



DANISH
TECHNOLOGICAL
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Trends & drivers of change in the European food and beverage industry

Developing scenarios for the European
Foundation for the Improvement of Living and
Working Conditions

VIDENUDBIKLING

VIDENANVENDELSE

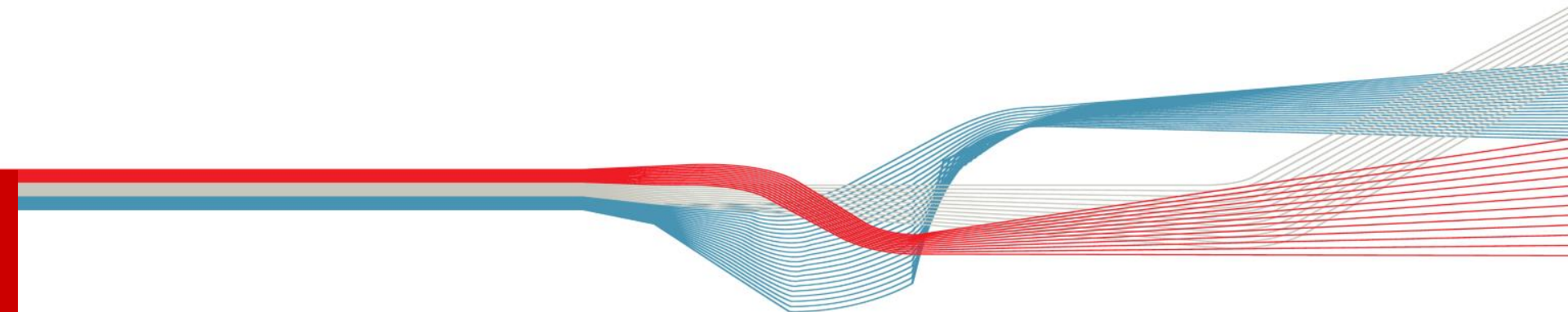
VIDENOVERFØRSEL

Chief consultant Henrik Noes Piester
Danish Technological Institute
OSHA Foresight workshop
Bilbao 28th October 2008



Agenda

1	Method: A trendbased approach to developing scenarios
2	Example: Scenarios for the European food and beverage industry
3	Strengths and Weaknesses
4	Conclusions
5	Questions

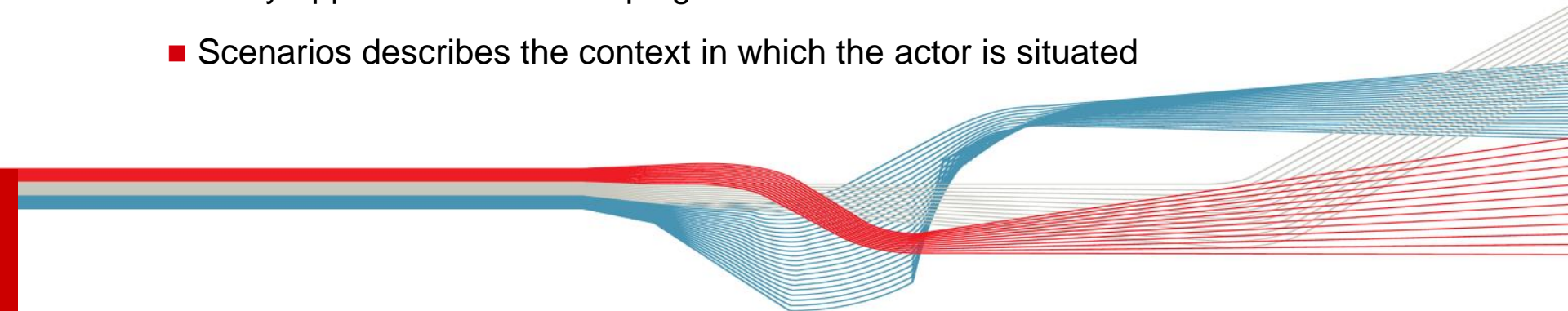




Scenarios

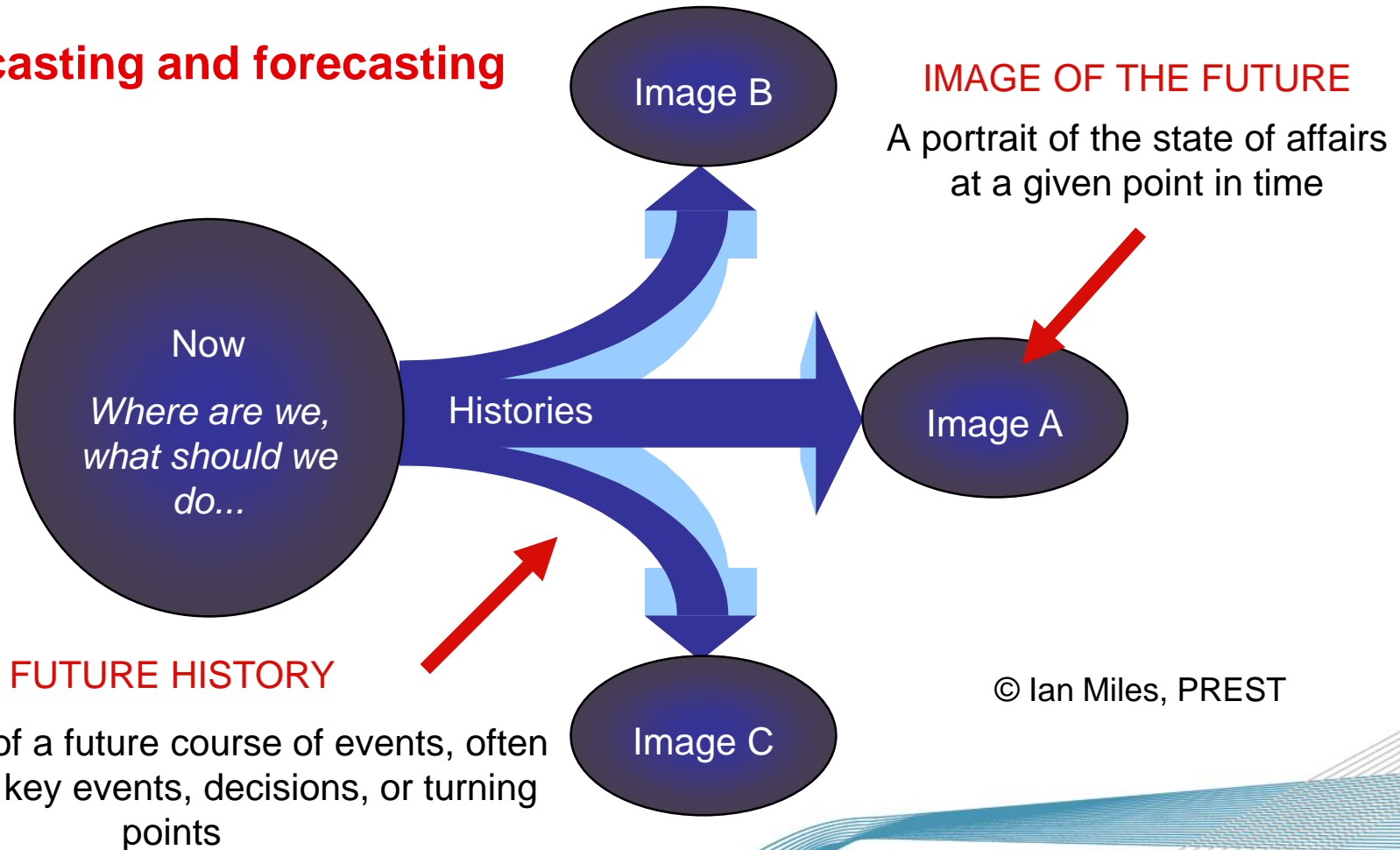


- Scenarios = alternative futures. Not looking into a crystal ball but platforms for reflection
- *“Stories of the inevitable and necessary recombined with the unpredictable and matters of choice”* (Ulrich Golüke)
- Many approaches to developing scenarios
- Scenarios describes the context in which the actor is situated





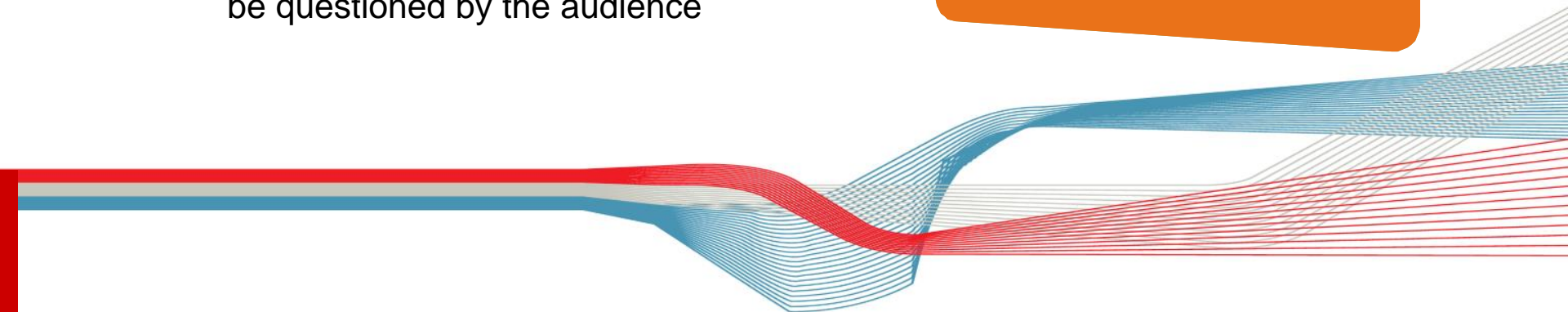
Backcasting and forecasting





The backbone of scenarios - drivers

- Different scenarios are created on the basis of drivers that are at the same time the **most important**, yet **uncertain** factors that influence the topic of the scenario exercise
- For instance: demography vs. consumer trends
- Often two drivers to keep things simple – sometimes 2+ drivers to get more input to the development of scenarios
- Scenario development involves many choices (eg. selection of drivers) that may be questioned by the audience





Developing scenarios – a trend based approach

Data collection – desk
research, statistical data and
interviews



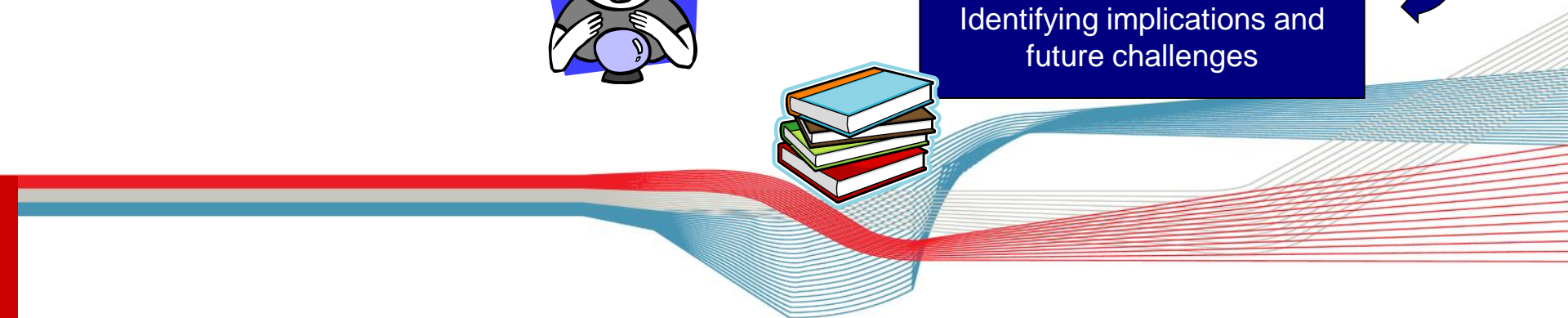
Analysing trends and
identifying drivers of change



Developing the scenarios



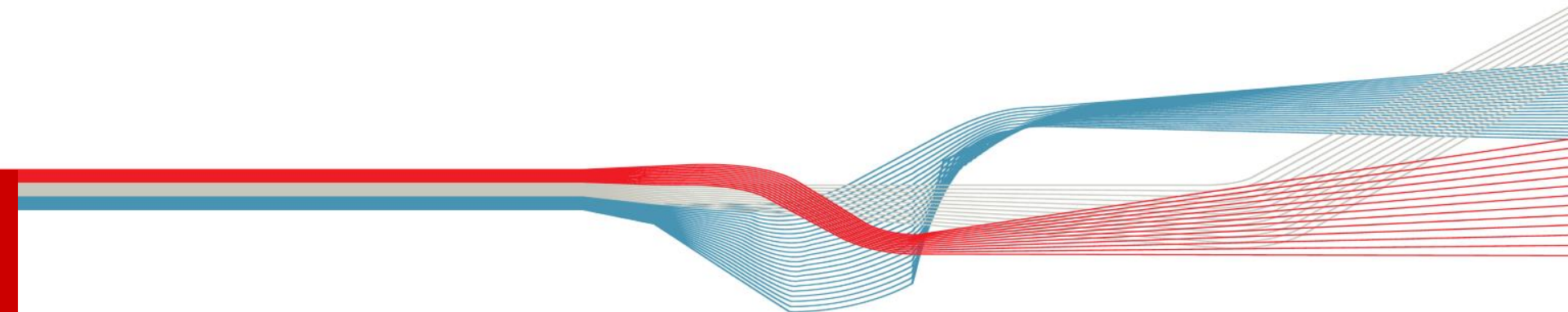
Identifying implications and
future challenges





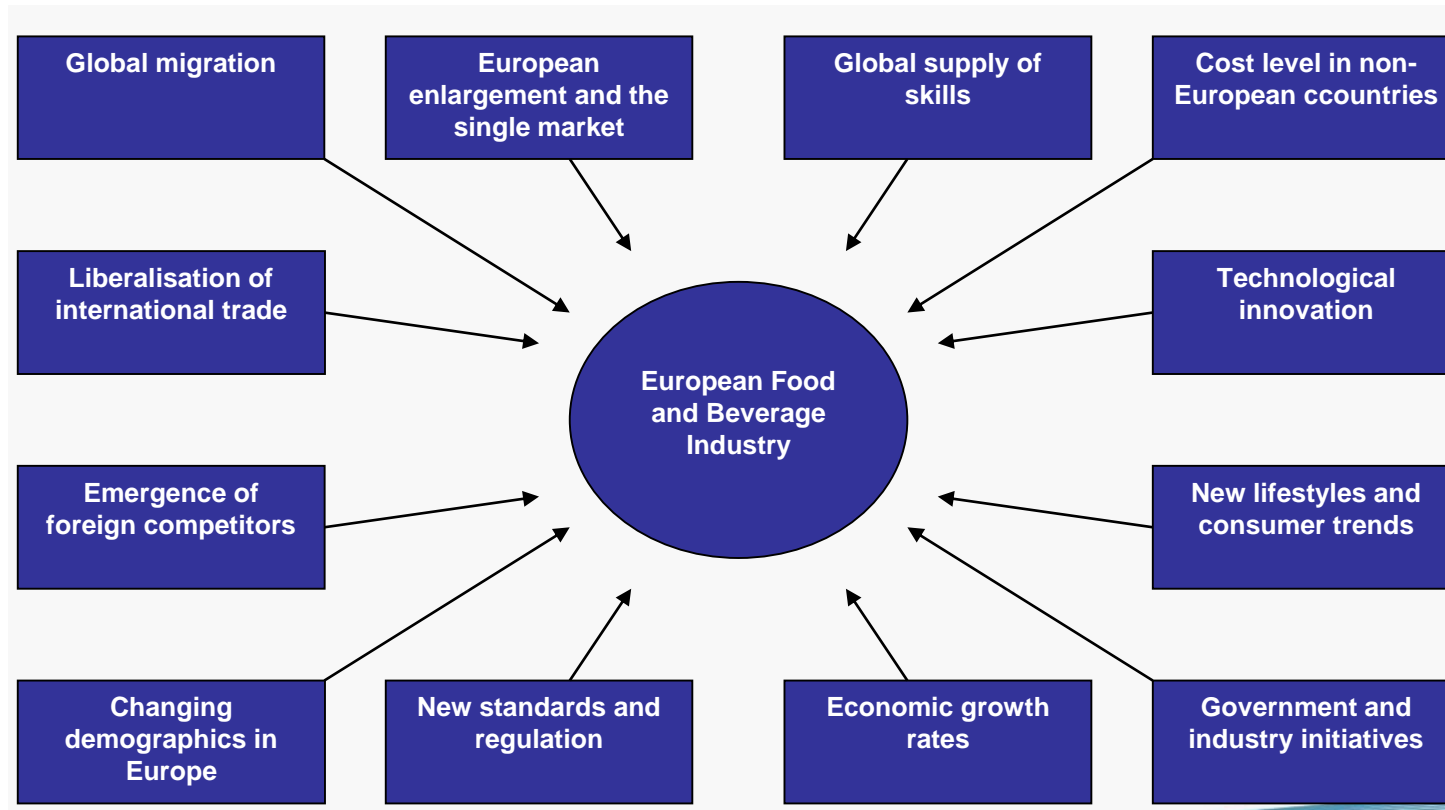
Scenarios for the European food and beverage industry

- Developed for the European Foundation for the Improvement of Living and Working Conditions (Eurofound), Dublin
- DTI has carried out a range of sector studies for Eurofound incl. Textiles and clothing sector, Commerce sector, Biomedical sector, Transport and logistics
- Study on the European Food and Beverage Industry was carried out in 2005-2006





Trends and drivers of change

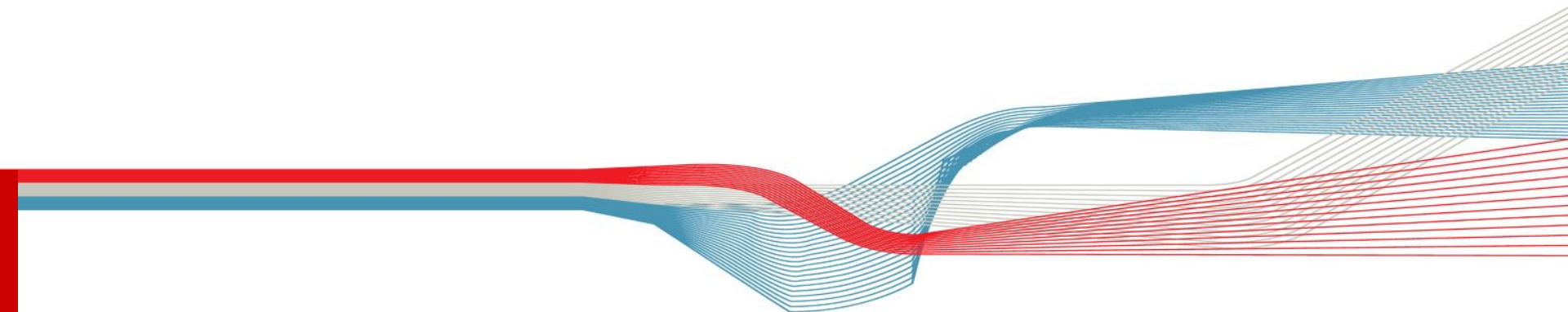




5 drivers for the development of the food industry

1	The development of the World economy	Positive or negative?
2	Consumer demand for niche products	High or low?
3	Product and process innovation in the sector	High or low innovation rate?
4	Globalisation of production and trade in the sector	WTO agreements or regional bi-lateral trade?
5	Government involvement in the promotion of healthy food habits	Many or few initiatives?

- Number of scenarios: $2*2*2*2*2 = 32$
- We choose three scenarios that were plausible, consistent and interesting





The Three Scenarios



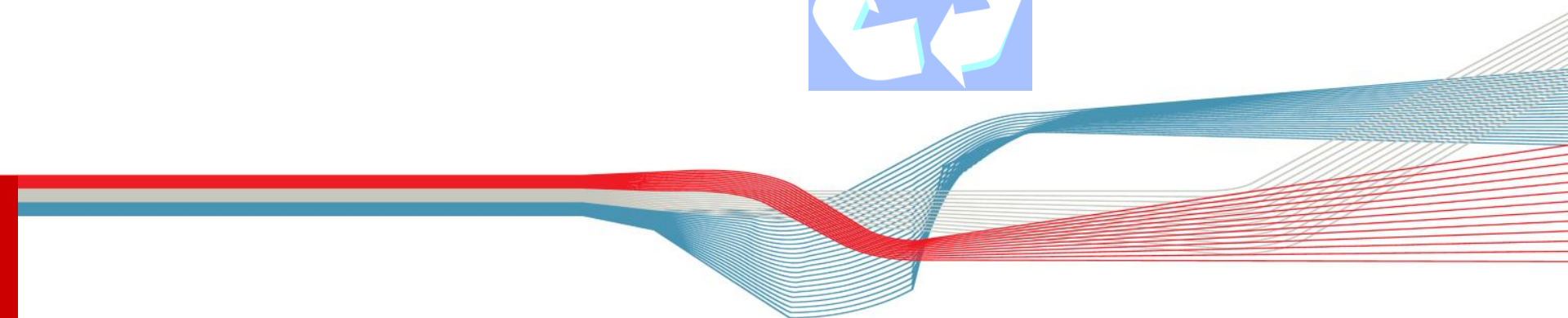
"Rock Your Body"



"Stayin' Alive"



"We are the World"





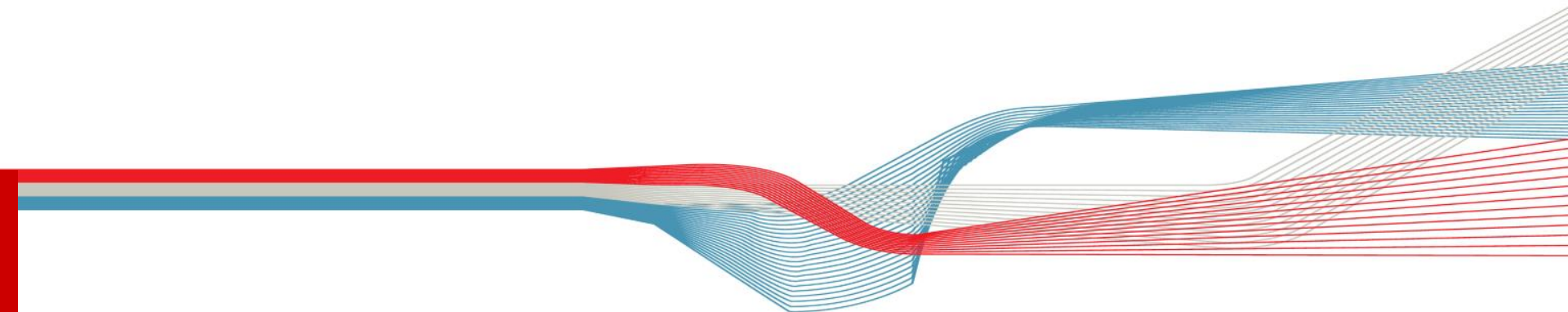
The three scenarios

	“Rock Your Body”	“Stayin’ Alive”	“We are the World”
The development of the World economy			
Consumer demand for high value-added products			
Product and process innovation in the sector			
Globalisation of production and trade	WORLD TRADE ORGANIZATION	Regional/bilateral	WORLD TRADE ORGANIZATION
Public support for healthy food habits	Little involvement	Active involvement	Active involvement



Implications

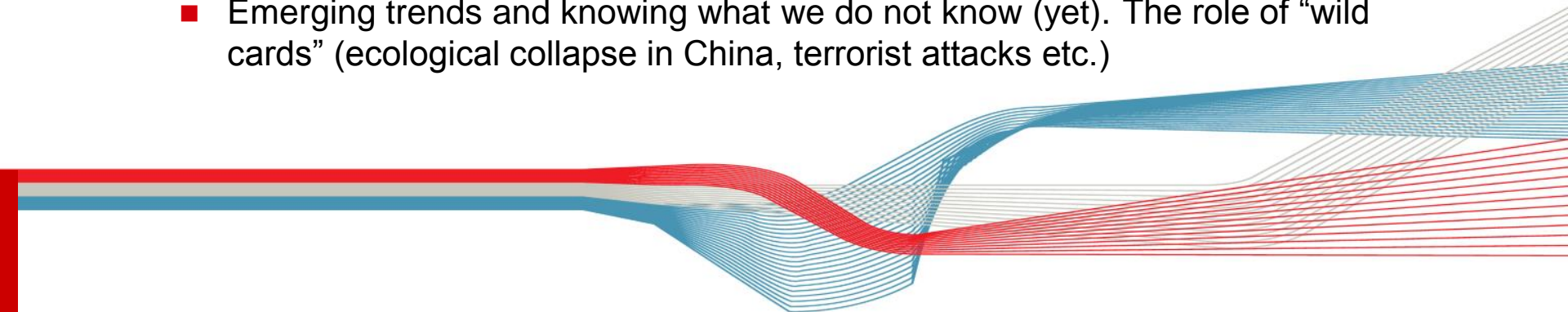
- Overall situation of the sector
- Innovation
- Business strategy
- Value chain and location
- Employment and skills needs
- Main challenge for companies





Weaknesses

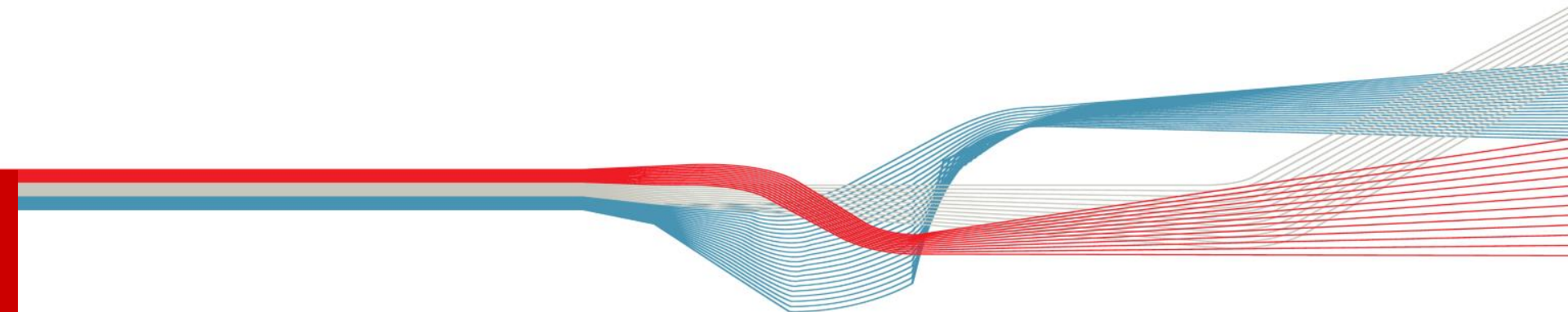
- Storytelling without substance?
- "The preferred Darling" or "Devil in disguise"
- Focus on existing trends and drivers of change may result in very conservative scenarios
- Developing 'good' scenarios require in-depth knowledge of issue area and understanding of the policy context
- Difficult to connect the macro, meso and micro levels
- Emerging trends and knowing what we do not know (yet). The role of "wild cards" (ecological collapse in China, terrorist attacks etc.)





Strengths

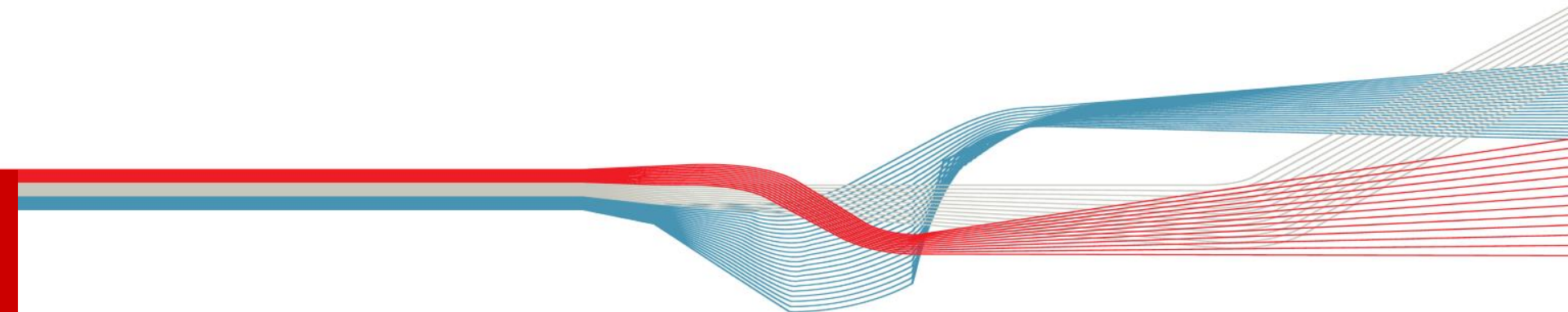
- Structure and challenge existing world views on the basis of a holistic understanding
- Adds a creative dimension to strategy and policy development
- Focus strategic dialogue among stakeholders and help create consensus
- Awareness of potential future challenges – scenarios constitute an 'early warning system'
- Strategic outlook – opportunity to ask the 'What If' question





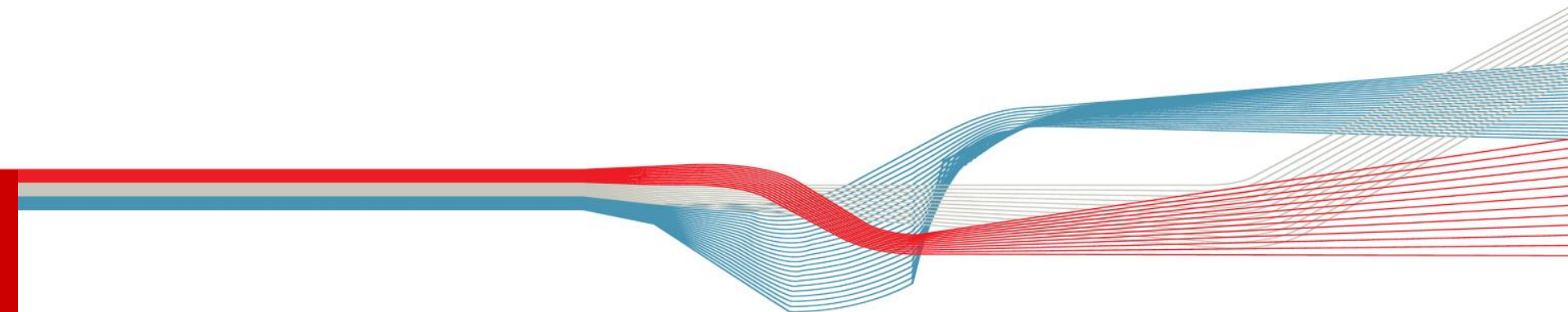
Conclusions

- Not rocket science...
- A tool for structured and creative thinking about the future and as a catalyst for strategic conversations and discussions, but not as an end in itself.
- Challenges: Method may be challenged by participants, requires in-depth knowledge of issue area, and scenarios takes time...





Questions?





Thank you!

More information:

- Eurofound sector studies:
http://www.eurofound.europa.eu/emcc/indexes/emcc_dossier.htm
- Danish Technological Institute: www.teknologisk.dk
- Please contact

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