

# Strategies for medium-sized values-based food chains during growth processes

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# Overview

- Introduction
- Business development strategies
- Case study results
- Conclusions



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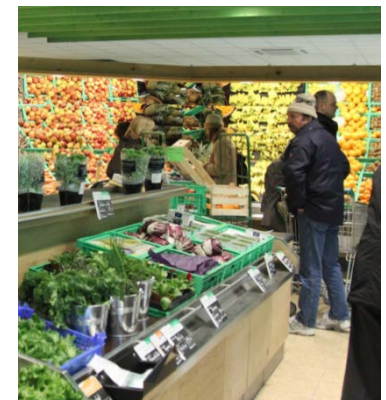
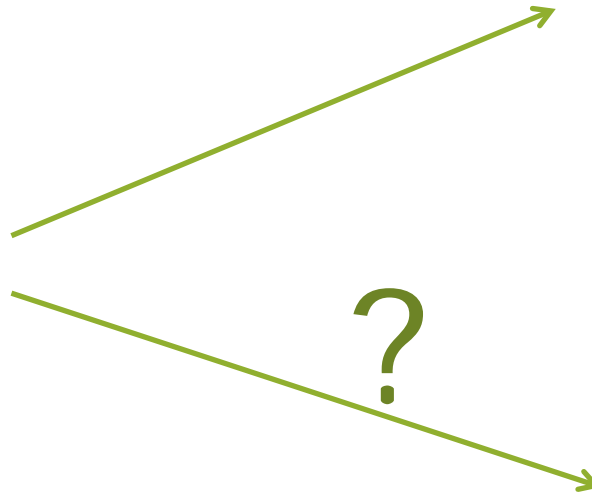


# How to manage the growth process without losing the „organic plus“ values?

Standard organic: No extra values – no premium prices



Easy values-based food marketing



Who to realise?

# Values-based organic food businesses

- Standard organic is not enough for a successful growth of small and medium-size businesses and initiatives.
- „Organic-plus“ is important for the realisation of the marketing of high quality products and premium-prices.
- But! The extra values have to be transmitted to the consumer successfully.
- Common issues for growing businesses and initiatives:
  - Trust (consumers, chain partners)
  - Fairness (staff, upstream, downstream chain partners, animals ....)
  - Reliability and good cooperation between chain partners

➡ Good strategies and well-working instruments are needed!

# Objective and methodology

## Objective

- Analysis of business strategies which are put in place for the management of growth processes of values-based organic food chains.

## Methodology

- Literature review on typical challenges and used business strategies

Testing: Analysis of the strategies of 3 case study businesses asking, „Which strategies are put in place in the real businesses? and Have the strategies been working as expected? „

# Business development strategies

- Establishment of efficient and flat organisational structures, professionalization of management
- Marketing measures
  - High quality production
  - Pricing policy based on fairness, stability/flexibility
  - Promotion
- Sustainability
  - Strengthening the market position
  - Nature conservation, environmental protection, reduced emissions
  - Social engagement, regional development
- Cooperation/good communication with business partners
  - Trust, fairness
  - Transparency, controlling

*Some Examples from  
the review!*

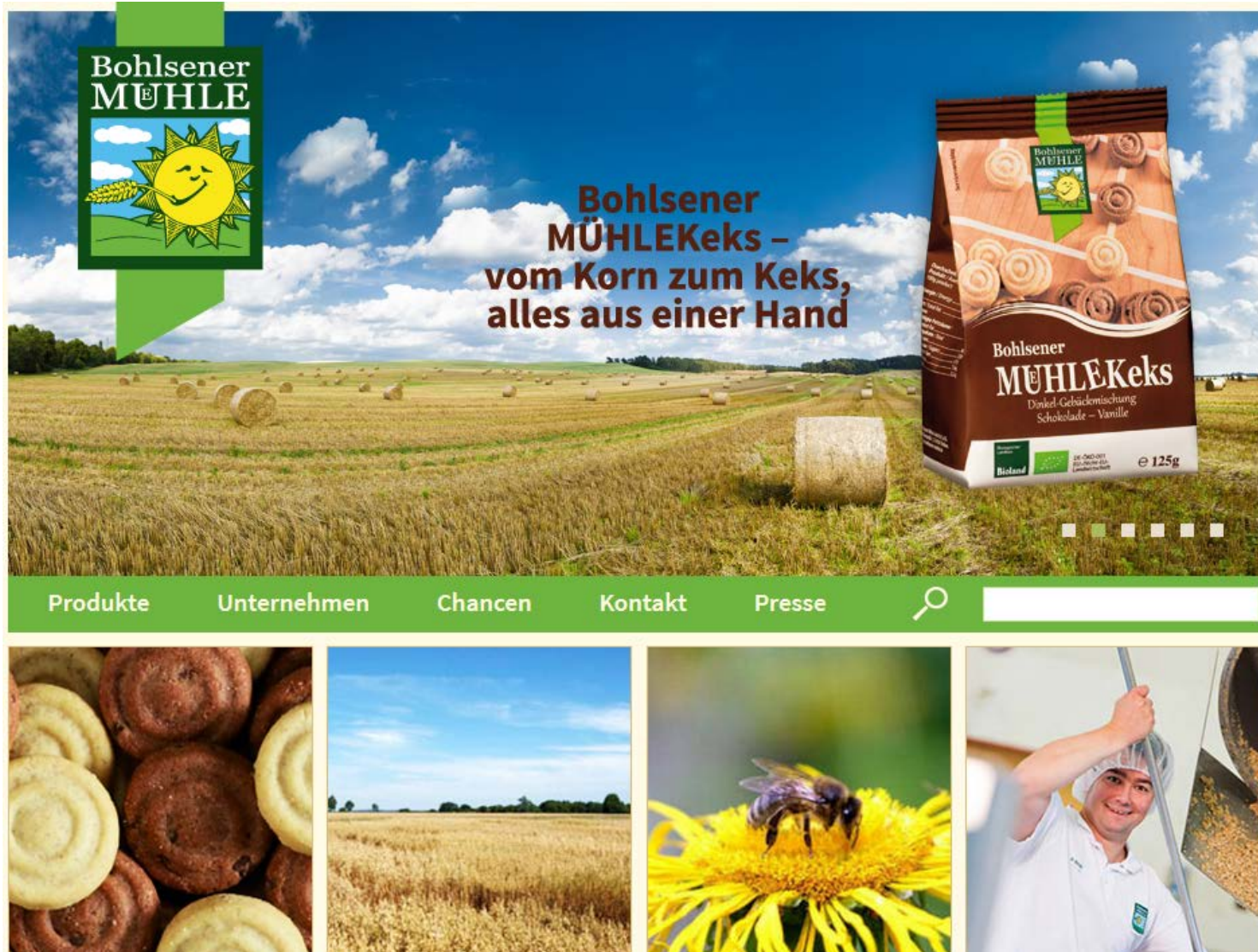


Testing!

# Case study Bohlsen Mill Ltd

Case 1	Type of business	Main values	Strategies
<b>Bohlsener Mühle GmbH &amp; Co. KG</b> <b>(<a href="http://www.bohlsener-muehle.de">www.bohlsener-muehle.de</a>)</b>	<ul style="list-style-type: none"> <li>• Organic mill</li> <li>• Bakery products: flour, seeds</li> <li>• End-user products: cereals, cookies, bread</li> <li>• Employees 160</li> </ul>	<p>“We are a lively part of the society. Our core values are <b>responsibility, trust and openness.</b>”</p>	<ul style="list-style-type: none"> <li>• Sustainability concept based on organic principles</li> <li>• Excellent product qualities</li> <li>• Open for improvements</li> <li>• Reliable business relationship: close cooperation with producers' associations, organic bakeries and Naturkost shops</li> <li>• Regional engagement, socio-cultural events</li> <li>• Appreciative attitude towards staff</li> <li>• Fostering corporate ID</li> </ul>

# Bohlsener Mühle GmbH





Testing!

# Rinklin Naturkost Ltd

Case 2	Type of business	Main values	Strategies
<b>Rinklin Naturkost GmbH</b> <a href="http://www.rinklin-naturkost.de">www.rinklin-naturkost.de</a>	<ul style="list-style-type: none"> <li>Organic wholesaler for fresh foods, groceries, drinks, chemist's products, natural cosmetics; &gt;200 employees; 600 customers</li> </ul>	<ul style="list-style-type: none"> <li>"To be reliable partner: restaurants, shops, catering!"</li> <li>"Regional organic food is our first choice!"</li> <li>„Our logistic systems are up to date"</li> <li>"Providing local income and employment"</li> </ul>	<ul style="list-style-type: none"> <li>Fostering trust: open, fair internal/external communication, participation in decision making, reliable trade partnerships</li> <li>Efficient new cooling and transport systems</li> <li>Informing chefs: "Gastro-Events" on organic food/ cooking for chefs</li> <li>Positive image in the area: local vegetables/ fruits, bakery, meat products</li> </ul>

# Rinklin Naturkost GmbH



Testing!

# Kräutergarten Pommern-land cooperative

Case 3	Type of business	Main values	Strategies
<b>Kräuter- garten Pommern- land e.G. (<a href="http://www.kraeutergarten-pommernland.de">www.kraeutergarten-pommernland.de</a>)</b>	<ul style="list-style-type: none"> <li>• Agricultural cooperative with 76 members</li> <li>• Production and marketing of herbal tea mixtures</li> </ul>	<p>“Growing together!”</p> <p>Cooperation and trust for job creation (team of 10 women)</p>	<ul style="list-style-type: none"> <li>• Production of organic health/wellness products from local agriculture and well known partners</li> <li>• Cooperative spirit between within the team based on fairness and good communication</li> </ul>

# „Herb Garden“ Pomerania



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**Kräutergarten Pommerland**  
Köstliche Kräutertee-Mischungen aus dem Lassaner Winkel  
\* mit Bio-Zutaten von eigenen Feldern und ausgewählten Partnern



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SEIEN SIE DABEI!  
PRESSE  
KONTAKT



**POMMERLAND KLASSIKER**



**JAHRESZEITEN TEES**



**FASTEN- & WELLNESS TEES**



**Neu! Fünf beliebte Sorten  
jetzt auch im Kannenbeutel**



... für alle, die morgens noch zu müde sind, um losen Tee abzufüllen, sich gerne eine große Portion mit an den Schreibtisch nehmen oder ihren Tee am liebsten zu zweit trinken!

*Volle Kanne Tee-Lass!*





# The case studies

- ...show successful businesses representing the centre of an organic values-based food chain and driving the chain.
- Bohlsen Mill and Rinklin grew out of local niche production up to businesses handling significant volumes.
- Kräutergarten has realised the integration of production, processing & marketing; the cooperative's strengths: a strong team, local embeddedness and over-regional marketing.
- All businesses sell organic products with “additional” values: “organic plus”.



+



Organic  
premium  
product  
marketing



# Clearly defined business strategies of the three cases

- ... were the basis of a successful growth process.
- ... secured distinct values adapted to the chain and the type of products.
- ... built on appropriate volumes of high-quality, differentiated, market-engaging food products.
- ... are coupled with value-adding stories of the region and regional practices.
- ... are drivers of the chain's development enhanced by trust, transparency and win-win relationships between chain partners.

# Finally

- Successful food value chains show effective supply chain management and environmentally friendly production and logistic systems.
- Values-based food chains
  - relate to social and regional economic engagement, and
  - aim to claim regional embeddedness of businesses and initiatives.

# Thank you!



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[www.coreorganic2.org](http://www.coreorganic2.org) oder [www.hnee.de/HealthyGrowth](http://www.hnee.de/HealthyGrowth)

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