International Dairy Research applied in Marketing and Innovation

How Science and Technology power Consumer-Centric Innovation



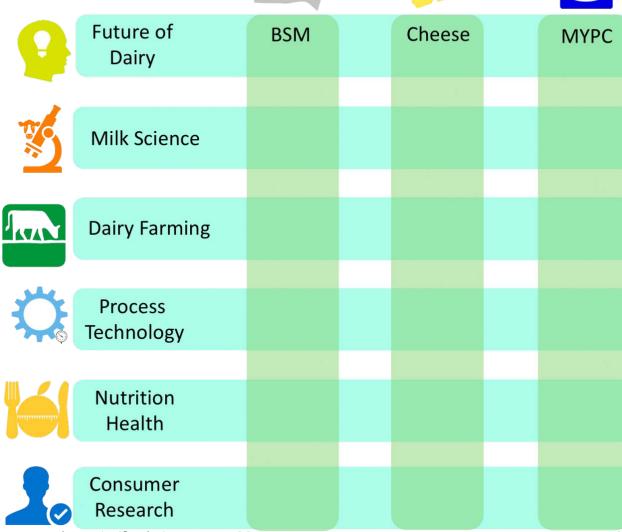
Why traditional R&D Organisations no longer work







- traditional matrix organisation is too slow and not enough consumer centric
- inside the company, all research must be applied to consumer value creating innovation
- company research programs without consumer application do not contribute to the company strategy
- partnering with Industry and Academia is critical to ensure a mid- and long term dairy research agenda
- bringing partners' mid- and long term dairy research results into the company is a big responsibility for Arla R&D employees.



Consumer Centric Innovation Design

- from matrix to consumer-centric innovation design team
- innovation projects based on relevant consumer insights
- fast creation of *minimally viable prototypes*
- innovation projects push boundaries and extend limits, powered by science and technology
- deliverable: minimally viable product.



Minimally Viable Product

- experiment fast, fail early
- generate many data: product data, process data, consumer data...
- don't make it perfect, make it scalable
- build-in all knowledge from different teams and competencies
- connect early to industry and supply chain



Research in Dairy Farming

- animal welfare and sustainability are increasingly recognized by our customers and consumers as important
- our farmers are connected to research results in dairy farming and they improve dairy farming practices year after year
- Arla begins to talk to consumers about the Arla way to produce milk in a respectful and sustainable way
- we stay connected to research in the areas of breeding, robust cow health, cow feeding, milk quality, farming practice, reduction of greenhouse gas emissions and many other related topics



Growing up healthy

- dairy has always played an important role in growing up healthy.
- Arla is present in this market segment with Arla Baby&me and Arla Kids
- we understand and apply the increasing knowledge about the role of dairy protein, minerals and sugars during the first stages of life
- contribution of milk and milk components in the development of healthy bones, muscles and brains is a research field of great interest to Arla.



How do we eat tomorrow?

- eating patterns are becoming more flexible traditional meal occasions are being replaced by small "new meals"
- consumers look for filling meal solutions that will keep them satiated for longer
- what role can dairy and dairy protein play in snacking? How can we create snacking products, which are healthy, satisfying, hunger quenching, energizing, delicious?
- How can we create new taste universes for dairy?



Easy Digestion, digestive Health

- Consumers complain frequently about trouble with digestion and digestive discomfort and pain.
- Milk is sometimes associated with digestive discomfort, bloating and abdominal pain.
- Removing lactose with membranes is a solution for many of consumers who experience digestive discomfort with milk
- Arla Research stays connected to research in the area of digestive comfort and health, where we try to make milk comfortable and easy to digest for all



Dairy Protein

- consumers look for new sources of healthy protein for a more varied diet with less meat
- high-protein dairy products are natural, easy to prepare, delicious and nutritious
- whey and casein proteins allow formulating a wide range of textures, consistencies, flavours and product formats
- Arla stays connected to research in the area of dairy protein, nutrition and foods rich in these proteins



Arla Innovation Centre at Agro Food Park

- designed to enable project work across different disciplines and expertises
- placed in the Agro Food Park competence cluster
- closely connected with local and international partners
- marketing and research partners working in a common environment

