

Food networks, strategies and goals – Examples from SME networks

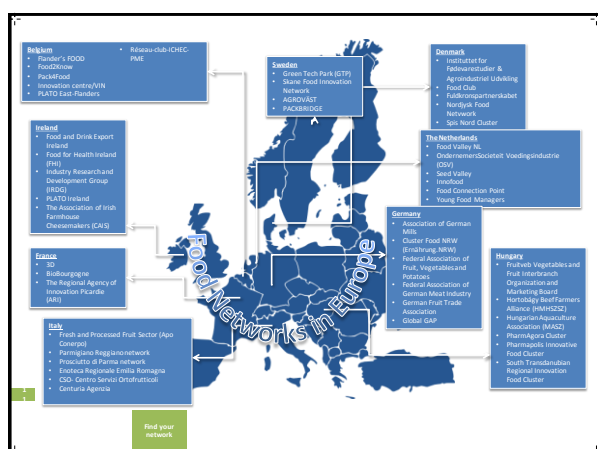
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Agroindustrial Development
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About IFAU

- Founded in 1982 - a private company;
- Core business: market research and strategic analysis within the international food value chain and food networks;
- Collaborates with companies, NGOs, researchers in Denmark and abroad;
- Comprehensive international network
- My background: Master of Agric. - University of Copenhagen
- More information: www.ifau.dk



What do food SMEs expect from networks?

- To meet other SMEs to learn and build self-confidence
- To find new marketing channels, new customers, and business contacts
- Organisers have a professional knowledge level and activities match the need of the SME
- The network's communication supports the SME
- So: a hands-on approach in a professional business development forum designed to the needs of SMEs

The challenges for networks

- To provide a forum that supports the members' goals for the company AND the network participation
- To remain dynamic by adjusting to changing internal and external conditions
- To establish an organisation that supports the network's strategic development

Network activities for food SMEs

- Facilitation of cross-border business development
- Linking local foods to tourism
- Promotional events targeted tourists or local consumers
- Assistance in practical product development
- Competence building and training activities

SMEs' expected output from joining network activities

- Address the professional level of the SMEs;
- Supply chain partners involved;
- Involvement = way to results;
- Outcome that benefits business;
- Number of participants vs. critical mass;
- Support increases outcome from activities

Network activities – promoting local foods



Developing the network

- Establish an identity of the network
- Have a clear goal for the network
- Identify the key member (-groups) for achieving the vision
- Establish something concrete that SMEs can understand and relate to – and is based on SMEs' needs.
- Facilitate building of relationships

Recruiting to the network

Common goals and interests are the basis for creating a strong and coherent network

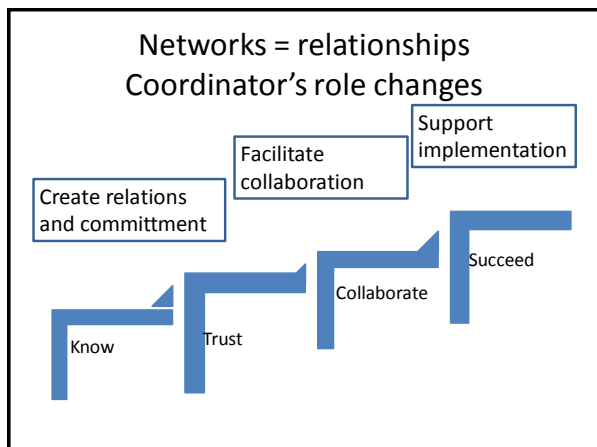
- Consider which partners
 - Are beneficial for the network's development
 - For SMEs' development (as members or ad hoc);
 - Are needed for the network to achieve its goal;
- Challenge: a diverse group of members may reduce SMEs' interest in participating
"what is in it for me?..."

Critical mass is important

- Volume vs. core participants
- Low numbers may drive dynamics (e.g. development work)
- Large numbers provide impact (e.g. markets)
- Satisfy funding agencies, the network's ambition or the members => dilemma?
- Can be achieved within a network or by collaboration between networks

Critical success factors – Management of networks

- Network coordinator with strong social and professional skills;
- Staffs with insights into members' business models and needs;
- Board matches network strategy. Key stakeholders to be included;
- Company involvement – if relevant;
- Project organisation vs. network organisation



SME statements about the coordinator

- Sparringspartner for the SME
- Visionary
- Respects the SMEs at a professional level
- Personal network is very helpful
- Instant and professional problem solving
- Facilitates finding the right persons and competences
- Understands the SME's business model, challenges and provides advice accordingly

Communication is essential

- Internal communication for commitment
 - To keep members informed
 - To support flow of knowledge
 - To support relationship building
- External communication for promotion
 - To promote the network as an organisation and the network's goal
 - To promote the members' business
 - To document results (funding agencies)

Characterisation of successful networks:

$$2 + 2 = 5$$

Everybody else is here;
 The network, activities and contacts are useful;
 The network provides new and relevant knowledge;
 I can use the outcome for improving my business;
 The networks helps me to solve complex issues;
 We share knowledge and experiences openly;
 The more you give, the more you get;
 The network has a professional approach to our business;

Thank you for your attention.

Questions, please?

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