



International Food and Agribusiness Management Review
Volume 10, Issue 4, 2007

Executive Summaries

RESEARCH

Key Success Factors of Innovation in Multinational Agrifood Prospector Companies *Frances T.J.M. Fortuin, Maarten H. Batterink and S.W.F. (Onno) Omta*

The Wageningen Innovation Assessment Tool (WIAT) compares the self assessment of the drivers and barriers to innovation at the company level and the critical success and failure factors of innovation at the project level with data of agrifood prospector companies around the world. In total 46 innovation projects, 11 successfully concluded and 6 failed projects, as well as 29 running projects in 12 multinational agrifood prospector companies in the Netherlands and France, two innovation consortia and one knowledge institution are discussed. It is concluded that the innovation process of agrifood prospector companies can be substantially improved by revealing the tacit knowledge of the innovation project team by use of WIAT. The key success factors identified are team communication, product superiority and market potential. It is further concluded that innovation project teams should be cross-functional and feature a heavyweight project leader. Based on the finding that the innovation teams of successful projects show higher awareness of the market characteristics, it is concluded that agrifood prospector companies need to pay extra attention to market and product related up-front activities. The finding that the respondents of both successful and failed projects give relatively low scores for marketing and distribution resources and skills, should therefore be considered as an early warning signal for the agrifood industry as a whole.

A Customer Service Design Case Study: Insights on Customer Loyalty in the Brazilian Food Sector *Ione Lucia Florêncio de Almeida and Luciana Florêncio de Almeida*

Marketing managers of local and international food companies have realized that their offers to customers go well beyond the characteristics and attributes of the products their companies manufacture and market. The present research brings light to a key marketing issue: the connection between the customer service

experience through the use of a customer care team and its impact on consumer satisfaction and loyalty.

Customer service perceived quality, customer satisfaction and customer retention were measured and a positive association among these constructs was established. Also, these relationships were found to vary in intensity, the strongest ones being between perceived quality and customer satisfaction and between intention to purchase the product again and intention to recommend the product to others. These results imply that customer service in the B2C market may have a role in establishing overall customer satisfaction and loyalty from clients that have actually used this service. This research analysis also allowed identifying which aspects of customer service are more influential in determining a better quality perception.

Though providing end clients with one of the key services from food companies, consumer service has been seldom investigated in the service literature. What makes it the main object of this research is its crucial importance, mainly for companies dealing with food quality. This paper examines the extent to which the perception of the quality of this service is truly relevant to customer satisfaction and loyalty. The service management literature was used as a theoretical base, in conjunction with the script theory. The strong relationship between perceived quality and satisfaction supports previous studies like that by Woodside et al (1989) about hospitals and the work by Cronin and Taylor (1992).

Innovation and Governance in International Food Supply Chains The Cases of Ghanaian Pineapples and South African Grapes

Jacques Trienekens and Sabine Willems

The paper reports an exploratory case study on innovation in, and governance of, international supply chains originating in developing countries. Two African fruit export chains are analyzed: the table grape chain from South Africa (a highly developed chain) and the pineapple chain from Ghana (a newly emerging chain). The most important market for both chains is the EU. The two cases present complementary perspectives on international supply chain development. The paper shows that Western demands in these cases lead to innovation at the producer end of the international supply chain and changes in governance structures towards chain coordination and vertical integration.

Measuring Competition for Textiles: Does the United States Make the Grade? *J. Mark Welch and Conrad P. Lyford*

Intensifying global competition in a free trade environment is threatening the survival of the U.S. textile industry. Evolving competitive forces are important not only to U.S. textile manufacturers but to U.S. cotton farmers as well. As suppliers of raw materials for the industry, cotton producers share a stake in the success or failure of what has traditionally been their biggest and best customer. As

competitive forces rise, survival for much of the textile industry in the United States may be at stake. This research provides measures of just how competitive the U.S. cotton textile industry may be relative to major global competitors.

As expected, the findings show that the U.S. cotton textile industry is at a relative competitive disadvantage in the global textile sector. This disadvantage is measured in terms of export market share as well as a price-based comparison of textile products. While trends in both these measures show improvement, important questions remain as to whether the U.S. can continue these trends as the effects of free trade agreements are more fully realized.

Consumer Responses to Food Safety Information from Print Media

Dennis M. Conley and Mark A. Wade

Consumers are overwhelmed by warnings from consumer protection organizations, the media, government, and various scientific studies. They have often received conflicting information. This study shows that the reporting of information can be positive, neutral or negative, and perceived as biased. Focus group insights showed consumers are reasonably intelligent in their evaluation of information. They responded differently to information perceived as biased versus information perceived as objectively reported. In addition, the more formal supply and demand analysis showed that consumers do respond as expected to positive or negative information. Managers need to be aware of public media articles about their firm's food products, and consider selected tactical actions in response.

Quality Management in Supply Chain Networks - The Case of Poland

Jon H. Hanf and Agata Pieniadz

The most striking consequence of the food scares of the last years was the fact that all agribusiness stakeholders assessed food quality as no longer being the responsibility of a single firm. Overall, these incidences have catalyzed the development of quality management concepts that overlap a firm's boundaries. Since supply chain networks now compete with each other, we argue that individual approaches have to cover the whole supply chain. Therefore, chain quality has to be used as a strategic parameter. Chain quality is a result of cooperation, so we further assume that using chain quality strategically leads to more intense relationships among partners. On the contrary if, chain quality is only used to gain parity with competing networks, weaker relationships have to be installed. Thus, chain quality management concepts are expected to significantly differ from each other so that we introduce and elaborate upon two types of chain quality management: strategic and operative.

Based on these considerations, our paper aims to work out the differences between strategic and operative chain quality management concepts and test our theoretical findings using evidence from an emerging industry. We surveyed 19 of the 22 largest Polish dairy cooperatives during February and March 2006. Roughly equal

numbers of semi-structured interviews were conducted across the different hierarchical levels in the co-ops, including chief executive officers, quality managers, and supervisors in the marketing and supply departments. The interviews were conducted by telephone and lasted between 20 and 40 minutes per respondent.

The results show that the firms' activities are generally aligned with current market opportunities for optimal enterprise performance. Thus, we determined that manufacturers of well-branded products create an advanced network structure and apply strategic quality management. Networks that have a focal company acting as an external customer of a processor use operative quality management. Some Polish dairies are still not embedded in any supply chain networks; no chain quality management concepts can be installed in these chains because they have no powerful focal firm. However, one thing is unambiguous: the chosen quality strategy determines the design of the vertical coordination mechanism. Thus, the higher the product requirements, the further quality management systems go beyond a firm's boundaries and the stronger is the shift from operational towards strategic quality management.

EXECUTIVE INTERVIEW

Executive Interview: Lucas Vokurda

*Research Coordinator, School of Agriculture and Technology,
INHOLLAND University, The Netherlands*

Education and Knowledge Transfer: A Priority for the Future

Ogundeji Abiodun Akintunde

Education remains the principal means of building capacity which in turn contributes to the development of society. It is also the single most important factor in determining one's standard of living and income potential. The phrase "knowledge is power" holds a lot of truth. On one hand knowledge it is a strong driver for value chain improvement, while contributing to the education system. For an economy to compete in the global marketplace, knowledge transfer and collaboration need to be increased to get research into practice. If knowledge and learning are to be useful they must be applied to areas of life where it can make differences. The focus of this report is on education and knowledge transfer from research or research-related activity. It also discussed the activities of INHOLLAND University in building network with other universities in Visegrad countries with the objective of building capacity in the countries with respect to food safety, quality and chain management.