinheiro, whose creations became icons of Portuguese art and culture, including the city's distinctive and humorous erotic ceramics. Bordallo's imagery was familiar to Portuguese consumers and tourists visiting Caldas.

ACCCRO's offices were located at the center of Caldas da Rainha, on the 1st of May Avenue. Overlooking the place where so many Caldenses passed through he recalled the main attractions of the city. The *Praça da Fruta*, the only open-air daily fruit and vegetable market in Portugal, and D. Carlos I Park, a garden originally designed for the recovery and relaxation of thermal patients, and where the Pastel Bordallo was first introduced to the public.

Reviewing the local gastronomy, Luís clearly saw the conventual and coastal influences, with traditional sweets such as *trouxas*, *lampreias de ovos*, *cavacas*, and *beijinhos*, and with fish dishes connected to the nearby Óbidos Lagoon, including eel stews and seafood casseroles.

After reviewing ACCCRO's mission and past initiatives, as well as Caldas da Rainha's context, Luís understood the purpose behind Pastel Bordallo. The pastry leverages the city's identity with Bordallo's artistic style, similar to how the *Pastel de Belém* represents Lisbon and the *Pastel de Feijão* represents Torres Vedras. But to make an informed decision about the product's future, Luís needed to understand how it had been developed and why the geographic restriction had been put in place. He arranged to meet with Paulo Agostinho, the former president and creator of Pastel Bordallo, at Pastelaria Paris.

4.2. Designing a Pastry for a Place

Over coffee and Pastel Bordallo, Luís asked how Paulo had come up with the idea: “I was going to a café close by to have a quick snack. I ordered coffee and a bean tart, typical of Torres

Vedras. The tart had a Torres Vedras logo on it, clearly showcasing the pastry's connection to the city", remembered Paulo, "Well, I'm enjoying the pastry and it dawned on me that Caldas doesn't have a pastry such as this one to call theirs, or at least with equal popularity and availability. And on that same day I proposed the creation of a pastel that represented Caldas da Rainha to my team and they reacted positively."

Shortly after that first meeting where Paulo introduced the idea of a pastel, ACCCRO reached out to its associates and local businesses for an initial meeting not only to introduce the idea but also to gain support from local bakers and pastry chefs. Despite Paulo's enthusiasm, only two bakers had trust in the project and faced took on the challenge of developing a recipe - Paulo Santos, , the pastry chef from Forno do Beco, Paulo Santo and, Luís Tavares, the pastry chef from Fábrica Paris. In subsequent years, Fábrica Paris had stopped operations and a new established called Pastelaria Paris started producing instead.

The Recipe

In the making of the pastry there were many aspects to consider. Paulo emphasized that "The pastel should have quality ingredients connected to the region," Paulo emphasized, "but the pastry also needed to be distinctive. The level of sweetness had to be right, along with a unique format and design." The crafting of the recipe was with the objective of making a distinguishable pastry based on the research ACCCRO had done on the various national pastries, with the objective of creating a product that would clearly stand out.

The pastel's square shape with a thin outer crust connected to the mosaic spread across the city and the works of Rafael Bordallo Pinheiro. The soft-crumby filling made with chickpeas, an ingredient not found in local pastries and the region was a large producer of the crop. Plus, a mixed cheese, eggs, lemon, cinnamon and sugar that give the sweet citrus taste the pastel has. (Exhibit 4)

"The day Luis and Paulo came with the different recipes of the pastel for testing was one of the best days in the office. My team and employees of ACCCRO that were present, all tasted and chose what we taught was the best version of it." Luís, of course, had tried the pastel before, so he felt that the soft sweet taste wasn't too overwhelming and the iconic shape made it stand out.

The Name

During the making of the recipe there were meetings regarding the name of the pastry, Paulo mentioned "At the beginning we named it Pelicano", meaning pelican in Portuguese. The

animal had a strong connection to has to the city of Caldas da Rainha, Queen Leonor, the founder of the city and the charitable and healing aspects of the thermal hospital the Queen had opened back in 1485. However, the pelican idea had to be abandoned, since another local cafe already trademarked their pastry with Pelicano name.

“We knew the name and visuals were important to connect the pastel to Caldas da Rainha, so the name Bordallo came naturally to us during the meeting”, expressed Paulo. So the name Pastel Bordallo was proposed, honoring the artist Rafael Bordallo Pinheiro.

“As you know Bordallo is an icon of the city and his works are still spread across town, his influence is notable”. Luís had witnessed it many times in his life the influence of the artist, so much so that there was a high school named after him.

The Inspiration

Rafael Bordallo Pinheiro was born in Lisbon in 1846. Bordallo was a truly multifaceted artist. Throughout his life he published dozens of books and worked as a painter, a decorator, a caricaturist, a ceramist, a journalist and a professor. He was best known for his caricature of the Portuguese people in the 1870's, with the character *Zé Povinho* (Exhibit 5). The artist drew this character on paper and made ceramic statues of him, which were meant to represent the humble, often powerless common folk facing political and economic hardship during the constitutional monarchy. His drawings and ceramic sculptures of *Zé Povinho* became cultural icons, shaping the national visual identity.

Beyond his social satire, Bordallo played a decisive role in the artistic development of Caldas da Rainha. In 1884, he founded the *Fábrica de Faianças*. an earthenware factory that produced tiles, plates, mugs, jars and other themed objects (animals, fruits and flowers). He transformed Caldas into a center of creativity and craftsmanship, through his bold and humorous pieces, such as the cabbage leaf ceramics, his political pieces and recognizable tiles (Exhibit 6). This connection between Bordallo and current ceramics of the city was still very noticeable and shows the influence the 21 years Bordallo lived in Caldas had on the town.

Paulo also pointed out this lesser-known fact about Rafael Bordallo Pinheiro: “The ceramist not only founded the *Fábrica de Faianças*, which revitalized the city's tradition in ceramics with his artworks, but he also was one of the essential people in the creation of ACCCRO.” Therefore, the name “Bordallo” and logo was trademarked and ACCCRO had its ownership. (Exhibit 7)

The Packaging

Luis saw the influence of Bordallo through tile pattern on the box. Although, he was curious about how the previous board had decided on the packaging of the pastel, knowing the limited resources of ACCCRO.

“For the packaging we decided to launch a national contest with a monetary prize, I think it was around 100 euros. The artists had to submit a design for the box, a roll-up and an outdoor. Since the name was established, contestant had to stick with the Bordallo theme.” Paulo explained, “From Porto to Lisbon, artists presented their vision of the Pastel Bordallo packaging.”

Paulo then elaborated that, for the final selection, an election process occurred. The candidates remained anonymous and the board voted on the best set of designs. Interestingly enough, the winner winning design for the packaging came from a local resident of Caldas da Rainha. (Exhibit 8)

Paulo further explained how they would produce the boxes: “We made a deal with a local printing company to produce the boxes. We made the design exclusive for them, so every pastry shop would have to acquire the packaging from there and then ACCCRO would receive a portion of each box sale, we only rounded up the price, so if each box was 18 cents we’d sell them for 20, but these prices varied. So, the more pastels we sold the better! The association would become more independent and rely less on the contributions of the associates and government.”

Geographic Certification

After finalizing the design for the packaging, the Paulo decided to request a certification for the pastel, through the National Association for Municipalities and Producer for Appreciation and Qualification (QUALIFICA), to certify it as a regional product. This organization focused on promoting, defending and qualifying traditional Portuguese products, focusing on Geographic Indication for product with territorial identity, however Paulo believed it would it also served as a symbolic quality and authenticity mark for the new pastry.

Since ACCCRO had ownership of the pastel, the previous board decided to only allow producers from Caldas da Rainha to produce the pastry, applying themselves the GI criteria. Its manufacturing process was protected, as well as its recipe was protected by the patent held by the association. The goal was to create a competitive advantage for pastries of the city and to protect the quality of the pastry. It also helped maintain a cohesive communication of the

product. Paulo wanted to create value for everyone involved including ACCCRO. He then explained how the association was benefiting from this:

Paulo then recalled the launch that was set to happen in the Frutos Fair in D. Carlos Park at the heart of Caldas da Rainha. The fair would be a perfect opportunity to present the pastel to the public because horticultural fair's goal was to promote the product and producers of the agricultural sector as well as the businesses of Caldas da Rainha. The launch was a success, so much so that there wasn't enough stock to fulfil the customers' orders and it was covered by the local news outlets and later by RTP one of the largest media channels in Portugal.

Luís then inquired about the 2 years after the launch of the Pastel Bordallo, he wanted to gauge the success of the pastry and what ACCCRO had done over the year from the person on the command at the time.

“During 2018, we continued to engage with the community being present in most events of the city and through our social media that we created for this new brand. In July of that year ACCCRO had sold 20 000 boxes until then, which was about 120 000 pastels, however single pastel sales were unknown to us”, Paulo then expressed that “Until 2019 the numbers were modest, but I could see the potential. We even entered it for the 7 Maravilhas de Portugal, in July of this year. It was a national contest to elect the 7 best sweets in Portugal, unfortunately we didn't make it to the final voting stage”. In celebration of 30 000 boxes sold and 200 000 pastels until April 2019, the association created a street bench exactly like the box and for several days moved the best around iconic parts of the city.

While Paulo Agostinho's perspective helped Luís understand the vision and brand development behind Pastel Bordallo, he needed to hear from the producers themselves about the practical realities of making and selling the product.

4.3. Early Demand and Market Constraints

Luís met Chef Paulo Santos at his bakery, one of the two licensed to produce Pastel Bordallo. As both a co-creator of the recipe and an active producer, Chef Santos offered a ground-level view of the opportunities and challenges the product faced.

Launch Day

Chef Paulo spoke passionately about that day at Frutos Fair. “We could only produce a maximum of 600 pastels per day”, he remembered, “and they were all gone in 3 hours! People absolutely loved it.” From then until 2019, Forno do Beco had experienced steady sales of the

new pastry, apart from August and the holiday season when sales peaked, reflecting the city's tourism pattern. However, Paulo explained his challenge as a producer: "After any type of promotion or advertising, for example when it was featured on RTP, one of the main Portuguese TV channels, the orders would spike far beyond our production capacity." So Forno do Beco promoted the Pastel through the in-store experience and the events they were present, by explaining the recipe, the making and the story of Pastel Bordallo with their customers.

Beyond individual customers, Paulo noted that demand came from different types of buyers. Day-to-day customers were mostly locals, with tourists becoming more frequent during the summer months. Additionally, other local cafés would occasionally place orders to sell the pastel in their own establishments, and some cultural institutions in the city had also acquired it for events, drawn by its connection to the Bordallo Pinheiro heritage and its role as a symbol of Caldas da Rainha.

Production constraints

When Luís raised the possibility of Forno do Beco expanding their production capacity, Paulo replied: "To make more pastels I would have to stop producing some other products, which I cannot do as a bakery, or undertake a major investment in a new expensive production line." Paulo also had other concerns that went beyond operations. Spoken as a true artisan, he said, "I believe that expanding production could decrease the quality of the ingredients and the pastel itself by using machinery. The Pastel Bordallo would lose its originality, its emotion, and its authenticity. I want to produce a perfect pastel. If people really want it, they can wait a bit."

As for why other pastry makers in Caldas hadn't joined the project, Chef Santos was straightforward: "They didn't want to take the risk or make the monetary and time investment to produce the pastel properly. Many didn't see the potential of the product." However, Chef Santos emphasized he would welcome new local producers. "If other bakers in Caldas wanted to join now, I'd be happy to teach them how to produce the pastel properly. The more local producers we have maintaining quality, the better it is for Caldas and for the product."

With only two producers involved, any inconsistency in production or quality would immediately affect the reputation of Pastel Bordallo as a whole, a risk that would become more significant if additional bakeries were allowed to participate.

The production constraints Chef Santos described reflected broader patterns in Caldas da Rainha's food sector. The municipality had a dense concentration of cafés (85) and bakery and

pastry shops (42) (Exhibit 9), but most operated on a small, artisanal scale typical of Portugal's pastry ecosystem. Tourism seasonality was present in Caldas da Rainha, with the greatest number of tourists received from June to September, 50.6% of the tourist sleepovers in 2019 were in these months (Exhibit 10).

After these meetings, Luís felt better informed about the origins and early performance of Pastel Bordallo. Nonetheless, core information was still missing. He lacked a broader view of the Portuguese pastry sector and of how similar regional products had evolved beyond their place of origin. Gathering data on market structure, consumption habits, and comparable regional pastries was essential to assess whether expansion beyond Caldas da Rainha was viable.

4.4. Beyond Caldas

With the board meeting approaching and contrasting views already circulating, Luís felt the need to step back and look beyond Caldas da Rainha. Expansion to the broader West Region had been raised as a possibility, but he was unsure whether it represented a realistic path forward or simply an appealing idea in theory. While such a move could increase availability and visibility, it would also reduce ACCCRO's proximity to day-to-day production practices. This context also raises the possibility that established bakeries outside Caldas da Rainha could serve as potential production partners, offering additional capacity while introducing new challenges in maintaining territorial authenticity and control.

Before taking a position, he wanted to understand whether the broader market context supported such a move. Luís began searching for information on the Portuguese pastry sector, relying on public data, industry reports, and internal studies previously conducted by the association.

The Portuguese pastry sector was one of the most emblematic branches of national gastronomy, closely tied to culinary heritage, everyday consumption, and tourism. After a decline prior to 2015, the manufacturing of bread, fresh pastry goods, and cakes recovered steadily, with sector revenues increasing from €1.34 billion in 2015 to €1.61 billion in 2018 (Exhibit 11). A similar pattern was observed in the rusks and biscuits segment, which rebounded after 2015 to reach €261.4 million in revenue by 2018 (Exhibit 12).

Production volumes in the bakery and pastry sector also rose significantly, increasing from 512 thousand tons in 2015 to 692 thousand tons in 2019. Growth was particularly strong in regional sweets (+58%) and fresh pastry (+39%), suggesting increased demand for differentiated and regionally anchored products (Exhibit 13). However, this volume growth was not matched by

equivalent increases in sales value. In regional sweets, value grew by only 17%, while wheat bread experienced a decline of 7.14% over the same period (Exhibit 14). Together, these trends highlighted that increased demand did not automatically translate into higher value, raising questions about how production, scale, and differentiation were managed.

Consumption Habits

Luís identified several studies on bakery consumption habits that he found relevant. He confirmed that these habits remained deeply ingrained in Portuguese society, interestingly 91% of Portuguese women reported daily consumption of bakery products, one of the highest rates in Europe, however this study did not offer information regarding the male population (Exhibit 15). Luís saw this as evidence of the cultural centrality of bread and pastries in Portuguese diets, supporting a stable domestic base for the sector even during economic downturns.

Research on fine bakery wares further showed that pastries and similar products represented the most consumed category of ultra-processed foods in Portugal, 37% among men and 40% among women (Exhibit 16). Comparable patterns were observed in Spain and Italy, highlighting the strong role of pastries in Southern European food cultures. Another study indicated that ultra-processed foods accounted for 20.7% of total energy intake among Portuguese women and 16.1% among men (Exhibit 17). While these findings supported the persistence of demand, they did not clarify whether consumers would value regional differentiation enough to support broader distribution.

Market Structure and Regional Capacity

Luís searched for reports on the industry's structure at a national level. The manufacturing of bakery products and other farinaceous products accounted for around 64% of the number of companies in the food industry, confirming the sector's role as a major employer in the Portuguese agri-food industry. Below this information Luís found that there were 6,318 establishments in 2016, decreasing to 6,195 in 2019 (Exhibit 18).

Regionally, the North and Lisbon Metropolitan Area together accounted for around 60% of establishments, revealing urban concentration aligned with population density and distribution of consumption centers. Centro, Algarve, and Madeira showed modest growth, potentially linked to rising tourism and artisanal production. (Exhibit 18)

Luís found two interesting reports in ACCCRO's archives. The first one was the revenues and expenses of ACCCRO in 2018. (Exhibit 19) The association had ended the year with a profit of

5208 euros, and the main revenues were subsidies for the Christmas events and the services ACCCRO provided. Consequently, the largest expenses were in event organization and specialized work-related training projects and investment programs.

The other file was a study the organization had done on the pastries that existed in the country, Luís skimmed through the hundreds and selected the ones that belonged to the center region and that were similar to the Pastel Bordallo, so he could assess how other pastries had protected their geographic connection. (Exhibit 20)

The information Luís had reviewed suggested that Caldas da Rainha offered both strengths and constraints as a base for future growth. Caldas da Rainha provided strong symbolic value for the Pastel Bordallo, but it was also a relatively small and seasonal market when compared to other parts of the West Region. Any position taken would need to reconcile these alternatives with the expectations of existing producers, board members, and ACCCRO's broader membership, making the upcoming board meeting a moment where competing interests would have to be addressed.

4.5. What Should ACCCRO do?

The board meeting began, and Luís quickly steered the discussion toward Pastel Bordallo. After some debate, it became clear to Luís that board members held different views on the project's trajectory and on what it should become.

“Two years after the launch, the Pastel Bordallo has gained visibility,” he began. “But we are not aligned on what should come next. Before we communicate any direction to our associates, we need to decide whether this project is where we intended it to be, and what kind of growth we are willing to support.”

The pastry's performance was contested. Some members viewed the initiative as a success, pointing to the sales figures, repeated stock shortages and media exposure. Rosa, who had been an ACCCRO employee since the previous board mentioned:

“Don't you remember that launch day? I couldn't even try one!”

Others interpreted it differently. Miguel, a new board member that favored the expansion of production of the pastel, responded with:

“Sure, the initial launch generated interest, but interest alone isn't enough! There are only two producers, Forno do Beco and Pastelaria Paris, which limits production capacity.”

Luís questioned whether the problem was truly production capacity, or rather the willingness of other local bakeries to join the project under the current model? This question redirected the discussion, several board members noted that many bakeries in Caldas da Rainha had chosen not to participate when the project was first launched, raising doubts about whether the current model was sufficiently attractive to local producers.

As the possibility of involving additional bakeries was discussed, concerns about quality and coordination emerged. Increasing the number of producers could increase availability, but it would require constant monitoring, since the failure of one bakery could affect the overall image of Pastel Bordallo. Monitoring these activities would be a challenge for an association of ACCCRO's size. Board members also noted that bakeries differ widely in size, cost structures, and production practices, which could complicate cooperation under a shared brand.

Miguel responded to these concerns by suggesting that:

“If we have a large bakery produce it, we could end the production constraints and keep quality!”

His comments surfaced deeper disagreements. One concerned the production process itself. Luís had recalled his meeting with Chef Santos, where he had mentioned his preference of a more traditional method of baking over automated processes. The discussion made clear that the value of the Pastel Bordallo depended not on any single bakery, but on the ability of multiple producers to uphold a shared promise associated with the brand. The other point of contention was the regionality. While some board members believed that production should remain tied to Caldas da Rainha to preserve the pastry's meaning, others argued that expanding to other municipalities in the West Region was necessary to ensure visibility and long-term impact.

As the discussion reached an impasse, Luís became aware that postponing the decision was no longer an option. The board's arguments had exposed conflicting expectations about growth, quality, and identity, but offered no clear resolution. When the room fell silent, it was clear that the responsibility to propose a direction now rested with him, along with the consequences that would follow. Luís found himself wondering: *“How could ACCCRO design a viable ecosystem for the Pastel Bordallo, one capable of reconciling authenticity with growth?”*.

5. Teaching Note

5.1 Synopsis

This case explores the strategic problem faced by Luís Gomes, a newly elected president of ACCCRO (Associação Empresarial das Caldas da Rainha e do Oeste), regarding the future of the Pastel Bordallo, a pastry created to symbolize the cultural identity of Caldas da Rainha.

The initiative was conceived as a place branding project to promote the city's ceramic heritage, especially the heritage of Rafael Bordallo Pinheiro, and stimulate economic activity of the city. Although the product had a successful introduction and sales increased, its manufacturing is limited to two enterprises in the region, raising concerns about its future potential.

The case reveals the different views of ACCCRO's board on the future of the initiative. Some of them support the expansion of the initiative beyond Caldas da Rainha to increase manufacturing and branding potential, while others highlight the need to keep the initiative geographically exclusive to preserve its meaning.

Set within a multi-stakeholder B2B2C context, this case highlights the issues of governance in the management of a product with geographical indications, involving actors with diverging interests. The critical decision involves the choice of engaging in growth without compromising the product's authenticity.

The case is designed to support discussion on authenticity, place branding, and stakeholder governance, and asks students to evaluate strategic options regarding growth, production geography, and coordination mechanisms.

5.2 Learning Objectives

This case study is suitable for courses in Strategic Marketing, Brand Management, Place Branding, and Stakeholder Management. The context of the case allows students to explore the tensions between authenticity and scalability in place-based products, as well as the complexities of multi-stakeholder governance in B2B2C structures.

The learning objectives of this case study are as follows:

- Analyze growth opportunities for place-based products.
- Evaluate trade-offs between territorial authenticity and scalability.
- Understand how production geography influences brand meaning and perceived authenticity.
- Identify and assess stakeholder interests in territorial brand initiatives.
- Discuss governance mechanisms for coordinating stakeholders in place-based brands.

5.3. Assignment Questions

1. What was the original purpose of the Pastel Bordallo initiative? What role was it meant to play for Caldas da Rainha and the West region?
2. Based on the information in the case, does Pastel Bordallo have potential for growth? What factors suggest opportunity or limitation?
3. Who are the main stakeholders involved in the initiative? What are their interests and concerns?
4. Should ACCCRO pursue further growth for Pastel Bordallo, or should it remain a small symbolic local product?
5. If growth is pursued, where should the pastry be produced? Should production remain restricted to Caldas da Rainha or expand beyond it?
6. What recommendation should Luís Gomes present at the upcoming board meeting?

5.4. Suggested Class Discussion and Analysis

Opening: Understanding the Initiative (10 minutes)

The discussion begins by grounding students in the origins and purpose of the Pastel Bordallo initiative. At this stage, the instructor should ensure that students clearly understand the context in which the pastry was created and the role it was intended to play for the city of Caldas da Rainha.

Suggested questions include:

- What was the original purpose of the Pastel Bordallo initiative?
- Why was the pastry created?
- What opportunity or challenge was it intended to address for Caldas da Rainha and the West region?

Through this opening discussion, students should understand that Pastel Bordallo was not only conceived as a commercial pastry, but rather as a place-branding effort with the intention of promoting the cultural identity of the city while stimulating local economic activity.

The instructor may ask students to look over the relevant case exhibits. Exhibits 1 to 3 offer background information about the environment of Caldas da Rainha and the West Region of Portugal. From the information provided in these exhibits, students understand that the Pastel

Bordallo was conceived in a specific regional environment with the intention of stimulating local economic activity.

Students should also look over Exhibits 4-8, which describe the pastry, the brand, and its connection with the cultural identity of the city, as well as the legacy of the artist Rafael Bordallo Pinheiro. The main idea that the professor should encourage students to understand is that the Pastel Bordallo was conceived as a symbolic product with a connection to the cultural identity of the city, linking the gastronomic culture with the cultural identity of the city of Caldas da Rainha. Furthermore, students should highlight that this cultural connection is an asset.

The objective of this opening stage is to ensure that students understand the strategic intention of the initiative and recognize that it is not purely commercial, but a place-branding effort with broader implications for territorial identity, before moving on to the evaluation of its growth potential.

Assessing the Growth Opportunity (25 minutes)

Once students understand the purpose of the Pastel Bordallo initiative, the discussion moves toward evaluating whether the product presents a meaningful opportunity for growth.

Suggested questions include:

- Based on the information provided in the case, does Pastel Bordallo have potential for growth?
- What factors suggest opportunity or limitation?
- What role could the pastry play in supporting tourism and regional promotion?

The instructor should encourage students to support their arguments with the case and the exhibits. The case illustrates how the launch generated interest in the market, and by 2019, the pastry had moved 30,000 boxes and 200,000 units sold, indicating that it had gained initial momentum in the market. However, the case highlights some limitations, such as the limited capacity for production and the concerns of producers that increased production could compromise the authenticity and quality of the products.

The exhibits provide more information that can be used in analyzing whether increased production is an achievable option. The exhibits, 11-14 present data on the Portuguese bakery and pastry market. Students should be able to conclude that the level of production and revenue

in the market has increased in recent years, suggesting a stable and potentially attractive market for a regional product such as Pastel Bordallo.

Exhibits 15-17 present data on the market for bakery consumption. The data indicates that pastries and bakery products are part of the fabric of daily life, and thus, the product could be part of an established market that could sustain itself in the long term. Locally, exhibit 10 contains data on tourism in Caldas da Rainha. Students should notice that tourism is seasonal and infer that tourists are an important source of demand for a product positioned as a regional specialty. Exhibit 9 indicates the number of cafes and pastry shops in the region. This indicates that there is already a dense network of pastries in the region, implying that more producers could join in should expansion be undertaken.

Finally, exhibits 1-3 present the regional demographic and economic data, and the goal here is to help understand the regional environment in which the initiative takes place and the regional economy that the initiative seeks to support. Exhibit 19 aids students to understand the challenges the association struggles with funding and should be considered.

Overall, the case suggests that Pastel Bordallo presents a credible growth opportunity, but one constrained by production capacity and the need to preserve authenticity. This tension reflects a central challenge in place-based branding, where scaling the product may risk undermining the very attributes that create its value.

Stakeholder Analysis (15 minutes)

The discussion then moves to identifying and analyzing the stakeholders involved in the Pastel Bordallo initiative. Suggested questions include:

- Who are the main stakeholders involved in the initiative?
- What interests does each stakeholder have in the development of the product?
- Where might conflicts or tensions emerge among them?

First, ACCCRO is the key player in driving this initiative forward. As the creator and owner of the brand, recipe, and certification standards, ACCCRO is the coordinating body that steers the initiative and balances strategic objectives. As such, the association must balance the need to develop local economic growth, preserve authenticity, and sustain the brand.

Local pastry producers are another key stakeholder in the ACCCRO pastry initiative. The case indicates that only two bakeries are currently producing Pastel Bordallo, and any expansion in production would require either more investment or the involvement of other local producers.

Students should also recognize the presence of a broader local pastry ecosystem. Exhibit 9 shows the number of cafés and pastry establishments in Caldas da Rainha. From this exhibit, students should infer that additional producers could potentially participate in the initiative, suggesting that expansion within the city may be feasible but could also introduce competition among producers.

Consumers, both residents and tourists, are another key stakeholder in the ACCCRO pastry initiative. As consumers, they are the ones that drive the market and give meaning to the symbolic nature of the association's pastry. As indicated in Exhibit 10, Caldas da Rainha is a hub of tourism activity, implying that tourists are one of the key consumers of the ACCCRO pastry, being marketed as a regional specialty.

Other key stakeholders in the pastry initiative include its associates, whose influence on governance is significant, as well as tourism, cultural, and media stakeholders that play an important role in promoting the pastry and its association with the cultural heritage of Rafael Bordallo Pinheiro.

The case highlights that the interests of these actors are not fully aligned. Producers may favor maintaining artisanal production and protecting the product's authenticity, while other stakeholders may see opportunities in expanding production and increasing the pastry's visibility beyond the city. ACCCRO, as the coordinating organization, must balance these perspectives while ensuring that the initiative remains aligned with its broader mission of supporting the local business community.

The instructor may ask students to consider the various players in the system and identify the function of each actor in the system. The expected outcome is a stakeholder map that includes the various players and their functions, similar to TN Exhibit 1.

Students may be asked to sketch the movement of the product from the various customers and recreate the B2B2C configuration of the initiative. By understanding the various actors involved in the production and consumption of the pastry, students should be able to understand the commercial chain of the product. The expected outcome should look like the one in TN Exhibit 2.

The objective of this stage is for students to recognize that Pastel Bordallo operates within a multi-stakeholder ecosystem, where effective governance is essential to align interests and sustain value.

Production Geography and Territorial Authenticity (15 minutes)

Once students have assessed the growth opportunity and identified the key stakeholders involved in the initiative, the discussion should move to the central strategic dilemma of the case: where production of Pastel Bordallo should take place if growth is pursued.

Suggested questions include:

- If Pastel Bordallo grows, where should it be produced?
- What are the advantages of keeping production restricted to Caldas da Rainha?
- What are the advantages of allowing production beyond the city?

At this stage, students should recognize that the decision about production geography reflects a broader tension between territorial authenticity and scalability. This reflects that the decision is not purely operational, but a strategic choice that directly affects the perceived authenticity of the product.

The case narrative highlights that the pastry was intentionally created to represent the cultural heritage of Caldas da Rainha. The product's symbolism is closely tied to the artistic legacy of Rafael Bordallo Pinheiro and to the identity of the city itself. From this information, students should recognize that maintaining production within Caldas da Rainha strengthens the authenticity and symbolic meaning of the product.

However, the case also describes significant production constraints, with only two producers currently manufacturing the pastry and limited capacity to scale production. From this, students should infer that restricting production to a small number of local producers may limit the product's growth potential and reduce its ability to reach a broader market.

Students may also draw on Exhibit 20, which presents examples of other Portuguese regional pastries and their intellectual property protection. From this exhibit, students should observe that territorial food products can adopt different protection models, ranging from strict geographic exclusivity to broader licensing structures. The argument students can derive is that there is no single model for governing place-based products, and that the choice of production geography represents a strategic governance decision.

Through this discussion, students should identify at least two broad strategic options:

Production restricted to Caldas da Rainha

This option preserves the strongest link between the product and its place of origin. Students should recognize that this approach reinforces authenticity and protects the symbolic value of the brand but may limit production capacity and economic growth.

Production expanded beyond Caldas da Rainha

Allowing production elsewhere, such as in the wider West Region, could increase production capacity, availability, and brand visibility. However, students should recognize that expanding production geographically may weaken the perceived authenticity of the product and require stronger governance mechanisms to maintain quality and brand consistency.

The objective of this stage is for students to recognize that expanding a place-based brand is not simply a question of increasing production. Instead, it requires balancing the economic benefits of scale with the symbolic value derived from territorial authenticity. This discussion naturally leads to the final stage of the analysis, in which students must formulate a strategic recommendation for ACCCRO and its president, Luís Gomes.

Decision and Recommendation (25 minutes)

The discussion concludes by returning to the decision facing the case protagonist. At the upcoming board meeting, Luís Gomes must present a strategic recommendation regarding the future development of the Pastel Bordallo initiative.

Suggested questions include:

- Should ACCCRO actively pursue growth for Pastel Bordallo, or should the pastry remain a small symbolic local product?
- If growth is pursued, where should production take place?
- What role should ACCCRO play in governing the initiative as it evolves?

At this stage, students synthesize insights from the previous stages of the discussion. They should recognize that Pastel Bordallo was created as a place-based branding initiative, intended to promote the cultural identity and economic activity of Caldas da Rainha. At the same time, the analysis of the growth opportunity suggests that the pastry may have potential to expand beyond its current scale.

The central challenge therefore lies in determining how growth should be managed without undermining the authenticity and symbolic value that give the product its meaning.

Students should also recognize the critical role of ACCCRO in this process. As the creator of the initiative and the owner of the brand, recipe, and certification rules, ACCCRO functions as the brand steward and coordinating authority of the Pastel Bordallo ecosystem. Its role is not only to promote the product but also to establish governance mechanisms that maintain quality standards, coordinate stakeholders, and preserve the territorial identity associated with the brand.

Students may propose different strategic paths, such as maintaining strict geographic exclusivity, expanding production within the city, or allowing controlled expansion to the wider West Region under a licensing or certification model. Regardless of the option chosen, students should recognize that expansion would require ACCCRO to implement clear governance mechanisms, including producer certification criteria, monitoring of production standards, and coordination among participating actors.

The objective of this stage is for students to articulate and defend a coherent strategic recommendation, while recognizing that the future success of Pastel Bordallo depends not only on growth decisions but also on the governance role played by ACCCRO in managing the initiative. This reinforces that the key challenge is not whether to grow, but how to structure that growth without compromising authenticity.

A balanced recommendation is to pursue a controlled growth strategy, maintaining Caldas da Rainha as the symbolic core of production while allowing limited expansion to the west region, under clear governance and quality standards. This approach enables increased scale while preserving the territorial authenticity that underpins the product's value.

5.5. Board Plan

The suggested board plan in TN Exhibit 3 is designed to assist the instructor in guiding the class discussion visually and to organize the analytical process of the case. The board plan is structured similarly to the assignment questions. The board is divided into three areas: purpose/opportunity, stakeholders, and strategic choice.

On the left, the focus is on the purpose of the Pastel Bordallo project and whether there is a real growth opportunity. The instructor begins by asking students to outline the purpose of the pastry for Caldas da Rainha, such as boosting the cultural identity of the city, relating the local gastronomy to Rafael Bordallo Pinheiro's ceramics, boosting tourism, and creating economic opportunities for local businesses. Students are likely to suggest signs of growth opportunities, which the instructor records on the board, such as the amount of tourism, sales trends, and the symbolic significance of the pastry as a product of the city.

The center of the board is used by the instructor to map the main stakeholders involved in the initiative and their respective interests. This section highlights the multi-actor nature of the ecosystem surrounding Pastel Bordallo and helps surface potential tensions between authenticity, economic opportunity, and regional promotion.

On the right side of the board, the instructor guides students in evaluating the strategic options regarding the geographic scope of production. This section allows for comparison of the advantages and disadvantages of restricting production to Caldas da Rainha or expanding production beyond the city. Through this comparison, students explore the trade-off between maintaining territorial authenticity and pursuing greater scale and visibility for the product.

The bottom of the board plan outlines the final recommendation. At this stage, students are expected to articulate what Luís Gomes should propose to the ACCCRO board, including whether the initiative should pursue growth, how production should be organized geographically, and what governance mechanisms ACCCRO should implement to manage the initiative. The board should lead to a clear recommendation supported by arguments regarding growth, authenticity, and governance.

5.6. What happened after meeting?

Following the board discussion presented in the case, ACCCRO did not reach a concrete strategic decision regarding the future of the Pastel Bordallo initiative. Although different positions were expressed, no formal course of action was implemented in the period immediately following the meeting.

In early 2020, the emergence of the COVID-19 pandemic significantly affected the operating environment of local businesses and institutions. As a result, ACCCRO shifted its focus toward supporting its members in response to the challenges created by the crisis. This change in priorities reduced the attention and resources available for the development of the Pastel Bordallo initiative.

Consequently, no further strategic actions were taken regarding the expansion, governance, or repositioning of the product. The initiative remained in its existing form, with limited production and without further coordinated development.

6. Conclusion

The case of Pastel Bordallo illustrates the strategic complexity involved in the development of a place-based brand by a local business association, balancing territorial authenticity and legitimacy. It illustrates that the value of a product is not detached from the ecosystem and how governance decisions made early in a brand's life can both protect and constrain its future development. It illustrates that, for B2B2C models, brand development is not simply a question of scale, but that governance is a key consideration, and that authenticity is a strategic brand asset that must be managed, not simply preserved.

The assignment questions and teaching notes proposed provide the instructor with a structured framework for guiding students through this complex situation. As a pedagogical tool, the case places students in the position of a decision-maker operating under real constraints: limited resources, competing stakeholder interests and no clear correct answer. The structured progression of the assignment questions, from mapping the ecosystem to proposing a governance strategy, is similar to the analytical process a manager would follow in practice. Making this case suited for students of courses in brand management, strategic marketing and place branding, where the goal is not to teach students what to decide, but how to decide.

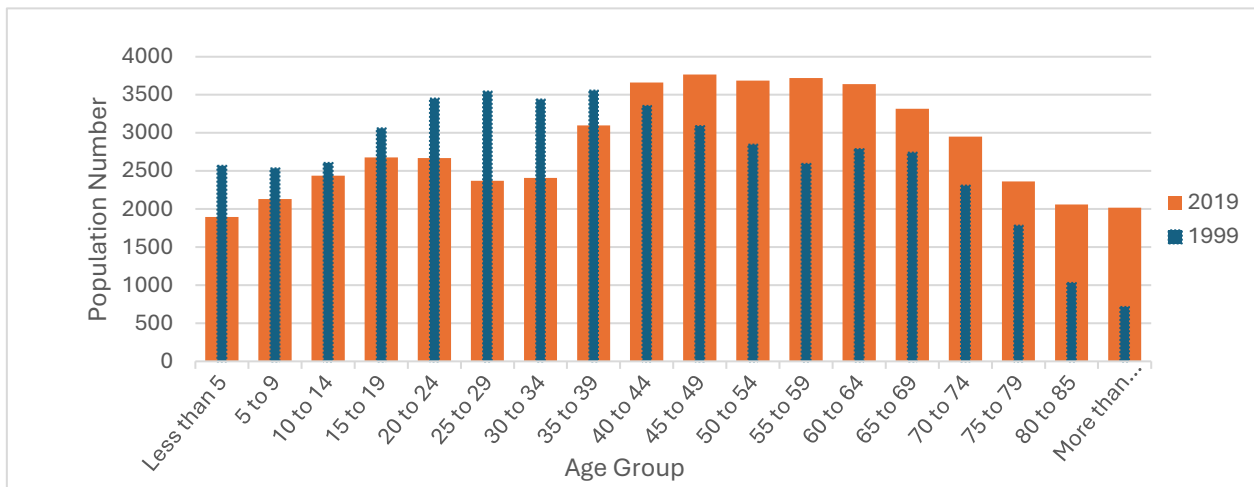
Primary data collection was limited to the former president of ACCCRO, some former board members, a current employee of the association, and one of the two licensed producers. The perspective of the second licensed producer could not be captured, nor were the views of ACCCRO associates or consumers obtained through direct interviews. These missing perspectives, particularly those of consumers, limit the depth of demand-side analysis the case is able to offer and represent an avenue for further research.

In addition, the financial data available for the case was limited, particularly regarding the revenue generated by individual producers and the full cost structure of ACCCRO's operations, which was unavailable to the case writer. This constrains the depth of economic analysis students can conduct and leaves the financial feasibility of the strategic options open to further investigation.

Finally, the case of Pastel Bordallo was analyzed within the context of Caldas da Rainha and the West Region of Portugal. While context-specific, the case provides insights that are relevant to other place-based branding initiatives, including industries such as wine, crafts, and regional gastronomy.

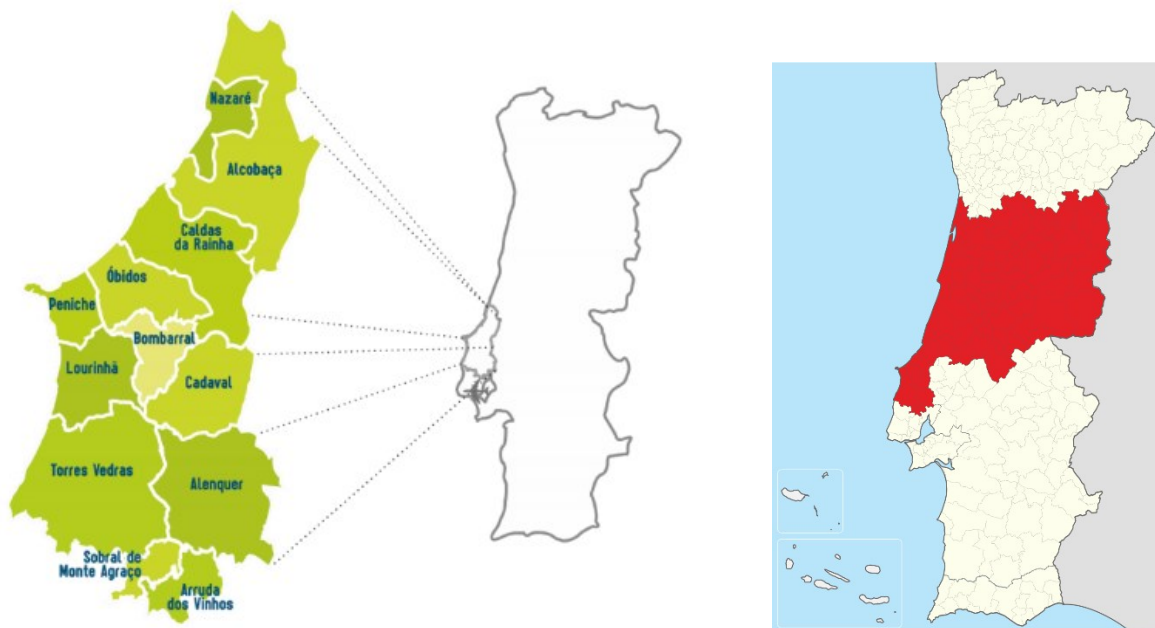
Appendix I: Case Exhibits

Exhibit 1 - Population Age Distribution between 1999 and 2019



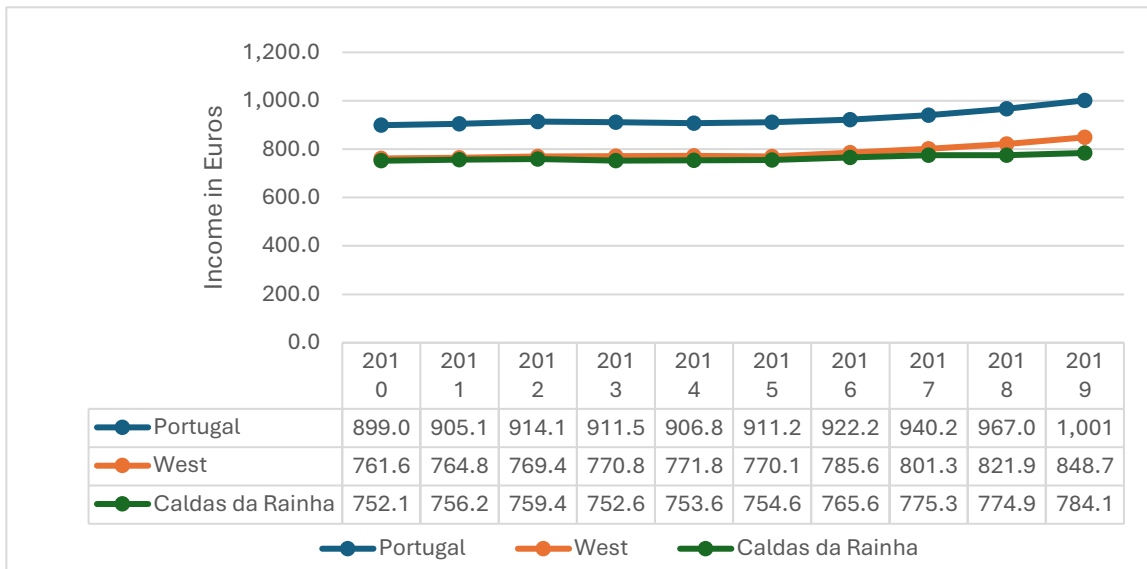
Source: PORDATA

Exhibit 2 - Map of the West Region of Portugal (left) and Map of the Central Region of Portugal (right)



Source: Case Writer

Exhibit 3 - Average Monthly Income



Source: PORDATA

Exhibit 4 - Pastel Bordallo



Source: Association's Media

Exhibit 5 - A Porcelain Figure of Zé Povinho a character created by Rafael Bordallo Pinheiro



Source: Bordallo Pinheiro

Exhibit 6 - Examples of Rafael Bordallo Pinheiro's art pieces



(Left to right): Ceramic Tile work spread across Caldas da Rainha; “*John Bull Poty*”, a political piece that reflected the sense of revolt due to pressure from the England in 1890; “Cabbage ceramic bowls”, infamous ceramic concept of Bordallo and still present in the city’s ceramics.

Source: Bordallo Pinheiro

Exhibit 7 - Trademarked Logo by ACCCRO for Pastel Bordallo



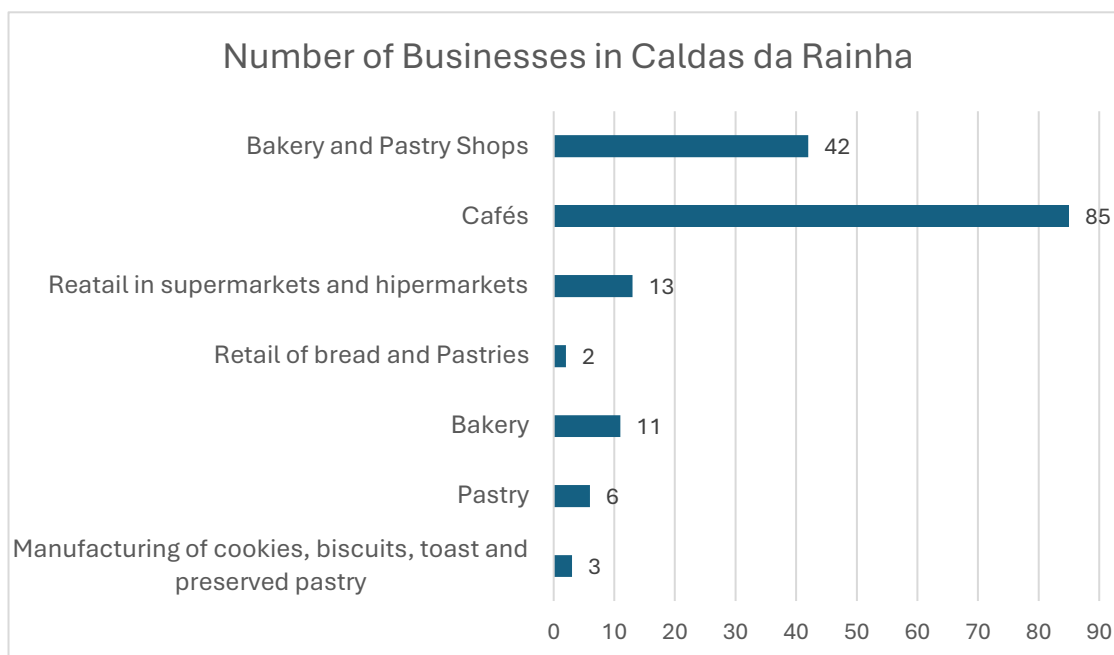
Source: Company Media

Exhibit 8 - Packaging of Pastel Bordallo



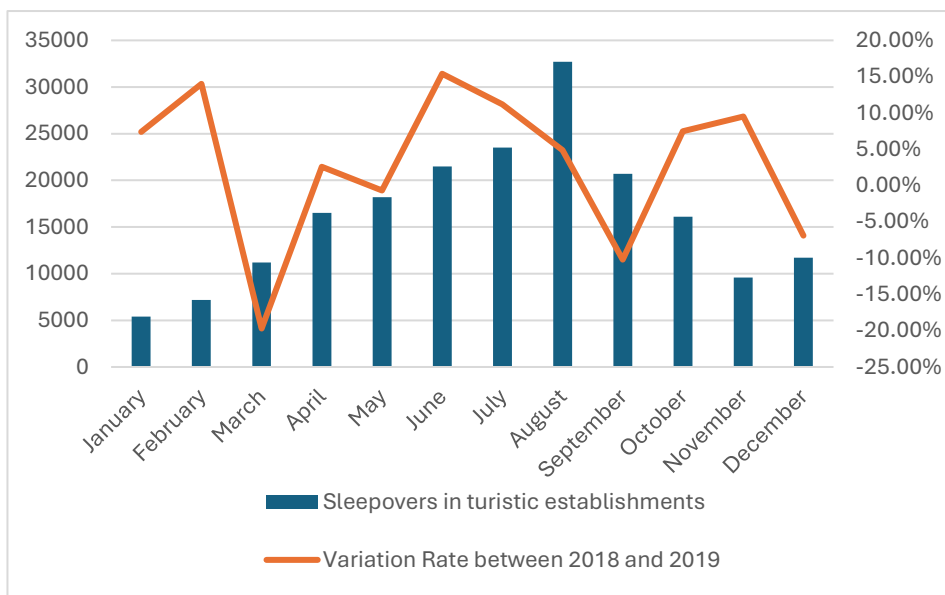
Source: Company Media

Exhibit 9 - Number of Businesses in Caldas da Rainha



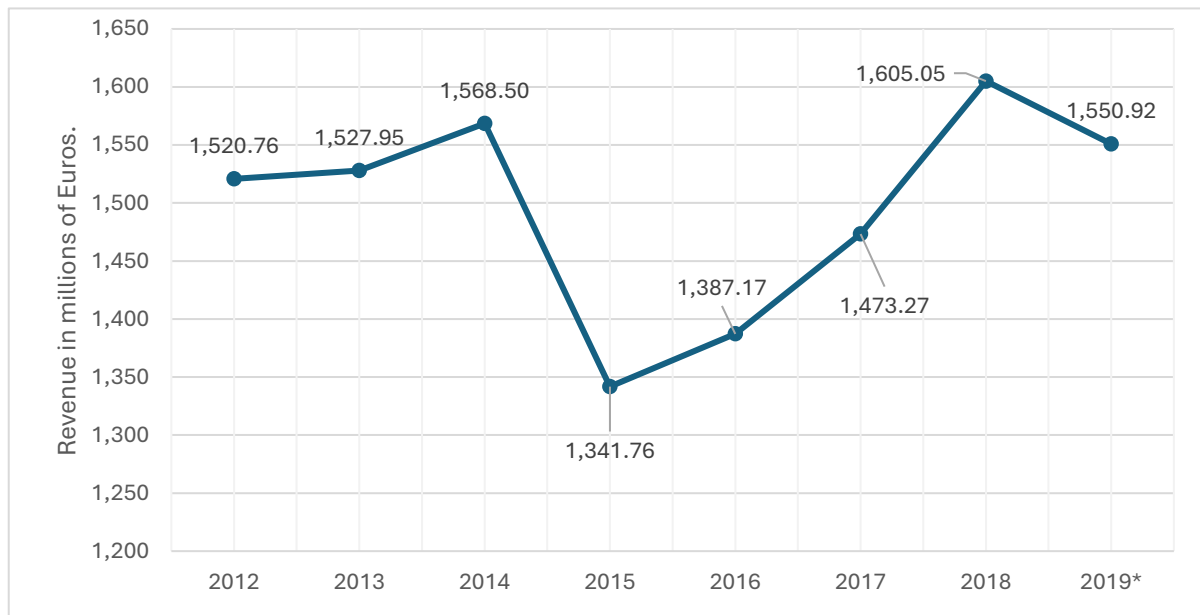
Source: Ciberforma

Exhibit 10 - Tourism Sleepovers in Caldas da Rainha



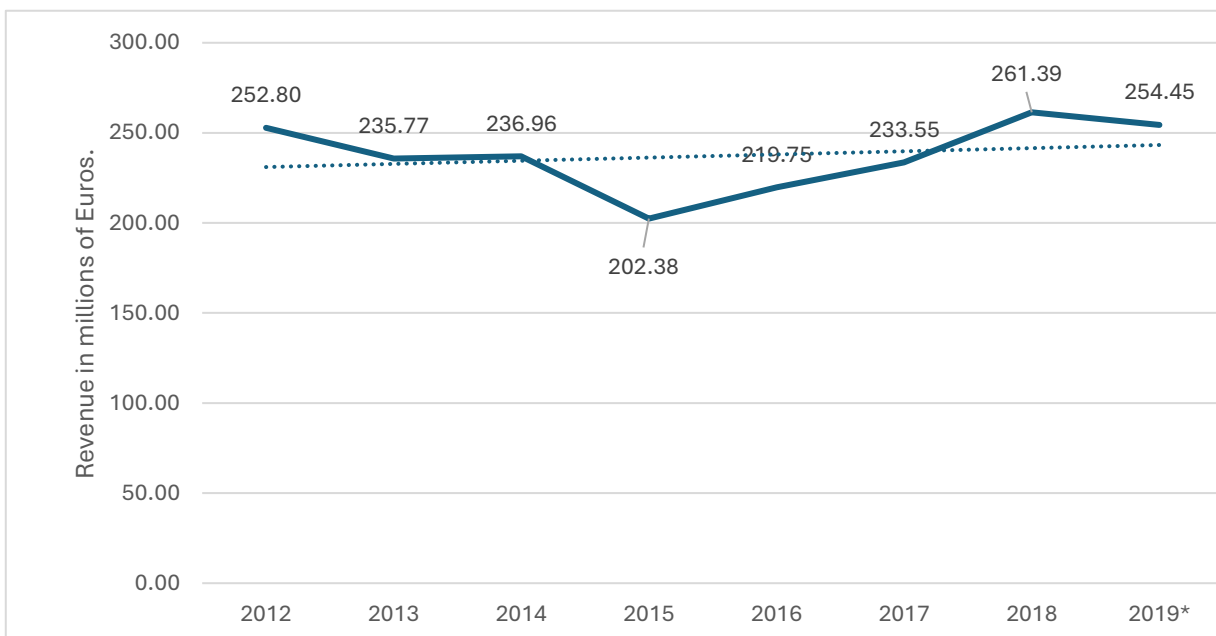
Source: Turismo Portugal

Exhibit 11 - Industry revenue manufacture of bread, fresh pastry goods and cakes Portugal 2012-2019.



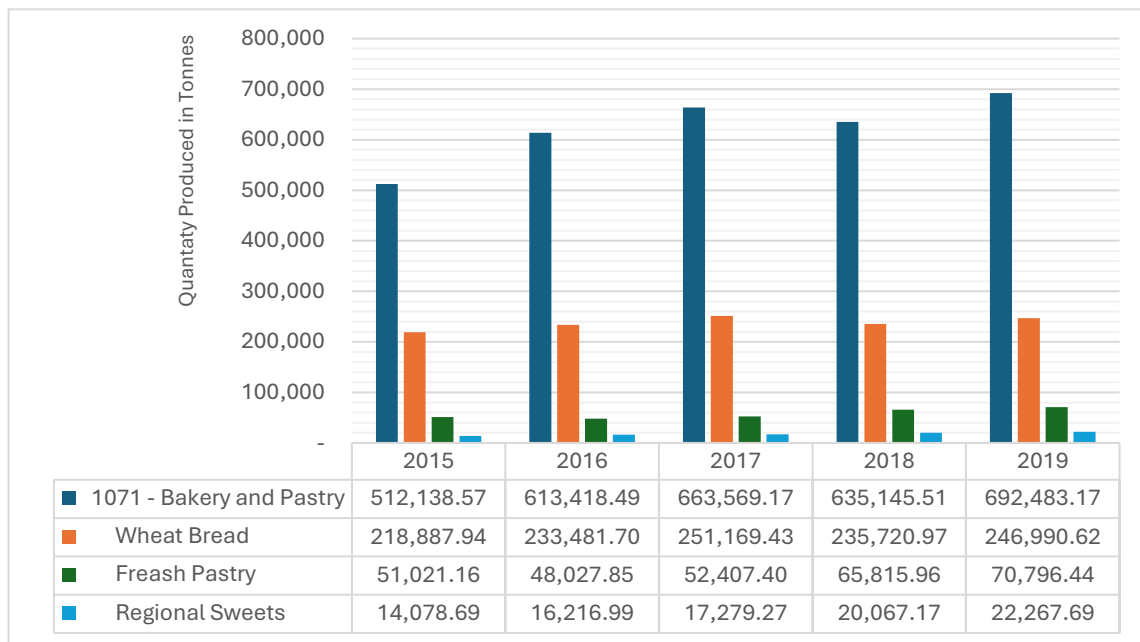
Source: Statista

Exhibit 12 - Industry revenue “manufacture of rusks and biscuits, pastry goods” Portugal 2012-2019.



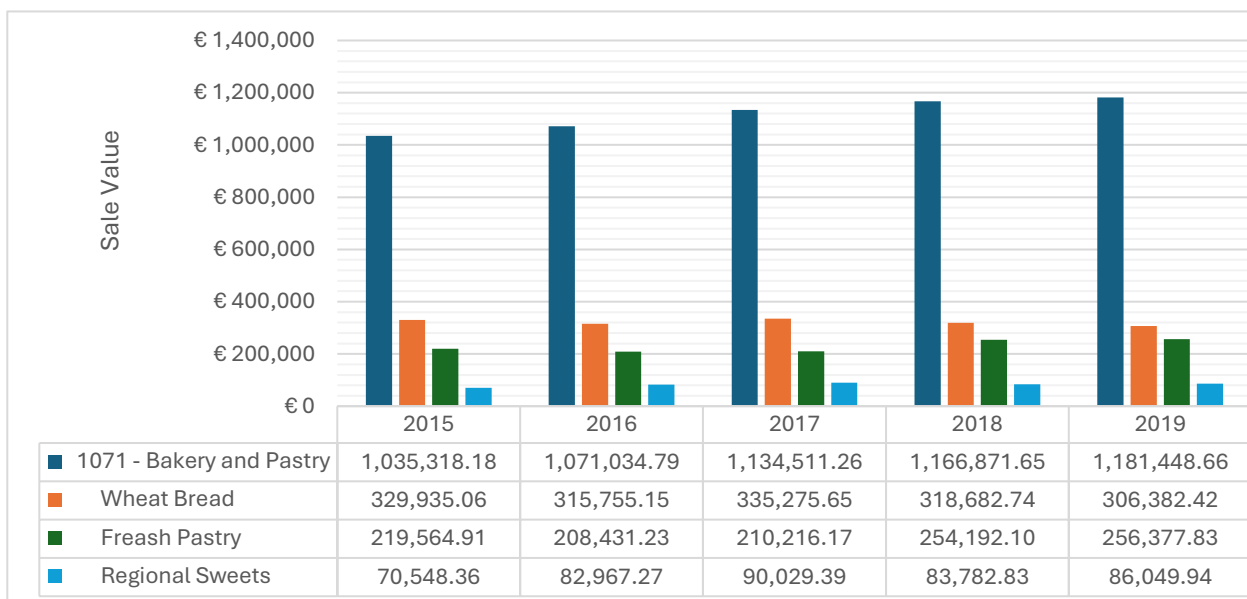
Source: Statista

Exhibit 13 - Quantity of Products produced in the Bakery and Pastry Sector



Source: Instituto Nacional de Estadística.

Exhibits 14 - Sales Value of production in the Bakery and Pastry Sector



Source: Instituto Nacional de Estadística.

Exhibit 15 - Share of women consuming bakery products daily in Poland, Italy, Portugal and France between 2015 and 2016.

Country	% of Women
Poland	93
Italy	92
Portugal	91
France	56

Source: Délifrance.

Exhibit 16 - Composition of Ultra-Processed Food Consumption by Category and Gender

Gender	% of total ultra-processed food consumption					
	Men			Women		
Country	Portugal	Spain	Italy	Portugal	Spain	Italy
Fine Bakery Wares	37%	36%	44%	40%	35%	44%
Composite Dishes	8%	-	8%	9%	-	8%
Cracker and additional bread products	-	15%	5%	-	17%	7%
Sausages	5%	12%	17%	5%	9%	11%
Sauces	-	6%	-	-	5%	-
Breakfast Cereal	8%	-	-	6%	-	-
Sweetened / Flavoured dairy products	-	7%	-	-	7%	-
Water/Dairy-based desserts	6%	-	7%	5%	-	7%

Note: Percentages represent the share of total ultra-processed food consumption attributed to each category within each country and gender group. “-” indicates that the category is not among the most relevant contributors.

Source: Mertens, E., Colizzi, C., & Peñalvo, J. L. (2022)

Exhibit 17 - Ultra-processed food consumption as a percentage of energy intake

Nationality	Gender	%UPF of EI
Portuguese	Women	20.7%*
	Men	16.1%
Spain	Women	23.0%
	Men	22.9%
Italy	Women	13.0%
	Men	12.2%

*Note - The values should be interpreted as the following: 20.7% of energy intake is composed of ultra-processed food.

Source: Mertens, E., Colizzi, C., & Peñalvo, J. L. (2022)

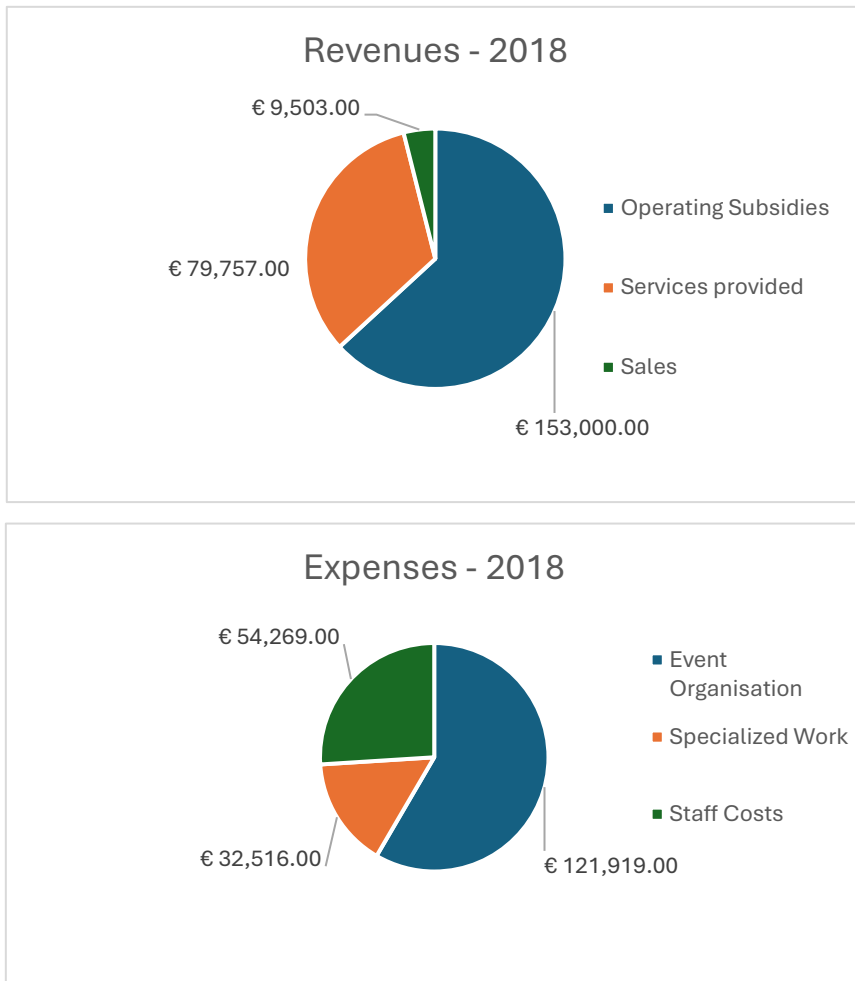
Exhibit 18 - Companies manufacturing bakery and other flour-based products

Region	Number of Companies				
	2015	2016	2017	2018*	2019
Portugal	6,318	6,215	6,137	6,115	6,195
Continente	6,026	5,924	5,845		5,892
North Region	2,048	2,024	1,981		2,029
Central Region (West Region within this territory)	389	375	389		398
Lisboa Region	1,939	1,906	1,853		1,826
Alentejo Region	920	905	895		920
Algarve Region	730	714	727		719
Açores islands	151	156	150		155
Madeira	141	135	142		148
Total personnel at the service	41,906	42728	43635	-	-

*The study was not conducted for the year 2018.

Source: INE - Instituto Nacional de Estatística

Exhibit 19 - ACCCRO's Revenue and Expenses of 2018



Source: ACCCRO.

Exhibit 20 - Study on Regional Pastries and their IP protection



Pastel de Belém, egg custard tart, puff pastry **Origin:** Belém
IP Protection: Private Trademark of the name



Ovos Moles, sweet egg yolk paste in wafer shells **Origin:** Aveiro
IP Protection: Protected Geographical Indication and Recipe



Brisa do Liz, almond and egg based pastry **Origin:** Leiria
IP Protection: No Protection



Pastel de Feijão, almond and white bean filling **Origin:** Torres Vedras
IP Protection: Protected Geographical Indication and Recipe



Penichenses, egg-based pastry (variations exist) **Origin:** Peniche
IP Protection: No protection



Pastel de Cereja, Cherry based filling (Cherry PGI) **Origin:** Fundão
IP Protection: No Protection on the pastry but on the ingredients



Pastel de Nata de Pêra Rocha, Custard tart with local pear **Origin:** Bombarral
IP Protection: No Protection on the pastry but on the ingredients (Rocha Pear PGI)



Pastéis do Lorvão, Almond and egg yolk filling **Origin:** Coimbra
IP Protection: Protected Geographical Indication and Recipe



Manjar de Tornada, Custard-like conventual dessert **Origin:** Caldas da Rainha
IP Protection: No protection



Cavacas das Caldas Egg-based sweet with sugar glaze **Origin:** Caldas da Rainha
IP Protection: No Protection

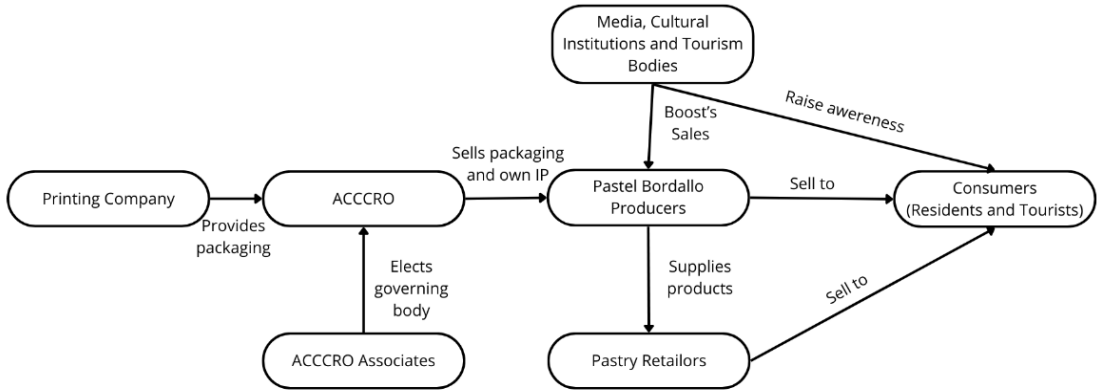


Beijinhos, Egg and sugar confection **Origin:** Caldas da Rainha
IP Protection: No Protection

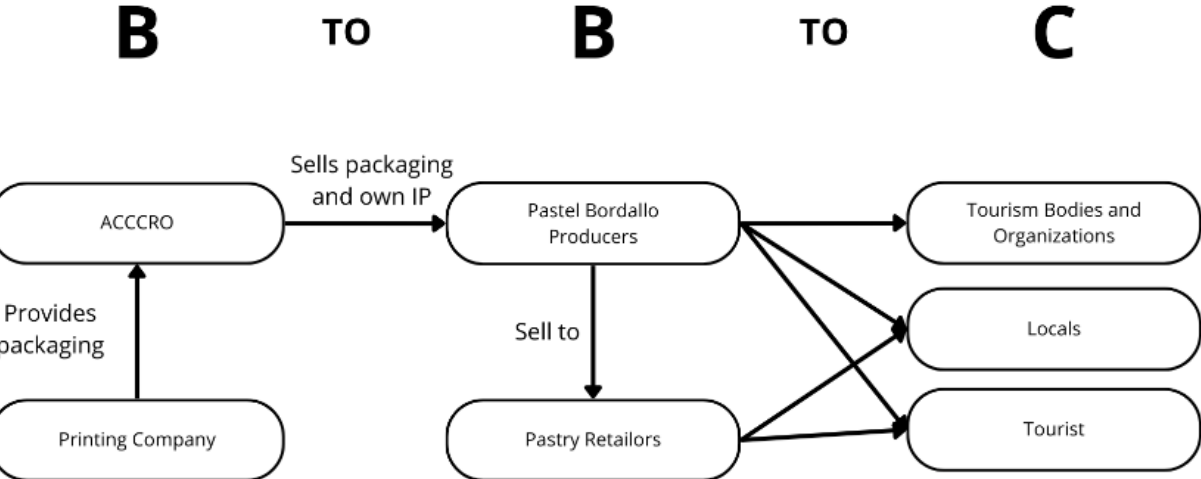
Source: ACCRO

Appendix II: Teaching Note Exhibits

TN Exhibit 1 – Stakeholder Mapping



TN Exhibit 2 – Pastel Bordallo’s B2B2C Model



TN Exhibit 3 – Board Plan

Purpose and Opportunity	Stakeholders	Strategic Choice												
Purpose: <i>What was Pastel Bordallo meant to do?</i>	Purpose: <i>Who is Involved?</i>	Purpose: <i>How should Pastel Bordallo grow?</i>												
<p>Purpose of the initiative</p> <ul style="list-style-type: none"> • Promote Caldas da Rainha • Link pastry to the city’s ceramic heritage • Create a tourism attraction • Establish a regional identity product • Generate economic opportunity for local businesses <p>Signals of growth potential</p> <ul style="list-style-type: none"> • Tourism flows in Caldas da Rainha • The pastry’s role as a symbolic city product • Early sales performance • Potential interest from additional producers • Opportunities for regional promotion 	<table border="1"> <thead> <tr> <th data-bbox="842 411 1055 451">Stakeholder</th> <th data-bbox="1055 411 1417 451">Interest</th> </tr> </thead> <tbody> <tr> <td data-bbox="842 451 1055 531">ACCCRO</td> <td data-bbox="1055 451 1417 531">Regional development, brand coordination</td> </tr> <tr> <td data-bbox="842 531 1055 659">Local pastry producers</td> <td data-bbox="1055 531 1417 659">Revenue generation, participation in the initiative</td> </tr> <tr> <td data-bbox="842 659 1055 738">City / regional authorities</td> <td data-bbox="1055 659 1417 738">Tourism promotion, city reputation</td> </tr> <tr> <td data-bbox="842 738 1055 818">Visitors / consumers</td> <td data-bbox="1055 738 1417 818">Authentic local product</td> </tr> <tr> <td data-bbox="842 818 1055 898">Bordallo cultural heritage</td> <td data-bbox="1055 818 1417 898">Symbolic authenticity and cultural identity</td> </tr> </tbody> </table> <p>Possible tensions</p> <ul style="list-style-type: none"> • Authenticity vs growth • Local protection vs broader economic opportunity • Symbolic cultural product vs commercial product 	Stakeholder	Interest	ACCCRO	Regional development, brand coordination	Local pastry producers	Revenue generation, participation in the initiative	City / regional authorities	Tourism promotion, city reputation	Visitors / consumers	Authentic local product	Bordallo cultural heritage	Symbolic authenticity and cultural identity	<p>Option A - Production restricted to Caldas da Rainha</p> <p>Pros</p> <ul style="list-style-type: none"> • Strong authenticity • Clear territorial identity • Local economic benefits <p>Cons</p> <ul style="list-style-type: none"> • Limited production capacity • Slower growth • Restricted number of producers <p>Option B - Expansion of production beyond Caldas da Rainha</p> <p>Pros</p> <ul style="list-style-type: none"> • Greater production scale • Wider distribution • Potential economic expansion <p>Cons</p> <ul style="list-style-type: none"> • Weaker territorial association • Risk of diluting symbolic meaning • Increased governance complexity
Stakeholder	Interest													
ACCCRO	Regional development, brand coordination													
Local pastry producers	Revenue generation, participation in the initiative													
City / regional authorities	Tourism promotion, city reputation													
Visitors / consumers	Authentic local product													
Bordallo cultural heritage	Symbolic authenticity and cultural identity													
<p>Final Recommendation: What should Luís Gomes propose at the board meeting? Recommendation supported by: Growth rationale; Authenticity considerations; Governance mechanisms.</p>														

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