

## Co-create new ideas for future business

11 2016



Procudan invite dairies to "co-creation" of new ideas for future products.

# Co-create new ideas for future business

Current market conditions for dairies are surely known to everybody. Milk has been flooding from the farmers since the 2015 deregulation of the EU milk quota system. Moreover, the wild pace in the previously booming markets of Russia and China among others is slowing down. Historically, the dairy sector witnessed changes and was able to find its way out. On top of to-day's market conditions, however, dairies face changes in consumer behavior.



By Morten K. Andreasen, Market Director, Procudan A/S

The overall good news is that, in general, consumers have a positive view on dairy products. Increasing consumer focus on health and wellness still render dairy products of relevance to consumers. It is about energy, nutrition and, even more important, indulgence. However, consumers are also concerned, insisting on transparency. What is the story behind the product? Is the product free from gluten, lactose and egg? Is it safe to drop the dairy product packaging straight into the bin? All these questions might seem overwhelming. The scary part, nonetheless, is that consumer behavior is changing rapidly.

All this calls for new approaches and novel ways of thinking in the dairy industry. One could ask if this is a job for the dairy, solely? Or, is this an occasion to set up new ways of innovation and continuous product development to secure future business?

#### How to co-create

Procudan use the term "co-creation". It is about identifying your "business friends" and setting up a confidential team of professionals who have a genuine interest in dairy and knowledge of product and business development. The formalities are simply put away by a secrecy or non-disclosure agreement. And since the business team members are supposed to be future partners, business will derive from the innovation process.

From then on, the field is open for discussing business opportunities for the individual dairy. Try to picture the dairy together with Procudan gathering a co-creation forum of partners. Moreover, let's pretend the dairy facing challenges like the ones mentioned above. Now, what would be the discussion subjects of the co-creation forum?

#### Some new ideas...

One topic could be "snacking". The number of times per day for snacking is increasing. Even snacking "on the go" is getting normal. So, how do we develop a "snackable" cheese, tasty and with an on the go packaging? CSK Food Enrichment, Procudan's Dutch partner specialized in dairy cultures, would probably suggest a tasting session over the Flavour Wheel<sup>™</sup> adjunct cultures. Browsing into taste and smell, the forum would focus on communication of senses matching consumer profile and behavior. Choosing the perfect combination, CSK would develop a tailor-made culture solution for the dairy.

Another topic could be "health". We know that a growing number of con-

sumers embrace natural and organic foods without E-numbers. Dairy Safe<sup>TM</sup> cultures are suited for consumers who place great emphasis on organic products without E-numbers. Dairy Safe<sup>TM</sup> is a natural preservation for late blowing defects in cheese (caused by *Clostridium Tyrobutyricum*) and can replace E-numbers like nitrate or lysozyme in cheese.

The "health" discussions might also address the estimate that the average EU citizen consumes only about 50% of the recommended daily portion of fibers. Cosucra, Procudan's Belgian partner within pea products and inulin would introduce ideas of adding inulin called Fibruline® into milk or drinking yoghurt to the co-creation forum. Adding inulin to milk products strengthens the health profile appealing to the changing demand. Cosucra might also introduce the idea of a "breakfast drink" containing extra minerals, proteins and fibres.

### Make it happen!

In this co-creation process, Procudan's role would be about project manage-

ment ensuring implementation of the project goals. All ideas, products and services from various partners could be managed under the "Single Point Sourcing" concept offered by Procudan. The dairy would hand over day-to-day tasks of operation such as securing purchasing, managing logistics, providing online QA documentation and regular project meetings to follow up on performance.

### **Ideas for free**

Depending on internal resources and organizational setup available for product development, co-creation forums are worth considering by the individual dairy. They offer a huge potential of creativity and specific ideas for free. The dairy obtains organized input of technical know-how and documented research on relevant dairy subjects from dedicated partners. When ideas become implementable products, the dairy will have resources and capabilities to run the project and to implement the solutions.

Please visit our website for more information: www.procudan.com.

