I DÉES FORCES

THE FMCG INDUSTRY IS AT A TURNING POINT
40 KEY POINTS OF VIEW
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We advise companies in the Consumer Goods, Food, and Distribution sectors, which represent nearly 50% of our revenues.

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• Organizations and collaborative structures: sales, factories, R&D and marketing.
• Industrial strategy.
• Supply chain performance and time-to-market.
• Digitizing of the IT function and management of complex projects.
• Product innovation and collaborative innovation, especially with our subsidiary Tilt Ideas.
• Raw materials strategy and risk management.
The FMCG industry is at a turning point.

Full employment and high purchasing power, affordable brands, hypermarkets, advertising, consumer credit, large-scale production... each of these cornerstones of the mass-market model is being shaken up in mature countries, because of an exceptionally long-lasting economic crisis and a deep change in middle-class purchasing behaviour.

The situation fosters “frugality”: consuming less, but better. Overall spending on food is decreasing and evolving, consumers favour raw, cookable products, and 5% of the French population frequently buy from “AMAPs” (associations selling food products from local farms). Purchasing of durable goods is often postponed, and new habits like barter and rental are setting in…

Although it remains dominant, the mass-market model is evolving and diversifying. Innovation is no longer perceived as merely a way to increase prices and margins, but also as a way to improve the affordability of products. Brands are simultaneously addressing masses and individuals. Consumers are becoming experts and advocates on social networks.

Unlike the middle-class in mature countries, the middle-class in emerging countries appears “promising”, with consuming habits that are evolving along with urban and demographic growth. New concerns are emerging, creating tomorrow’s high-growth market segments.

The current order shows that ensuring proper execution is no longer enough. Our VUCA environment rewards daring companies, which bet on their culture and on the autonomy of their employees, and which are led by visionary managers willing to invest on the long term despite obstacles and needs for cost-cutting.

What we are offering Consumer Goods companies are 10 keys to better address the now multifaceted mass-market.

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Far from being the source of concern they used to be in their early days, the retailer brands are now considered as quality benchmarks; the retailers successfully used the premium brands’ marketing levers regarding innovation and brand positioning: tastes, local products and expertise… Retailer brands account for 30% of the turnover of supermarkets’ food shelves on average and up to 40% in drive-through!

The path to food purchase is just at the beginning of a mutation triggered by new or currently tested distribution models: drive-through, fresh product delivery, the virtual departments and their flashable products, short food supply chains. These models affect the offer, the impulse mechanics as well as the purchase moments and frequencies. They are to be considered as threats as much as opportunities for the brands.

**How can the national brands earn the consumer’s preference today?**

The national brands should not rely on the same levers as retailer brands to earn the consumer’s preference, they should rather use their own specific advantages to strengthen and expand their positions: stronger assets to express their personality, a unique knowledge of their consumers and a broader latitude in the choice of their distribution locations.

**From brand identity to corporate personality**

Identity is a level playing field for national and retail brands. From now on, the competition will concern the corporate personality, for the customer no longer buys the “what” but the “why”.

The national brands have a thicker bundle of intangible assets at their disposal to highlight their singularity: relational (tone, personality, key men and women), organizational (history, factories) and human (expertise, know-how).

Whereas the identity is a static vision of the company, the personality reflects it on the move, in its relationship to the world, making the link between present, past and future; it gives meaning to the identity and leaves an imprint on the environment thanks to its singularity.

Via the expression of a personality, the brands succeed in telling a strong and credible story, as it is supported by values experienced in the company. They succeed in convincing the consumers who are weary of marketing slogans but sensitive to genuine and off-the-wall tones. Price sensitivity then becomes secondary.

**Capitalize on category consumer knowledge to create value**

The national brands have a deeper consumer knowledge that enables them to remain one step ahead of the retailers in their category by making good use of the consumer needs and trends. This ability to innovate can result in recipe evolutions as well as changes in packaging (the “signature” yoghurt pot), usage improvements (single dose detergent) or other options like co-branding that can make a difference for the consumer.

**Take advantage of a privilege: the choice of access to consumers**

The national brands have the benefit of a wider access to the distribution points than the retailer brands. It becomes key to organize the distribution in locations that fit with the brand positioning (they might be surprising) and that are representative of the different consumption moments in order to become “top of mind” for the consumer. A premium biscuit brand successfully used this lever by developing its presence in “impulse buying” shelves in different distribution networks. The impact is to position itself as a delightful moment proposition in the time gaps of the consumers’ lives. Following a directly owned distribution channels model, more and more brands create ephemeral stores in high traffic locations or nomadic solutions to capture a traffic or a new kind of audience in an opportunistic way.

**Requirement:** all these levers are efficient only if they are used in consistency with the real added value brought to the consumer who remains the final decision maker!
An 8-day campaign on Youtube’s front page has the same impact as a 30 second TV advert during the Super Bowl! This fact says a lot about the potential of an efficient digital communication. All brands have a website, a Facebook page and a twitter account today... But how many have successfully strengthened their relationship with the consumer thanks to this media? There are 3 challenges to take up in order to build a digital strategy.

**Challenge 1: a content strategy as robust as the innovation strategy**

Today the consumers are better informed and more critical towards the brands. In the wake of fifteen years marked with health scandals in the food-processing industry, they have more confidence in word of mouth, consumer reviews and reports than in mass media advertising. Even though these classic channels are losing in credibility, they still have a sizable impact on sales but they are to be completed with alternative channels:

- Digital is a bargain when it is handled with a well thought strategy!
- To take full advantage of the opportunities offered by digital, a robust content strategy is indeed as critical as an innovation strategy: identify direct and indirect touch points with the consumer, specify the influence territories (blogs, community networks), clarify the specific roles of the different communication channels, define the function and the value of the content adapted to each channel. That requires at the same time specific skills, new tools (like DAM — Digital Asset Management), an organization evolution and a reallocation of 20 to 25% of the communication budget towards digital.

**Challenge 2: reverse the trend of community management**

Even though community management is spreading, it remains a synonym of e-reputation monitoring and correction for many brands. They have nonetheless the opportunity to take much wider advantage of their communities to create value. Deeper analysis of interactions with consumers in each channel gives indeed some leads to develop personalized relationships that cannot be copied. Some – well targeted! – communities can also contribute to the value creation process when led to interact at key moments: choice of the next flavor of a dessert brand, conception of recipes based on a cheese or a biscuit that becomes an ingredient, after-sale service ensured by "expert" customers for small equipment...

**Challenge 3: actively support distributors’ digital transformation**

Providing retailers with rich and complete content for their websites (editorials, pictures, videos…) awards suppliers with a real advantage in the commercial relationship. The content supply can also be considered as a support for direct sales force when dealing with customers who have now become experts.

Beyond the direct sales issue, the challenge for national brands relies on the implementation of a specific digital customer relationship, in the ability to develop a rich content strategy, and in the support brought to retailers in their digital transformation.
Cost reduction: a never ending story?

Rising costs of raw materials, increased pressure from distributors, ever more expecting consumers... Keeping costs under control has never been this crucial regarding mature markets. Cost reduction measures have often been taken by function: supply departments, OEE improvement, material effectiveness... A more global approach reveals new savings potentials by taking into account the value chain in its entirety: from raw material production to customer value proposition.

Optimizing the interface between the industrial supply chain and retailers

It is a first progress cluster to exploit, through cooperative work by players from the same category. This could for instance be initiated by a distributor, joined by all of its suppliers.

Numerous optimization experiences have already been carried out in order to test new supply models: pooling of warehouses from a same category, collecting goods from suppliers on the way back from delivery rounds, etc. The stakes are high, as the results from such initiatives show: 20% stock reductions for distributors, truck loading rates of up to 90%, about 20% fewer trucks on the road... However, none of these practices have yet been generalized by both parties, nor serve as standard schemes for the simplification of supply plans.

Putting distribution costs on the table!

Budgets allocated to services from distributors do not usually appear on an industrial supplier’s profit and loss account. It would however be interesting to compare distribution costs as a whole, both in terms of amount and created value: media campaigns and e-media, merchandising costs, promotional offers, commercial cooperation... which is the fair value of such services for both parties? Analysing returns on investments in order to build up a service purchase policy would be a first step.

Another mean of arbitration for service purchases is geographical selection. The wealth gap between the respective consumption basins of two stores from the same commercial sign is an indicator which is often neglected during negotiations. Does a nation-wide operation on 5 000 m² hypermarkets from the same commercial sign generate the same level of performance across all French regions? Format should not be the only criterion to be taken into consideration.

Taking advantage of consumption trends

Underlying consumption trends should be considered as further opportunities to reduce costs.

The fight against food waste is one of them. With 1,3 Gigatons of non-consumed goods on a global scale, or approximately 30% of the produced food quantity across the whole sector, one can imagine the potential gains for all players...

Another trend: recycling and packaging reduction. Consumers are sensible to packaging costs since they now sort their waste. After the numerous efforts made on over-packaging, isn’t there still more to win through large formats or bulk sales?

These productivity clusters should benefit the entire food ecosystem, from the farming world to distributors… and of course consumers, who would structurally reduce their food budget while maintaining or even increasing the quality of their diet.

Finally, even if there is no end to cost reduction, there are still ethical, competitive and regulatory constraints remaining in terms of quality and added-value for consumers.
Developing a "VUCA-compatible" culture
Volatile, Uncertainty, Complexity, Ambiguity

Regardless of their size or degree of maturity, all players must cope with this changing environment.

Four spheres of action need to be worked on in order to properly navigate through a VUCA world:

Setting the course
First of all, a vision must be provided to teams: the firm’s position on the market, its impact on the industrial model, its level of leadership with respect to its category, its engagement regarding consumer health and safety… Sharing the vision constitutes a team commitment factor, which stands tall despite perpetual change.

Catching and decrypting signals
An industrial player cannot navigate visually in a VUCA environment. Detecting consumer evolutions as soon as possible is vital for anticipating risks and making the right decisions. It is about designing and managing a watchdog system which captures trends and develops a prospective culture.

Numerous industrialists have already established innovation cells that provide a clean break from "classical" operational marketing. Since they do not undergo the same pressure from product launch dates and schedule constraints, such teams perceive trends as new opportunities.

Between responsible consumption and digital revolutions, we are not out of step when it comes to underlying trends which do not only question the product itself, but also the development process and business model.

Agile manoeuvring
In a VUCA world, organization schemes should adapt themselves to market trends and variations. In order to be agile, an organization must first avoid being overly partitioned and allow for the mobilization of all the firm’s professional know-how towards a common goal: to gain market share. The moderation of a reflection forum between R&D, marketing and commercial departments can, as an example, reinforce a given category’s strategy for distributors. Favouring the interaction between supply chain, purchase and industrial functions can help find new competitive potentials… Being agile also means getting rid of historical constraints which, in the end, can lead to disproportionate quality levels. Dropping the service level for some cases can, for example, help optimize the truck loading rate and thus achieve savings on the entire chain.

Developing a strong culture in order to face vagaries
Coping with permanent transformations requires the development of a strong culture based on shared values (cooperation, customer orientation, boldness), supported by exemplary managers and an active HR function (appropriate evaluation system, employee valorisation, right to make mistakes). Instruments for measuring the cultural consistency within a company do exist*. By analysing the perception gaps existing between personal values, values experienced within the company, and desired values, it becomes possible to assess the culture’s state of health, while simultaneously opening up improvement paths.

* VUCA is a term invented by the U.S. Army War College in the 1990s, in order to describe the world after the Soviet Union’s collapse.
Secure margins and loosen the dependence on raw materials volatility

A globalized market, a rising demand due to the growth in emerging markets, a high volatility due to geopolitical or climatic events; these are new facts that food industrialists—whose raw materials account for 20 to 50% of total costs—have to adapt to. Not to mention the fact that, because of the growing pressure from their customers and the ebbing household food budget, stock market price increases while being more and more difficultly reflected on their own prices.

For those industrialists, the aim is thus twofold: securing margins at their best on the commodities while at the same time reducing dependence on those commodities through a differentiated offer.

Secure margins on commodities: a mission for industrialists or traders?

Temptation is strong for industrialists to try and optimize raw material purchase according to stock market fluctuations, when their real value creation is in transformation of those materials and not speculation. Attempts to better the margins by advancing or delaying purchases on the markets sometimes lead to dead ends. Not anyone can become a trader all of a sudden!

There are two main ways one should favor to limit the impact caused by volatility: secure the supply and/or base contracts on the market prices to secure margins, just like what is done in the transportation industry for oil. A growing number of industrialists have understood how interesting such a strategy can be to escape the Three Card Monte during negotiations when every party tries to safeguard its margins. This however requires developed monitoring tools and a flexible kind of buying/selling process. Indeed, it is at the time when the contract is written that margins need to be secured while considering raw material market prices, on one hand to establish selling prices, on the other hand in order to secure according purchases on the stock markets. The cooperation between buying and selling departments is thus crucial to reduce risks linked with the delay required for contract activation or with uncertainty on the volumes under contract.

Create a competitive advantage through cooperation with the upstream players

With a market where supply is outstripping demand, a portfolio mostly made of commodities makes it hard not to suffer from the influence of market forces. When manufacturers are stuck with a margin that is highly depending on stock price, they can find a safety valve with investments in differentiation, while considering the added value on each element of the value chain and not only their current one.

As an example, partnership agreements with producers enabled the creation of new kinds of fruits and vegetables. Within a few years, a new sort of cocktail-tomato has appeared on the shelves, a great number of baby lettuces have replaced the original ones in 4th range and even exotic salmons can now be found in the supermarkets. Evolving consumer expectations are as well numerous opportunities to invest in new market niches: miniature raw-vegetables as appetizers, flat peaches that are easier to eat while walking, not to mention the wide variety of bio branches. This differentiation can also be found in the growing importance of “coproducts” to recycle unused materials, just like gluten which has proven its worth in the sector of animal nutrition for its role in transforming wheat into starch.

Reduce the impact of volatility through differentiation

Downstream, consumer need is a field where differentiation opportunities are abundant: new usage and new packages are part of a brand’s daily routine. However, the differentiation can also relate to the relation and services to the brands. As an example, some fresh product manufacturers use specific containers that ease truck loading when distributors ship to the sales outlets. On the other side, the development of product ranges or that of specific promotions remains under-explored. Industrialists know better the consumer needs in their specific category whereas distributors cater to their clients expectations. Is there no possible field for value creation to make the two visions collide and differentiate a part of the assortment?

▶ Though a reduction of the sensitivity to volatility is vital above all for the industrialist who will have to reinforce its monitoring and secure its margin, it is also an opportunity to expand its relationship with the other stakeholders while focusing on differentiation and innovation in the sector.
What does a French factory belonging to a world leader in its industry do when it is ranked last in its category and wants to take the lead of the group in terms of productivity? What does a manufacturing plant on which the management has lost its authority do to resume a productive social dialog and return to performance?

**Here are 3 principles derived from sociodynamics that help combine social and economic performance.**

**Unify the management team and employees around a shared vision**
Sociodynamics points out the need to bring together the whole social structure around a shared vision of the company, embodied by its leaders. Such a vision can be written in a few lines that express willingness and a goal, at the same time with drawing a long-term perspective aligned with the basics.

Although the vision is discussed within the executive committee, it also needs to be nurtured and reviewed with the working teams. Without that involvement, the assimilation cannot happen.

The management of those events is key to achieving the assimilation. The managers are by function the gatekeepers of the values and purpose of the company and thus carry the responsibility to relay this vision. They have to seize the opportunity to widely disseminate it during every event or internal project.

**Make the intermediate management a stakeholder of the vision’s creation**
Intermediate managers have to translate the vision into actions daily. Sociodynamics defines them as a major link between the institution and the social body. They carry the transformation projects, provided that they are given the required level of freedom and to make their expertise and behavior thrive.

This memo from the owner of a Californian vineyard to its employees is a talking illustration: "I will be gone for 8 months… If you ever feel that you absolutely need to reach me, that my taking care of your problem is crucial, I advise you to lie down. When that feeling is gone, stand up, solve the issue and send me an e-mail to share your solution with me." Relying on a strong and unified management line, holding the intermediate management responsible and gathering the wine-growers around a shared ambitious vision (a world-class quality wine); he raised his vineyard among the top 100 wines in the world since the very first year!

**Renovate the social dialogue thanks to the Go Game principles and the strategy of allies**
Whenever a company or a plant is facing a deteriorated social dialogue because of all kinds of motive impugning, the cohesion cannot be restored by a management style based on unilateral imposition, or by mechanistic rules and processes.

To understand the role of different players and select a strategy to implement, two sociodynamics tools are full of teachings: the strategy of allies and the Go Game. Together with the strategy of allies, the manager analyses populations and their synergies/antagonisms towards the vision. He then looks for the relevant levers to support the allies, gain acceptance from those who remain cautious and reduce the influence of opponents. He will benefit from relying on his allies, giving them support, strengthening them, and trying to find new ones.

The Go Game is an inspiration to build his action strategy: make sense out of the complexity of situations, understand the power relationships, take advantage of opposing forces and keep the initiative. From this comparison with the Go Game derives a principle of action: play an offensive game favoring all the initiatives that help the company’s vision happen, and incidentally play a defensive one to annoy that of the opponents.
The industry-trade value chain: from confrontation to coopetition

In three years, the sale price of a confectionery best-selling good fell by 17%. It is one of the 2,000 products whose price is monitored by consumers and which are hence sold at a distributor margin below 10%. To compensate for this, goods staying under the radar of price comparators are sold with a twice to three times higher markup. In addition to not succeeding in increasing sales volumes, this price war exacerbates the supply imbalances by promoting large companies goods at the expense of SMEs.

On which principles could a new pact of responsibility be founded, shared by all stakeholders of a business value chain, to escape from this value-destructing confrontation?

Taking advantage of the predictability of the demand to use long-term cycles

The demand from mature consumer markets is predictable and no longer justifies the use of short-term cycles. Some initiatives show that it is possible to rethink the commercial relationship outside of its traditional annual cycle. Extending the duration of contracts between the different players of the business landscape to three years is a proven – but still not frequently enough used – solution to spend less time in negotiations and limit the uncertainty on volumes and margins. Above all, it allows all players to consider joint or separate investment perspectives aiming at developing quality and competitiveness for the benefit of everyone: recruitment, employee training, production tools...

Rethink the relationship model to create value

An effective means of rethinking the model would be to move away from the relationship of power one-track approach and to grow awareness of the greater good (consumer trust, imagination connected to the ground, the roots…).

The coopetition1 framework has inspired the improvement plans of the Silicon Valley giants and gives business players a basis on which to capitalize. It describes a relationship of simultaneous synergy and antagonism between two firms, and has the benefit of widening and better dividing the value territory. In order to reach coopetition, a shared vision must be built, emphasizing converging interests, uncontrolled value-destructing areas (deflation, economy of territories, wastages…). Coopetition can be embodied by alliance managers, without any negotiation mandate but vested with a collaborative mission, developing trust, establishing a peer-to-peer relationship without ever finding themselves in a situation of competition or conflict of interest, compensated according to elements of cooperation.

Adapting the regulatory framework to the specificities of different business value chains?

The power relationships between industry and trade have not evolved because of the different laws regulating them. Could a new regulatory framework fix the imbalances between stakeholders?

Until now, every law has considered the distribution players as a homogeneous block, without taking their specificities into account.

The option of segmenting the distributors deserves to be explored. Establishing a distinction between industrials of the agrifood and non-agrifood sectors would allow to better take into consideration their constraints, perspectives and challenges: raw material costs fluctuations, currency exchange effects… The topics of employment and socio-economic responsibility must also be tackled.

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1 concept from Barry Nalebuff, Professor at the Yale School of Management, combining cooperation and competition.
A strategy on a country scale is unthinkable in Africa, the right level is the metropolis one: logistical access, federal government model, differences in consumption patterns… Each African metropolis deserves its own unique strategy.

A capillary “Go-To-Market”
The development of several big shopping malls in Nigeria, like the Ikeja City Mall in Lagos or the recent Ado Bayero in Kano, illustrates the switch towards a “modern” consumption. But this type of consumption represents only 3% of the trade exchanges and will need time to take root.

The choice of a market intervention channel (through wholesalers, an exclusive or non-exclusive distributor, or using its own resources) allows arbitration between a “hot-sale” or a “pre-sale” mode, the latter enabling a better quality of the sale but by means of more sophisticated organization and back-office, and hence higher costs.

These strategies must be executed flawlessly through a rigorous “cash management” (quality of the elected wholesalers, currency volatility, inflation) and an impeccable “truck management” (logistics). Delivery tours must be organized by combining all of these parameters, by taking into account the distance and specific road difficulties, and by trying to include a last criterion: the objective is to be the first to arrive at destination, before the main competitors!

The “metropolis” strategy provides incentives to put “cluster-like” organizational strategies in place, but it is not easier for continent-countries with multiple cultural influences to work together than for the French and British, Hungarians and Czechs to cohabit! The organizational project is the key to success. Topics on skills maximization, team diversity, and managerial foresight in this cultural mosaic need to be tackled as thoroughly as capital expenditures.

The industrial challenge
A branded yoghurt or biscuit is more expensive in Abidjan or Lagos than at the Bon Marché in Paris! Custom duties, logistics expenditures, incredibly high energy costs… everything to increase the end price for the consumer. Is Africa only a territory to conquer, without its own industrial future? Commercial development projects are flourishing, but the industrial issue is often left aside; yet it will be key to be present in Africa in the decade to come, and industrial successes or examples of agricultural valorization already exist. According to an African proverb, the one who rows with the current makes the crocodiles laugh.
Three principles to move from concept to action.

Prioritizing high-risk topics over the stakeholders to prevent crisis

Many companies have been concerned by incorrect evaluated risks which have become lethal: Healthcare crisis, social scandals, misleading consumers... Identifying subjects which, if they become real, could deeply jeopardize the very existence of the company, and launching correctives measures should be the first step.

Those risks have to be measured through the stakeholder prism: suppliers, clients, shareholders, civil society, co-workers. What do they expect from my company? What will they be sensitive to? Some actions could be made on the local employment protection field and others on the raw materials reassurance. All of these topics must be addressed in “quiet” logics without any media impact.

Communication topics should be found in other fields in which practices are truly innovative and in agreement with the values.

Choosing a transformation approach of the sector, beyond the frontiers of the company

A crisis is never clearly located: noticed failures to health standards at one link of the chain will impact the entire sector with a damaged image and lower revenues. Manufacturers and distributors cannot content themselves with drawing and making their suppliers sign a charter of commitment. They will be well advised to make sure that the latters are able to respect those charters and, if necessary, to help them make adjustments. Has downstream traceability implementation not become essential to guarantee the quality of finished goods?

Such policies are synonymous with changes in behaviors between stakeholders: partnerships, listening, and dialog are appropriate.

Making CSR logics levers of business development

Despite a widely known definition of CSR, related growth and development notions are often far from common representations. "Wearing CSR glasses" may enable to identify new business models with growth prospects. Ultra-short chains of fresh products are growing within the bosom of a local consumption trend as part of associations, making a direct link between producers and consumers or dedicated spaces to regional producers in the traditional supermarkets as well. Collaborative consumption appears as an opportunity for a DIY brand to settle as a label of quality and trust, by connecting individuals for risk-free rental.

Depriving oneself of CSR logic is sometimes depriving oneself of what your growth will be based on in the future.

Corporate Social Responsibility (CSR): niche activity or core business?

It deals with reconsidering its growth model so as to better reconcile economic development, environmental respect and social equity. On this matter, companies over 50 years old have a disadvantage against younger organizations: due to their standardized processes and their tried and tested business models, they have more difficulties questioning their way of working.

As a matter of fact, the growing interest of manufacturers is often linked to constraints: Rising costs of energy impacting packaging and transportation costs, desire to positively communicate against “food bashing”. Among all recurrent engagements: development of French or local employment, promotion of traditional skills, traceability and quality, protection of the French agriculture sectors.
frugal innovations. Lack of energy, money or time has led to inventive innovations with a confirmed economic potential in the Banking and Healthcare sector.

The inclusive innovation aims to bring sustainable and quality solutions to the 2.6 billion human beings worldwide earning less than 2 dollars a day: fridges, water purifiers, mobile phones...

Innovation on these models is helping to gain substantial competitiveness in both developed and emerging countries. Those models intend to tackle important issues such as: Do we have to get ready to sell bulk products in developed countries? What are the tangible solutions to reduce food waste?

Increased innovation aims to introduce digital issues in the supply development. In this sector new opportunities are emerging. 3D printing is introducing a major shift in prototyping by reducing costs and lead-times, especially in packaging. Each connected device (a fridge to do shopping online, an automatic cooker preparing meals based on available ingredients) is a source of value and a preferred direct connection with the consumer. The evolution of the shopper route: to what extent does Amazon Fresh or an alternative model to the supermarket modify the daily shopping list?

Opening the door to finding innovative ways to innovate

There is no lack of ideas! Organizations usually are not well adapted to make that kind of innovation. Due to long cycles with many risks and huge investments they cannot be screened with the same indicators.

Collaborative Innovation with suppliers, clients, state agencies, social start-ups, developed countries and emerging countries. Based on their less processed and complex young organizations, they are used to dealing with scarce resources as inputs, they have assets to bring in.

Collaborating with key digital actors: we are not going to gather connected devices and shopping platforms but we will equip ourselves with few of them which will control our whole range of equipment. The challenge for creating those innovations is to identify all key actors with whom to collaborate.

Thus, innovation is a catalyst for the company’s transformation, creating a virtuous circle for a more flexible and adaptable organization.

Innovation is a major key to staying competitive: promoting the brand in a shop shelving competition, achieving consumer preference, distinguishing itself from private labels, reducing costs. Moreover, most of large-size companies have at their disposal impressive well-trained marketing-R&D departments to manage many projects, to efficiently test them and to secure their launching.

Neverthelesst, they are usually facing two main hurdles: 1/ development projects may lead to teams spending costly time in studies and tests. 2/ since pressure is put on the launching date, pure innovation about changing the world is mainly focused on mechanistic and high profitable product development.

Taking into account new innovation drivers: frugal, inclusive, and increased

How to create more value with fewer resources? Thousands of managers are asking this question, particularly in emerging countries, in order to develop...
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