

For all sectors of the food industry, market research and consulting in the run-up to major investments are important in sounding out risks, identifying and quantifying needs and determining suitable strategies. In the following interview, Dr. Isabelle Symonds and Dr. Thorsten Böhn of Schlegel and Partner, a market research and consulting company specialising in technical B2B markets, explain why.

Q: Why is effective market research important for everyone in the food industry?

A: The food industry, like many other industries, is characterised by long-term and short-term trends. Manufacturers of end products, as well as ingredient suppliers and technology providers have to react to these trends – with new products, new ingredients, new recipes, and sometimes even with new processes. However, new technology developments in particular are associated with large investments. It is therefore vital to find answers to questions and obtain comprehensive detail in advance of making any major decisions. In consumer research, it is relatively easy to obtain good information. In the industrial environment, on the other hand, it takes extensive specialist knowledge, an understanding of technology, a great deal of experience and, above all, good contacts.

Q: What sort of questions can market research help to answer?

A: Whether you are a manufacturer, an ingredients supplier or an engineering service provider, the questions you should be asking are often similar. At the consumer level, they include "Is this a passing trend or is it going to be a lasting development?" or "Is this relevant for all markets?". If we look at product development, there will be questions like: "Which markets are ready for this and which are not?". At the technology level, you will want to know: "Is something similar already available?" "Is this innovation so groundbreaking that the high costs of development or engineering are worth it?" And everyone asks themselves: "How big is the demand and how much can I charge?" Ideally, market research and management consultancy go hand in hand in providing answers.

Q: Why should market research and management consultancy be considered as a single entity?

A: In our experience, a holistic approach is the more successful one. We don't believe in the classic division between market research and management consultancy: Market research often ends exactly where the figures and findings need to be interpreted and put into context. This is where the real work begins, and this is also where the value for the client is created. When these two steps are separated, valuable knowledge is lost on the journey from analysis to decision making and strategy development. It is far better if the team that is in exchange with market participants is also closely involved in the development of the strategy.

Q: Is there a standard approach for projects in the B2B environment?

A: We don't have a standard approach as such – we develop tailor-made designs for each of our projects. However, they do all have certain things in common: First, it is always important to listen, ask questions, understand, and get as much input from the client as possible. Sometimes, several people from different departments of a company



Successfully breaking new ground



Dr. Isabelle Symonds and Dr. Thorsten Böhn of Schlegel & Partner

are involved. It always is important to clarify the objectives: What is the client's main goal? What is the most important aspect of the research? We help our clients to ask the right questions. Then we develop the project together: We demonstrate our approach, present the areas we will investigate most deeply, plan the scope of the activity and the timeline. During the active project phase, we readjust and fine-tune the design with the customer, altering questions as required. Once we have the results that provide a firm foundation for the following steps, the market research often merges seamlessly into consultancy and we develop scenarios and strategies that help the client move forward.

Q: What happens if your research suggests that an investment will not be successful?

A: Occasionally, from a marketing point of view, the implementation of an idea, an investment or a business project turns out to be inadvisable. But this is relative. It may be that we can see that the direction is right, that the project in itself is good, but it is just premature. The job of a market researcher should not end here. Part of our responsibility is also to look for and point out alternatives. If all criteria have been thoroughly examined and questioned, and everything indicates that a project is not promising, this is also a good result: Ultimately, we have saved our customers from making a painful investment – often reaching into the high millions. Of course, there is no such thing as 100% protection, but

good market research and competent advice significantly reduces the risk of bad investments.

Q: Can you give us an example of the complexity of market research?

A: At the moment, many companies are interested in vegan proteins. In addition to established protein sources like soy and rice, the focus is shifting to alternatives such as rapeseed, chickpea and lupine, as well as animal-free alternatives to casein and whey protein. Our customers want to know how food manufacturers and brand owners perceive such innovations. What are the technical, sensory and regulatory hurdles? What do they need to do to ensure successful market entry? Which certificates and approvals are required? Aspects such as allergens and GMOs can also be decisive for the success of a product. Sustainability issues such as energy use and waste management are becoming increasingly important.

Megatrends are high on the agenda. What role will block chain and traceability play in the food industry in the future? How are requirements changing? How should companies position themselves? How will the demand for protein change with increasing prosperity in developing countries? What influence do nutritional choices such as flexitarianism have on protein supply? We examine and discuss all of this with product developers, buyers and marketing specialists along the entire value chain. Our aim is to gain a comprehensive picture of the market within a few weeks and to provide concrete recommendations for our clients.

Q: What should food companies look for in a market research partner?

A: It's vital to choose a partner who specialises in your markets and has references in the relevant industries. Experience and, above all, a good network in the industry are essential. It is important that market researchers speak the language of their clients. With our specialisation in technical B2B markets, we cover the entire value chain – from ingredient suppliers, distributors, manufacturers and brand owners to retailers. This is the only way to get into the subject matter quickly and, above all, thoroughly. Globally active companies need market researchers with an international approach. And we are convinced that only those who are passionate about a topic and willing to get to the bottom of things will generate real value for the customer.

Q: What is the best part about working in market research?

A: It is always very satisfying when we help companies to make good and sustainable decisions. That is, if you like, our purpose. And we celebrate the true moments of happiness when, in the course of our projects, we gain insights that we were not even looking for – unexpected gems uncovered by our research, surveys and analyses. We have already been able to use these to show customers real market opportunities and enormous innovation potential. When we come across golden nuggets like this and are able to present them to customers, that is very special.

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