

---

# Territorial Anchoring and Ecological Transition: A Winning Combination for Agri-Food SMEs?

Ophélie Petiot\*<sup>1</sup>

<sup>1</sup>HABITER - EA 2076 – Université de Reims Champagne-Ardenne – France

## Abstract

In October 2024, the Fédération des Entreprises et des Entrepreneurs de France (FEEF) raised concerns about the increasing number of small and medium-sized enterprises (SMEs) and mid-sized businesses (ETIs) operating at a loss, with figures rising from 19% in 2018 to 33% in 2023 in France. While commercial negotiations have been identified as the primary cause of these financial difficulties, other structural challenges and uncertainties further exacerbate this instability. The COVID-19 pandemic, the war in Ukraine, and the resulting disruptions to supply chains, as well as the return of Donald Trump to power and the geopolitical uncertainties associated with his administration, have profoundly impacted these businesses. This context reinforces pre-existing concerns regarding SMEs, which are widely recognized as essential drivers of economic growth in France but remain highly vulnerable. Their small size and limited cash flow, particularly in the case of family-owned enterprises, further accentuate their fragility, especially during financial crises.

Faced with this climate of uncertainty, SMEs are seeking strategic levers to ensure their sustainability and adapt to a more stable economic environment. Simultaneously, they must respond to the imperatives of the ecological transition, which requires investments to comply with increasingly stringent regulatory frameworks and to meet evolving consumer expectations. To navigate these constraints, SMEs may adopt various approaches, including resource efficiency, local sourcing, biodiversity conservation, product innovation, recycling, and carbon footprint reduction. The latter, in particular, has been widely acknowledged as a major challenge within the industrial sector. However, the transition from financial planning to concrete implementation presents significant obstacles, as the associated costs are often prohibitive. In addition to their constrained financial resources, SMEs frequently lack both the institutional support and human capital necessary to secure funding and operationalize transition-related initiatives. As a result, ecological transition constitutes not only an economic challenge but also a structural one.

Within this framework, territorial anchoring emerges as a potential lever for SMEs to facilitate their transition towards more sustainable practices. This study aims to examine the relationship between the territorial embeddedness of agri-food SMEs and their capacity to engage in ecological transition. The case of the agri-food sector is particularly relevant due to the complex and multifaceted relationship these businesses maintain with their local environments. While some business leaders perceive their territorial anchoring as merely the geographic location of their facilities, others actively integrate into their regional economic and social fabric. Many entrepreneurs develop personal ties with the territories in which their businesses operate, shaping the modalities of their territorial engagement. This anchoring

---

\*Speaker

can provide access to both tangible and intangible resources, as well as foster diverse forms of interaction with local stakeholders, ranging from simple collaborations to complex partnerships. Strengthened territorial anchoring may, therefore, enable SMEs to access financial support, specialized expertise, and institutional networks that facilitate ecological transition.

Nevertheless, in the context of globalization, the relationship between businesses and their territories is undergoing profound transformations. In the agri-food sector, the extent to which territorial proximity is leveraged varies significantly. For some SMEs, territorial resources are not automatically perceived as strategic assets. The increasing uncertainties and regulatory pressures surrounding ecological transition highlight the importance of explicit recognition of these resources by business leaders. Furthermore, SMEs exhibit considerable heterogeneity in terms of size, revenue, governance models, and geographic location. While the majority are autonomous entities owned by a single investor, others function as subsidiaries of larger corporations. While some businesses successfully mobilize financial resources to support their ecological transition, independent SMEs often struggle to do so, particularly when operating in isolation. However, territorial anchoring does not always represent the most straightforward or universally beneficial pathway to ecological transition. In some cases, it introduces additional regulatory constraints or even acts as a barrier to the expansion of certain agri-food SMEs. Consequently, while ecological transition is acknowledged as a strategic priority by a growing number of firms, others continue to view it as secondary to their immediate economic concerns.

**Keywords:** Territorial Anchoring, Ecological Transition, Agri, Food SMEs, company executives