

International Congress on Promotion of Traditional Food Products

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Networking as leverage for increased innovation capacity in chains of traditional food products

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Background

- Innovation \Rightarrow Ongoing process – learning, searching, exploring – result: new products, processes, markets and organizational forms
- Locus of innovation \Rightarrow Chain-Network \Rightarrow value creation
- Chain network \Rightarrow vertical & horizontal



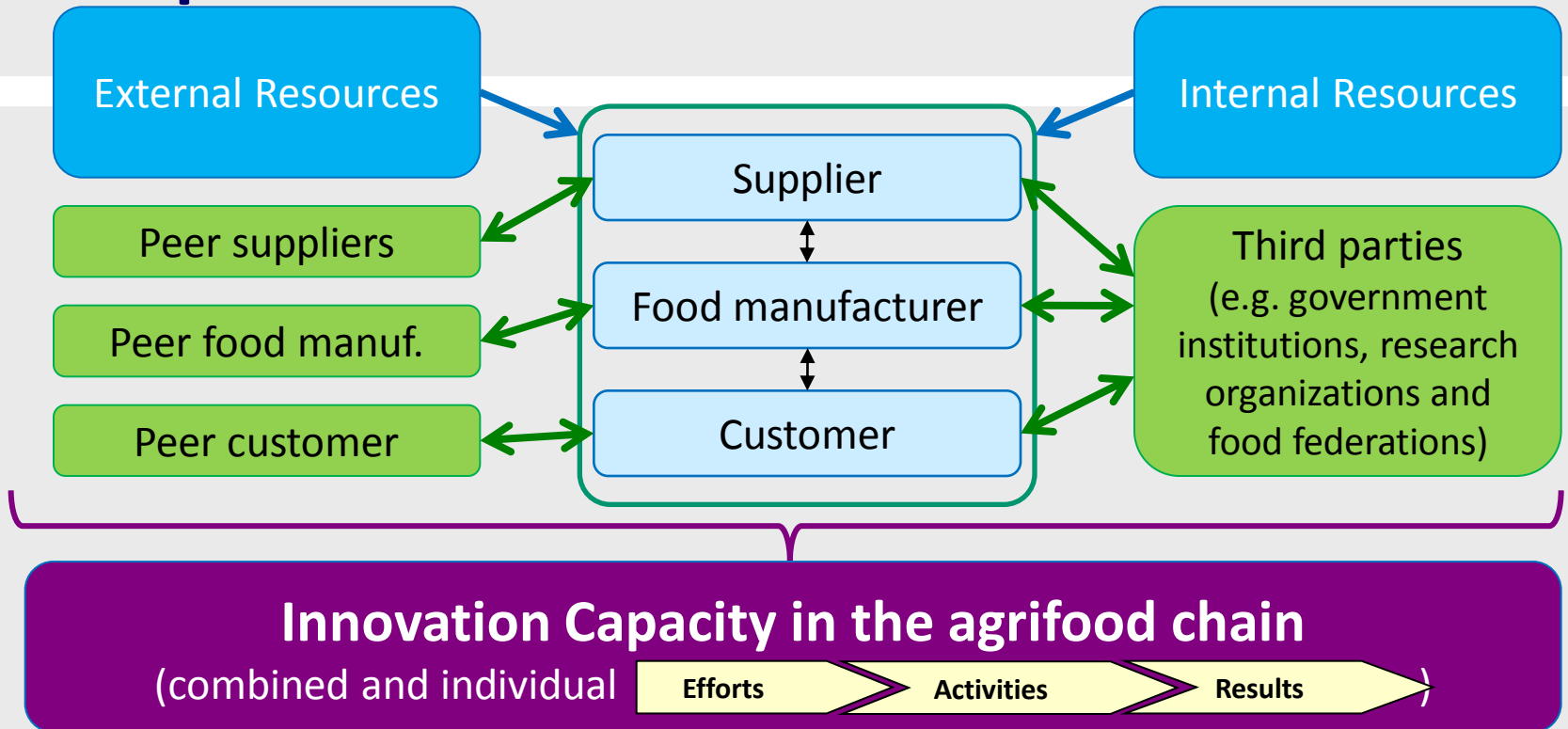
Traditional food products

- (1) key production steps must be performed within a specific spatial location (national, regional or local);
- (2) authentic in its recipe (mix of ingredients), origin of raw material, and/or production process;
- (3) commercially available for at least 50 years; and
- (4) part of an identifiable gastronomic heritage.

(Truefood-project)



Conceptual Framework



Methodology

- 3 European Countries
- 270 face-to-face interviews ⇒
- Dec 2007 – June 2008
- Multivariate data analysis & Bir regression
- In frame of TRUEFOOD project



Integrated Project financed by the European Commission under the 6th Framework Programme for RTD, Contract n. FOOD-CT-2006-016264

Innovations in traditional food products

PRODUCT INNOVATION:

- Changes in product composition
- Package innovation
- New combinations
- Use in processed food

PROCESS INNOVATION:

- For improving quality assurance and traceability along the SC

MARKET INNOVATION:

- Use of alternative distribution channels
- Supporting marketability of traditional food products

ORGANIZATIONAL INNOVATION:

- Joint product development
- Innovation networks

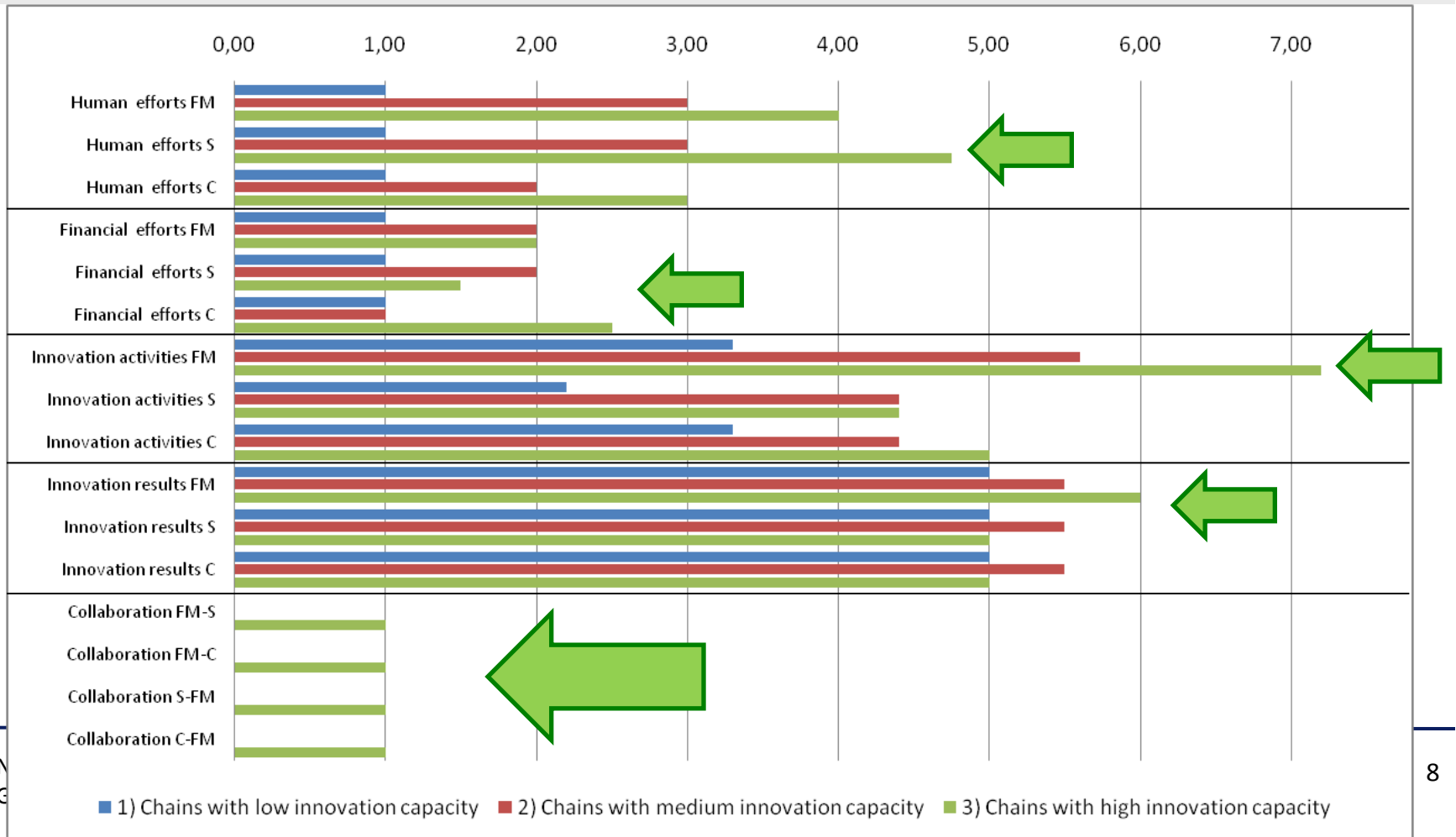
Sector's innovation activities match with consumer's acceptance

- Innovation → ← Tradition ?
- Success only if consumer's acceptance
- Accepted ⇒ Improvement of:
 - ✓ Quality, Packaging, Convenience
 - ✓ Market & Marketing




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Innovation capacity in traditional agrifood chains

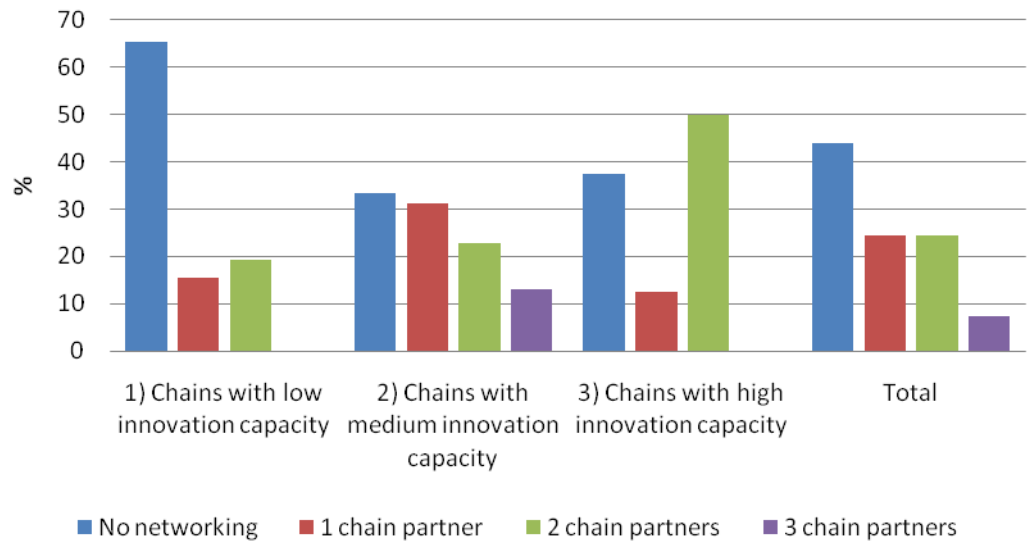
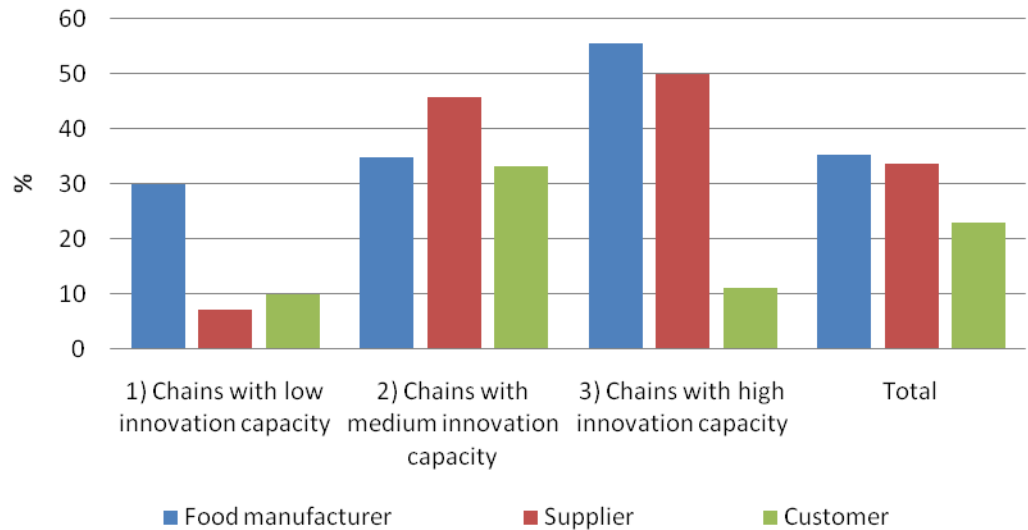




Networking with peers



- Networking activity per chain partner / cluster 

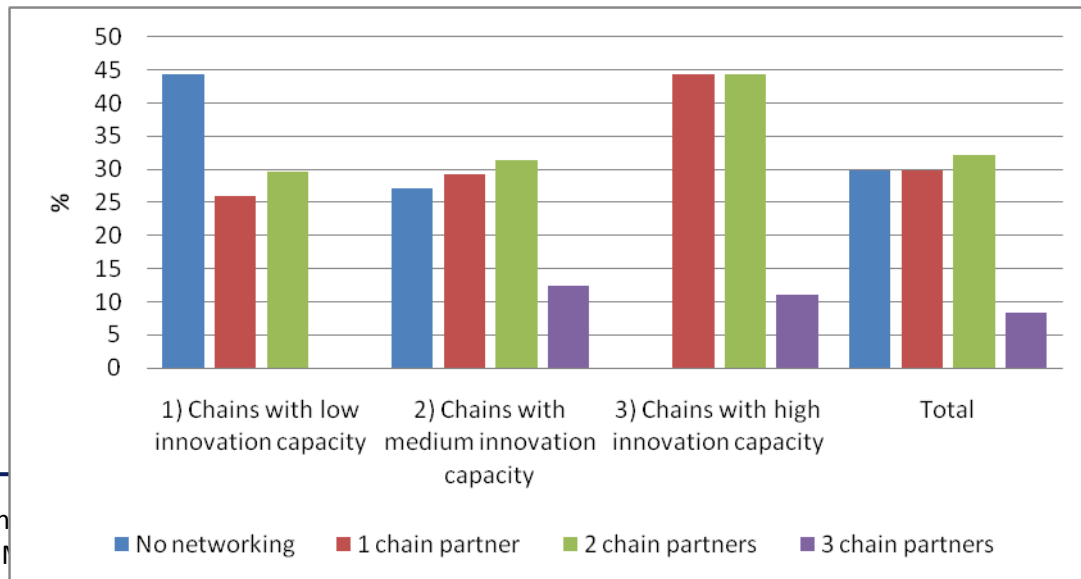
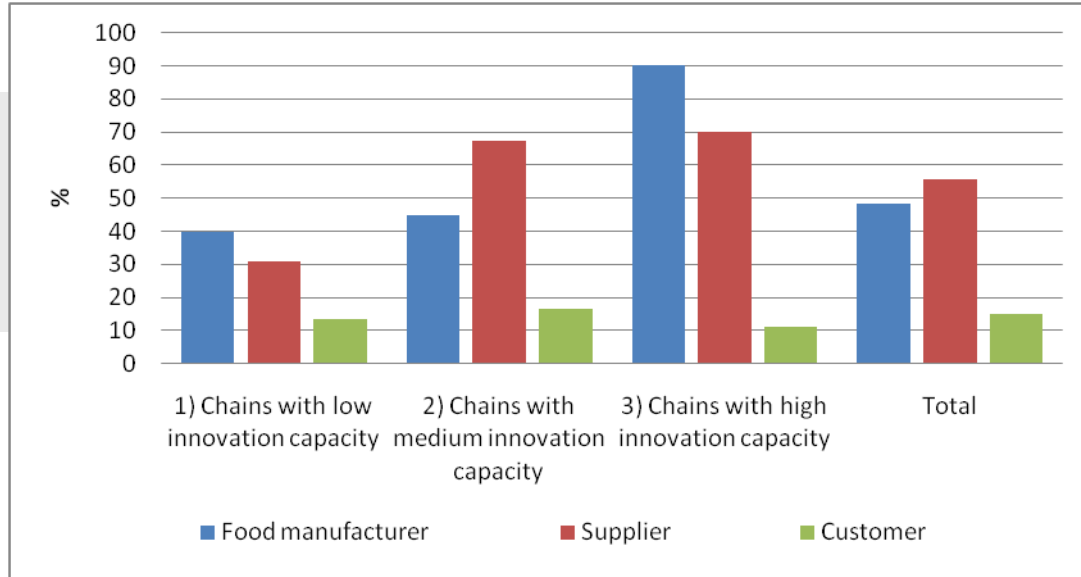
- Intensity of networking per cluster 





Networking with third parties

- Networking activity per chain partner / cluster 
- Intensity of networking per cluster 



Influence on innovation capacity

	Chains low IC	Chains medium IC	Chains high IC
Peers – FM	+	-	
Peers – Supplier	- - -	+ +	
Peers - Customer	- -	+ + +	
3 rd party – FM		- -	+ +
3 rd party – Supplier	- -	+ +	
3 rd party - Customer			

Conclusions (I)

- **Innovation applicable to traditional food products**
⇒ Product characteristics and Markets/marketing
- **Overcome barriers by collaborating vertically and horizontally**
- **Access to external sources of innovation of all chain partners** ⇒ very important

Conclusions (II)

- **Important that all chain partners intensively network** ⇒ vertically & horizontally
- **Vertical Collaboration** ⇒ positive effect on innovation capacity (IC)
- **Horizontal Collaboration** ⇒ can compensate lower vertical collaboration ⇒ positive effect on IC

Future Research

- Effect of networking on specific types of innovation applicable to traditional food products
- Network connections with peers and third parties of other chain partners
- Explore effect of intermediaries and government for innovation in traditional food products

THANK YOU FOR YOUR ATTENTION

