

Navigating the High-Value Nutrition ecosystem

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We know how to do what we know how to do

- New Zealand has a highly developed ecosystem supporting the production and export of traditional food & beverage products, as a result of 100 years of public and private investment (including foreign investment), including
 - Science / skills / tacit and formal knowledge and capabilities within professional, technical & financial service providers & Government departments / Government services / infrastructure and logistics / regulatory systems & resourcing / external relationships e.g. with customers



LAMB



BEEF



DEER



POWDERS



BUTTER/DAIRY FATS



CHEESE

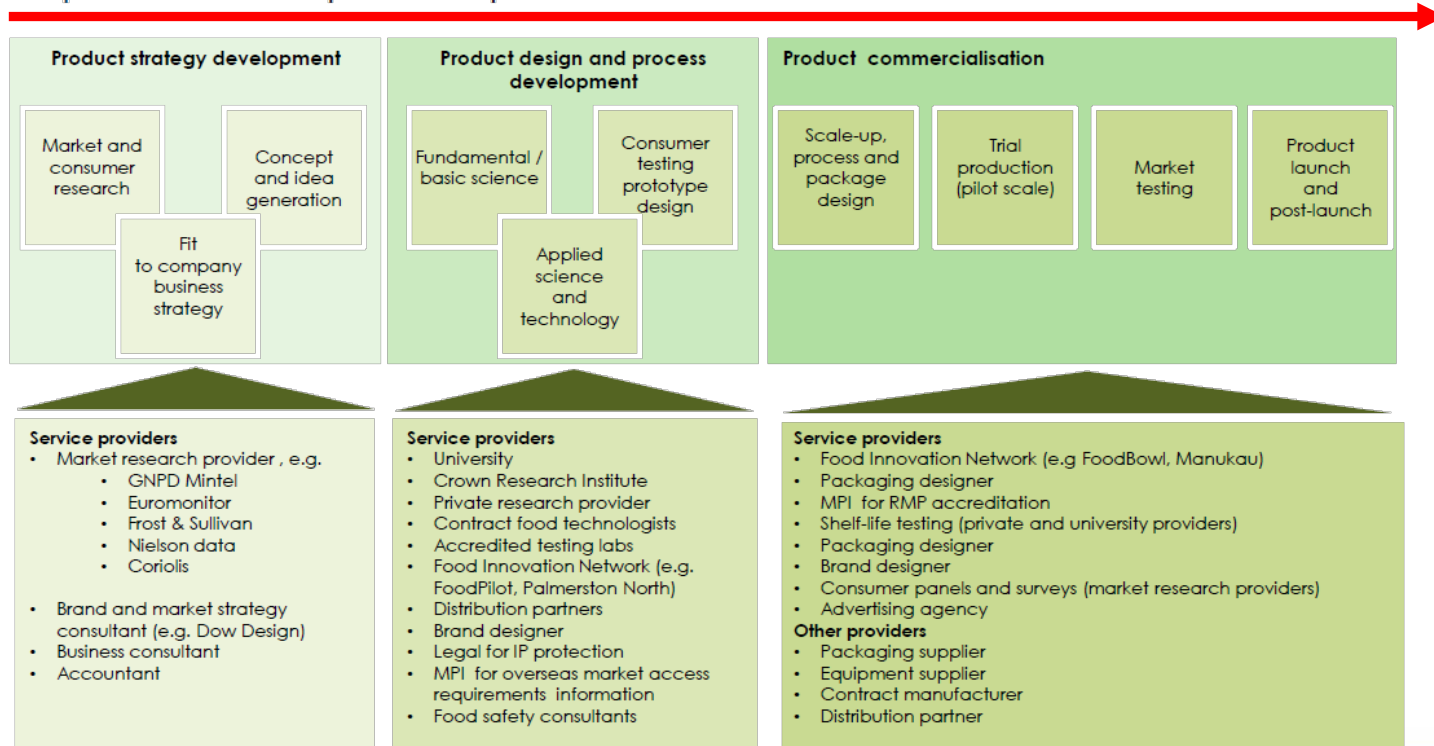
Can we do what we don't know how to do

- The capabilities required for a consumer focused (FMCG) / premium food and beverage export industry (diversified product portfolio, large number of exporters) are very different from a business-to-business commodity export industry with a few major players
- While NZ “knows” how to do commodities, it has a less developed base of knowledge, experience & capability around FMCG / premium



The system for NPD in food and beverage needs to START with market and consumer insight

Simplified model of the food product development chain



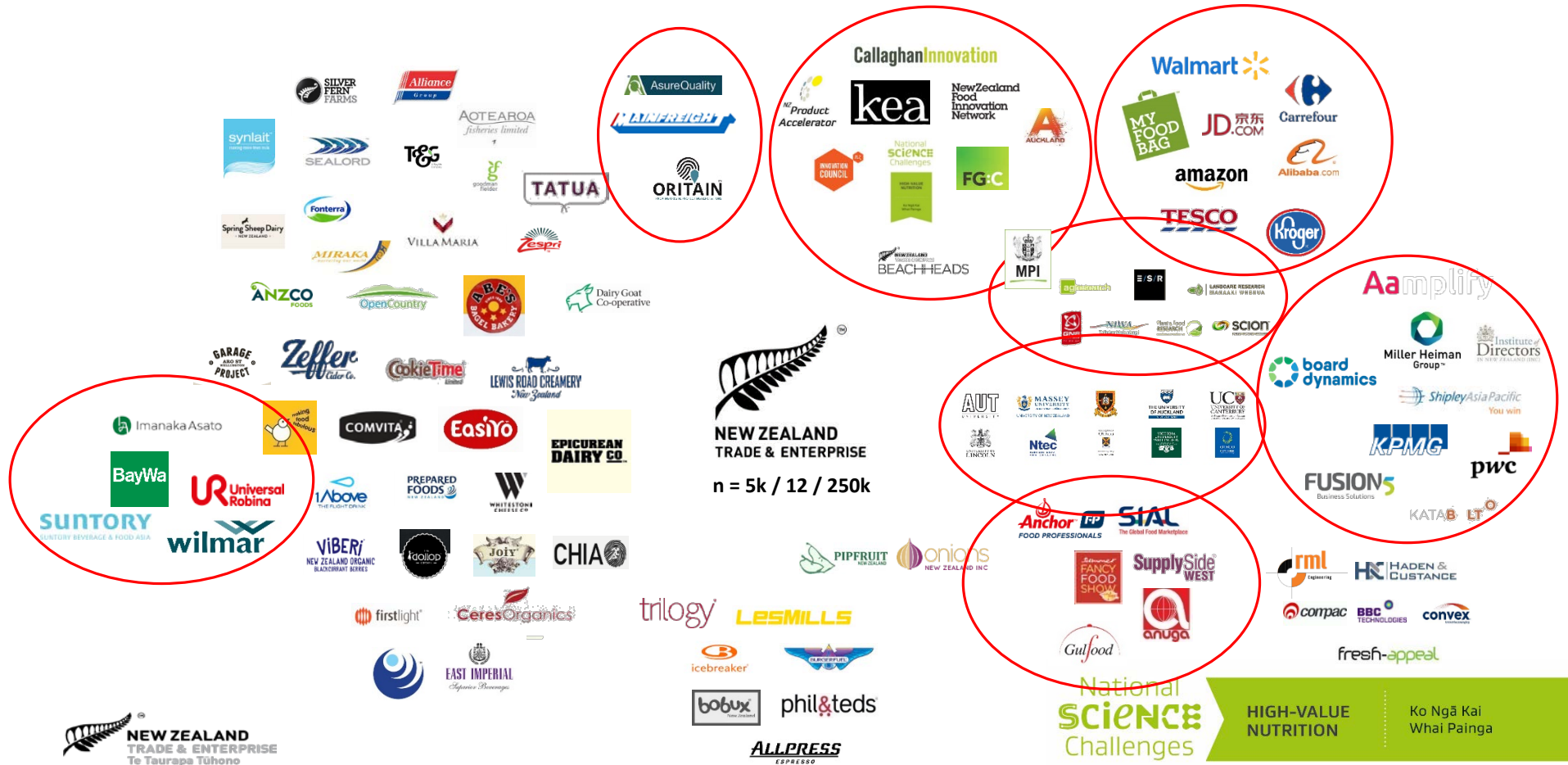
Source: MBIE

NZTE know-how and know-who

Our **know-how** is our collective insight, wisdom and experience of growing companies internationally for over 50 years.

Our **know-who** includes a network of committed people in New Zealand and around the world, who we can call upon in our customers' interests.

Who NZTE works with – network of networks



NZTE international network

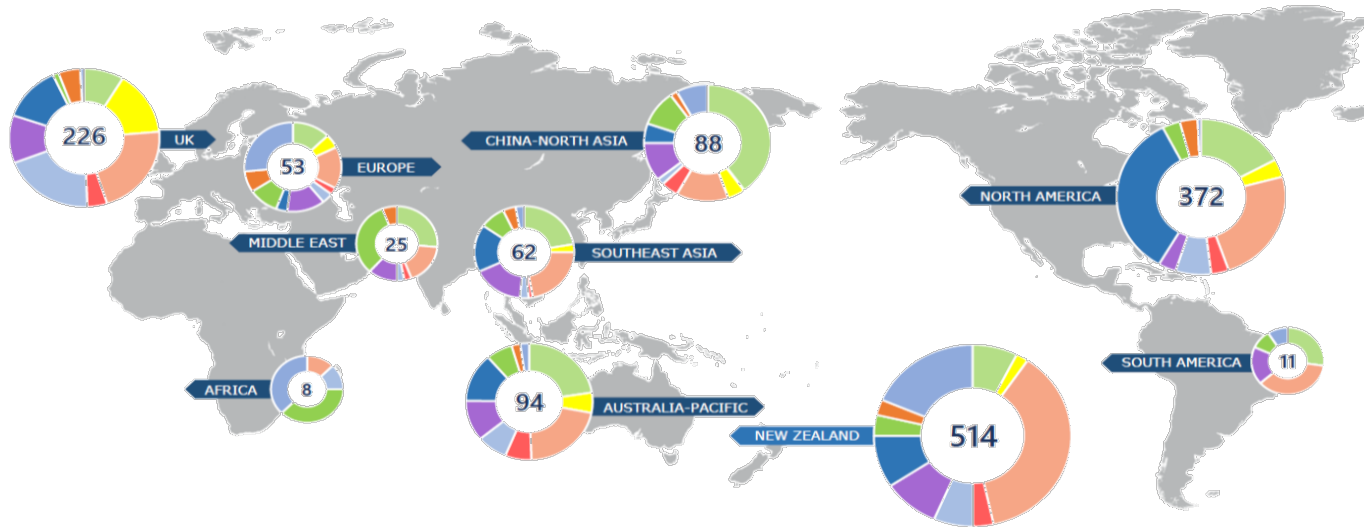


OUR IN MARKET SUPPORT

- 7 Regions
- 32 Languages
- 40 International locations
- 200 Private sector advisors (n = # in ea region)
- 270 Offshore NZTE employees

Access to World Class and Kiwi Expats

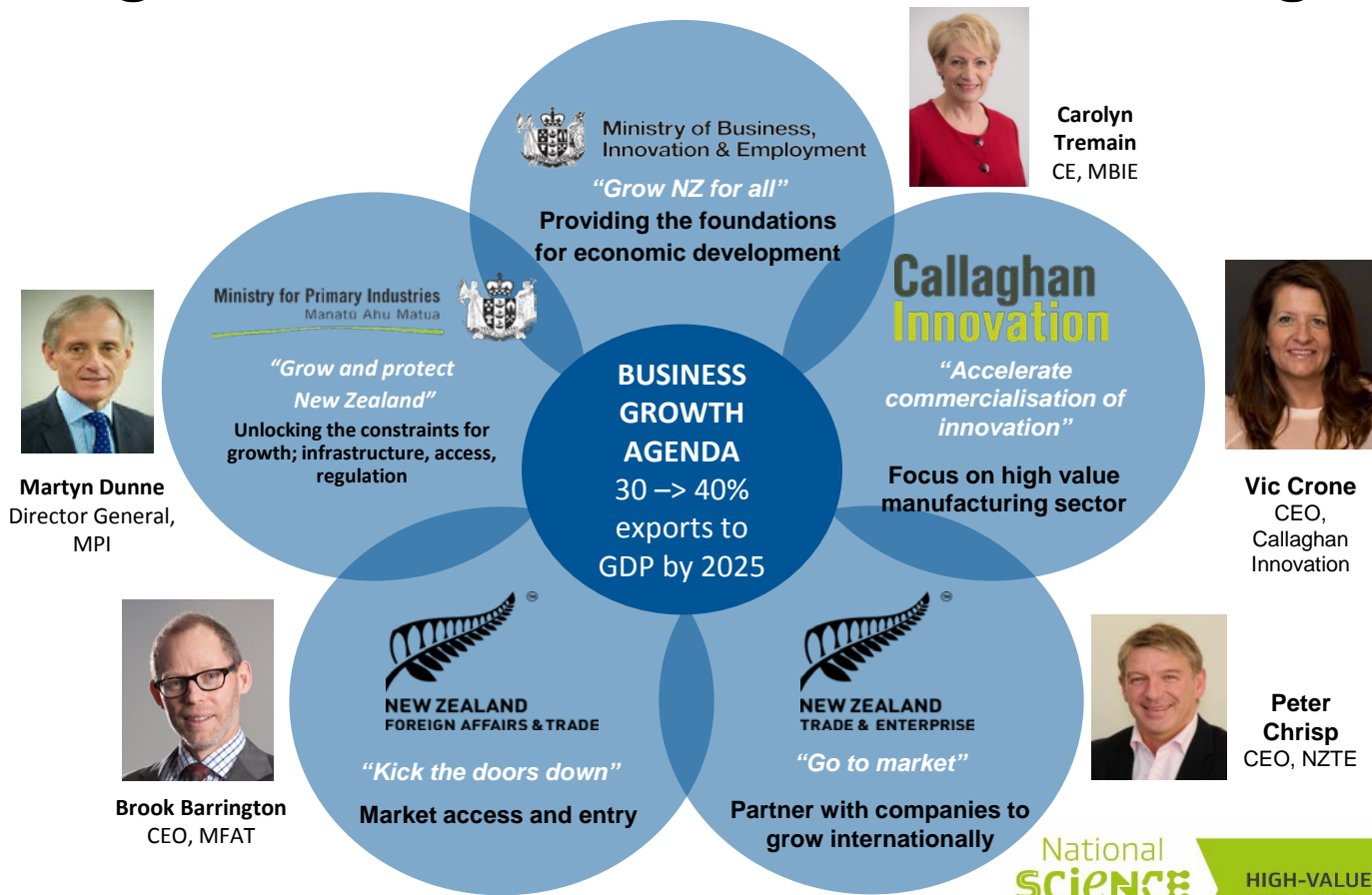
Connecting Kiwi businesses to high-impact New Zealanders offshore



Kea connects you to thousands of global Kiwis to find international contacts and advice in key sectors:



Working across the NZ Inc network: No wrong door



To develop products to satisfy a consumer need

- Product Development is systematic, industrial research to develop products and processes satisfying a known or suspected consumer need
- It is a combination and application of natural sciences with the social sciences – of food science and processing with marketing and consumer science – into one type of integrated research whose aim is the development of new products
 - Ice cream flavours in Asia: coconut, mango, durian, corn
 - Ice cream flavours in western countries: chocolate, vanilla , strawberry flavours

Knowing the true cost of commercialisation

- > 90% of the cost of new product development is spent on the product commercialisation stage (after a prototype product has been prepared)
- The technical hurdles (fundamental / applied sciences often done in Universities and CRIs) are relatively minor components of the commercialisation process *
- A global issue: How to move from R&D to Marketing?
 - HMT team at Vitafoods Asia, asked visitors about their biggest innovation hurdle
 - 53% of the respondents answer: Moving from product development to successful marketing

* Professor Ray Winger, Massey University

In summary, a functioning system lowers costs and risks for growth – more firms innovate and grow, markets can perform their function

- Innovation is not just a function that occurs inside the firm, but is an outcome of a complex system of institutions, industrial structures, educational capabilities, knowledge infrastructures and regulatory frameworks
- The functioning of the innovation system affects which industries can innovate, and the abilities of firms to create capabilities, to manage risks, and to access and deploy knowledge *
- Without a market, no matter how innovative a change, there will be no sales and the product is worthless

* Keith Smith, MBIE

A Parting Thought

**“NZ can be not only one of the best countries in the world...
....but one of the best countries
for the world”**

* Simon Anholt – top global country brand advisor