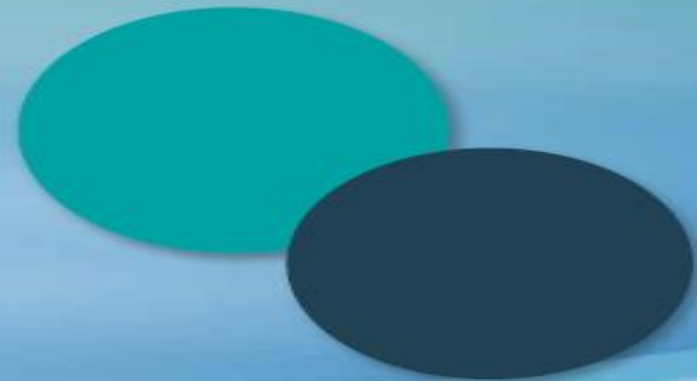


Rapport

Mejeri/leverandørundersøgelse

Foretaget for Dairy Suppliers Day 2016, Danmarks Mejeritekniske Selskab
AF Olav Jull Sørensen, International Business Centre, Aalborg University

Collaboration between Dairies and Suppliers and support to the Internationalization of Dairies



Agenda

Suppliers – the Floor is Yours

1. Global Trends
2. Suppliers' Support to Export and Internationalization
3. Competitiveness through Closer Collaboration and Clusters

Global Trends

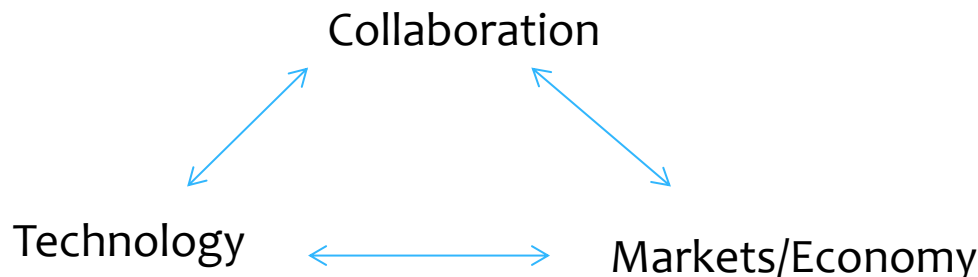
1. Liberalization of trade and investments
2. Global Value Chain perspectives
3. Creativity and Innovation as the key source of competitiveness
4. Coordination, collaboration, and partnership to integrate the global value chain
5. The digital integration of production system (The Internet of Things)
6. The involvement of consumers in development of products and services (Co-creation)
7. Big Data-Era

Global Trends

The drivers of the economy as well as the individual company are:

1. The multiple technologies and their combinations – automatisation, software
2. The multiple market opportunities – geographically and in the sense of business models
3. The multiple collaboration fora with access to ideas, resources and partnerships

These are global trends but also the foundation of the competitiveness of each and every company – the daily agenda.



Suppliers' Support to Exports

Not so usual to consider suppliers as a platform for export adventures

The increase in the use of the global value chain as a management perspective means that most actors in the value chain have good insights into all links in the chain.

What possibilities do suppliers have for supporting dairies to start or develop their export ?

The Situation

1. Many suppliers state that they have nothing to offer
2. Many suppliers are international and even global and thus have much experience related to international operations
3. Many suppliers believe that the Dairies actually think about and work on establishing/developing export. Not something they just talk about
4. Many suppliers state that Dairies to a very little extent turn to them for support

Pre-Export Learning & Preparation

Through the collaboration with Danish dairies, suppliers are helping dairies to prepare for exports

Suppliers reaction to the following statement:

”Most new ideas/solutions we offer to Danish Dairies, we transfer from abroad”:
39% agree to a large extent while another 39% agree only to a small extent.

Respondent: ”Dairies often ask for assistance to copy foreign products”

Respondent: ”By producing products in demand on the selected markets – something we can help to develop, as well as offering more on the marketing side”.

Support to Getting Started

Respondent:

”We invite in general to open innovation, where all PARTNERS related to the dairy, can contribute partly to the clarification of the goals of the dairy, partly to develop/drive the development of the final product, which the dairy wants to export”

Respondent statement: ”An in-depth knowledge of the requirements of the retail market and its global development, based on our world wide presence”

Respondent: ”We are able to provide extended support due to our global set-up, but the interest among the dairies is small.”

The Way Forward

How can dairies take advantage of these offers by suppliers?

Traditionally, small and medium-sized companies follow the "stages-model" when internationalizing, i.e. export to the nearby markets, etc. The suppliers are also operating in these markets and thus a trustful source of information

Tapping into the experiences of suppliers by:

1. Each dairy approach their own suppliers
2. Seminar or workshop with more dairies and/or more suppliers

But there is a limit to what suppliers can reveal as they have customers abroad

Samarbejde og Konkurrenceevne

Suppliers were asked about their interaction with and relations to the Danish dairies.

Suppliers came with a set of proposals for how to improve the collaboration and thus increase competitiveness

The Characteristics of the product/services offered to the Danish dairies

	I meget høj grad	I høj grad
Standardprodukter/-services	4%	25%
Standardprodukter/-services men dog tilpasset kunden	12%	38%
Produkter/services designet specifikt til kunden	31%	38%

The Characteristics of the relations to the MOST IMPORTANT customers among the Danish dairies.

	I meget høj grad	I høj grad	slet ikke & I ringe grad
Vi sælger primært standardprodukter	16%	16%	36%
Vi har løbende dialog og samarbejde om udvikling af udstyr/proces/produkt	20%	36%	8%
Vi har et længerevarende partnerskab	16%	32%	8%

Types of Relations

1. Simple market or transactional relations around standard products that can be bought from a number of suppliers.
2. Concurrent (løbende) and trustful cooperation over more years with suppliers being on call, winning projects, presenting new ideas, but where the cooperation is not framed in an agreement.
3. Long-term and mutually oriented partnership where suppliers serve as the knowledge and innovation center for the dairy and the collaboration is framed in an agreement (preferred supplier)

Both type 2 and 3 will normally have elements of number 1

Suppliers' Suggestions for more Intensive Collaboration 1

Increased/Closer collaboration between supplier and dairy:

R1: Earlier involvement

R2: Closer collaboration (tættere parløb)

R3: More openness

R5: "Not just a simple supplier – but a collaboration partner; as partners we reach further"

R6: "Entered a collaboration agreement as supplier, which has positively strengthened the relations"

Suppliers' Suggestions for more Intensive Collaboration 2

Higher engagement on part of the dairies:

R1: Put more resources into the collaboration

R2: More focus on part of the dairies

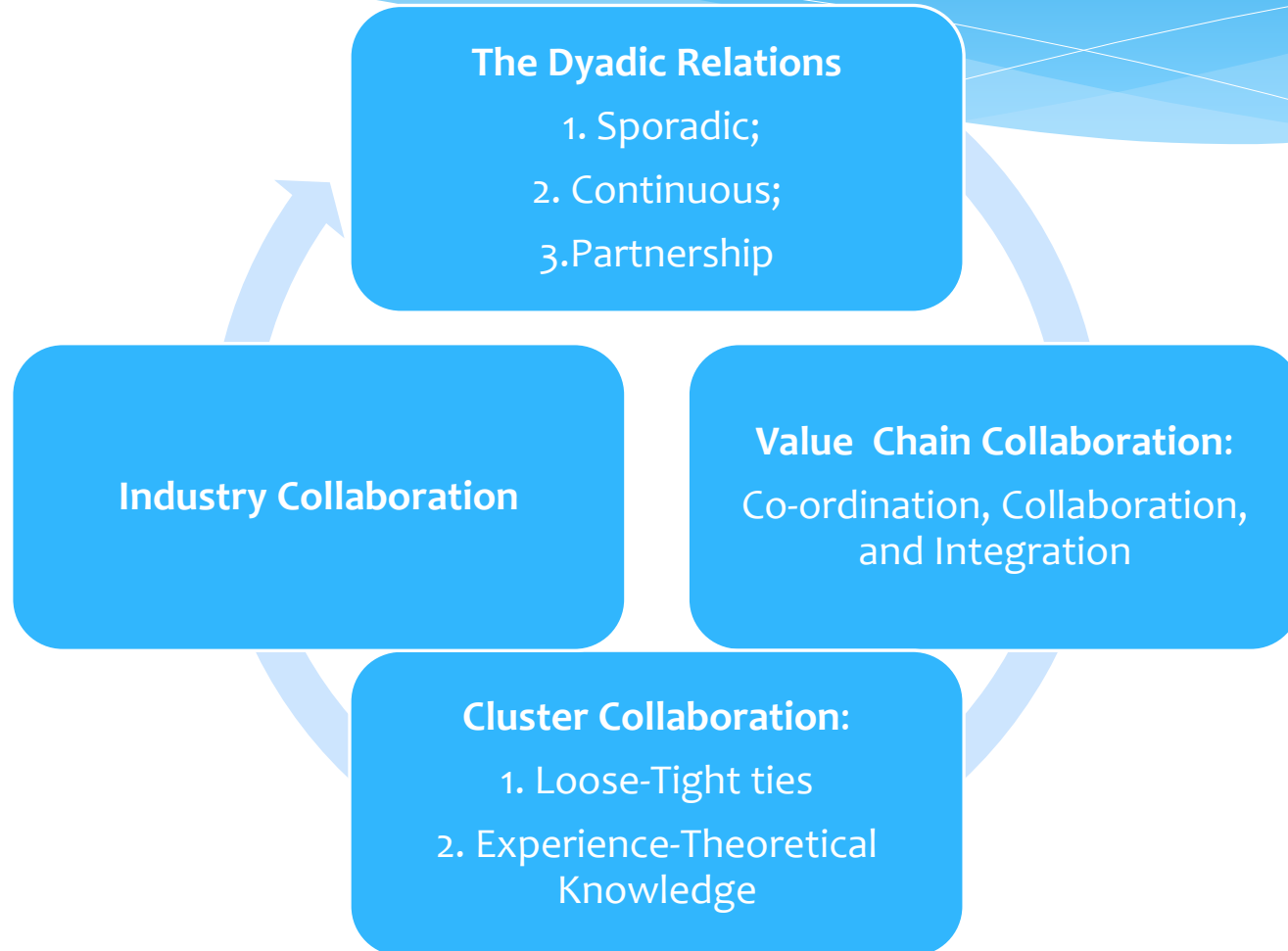
R3: More long-term thinking (longer pay-back time)

Suppliers' Suggestions for more Intensive Collaboration 3

Different Fora for Collaboration

- R1: "More centralized **innovation**, driftsstederne do not all have the time/resource
Competences
- R2: "Common meetings/seminars between driftssteder and suppliers"
- R4: "Exchange experiences with other industries"
- R5: "Engage the actors and resources of the supply chain and thus make it possible
Dairies to harvest the values generated through the collaboration/chain"

Figure 1. The Strategic Collaboration Map



Figur 1. Virksomhedens strategiske samarbejdskort

