

INSIGHT REPORT

DENMARK AS A FOOD NATION 2021

Food safety and technology

- exports towards a green transition



Solutions of tomorrow
By Denmark

Insight report on Denmark as a food nation 2021

Food safety and technology – exports towards a green transition
Version 1.0 2021

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Epinion

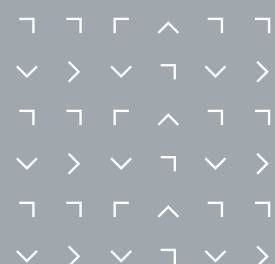
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AGILITY

FOREWORD

Agility wins in times of transition

Few could have predicted the impact on daily lives when the pandemic struck in early 2020. Food supply chains creaked under the strain as businesses sent employees home and countries closed their borders to international travel. All over the world, the need to secure sufficient, safe food for local populations was brought sharply into focus.

A crisis of such proportions is unprecedented in our lifetime. While the food service sector bore the brunt of the lockdowns, many Danish food and agricultural companies were soon able to solve the initial challenges and restore trade to business as usual. Cross-sector collaboration, innovation and resourcefulness were significant factors in this agile response.

In uncertain times, it is understandable that matters such as food security and food safety attract growing concern. Food manufacturers face an increasing number of questions about the origins of food and how it is handled throughout the value chain. In parallel, businesses are accelerating their efforts to optimise their use of resources and cut emissions and waste, in line with the 2030 agenda. Both developments emphasise the need for more traceable and transparent food systems.

Denmark has the regulatory systems and the technology to respond efficiently to such demands. For years, Danish businesses, research institutes and authorities have played a major role in driving up international food safety standards and developing technology to support their implementation. Innovative digital technology is also becoming a major pillar of the transition towards sustainable food systems – and is key to building back better and greener after the pandemic.

As an exporting food nation, Denmark's reputation for agility and reliability is crucial to building and maintaining strong trade relations. Despite the challenges posed by the pandemic, businesses have found many opportunities to strengthen existing relations and prepare to trade with new markets. There is, in other words, good reason to be optimistic about the future for Danish exports.

The 2021 insight report on Denmark as a food nation reflects this scenario. In this year's survey, decision-makers from three key markets shared their views on the Danish food and agricultural sector. Specific questions focused on food safety and quality, related technology and resource optimisation.

The findings reveal a positive picture. Decision-makers associate Denmark with many favourable characteristics – high food safety and quality, innovative technology and organic products among them. Significant potential exists to strengthen international awareness further by focusing on these value-adding strengths in long-term communication.

Many companies already benefit from this reputation when connecting with new customers on export markets. In this report, you will find a series of case stories from businesses that draw on Danish strongholds when adapting their product offering and branding strategies to local conditions. A keen understanding of each export market is a critical factor in their success.

The Danish food and agricultural sector has a proven ability to convert change into new value propositions. By telling more of the positive stories, we can take awareness of Danish strengths to the next level of recognition in the global food arena.

This 2021 insight report is the third annual report published by Food Nation for companies that are either established exporters of Danish food and agricultural products and solutions or about to commence their export journey. We hope the report serves as a source of inspiration and support when developing Danish brands that contribute to a safe and sustainable food supply for the world.

Enjoy the read
Lise Walbom, CEO Food Nation

EXECUTIVE SUMMARY

The annual insight report provides a deep dive into international perceptions of Denmark as a food and agricultural nation, covering brand awareness, unique selling points and capabilities in relation to food safety, quality and technology that enables high food safety and a green transition.

The report is based on the findings of a quantitative survey conducted by Epinion for Food Nation. Decision-makers from three of Denmark's top export markets – China, Germany and the US – have taken part. Food Nation conducts the yearly survey to obtain an update on Denmark's international image and identify business opportunities for Danish food and agricultural companies. In this year's report, the findings are presented under three headings: brand awareness, unique selling points and food safety and technology. The market deep dive chapter provides a detailed overview of the key findings and business opportunities for each market in turn.

> **Brand awareness – a solid foundation with room to improve**

Denmark ranks number 12 among the 22 countries that decision-makers name as top-of-mind food nations – a positive outcome relative to the country's size. Almost half of decision-makers agree that Denmark is a leading food and agricultural nation.

Country of origin is an important consideration for most decision-makers, with many preferring to select a supplier from their home market. In this light, high awareness of Denmark and Danish strengths is an important asset for exporting companies. That makes a powerful argument for continuing to build international awareness.

> **Unique selling points – international recognition of core Danish strengths**

Products and solutions from the Danish food and agricultural sector are associated with many favourable attributes. Quality, organic, sustainability and food safety achieve the highest scores, and the findings also show a clear link between quality and food safety. In several areas, decision-makers rank Denmark higher than their domestic market.

At country level, decision-makers display varying priorities when ranking attributes in order of importance. Branding strategies that highlight the Danish strengths most relevant to each market have most potential for long-term success.

> Food safety and technology – progressive opportunities for building trust and sales

Denmark's strong reputation for world-class food safety standards is an excellent foundation for export growth at a time when food safety has become a top concern. For many decision-makers, food safety is today the most important indicator of food quality and largely secured through quality assurance systems, controls and certifications.

Denmark's multi-layer system for farm-to-fork regulation of food safety and quality is a particular strength in this regard – a differentiator that adds weight to export endeavours.

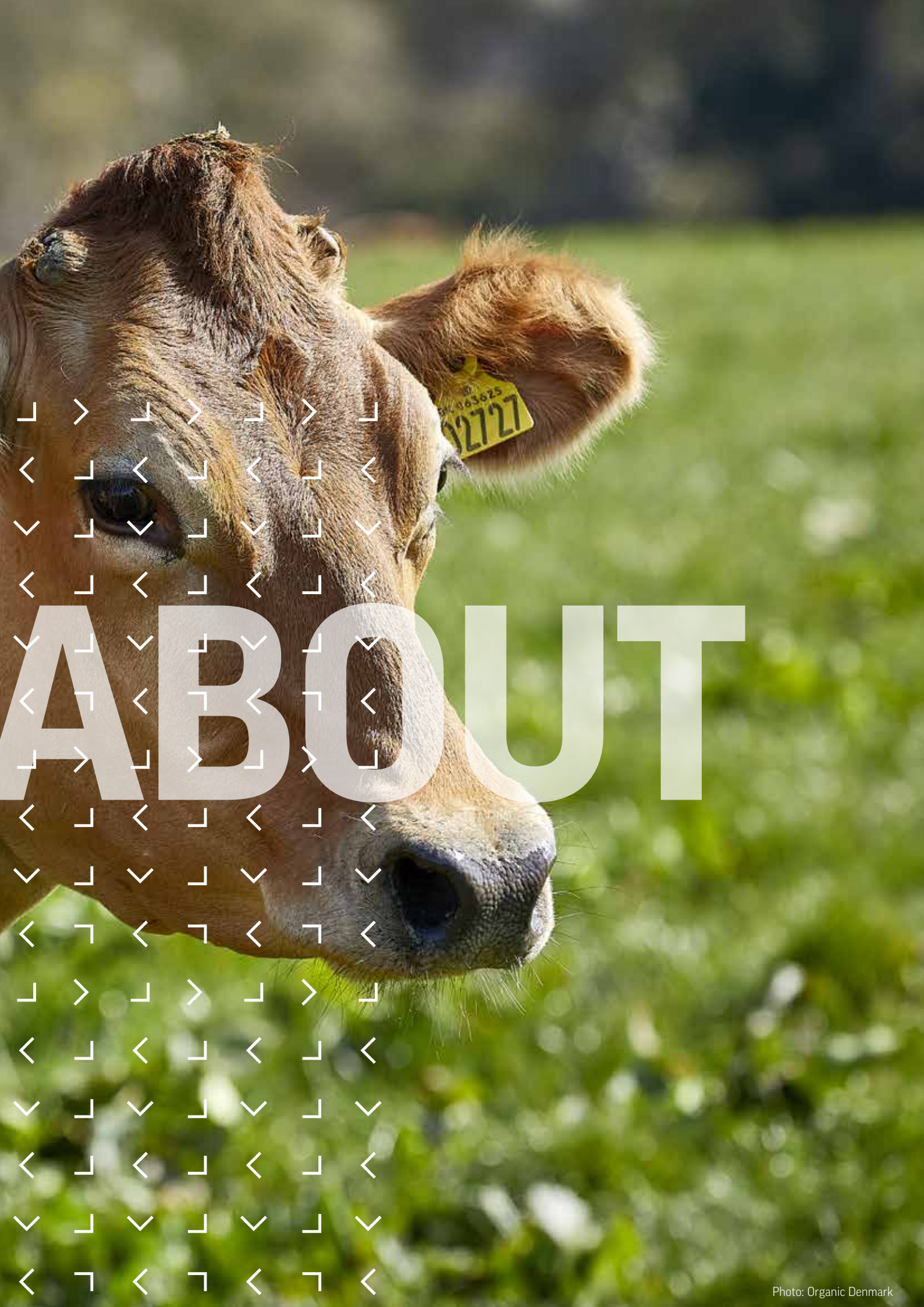
Almost three in four decision-makers believe their long-term growth will depend on new technological solutions that support food safety and quality and optimise resources. There is wide agreement among them that Danish companies are a dependable source of such innovative technology.

As food production moves into the digital age, Danish companies are well placed to draw on the latest digital innovation to automate and optimise food and agricultural production. Good opportunities exist to build Denmark's international reputation in this area moving forward.

Key recommendations and opportunities

This year's report highlights five overall recommendations and opportunities to build awareness of Denmark as a food nation and strengthen food and agricultural exports.

- > Ample potential exists to boost awareness of Denmark as a food and agricultural nation. This should be a core focus, using recognised Danish strengths as a lever.
- > Food safety and sustainability are increasingly important. Food and agricultural companies may benefit from highlighting these Danish strongholds in their marketing.
- > Quality assurance systems, controls and certifications are well-regarded means to improved food safety. Branding communication could gain from highlighting Denmark's multi-layer approach to food safety and quality.
- > Danish companies could profit from highlighting their relevance as sustainable technology partners and emphasising how Danish technological solutions make a positive impact.
- > Marketing strategies are likely to be more successful when localised to accommodate market-specific conditions and perspectives on Danish strengths.



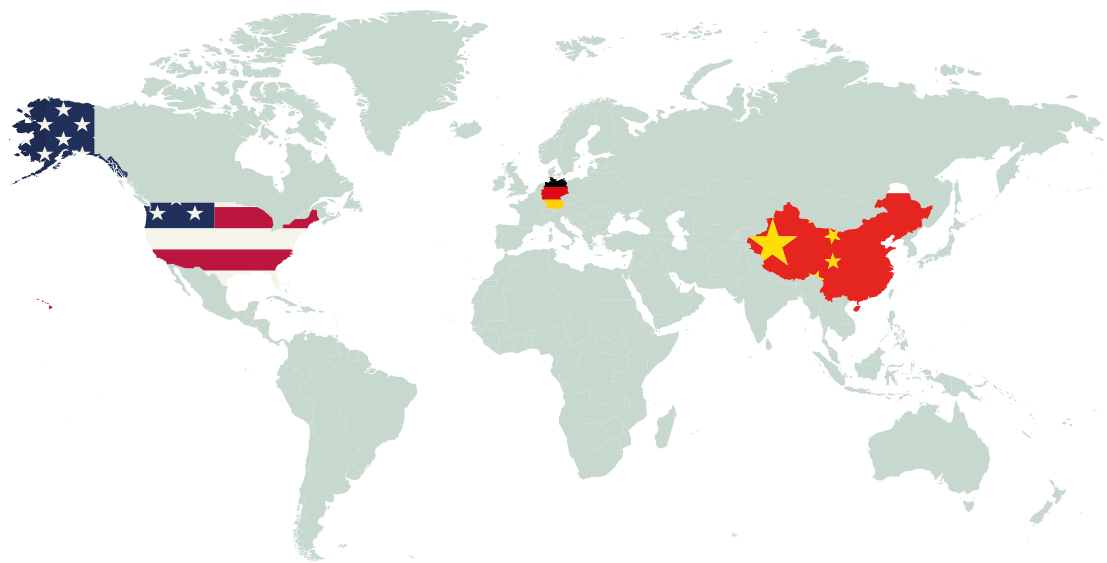
ABOUT

ABOUT THE SURVEY

The insight report on Denmark as a food nation 2021 is based on a quantitative survey of decision-makers in China, Germany and the United States. The survey was conducted by Epinion for Food Nation in February and March 2021.

The survey examined Denmark's image as a food nation among decision-makers working with food and agricultural products and solutions in the three markets. A total of 628 decision-makers participated in the survey.

In each market, the survey participants represent a broad range of companies, including small and medium-sized enterprises and large multinational companies from every part of the food supply chain.



USA
201
interviews

GERMANY
225
interviews

CHINA
202
interviews

BRAND

BRAND AWARENESS

A solid foundation with room to improve

The success of an exporting food and agricultural nation is inevitably tied to positive visibility on key export markets – and how easily it comes to the mind of international decision-makers. In that light, the findings of this year's image survey are encouraging, with Denmark ranking 12th out of the 22 top-of-mind countries that decision-makers mention in total. When asked about Denmark specifically, almost half of decision-makers agree that Denmark is a leading food and agricultural nation.

Yet, the survey reveals, there is still room for improvement in all three of the participating markets. As many exporting companies already experience, international recognition of Denmark, its strongholds and values can provide a competitive advantage.

A visible presence – with some gaps

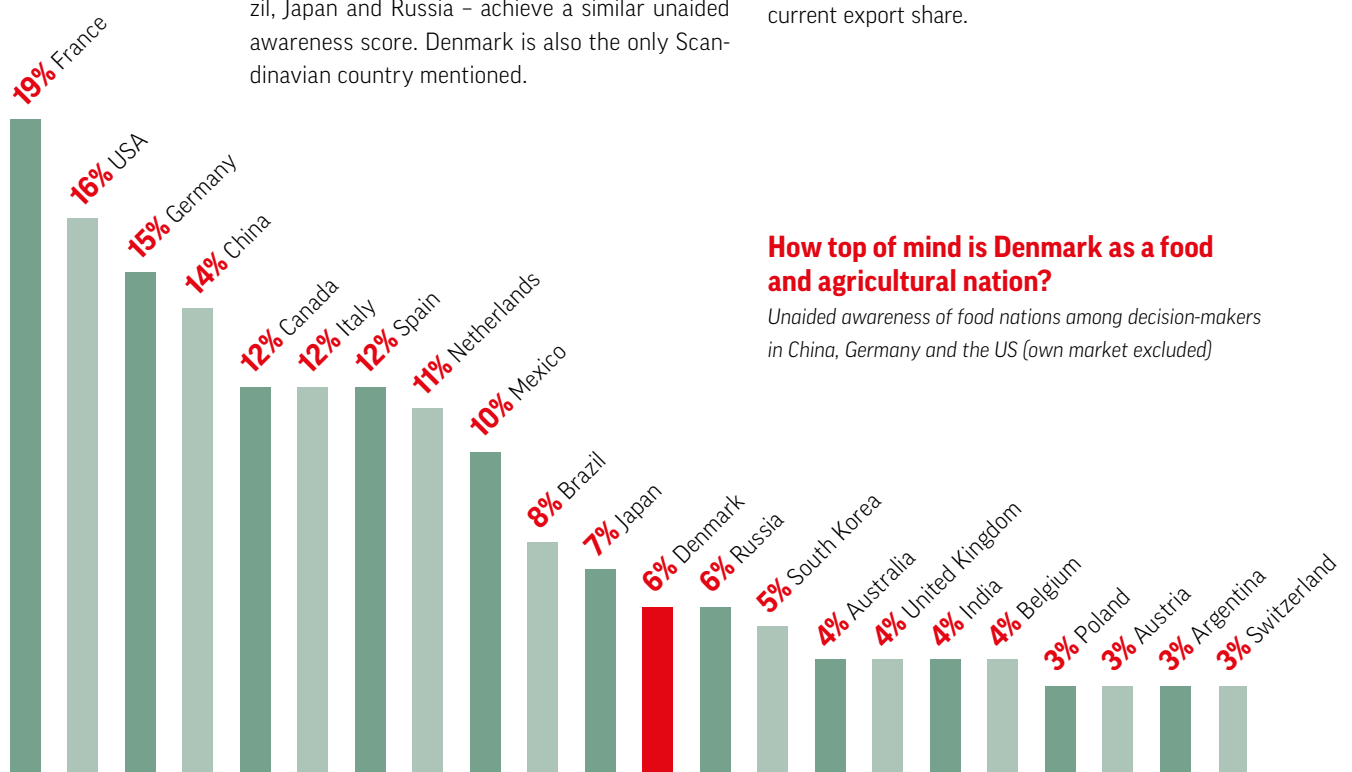
A close look at the figures shows that decision-makers' unaided awareness of Denmark is 6%. Although a modest performance at first sight, it should be seen in the context of the country's relatively small size. Much larger countries – Brazil, Japan and Russia – achieve a similar unaided awareness score. Denmark is also the only Scandinavian country mentioned.

Decision-makers are, however, far more familiar with the Netherlands, a country comparable to Denmark in size but today recognised by the World Economic Forum as the world's second largest exporter of agricultural goods. The best-known food nation of all is France, a country with a long history of gourmet cuisine.

“*Denmark is a middleweight in size but a heavyweight in food knowledge and expertise. Companies should use these competences to identify key opportunities in each market.*”

René Olsen, senior vice-president, Danish Crown Foods

When unaided awareness is compared with export flow, a gap emerges. This shows that, at 4% and 10% respectively, US and German decision-makers have a low awareness compared to the flow of Danish food and agricultural exports to their countries. Stronger brand positioning is desirable in these key markets to close this gap. In China, the 5% awareness level roughly corresponds with the current export share.

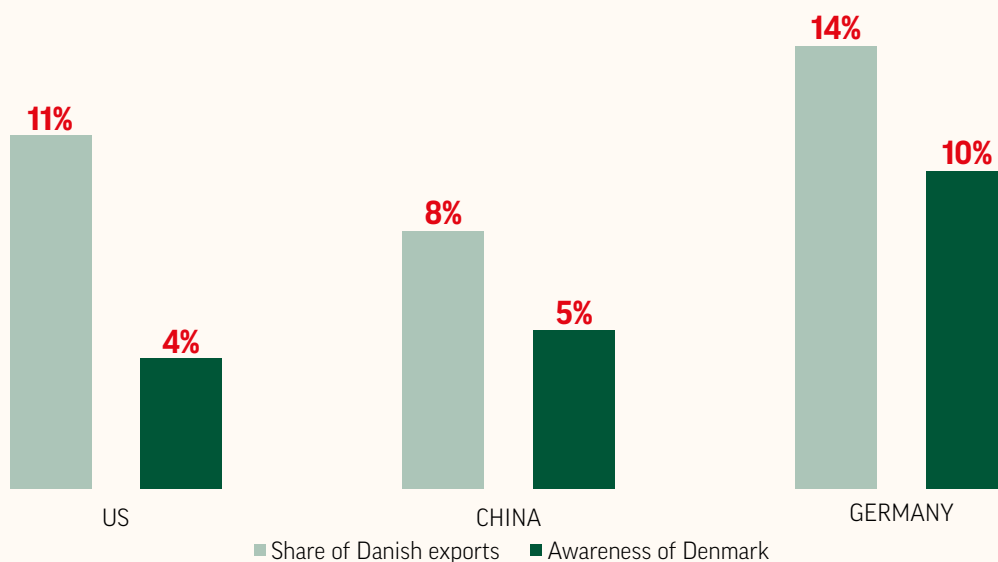


How top of mind is Denmark as a food and agricultural nation?

Unaided awareness of food nations among decision-makers in China, Germany and the US (own market excluded)

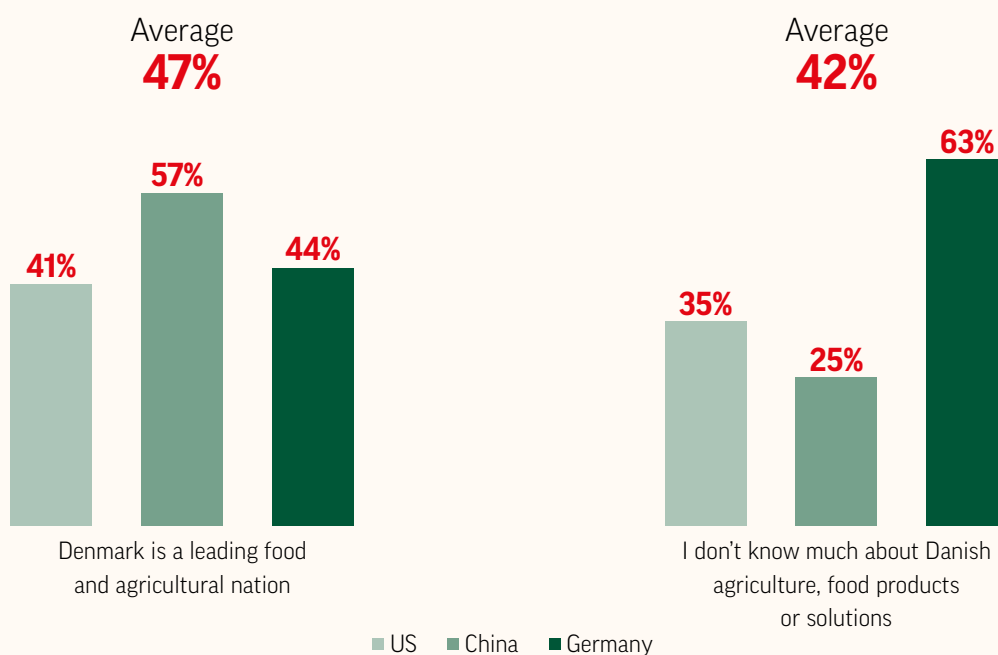
Awareness of Denmark versus share of Danish food and agricultural exports

Total share of decision-makers that mention Denmark as a top-of-mind nation (own market excluded) versus the total share of exports (Statistics Denmark)



Almost half of decision-makers see Denmark as a top food and agricultural nation – but may know little about the products and solutions

Attitudes towards the Danish food and agricultural industry by market (% agree or strongly agree)



Positive but varied perceptions

Decision-makers are generally positive about Denmark as a food and agricultural nation, but perceptions vary from country to country. While 57% in China see Denmark as a leading food and agricultural nation, only 41% of decision-makers in the US and 44% in Germany share the opinion.

An average of 42% say they know little about products and solutions from the Danish food and agricultural sector. The country that stands out in this respect is Germany. Despite the fact that unaided awareness of Denmark is highest among German decision-makers at 10%, there are still 63% who claim to have poor knowledge of Danish products and solutions.

René Olsen, senior vice-president at Danish Crown Foods, suggests that the explanation may lie in the countries' geographical proximity. German decision-makers may know Denmark as a trustworthy neighbour in general without being aware of specific food and agricultural strengths.



The similarities between Denmark and Germany are probably greater than the differences. Because uniqueness is less, companies need to work harder to communicate their competences.

René Olsen, senior vice-president, Danish Crown Foods

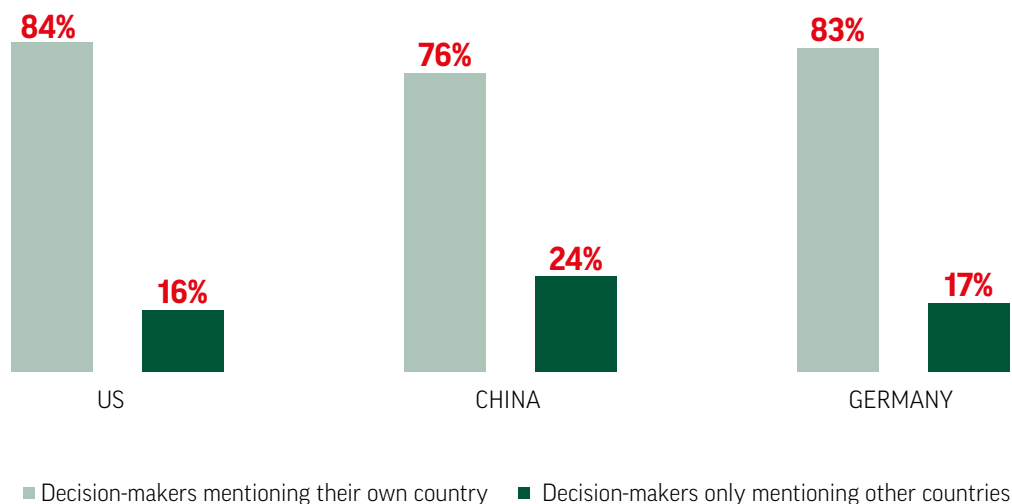
Home bias rules

Previous insight reports about Denmark have shown that decision-makers typically rate their own country as a leading supplier of food and agricultural products and solutions. This year's survey is no exception, with more than three out of four mentioning their own country as a top-of-mind food nation. Almost as many are concerned about their suppliers' country of origin. Especially German and US decision-makers – 83% and 81% respectively – state that country of origin is of decisive importance, very important or important. The same goes for 70% of Chinese decision-makers.

These findings suggest that domestic suppliers are likely to be the primary competitors that Danish food and agricultural companies will face. Companies can also expect Denmark's international reputation to play a critical role when approaching potential customers on a new export market.

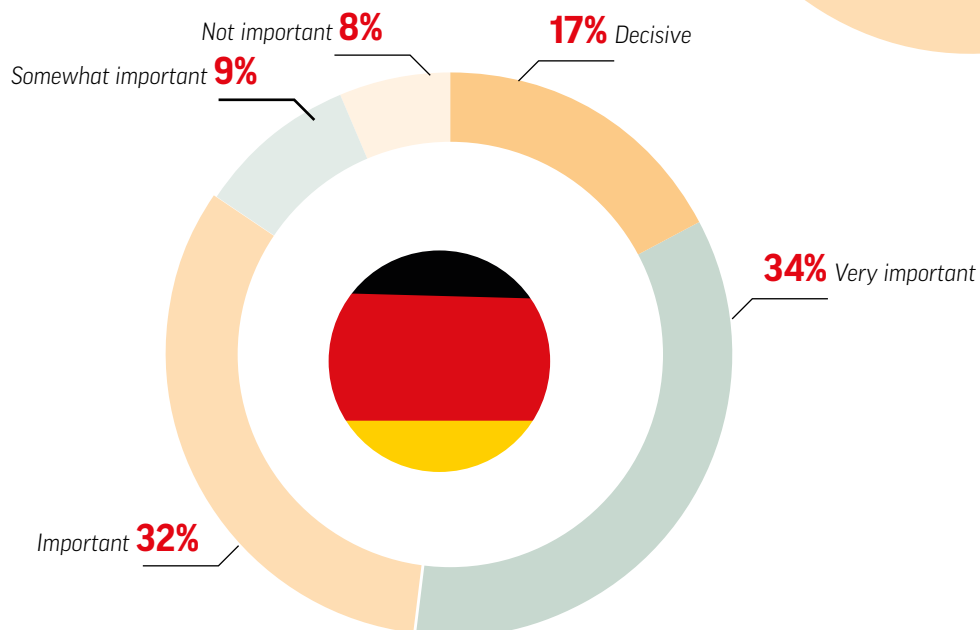
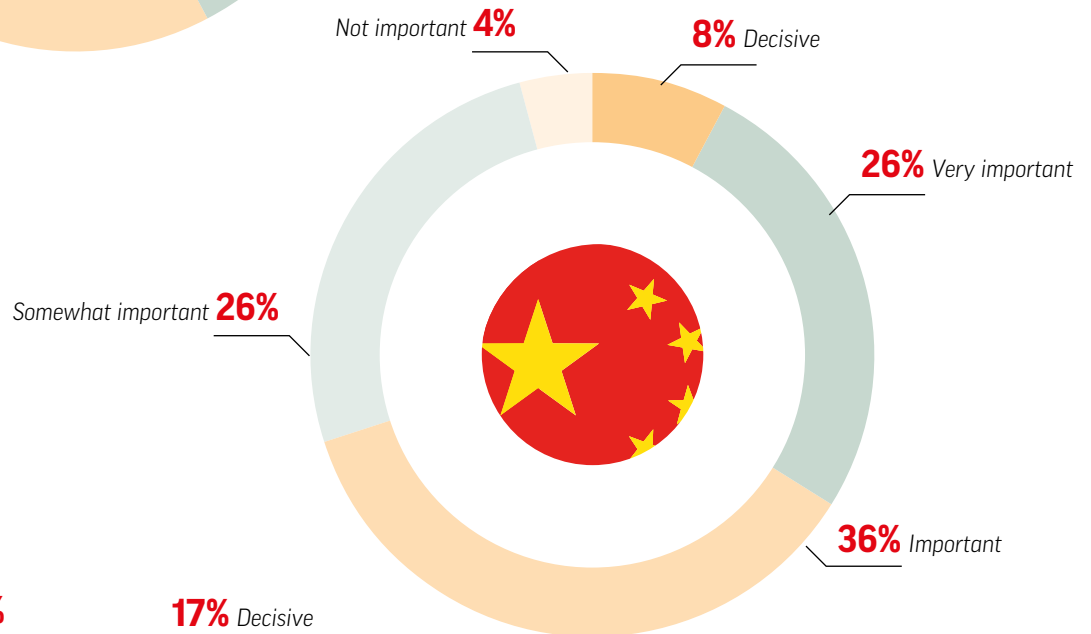
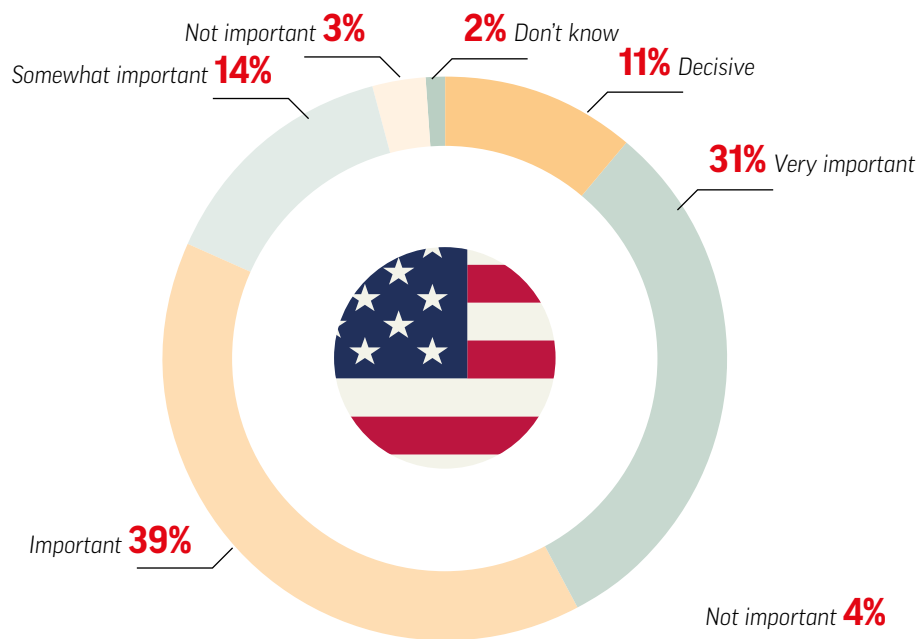
Home markets could be the biggest competitor to Danish food and agricultural exports

Unaided awareness of food and agricultural production countries



Country of origin is important to decision-makers when choosing a supplier

Importance of country of origin split by country



Actions to improve awareness

Danish food and agricultural companies have an excellent starting point for building awareness of Denmark as a food nation and, through that, strengthening their ability to enter new markets. The key is to identify and highlight the strengths and values that are most likely to persuade international decision-makers to take a step away from domestic products and solutions.

Experiences during the first year of the Covid-19 pandemic have turned up the spotlight on strengths such as trustworthiness, agility food safety and collaboration, which could contribute to a higher awareness level in the future.

René Olsen, senior vice-president at Danish Crown Foods, emphasises the importance of focusing on customer relations. The strength of such relations has been particularly critical to Danish exports over the past year – a valuable lesson for strengthening the nation's reputation moving forward.

“*Strong customer relations are a strong asset. The stronger the relation, the stronger the trust. As we have seen over the past year, people seek the safe option in a time of uncertainty.*

René Olsen, senior vice-president, Danish Crown Foods

From the Danish Veterinary & Food Administration, executive director Nikolaj Veje notes the agility and adaptability of Danish food and agricultural companies, which will stand them in good stead in the future as markets demand increasingly well-documented and sustainable solutions.

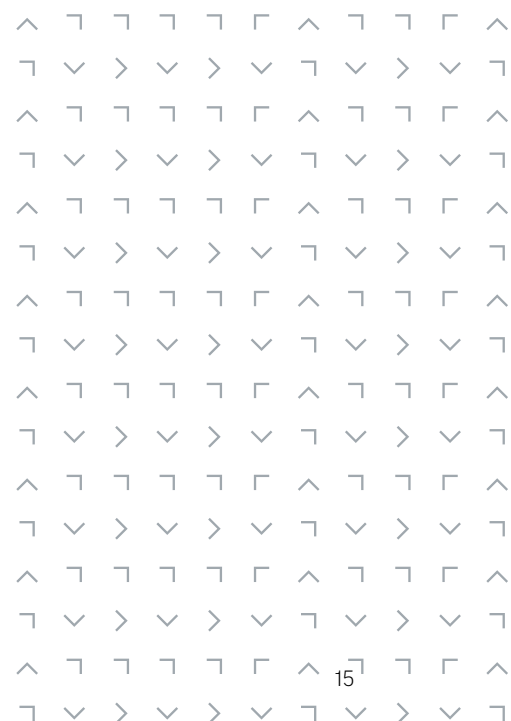
“*The key words for 2021 are green recovery, resource optimisation and smarter ways of working. Danish companies should focus on communicating their innovation.*

Nikolaj Veje, executive director, Danish Veterinary & Food Administration

Companies may also emphasise the Danish collaborative culture in their brand messaging to establish a higher level of credibility and trust on export markets. Christine Nellemann, director of the National Food Institute at the Technical University of Denmark, remarks that this is where Denmark's small size should be seen as an advantage for cross-sector communication and innovation.

“*Denmark is a country of cross-sector collaboration and high trust. Companies have easy access to the latest university research and innovation. They should use that to stay in front.*

Christine Nellemann, director of the National Food Institute, Technical University of Denmark





CASE: LAKRIDS BY BÜLOW

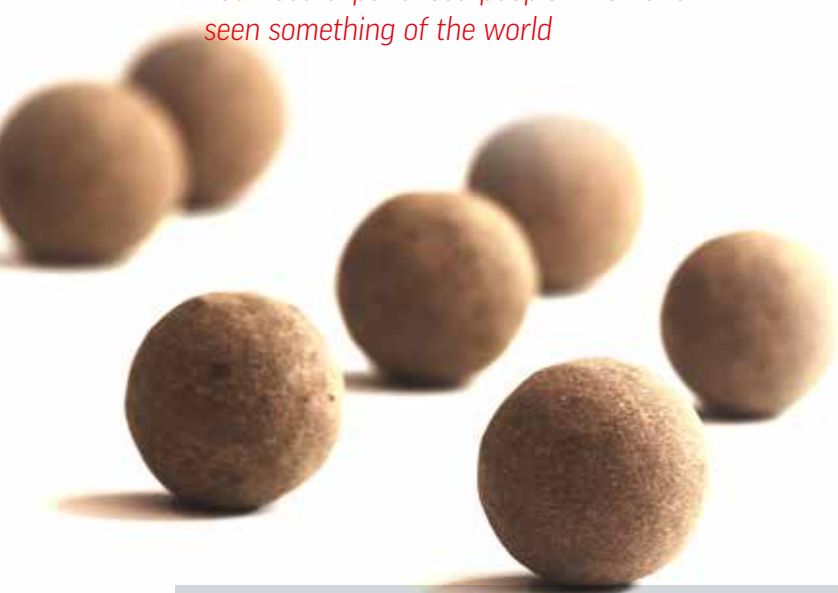
Sweet success beyond the liquorice equator

In the world of liquorice, the equator runs through Frankfurt am Main, says Lakrids by Bülow CEO Fredrik Nilsson. North of that line, people typically adore it. To the south, it traditionally holds very little appeal. But much has changed since the company started up production on the Danish island of Bornholm in 2007. Today, its premium liquorice confectionery has fans all over the world.

"One of our most successful stores is in Munich, where we have found that, with our chocolate-coated liquorice, we can appeal to Bavarian consumers," Nilsson remarks.

Top export advice:

- » *Scrutinise your strengths and build on them. But remember: strengths are only strengths if they can make you unique*
- » *Be open and honest. Don't try to make your company sound bigger or better than it is*
- » *It's a cliché but... people, people, people. You need experienced people who have seen something of the world*



Entering new markets

The biggest of the company's 27 international stores is even further afield – in Dubai. Here, the export adventure began when Emirates airline agreed to put Lakrids by Bülow confectionery in a luxury snack basket for first-class passengers. Success was instant.

Persistent sales efforts are the secret along with a well-defined approach to new markets. Just as Emirates was an excellent vehicle for entering the Middle East, Nilsson explains how the company has often used department stores as an entry point to other markets.

"The brand of a department store helps us position our brand in a new market. Last year, we had a pop-up store in Harrods in London. Now we're looking to establish a permanent London store."

Credibility in being Danish

As a food and design nation, Denmark has always been a key part of the brand story that has helped drive the company from startup enterprise to multinational exporter. Since the company introduced a new logo two years ago, the words 'Danish confectionery' have been clearly visible on product labels.

"We want to highlight that we are a Danish brand. We believe it gives us more credibility," Nilsson says. "Sustainability is also important to us. So being Danish reflects positively on our brand because consumers all over the world expect a Scandinavian confectionery brand to be in the forefront."

Case: Based on an interview with Fredrik Nilsson, CEO, Lakrids by Bülow

Core business: Liquorice confectionery

Primary export markets: Seven countries in Scandinavia, Europe, North America and the Middle East



CASE: DLF

A strong seed brand keeps an eye on the future

Product development has an extra challenging dimension for global seed company DLF. New seed varieties take anything from 10 to 15 years to bring to market, so the company needs sharp foresight to anticipate customer demands of the future.

Regional conditions are an additional factor in the development process. For each of its export markets, DLF has to tailor seeds to the local climate, soil type and other requirements, such as disease resistance, to maximise crop performance.

International pioneer

"Drought tolerance, climate impact and resource efficiency are among the trends we can read ahead of time. By setting these challenges up as long-term breeding goals, we can support our customers in improving their efficiency and green footprint. We know the world will need plants with long roots for improved drought tolerance, for instance," says executive vice president Søren Halbye.

This ability to pre-empt market needs has earned the company an international reputation as a seed pioneer. One example is DLF's successful introduction of seeds that grow into highly digestible grass for dairy cows. Today, farmers benefit from higher milk yields with lower methane emissions per litre as result.

As a cooperative owned by Danish farmers, DLF is also involved in a Danish project to extract sustainable protein from clover grass for use in animal feed and, potentially, food products for human consumption - an agricultural collaboration with DLG and Danish Agro.

Competent local dialogue

DLF relies on local expert teams to maintain a close dialogue with customers all over the world. Customers have access to the DLF online customer portal, where they can adjust their orders.

"It's important that customers have confidence in our ability to supply the products they need for their market. We focus on making it easy for them to obtain solutions to their challenges," Halbye adds.

New branding opportunities

When it comes to marketing, the seed business has typically relied on the international congress network to meet potential and existing customers. However, over the past decade, the company has found new branding opportunities in the major sports events that rely on high-quality turf.

That includes the UEFA European Football Championship 2020, where DLF supplied the seeds for six of the stadiums. A great way to put the spotlight on DLF grass.

Case: Based on an interview with Søren Halbye, executive vice-president, DLF

Top export advice:

- >> *Make sure you have a strong and locally adapted product portfolio*
- >> *Employ local expert teams*
- >> *Keep your promises by having a reliable supply chain – trust is important*

Core business:

Plant research and development, production and sale of seeds

Primary export markets:

More than 100 countries around the world



UNIQUE SELLING POINTS

International recognition of core Danish strengths

Denmark's capabilities as a food and agricultural nation are rooted in a collective commitment to delivering products and solutions that are high quality, safe and based on sustainable production practices and related technology. In recent decades, Danish companies have driven the development of organic food products, which are today in growing demand.

All these strengths are among the top five positive attributes that Chinese, German and US decision-makers associate with Danish food and agricultural products and solutions in this year's insight report. One in four respondents also thinks of Denmark as a country that stands for natural products and animal welfare.

At country level, however, their responses reveal significant differences in how Denmark is perceived – including the areas where decision-makers rank Denmark higher or lower than their home market. Companies should take these differences into account when shaping sales and marketing strategies for individual markets.

Quality is no. 1 in Germany and the US

Quality is the top Danish attribute overall, noted by 37% of decision-makers in total, and is particularly well recognised in Germany and the US. Here, quality is mentioned by 40% and 42% of decision-makers respectively – a sharp contrast with China where only 29% of decision-makers connect Denmark with high-quality products and solutions.

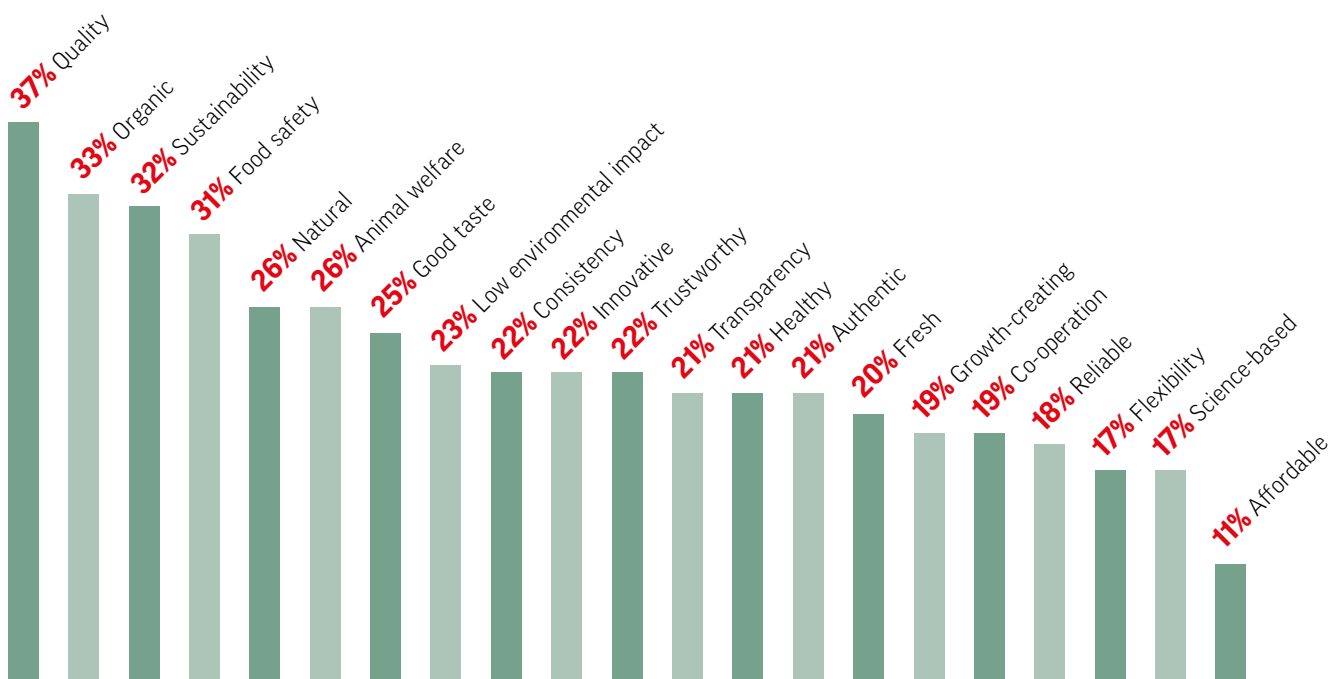
Chinese decision-makers associate Denmark more often with sustainability and food safety, which are both mentioned by 33% of survey respondents. While food safety is the second most prominent attribute for 38% of US decision-makers, organic takes second place in the German assessment of Danish attributes, where it is named by 36%.

This is just a taste of how perceptions differ from one country to another and highlights the need for exporting companies to know their markets. Knowledge of local pre-formed beliefs about Danish products and solutions is likely to be an advantage when setting the direction for a new marketing approach.

There are also country-to-country differences in the way specific attributes are understood. What do decision-makers mean by quality or sustainability, for example, and what are their requirements regarding food safety? Exporters benefit from understanding local opinions and priorities.

Attributes that international decision-makers associate with Danish food and agricultural exports

Pre-defined words and multiple choice



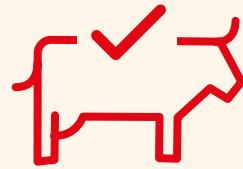
Top five attributes that win over home markets

Decision-makers in China, Germany and the US rank Denmark higher than their domestic market for:



Low environmental impact

Animal welfare



Sustainability

Organic



Cooperation

The place to find a reliable partner

Reliability is important in international trade. So, it is encouraging to find that 33% of decision-makers associate Danish food and agriculture exports with reliability and trustworthiness (page 19) – and almost half agree that Danish trading partners are among the most reliable. That is especially true of decision-makers from China and Germany.

Five attributes that beat home bias

International decision-makers tend to see products and solutions from their home market in a more favourable light than Danish food and agricultural exports. But there are exceptions. In this year's survey, decision-makers recognised five attributes that beat home market bias: low environmental impact, animal welfare, sustainability, organic and cooperation.

As can be expected, variations exist across markets. Chinese decision-makers display the most positive attitude towards Danish products and solutions, only ranking their own domestic products and solutions significantly higher on affordability and good taste. US decision-makers share a similarly positive view but believe their home market provides better affordability and reliability.

German decision-makers though, stand out for rating their own products and solutions more favourably on all attributes except for one. For them, Denmark only does better in relation to authenticity. They give Danish exports a significantly lower score on quality, reliability and food safety.

To build a stronger reputation on export markets, René Olsen, senior vice-president at Danish Crown Foods, points out the importance of identifying needs that are unmet by local suppliers. The cases from KMC and DANÆG at the end of this chapter are both examples of how this approach works.



There is always a local preference for local products, so exporting companies have to offer something the customers can't get locally. It's important to understand the local market, its needs and conditions.

René Olsen, senior vice-president, Danish Crown Foods

The link between quality and food safety

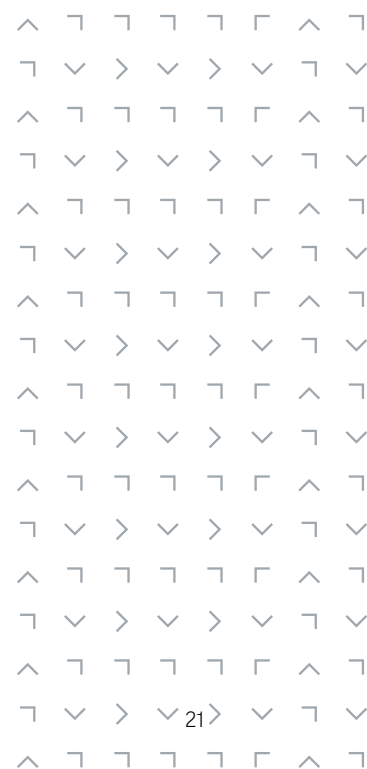
Within the Danish food and agricultural sector, the ability to develop and supply safe, high-quality products and solutions is a recognised stronghold. Comprehensive control and monitoring systems and innovative technology enable efficient and reliable quality assurance from farm to fork – the outcome of the ongoing cross-sector collaboration between businesses, academia and authorities.

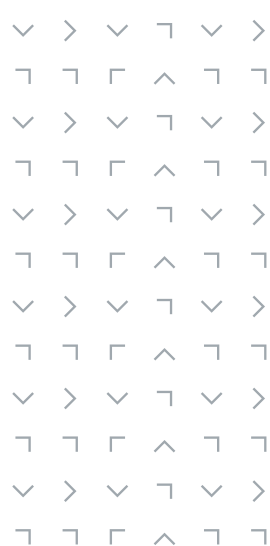
Food safety has become an area of increasing focus and regulation as international trade in food and agricultural products has grown. In many markets, food safety and quality have become tightly linked, a connection possibly reinforced by the past year's Covid-19 pandemic. Against this backdrop, exporters may gain an additional market advantage by highlighting the world-class food safety standards that are integrated in Danish quality assurance.



Denmark's strengths within food safety are closely tied to the uniform high quality Danish companies ensure through a highly controlled value chain. Uniformity can be a differentiator in some markets.

Nikolaj Veje, executive director, Danish Veterinary & Food Administration





Sustainability beyond environmental impact

One of the interesting findings in this year's survey is that decision-makers give sustainability a higher rating than low environmental impact among recognised Danish attributes – 32% versus 23%. However, as revealed in last year's insight report, definitions of sustainability vary widely between markets. In 2020, the top three associations with sustainability were sustainable use of resources, environmental responsibility and recyclability – all closely related to environmental footprint. In other words, sustainability and environmental impact are often seen as one and the same.

Depending on the market, increased awareness of sustainability could also be linked to rising climate concern, the growing world population's need for more safe food, or the need to combat malnutrition and lifestyle disease through improved access to nutrition. All three rank among today's major challenges to global food security, as addressed by the United Nations' Sustainable Development Goals.

Being a global green leader, Denmark is well placed to support the transition to a more sustainable food supply. For food and agricultural companies, it makes sense to draw on this reputation to strengthen their own brand message.

“*Safe food is sustainable food. So, when we talk about the green transition, food safety must be part of that. One focus area right now is how to produce safe, high-quality foods while reducing water use in processing.*

Christine Nellemann, director of the National Food Institute, Technical University of Denmark

Organic gains momentum

Who would have thought just a few years ago that organic would be the no. 2 attribute that international decision-makers most often associate with Denmark? In this year's survey, organic was mentioned by one in three.

This underlines the reputation Danish food and agricultural companies have established since Denmark introduced the world's first regulations for organic production in 1987. As the organic sector gains market traction, exporters can use the nation's leading status to their advantage.

Danish Crown Foods is one of the companies that can confirm the growing interest in organic products from Denmark. During 2020, the Covid-19 pandemic stimulated a particular spike in demand.

“*Organic was a stable market before the pandemic, but in Germany, for example, sales have more than doubled. People have taken on organic products at a speed we have never seen before.*

René Olsen, senior vice-president, Danish Crown Foods



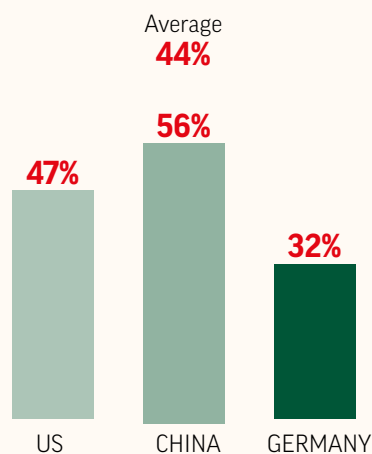
Value for money justifies price

If decision-makers agree on one thing in each of the markets surveyed, then it is that affordability is the attribute they associate least with Denmark. Chinese and US decision-makers give a particularly low score on this point.

The picture is quite different, though, when they are asked about value for money. Here, 44% give a favourable rating overall. Chinese decision-makers are most positive, with 56% agreeing that Danish products and solutions are good value for money.

Food and agricultural exports from Denmark are good value for money

Attitudes towards the Danish food and agricultural industry by market (% agree or strongly agree)



What to highlight on export markets?

This year's survey findings show that sustainable technology, world-leading food safety standards and uniform high-quality products are primary differentiators on export markets. At the same time, there are good prospects for organic food exports to China and the US, while Chinese decision-makers in particular favour Danish companies as collaboration partners. The company cases in this report reflect many of these insights.

Strong and continuous communication about such unique selling points may increase international recognition of the value for money that products and solutions from Denmark provide.

Director of the National Food Institute, Christine Nellemann points to cross-sector collaboration as the fuel for future innovation that will maintain and expand exports.



Collaboration and sharing of research knowledge and data are key to maintaining Denmark's lead within food safety and quality – and to accelerating the global food safety agenda.

Christine Nellemann, director of the National Food Institute, Technical University of Denmark

As executive director at the Danish Veterinary & Food Administration, Nikolaj Veje adds, such collaboration will also be key to building back greener beyond the pandemic.



The world will require more sustainable, high-quality products and solutions in the future. It is important for Danish companies to continue to be ambitious, to cooperate and to think green.

Nikolaj Veje, executive director, Danish Veterinary & Food Administration

CASE: DANÆG

From safe Danish eggs to trusted German brand

Fresh table eggs from DANÆG have become a familiar sight in two of Germany's leading supermarket chains. Packed in trays specially designed for the German market, they are promoted as a reliable brand that consumers can trust, representing high food safety and animal welfare.

For some years, the supermarkets have counted on DANÆG to deliver eggs from hens tested free of salmonella. The egg company has never let them down – their comprehensive testing system rules out 2,500 strains of salmonella in all.

A strong local advantage

Today, DANÆG sells fresh table eggs to two supermarket chains in northern Germany, where they have more than 1,250 retail outlets between them. According to export director Peter Munch, it all started with the realisation that DANÆG could offer something that local egg producers could not.

"At the time, there were regular incidents when supermarkets had to withdraw eggs due to salmonella. We found that the Danish salmonella action plan had put us one step ahead. So we started with what we are good at in Denmark and then brought that together with a German mindset."

Three brands are born

Working with a local marketing bureau, DANÆG developed three brands for the German market: Königlich (Royal), highlighting DANÆG as a supplier of the Royal Danish Court, Freiheit (Freedom) free range eggs and Glücklich (Happy) organic eggs.

"We highlighted our unique selling points within food safety and animal welfare on the tray. There is high trust in Danish products in Germany, so when we make a claim, consumers know that we live up to it," Munch says.

The DANÆG marketing team regularly introduces new tray designs to communicate key messages. For example, since the company began measuring its carbon footprint, a reduced CO₂ claim has been added to the free range egg tray.

The long-term effort

Long-term success depends on the company's continued efforts to stand out as a reliable supplier. As Munch points out, DANÆG has established a strong track record so far.

"How often do our German customers call us? Not very often, because they are confident in the service we provide and in our business, so they can focus on other things."

Case: Based on an interview with Peter Munch, export director, and Mette Due Andersen, division director, DANÆG

Top export advice:

- » *Be prepared and know your customer's strategy and language*
- » *Make sure you have enough resources – it takes time to enter a new market*
- » *Avoid entering a market with a product that already exists, or you will only talk about price*

Core business:

Eggs and egg products

Primary export markets:

55 countries, covering Europe, the Middle East, Singapore, Hong Kong and South Korea

CASE: KMC

How potatoes are powering great plant-based cheese

Few companies are better placed to support the plant-based food trend than KMC. The potato-based ingredient company has long experience in developing specialised starch solutions for replacing dairy and other animal-derived raw materials in a wide range of food products.

Recently, however, the company has seen a change in the customer enquiries it receives. Particularly US manufacturers of plant-based cheese have shifted focus from solutions that cut costs to solutions that improve their product quality.

"The US market for plant-based cheese has developed rapidly over the past two years, so we now have a wide range of customers working within this category. They are all looking for a premium outcome with no compromise in texture or taste," says chief business development officer at KMC, Hugo Nielsen.

"Our challenge is to find out exactly what each manufacturer wants to achieve. There can be a big variation in perceptions of what makes a good cheese."

The step up to premium

KMC has worked with research partners and customers to take starch technology for plant-based cheese to new heights of performance. Today, the company facilitates the production of premium alternatives to conventional block, sliced and grated cheese – accommodating specific quality preferences in the process.

"Our knowhow is one of the attributes that sets us apart in the US. Manufacturers choose us because they cannot get solutions of the same high quality from local producers," Hugo Nielsen states.

Telling the cooperative story

Extra credibility comes from the fact that KMC is a cooperative owned by Danish potato farmers who deliver all the primary raw materials for ingredient production.

Hugo Nielsen points out, "We always tell our story as a Danish farmer-owned cooperative in our marketing. Value chain control, transparency and sustainable sourcing are increasingly important to US customers."

Since its founding in 1933, KMC has always made every part of the potato count. Now, as the global plant-based trend grows, its specialist ingredient solutions have the potential to add more value than ever.

Case: Based on an interview with Hugo Nielsen, chief business development officer, and Helle Bækgaard Ågren, marketing manager, KMC

Top export advice:

- >> *Make sure you have a well-defined value proposition that stands out from the competition*
- >> *Adapt to the market and your customer's perception of what good quality is*
- >> *Be patient*

Core business:

Potato-based ingredients

Primary export markets:

More than 80 countries around the world



FOOD SAFETY



FOOD SAFETY AND TECHNOLOGY

Progressive opportunities for building trust and sales

Food safety and quality is a critical export factor and a qualifier for long-term success in export markets. This applies both to the products supplied and the technology that enables food and agricultural producers to attain the highest possible food safety standards. As producers optimise their use of resources and cut down on waste and emissions, food safety strategies must become increasingly efficient and robust.

Questions about these topics were a special focus of this year's insight survey. International decision-makers expressed a range of priorities and perceptions, which this chapter explores. The findings reveal excellent opportunities to make even better use of Danish food safety and technology capabilities as a motor for building trust and expanding export sales.

Food safety – a driver of successful trading

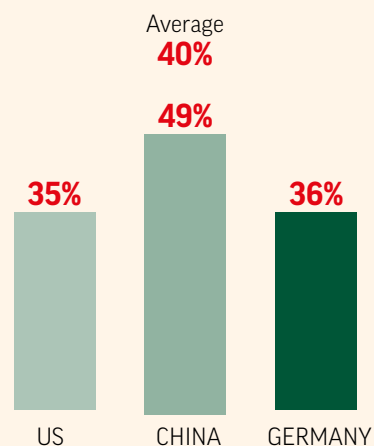
Almost four out of five decision-makers state that high food safety and quality standards are increasingly important to trade. So, it is particularly encouraging to note that 40% associate Danish food and agricultural products and solutions with world-class food safety. As a nation, Denmark has long pioneered the development of new food safety standards. The survey confirms the international recognition of these efforts.

“Whether we are talking about salmonella elimination, reduced antibiotic use in animal production or many other aspects of food safety, Danish industry is a frontrunner. We need to be upfront about these stories.

Christine Nellemann, director of the National Food Institute, Technical University of Denmark

Danish food and agriculture are world-leading within food safety

The share of decision-makers in China, Germany and the US who agree Danish food and agricultural products and solutions have the highest food safety level in the world

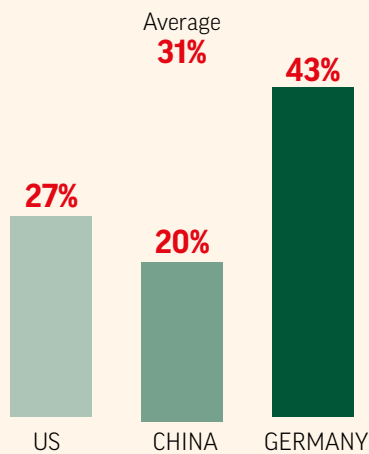


Regulation and control are a must

When asked to define the key aspects of food safety, decision-makers' top response across the board is regulation and control. Among German decision-makers, this is especially important to 43% – with 27% in the US mentioning regulation and control and 20% in China.

Regulation and control are top of mind to ensure high food safety

Decision-makers' primary association with food safety in response to an open question



Good hygiene is another top-three food safety association for all countries. However, while German and US decision-makers prioritise quality, Chinese decision-makers put more emphasis on technology and automation.

The view on quality is slightly different when decision-makers are specifically asked to consider food quality in relation to food safety. Here, 72% of Chinese decision-makers agree that food safety is the most important indicator of food quality, followed by 67% of US decision-makers and 59% in Germany.

Chinese decision-makers are also most inclined to believe that their customers expect more transparency around food safety standards and raw material quality – a view shared by 64% of decision-makers overall.

With these responses, decision-makers clearly acknowledge the interrelationship between food safety and quality.



What sets us apart is our continuous dialogue with industry about the practical implementation of food safety regulations. This provides a fruitful basis for guiding businesses towards a high level of food safety and better quality overall.

Nikolaj Veje, executive director, Danish Veterinary & Food Administration

Documentation adds value

Decision-makers widely agree that documentation of high food safety has a positive impact on product value. This is highest in Germany at 76%. Many Chinese and US decision-makers – 77% and 68% respectively – further claim to require higher food safety standards of partners and suppliers than local authorities. German decision-makers, on the other hand, appear more content to follow authority-set standards.

When asked about whether the Covid-19 pandemic has influenced food safety concerns, responses differ between nations. In China, 78% of decision-makers agree that concerns have risen over the past year, but only 54% of US and 37% of German decision-makers share this opinion.

Senior vice-president at Danish Crown Foods, René Olsen, expects retailers and consumers to have an increasing influence on food safety standards in the years ahead – a tendency that has been gathering pace over the past two decades.



Major retailers often make demands beyond those of the authorities, which set the minimum food safety requirements for a licence to operate. The demands of the future will be more dictated by consumers than authorities.

René Olsen, senior vice-president, Danish Crown Foods

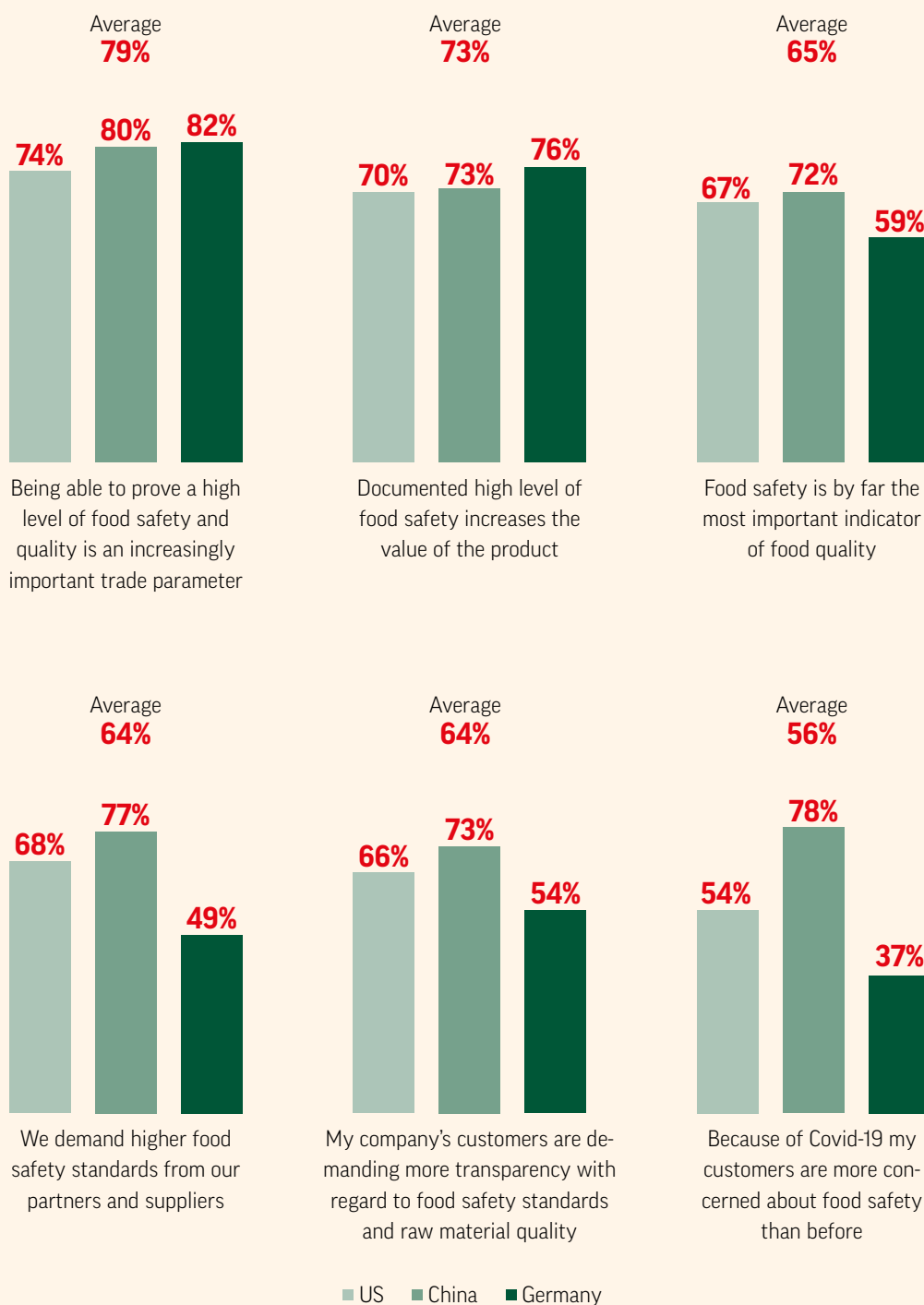
Top-of-mind associations with food safety in China, Germany and the US

Decision-makers' response to open question:
What does your company primarily associate with food safety?



How international decision-makers view food safety

The share of decision-makers in each country who agree or strongly agree with the given statements



Own control builds trust

As a country characterised by high trust and collaboration, Denmark has successfully established a multi-layer system for regulating food safety and quality from farm to fork. This involves companies carrying out their own checks and controls in addition to third parties and the routine audits conducted by the authorities.

The Danish Veterinary & Food Administration has lead responsibility for formulating and administering Denmark's food safety and health regulations from farm to fork. According to executive director Nikolaj Veje, the focus on own control is fundamental to upholding the country's reputation for high food safety.

The benefits of this approach are easy to recognise: time-saving efficiency, high reliability and full transparency through the value chain. Companies can draw on these attributes to build trust among export partners.



The Danish Veterinary & Food Administration is responsible for enforcing food safety legislation. We have a great focus on securing high quality enforcement with the least possible bureaucracy.

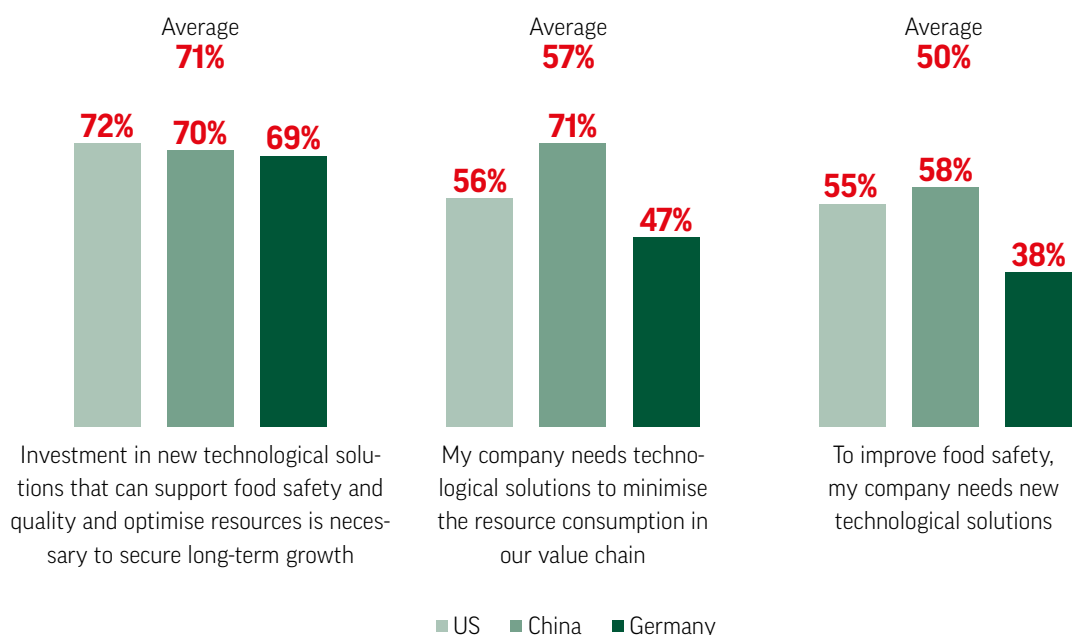
Nikolaj Veje, executive director, Danish Veterinary & Food Administration

Innovative technology – crucial to growth

Innovative technology for better food safety, quality and optimal use of resources is crucial to long-term business growth, say 71% of decision-makers across China, Germany and the US. At present, close to half of them regard Denmark as a strong provider of such technology, with Chinese and German decision-makers having the greatest faith in Danish capabilities. These findings point to strong business potential for Danish technology providers moving forward.

How international decision-makers view the role of technological solutions

The share of decision-makers in each country who agree or strongly agree with the given statements



Resource consumption in focus

New technological solutions to maintain and improve food safety are top of mind for 50% of decision-makers overall, with Chinese and US decision-makers placing greatest emphasis on this area. However, the need for innovative technology to minimise resource consumption is even more pressing, they say – and a particular priority in China, where 71% of decision-makers highlight this area compared to 56% in the US and 47% in Germany.

When asked how they perceive Denmark's technological capabilities within these fields, 50% of decision-makers agree that Danish companies offer products and solutions that support resource optimisation and the green transition – with Chinese decision-makers most positive. Slightly less – 44% – believe that Danish technology supports high food safety and resource efficiency. Here, German decision-makers give the highest score.

Progress depends on technology uptake

Danish food and agricultural companies have long worked with universities to develop technology that improves the efficiency and sustainability of production processes and equipment. Many companies report a continuous reduction in energy and water consumption and emissions as a result. Their sustainability journey is supported by an international power supply that is increasingly based on renewable energy sources.

To make further progress within resource optimisation, broad implementation of digital technology will be essential.

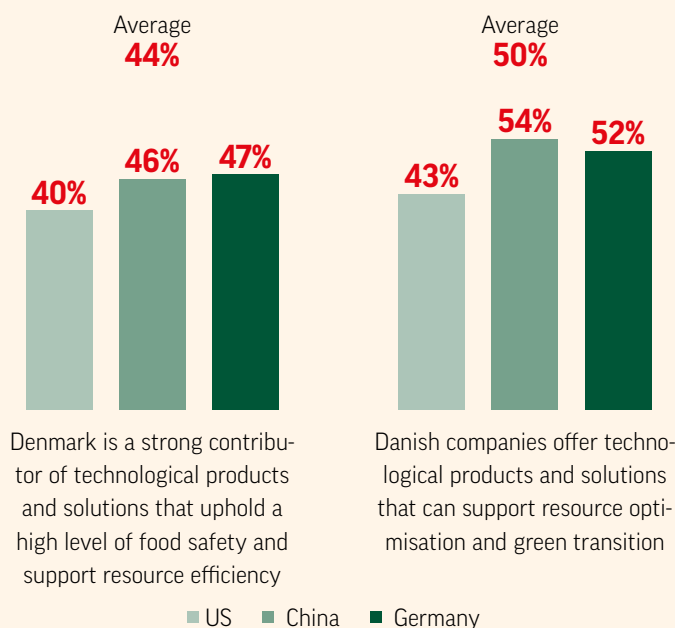


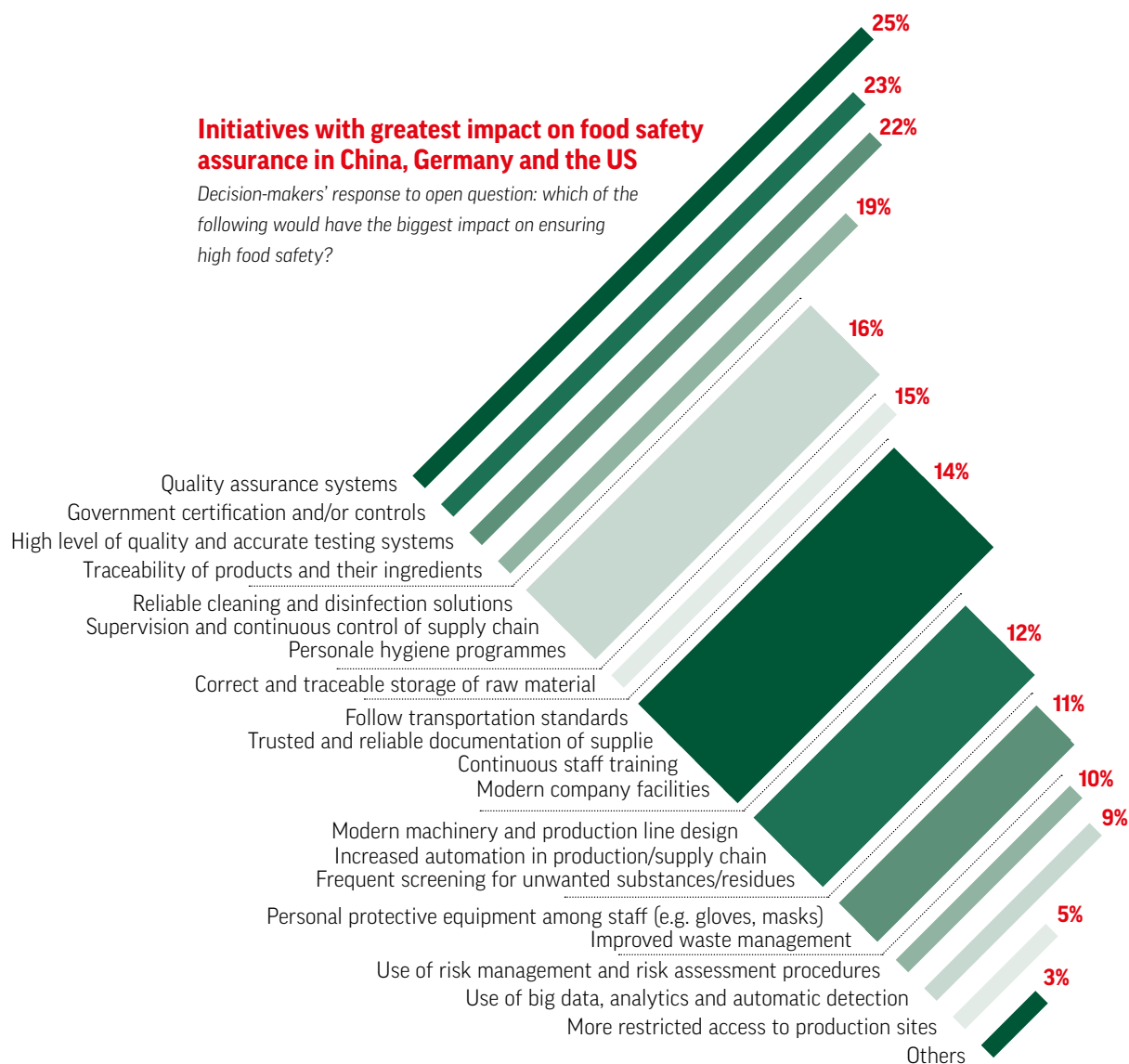
Agri-food technology has already entered the digital age. Use of robots, smart sensors and digital modelling, for example, is the way forward to make the best possible use of resources and raw materials.

Christine Nellemann, director of the National Food Institute, Technical University of Denmark

Danish technology supports food safety and a green transition

Attitudes towards the Danish food and agricultural industry by market (% agree or strongly agree)





Technology for better food safety

Decision-makers point to a wide range of critical initiatives for improving food safety. Quality assurance systems, government certification and control programmes and accurate testing systems are all in the top three. In the US and Germany, product and ingredient traceability is another key food safety parameter. Chinese decision-makers also emphasise personal hygiene programmes and transportation standards.

Strong technological solutions enable the efficient and reliable implementation of such systems, programmes and standards.

Time to go digital

The move towards a green transition is increasing the need to introduce innovative technology that can take food safety and resource utilisation to the next level.

Yet, despite a tradition for university collaboration, many companies have yet to implement the latest digital technologies to emerge from Denmark's technical research. According to director of the National Food Institute, Christine Nellemann, digital technology is a Danish stronghold. Companies should embrace these opportunities to maximise their resource efficiency and secure their place in markets that increasingly demand full supply chain transparency and traceability.

“Danish companies need to step up their innovation. They are still a little too reluctant to go into new digital technologies, like blockchain and digital twins, that can optimise their production, because they are waiting to see what will catch on.”

Christine Nellemann, director of the National Food Institute, Technical University of Denmark

CASE: DNA DIAGNOSTIC

Tailored technology leads the way to safer milk

Efficient milk testing laboratories are a farmer's best friend when managing the health of the dairy herd. The labs' ability to identify a common infection like mastitis is both critical to animal welfare and to milk quality and yield. But there is a challenge: traditional analyses may take up to ten days. And time is of the essence.

This is where DNA Diagnostic can make an important difference. Using the biotechnology company's specially designed mastitis test, laboratories can obtain an accurate and reliable result in just three hours.

Pre-entry collaboration

In early 2019, after months of preparation, the company began exporting its mastitis test kit to a leading laboratory in the US.

"When entering a new market, we usually collaborate with a university or laboratory, which compares and validates our test kits against the traditional gold standard method," says Allan Sandbeck, DNA Diagnostic's chief commercial officer.

"In the US, we have worked closely with our local partner to develop a kit that matches US demand. Our local partner also gives us a local presence, so we can provide customers with rapid support."

Tailored to local needs

The test is based on advanced polymerase chain reaction (PCR) technology. As mastitis-causing bacteria vary from country to country, DNA Diagnostic has tailored the test kit to US conditions.

"Using our test kit, the cause of a mastitis infection is rapidly identified so farmers can take the correct action. It could be they need to optimise the feed, milking or barn conditions. If medicinal treatment is required, the test results point to the relevant antibiotic," Sandbeck states.

Prompt mastitis control leads to a healthier, more productive herd, enabling farmers to produce more, better and safer milk with minimal antibiotics.

For DNA Diagnostic, the rollout of its mastitis test kit in the US is only just beginning. The potential is huge.

Case: Based on an interview with Allan Sandbeck, chief commercial officer, DNA Diagnostic A/S

Top export advice:

- >> *Understand the market and customer challenges*
- >> *Define the value you add and what you do better than competitors*
- >> *Identify supply chain barriers from an early stage*



Core business:

PCR and qPCR test kits for food safety and animal and human healthcare

Primary export markets:

Global sales to all continents, covering more than 70 countries

CASE: GEA

Chinese dairy chooses Danish technology first

China's accelerating production of premium infant milk formula has created big business opportunities for GEA Group. In 2020, the global processing technology supplier delivered the country's largest infant formula plant yet to Shijiazhuang Junlebao Dairy, China's fourth biggest dairy processing company.

Covering everything from plant design to installation and commissioning, the turnkey project was the latest in a long line of deliveries to the Chinese market.

A quality reputation

GEA's Chinese sales team partnered with colleagues in the Danish centre of competence to ensure all customer specifications were met. According to Ulrik Lund Jakobsen, CEO of GEA Powder & Thermal Separation Technologies, these Danish origins are crucial to GEA's success.

"Chinese confidence in Denmark is high. We have a reputation for control systems that ensure high quality and safety. This is naturally reflected in the development and hygienic design of our processing equipment."

Leading global standards

As the major player in China and many other countries around the world, GEA has taken a leading role in setting the global technology standards for infant formula production.

That both involves developing advanced equipment for safe infant nutrition production and investigating opportunities for resource optimisation – by cutting down on energy and water consumption and waste.

"The UN Sustainable Development Goals have set the agenda for making the most of all resources

and raw materials. This is an integrated part of our technology innovation today – and something that our Chinese customers increasingly look for," Jakobsen remarks.

Trusted supplier

At the Junlebao factory in Heibei Province, the infant formula plant has the capacity to produce six tons of premium infant milk formula every hour. Right next to it is a similar plant delivered by GEA in 2016 – the reason why GEA was first choice to supply the new high-tech plant. Evidence of a strong business relationship with trust at its core.

Case: Based on an interview with Ulrik Lund Jakobsen, CEO, GEA Powder & Thermal Separation Technologies

Top export advice:

- » *Understand local market needs and the relevance of your value proposition*
- » *Employ competent teams that balance local market knowledge with Danish knowhow and expertise*
- » *Ensure you always have something innovative to offer – or customers will buy from a local supplier*



Core business: Process technology for the food, beverage and pharmaceutical sectors
Primary export markets: China, Germany and the US

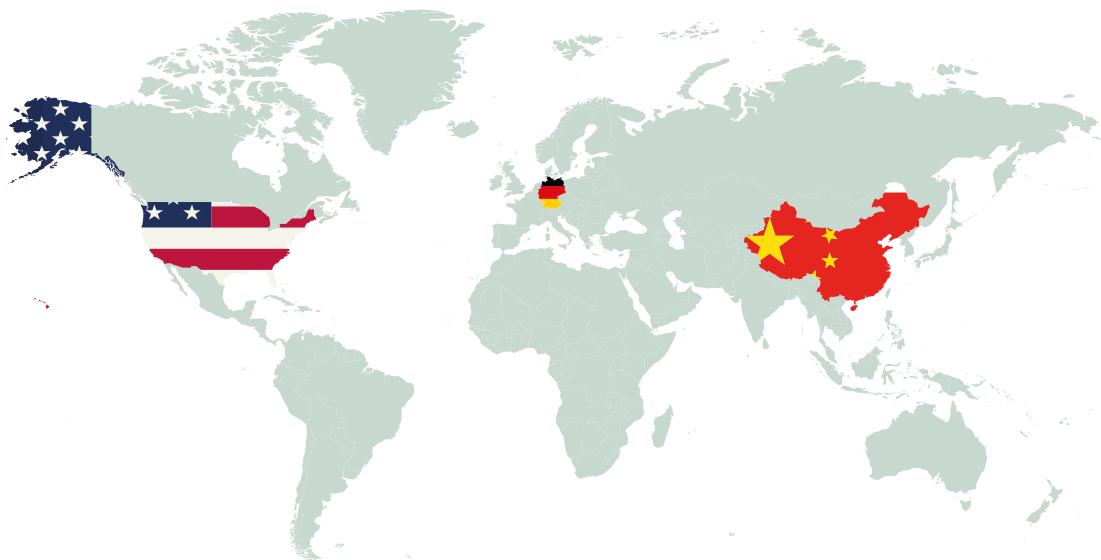


MARKET

MARKET DEEP DIVES

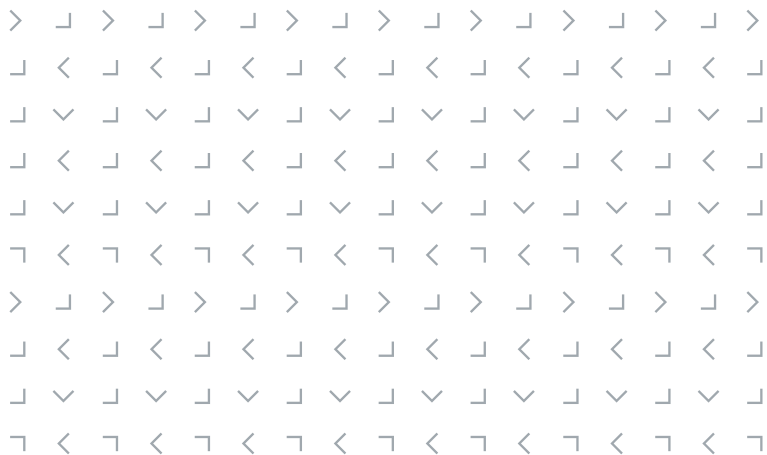
Decision-makers in China, Germany and the US have a range of beliefs and perceptions about Denmark as a food and agricultural nation. This chapter provides a country-by-country overview of key survey findings and export development figures.

Four top business opportunities have been identified for companies to strengthen their sales dialogue and Denmark's overall position in each market.



Note on export development figures

The Danish Agricultural and Food Council has adjusted selected product groups in the export development figures for 2020. As a result, fish oil for fish feed is no longer included in the fish and shellfish product group, while the enzymes group now only includes enzymes that are directly or indirectly used in agriculture, biomass handling or food products.





Key findings and business opportunities

1. Drive awareness of Denmark as a food and agricultural nation

Denmark is top of mind for 5% of Chinese decision-makers when asked to mention food nations – an awareness level that roughly corresponds with the trade flow. Danish food and agricultural companies should use the Danish strongholds to build awareness of Denmark as a leading nation for food and agricultural products and solutions.

2. Leverage Denmark's position as a sustainability frontrunner

Chinese decision-makers generally rate Danish products and solutions more positively than domestic products and solutions, highlighting low environmental impact, sustainability, animal welfare and cooperation. Companies could benefit from leveraging this frontrunner position in China.

3. Emphasise technological capabilities within sustainable development

54% of Chinese decision-makers regard Denmark as a source of technological products and solutions that support resource optimisation and a green transition. More communication about these strengths would build recognition of Danish food and agricultural companies as relevant technology partners for driving sustainable development.

4. Leverage Denmark's position as a country with high food safety standards

For 72% of Chinese decision-makers, food safety is by far the most important indicator of food quality. For 49%, products and solutions from Danish food and agricultural companies represent the highest food safety standards in the world. So, companies have much to gain from communicating about their commitment to food safety, for example through their quality assurance and hygiene programmes.

Brand awareness

When asked which countries are top of mind as suppliers of relevant food and agricultural products and solutions, just 5% of Chinese decision-makers mention Denmark. The countries they name most often are the US (22%), Japan (19%), Germany (17%), South Korea (16%) and France (11%). However, 57% agree that Denmark is a leading food and agricultural nation, and only 25% state that they have little knowledge of Danish food and agricultural products and solutions.

In China, the unaided awareness level roughly corresponds with the trade flow.

Attributes associated with Denmark

Chinese decision-makers primarily associate Danish food and agricultural products and solutions with food safety and sustainability.

Top 5 attributes associated with Danish food and agricultural products and solutions



Country of origin

Country of origin is important to 70% of Chinese decision-makers. In general, they rate Danish products and solutions higher than those from their own country, favouring low environmental impact, sustainability, animal welfare and cooperation. On the other hand, they primarily rank their own products and solutions significantly higher for affordability and good taste. Although Danish products and solutions are not considered affordable, 56% of Chinese decision-makers find they are still good value for money.



CHINA

Food safety and technology

Most Chinese decision-makers state that a high level of food safety is an increasingly important trade parameter and that Covid-19 has increased the food safety concerns of their customers. They seek technological solutions to secure food safety and quality and minimise resource consumption.

In this light, it is positive that 49% of decision-makers recognise Danish food and agricultural products and solutions for having the world's highest food safety standards. As many as 54% agree that Danish companies offer technological products and solutions that can support resource optimisation and the green transition.

What Chinese decision-makers say about food safety and technology

% who agree or strongly agree with the following statements

80% A proven high level of food safety and quality is an increasingly important trade parameter

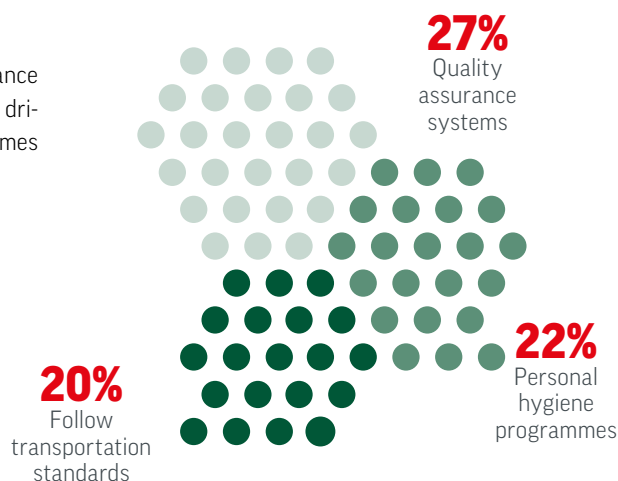
77% Partners and suppliers must exceed the food safety standards set by local authorities

71% Technological solutions are essential to minimise resource consumption in the value chain

70% Investment in technology that supports food safety and quality and optimises resources is necessary for long-term growth

Top 3 drivers of high food safety

For Chinese decision-makers, quality assurance systems are the most important food safety drivers, followed by personal hygiene programmes and adherence to transportation standards.



Trading with China

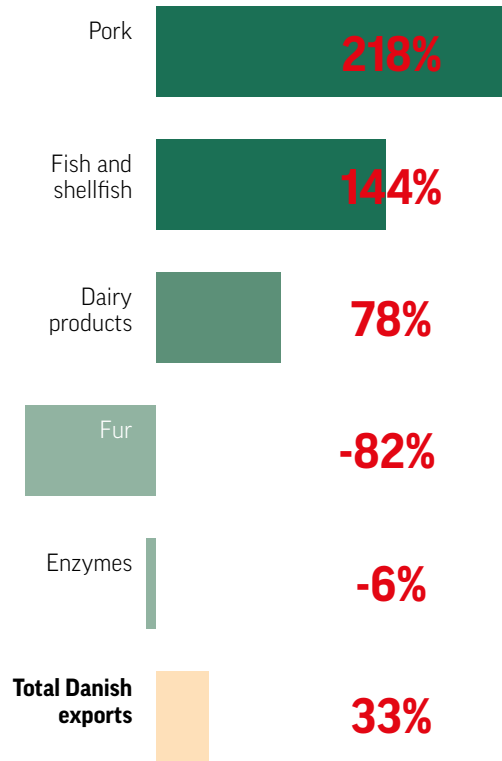
Denmark is a small trading partner for China, exporting goods totalling DKK 31.9 billion in 2020. However, exports to China continue to rise. In the food and agricultural goods sector, which includes bio-based products and machinery, China accounted for 47.4% of total Danish exports in 2020.

Among the top five export categories, pork exports have undergone the most dramatic increase since 2015. This is partly due to swine fever in China.

Other food products like fish and shellfish and dairy products have also attracted growing interest from the Chinese market from 2015 to 2020. Although still in the top five, fur exports have fallen 82% since 2015 (and 29% since last year).

Compared to other categories, exports of food and agricultural machinery to China remain small (DKK 356 million in 2020) but have increased by 55% over the past five years.

Export development in top 5 categories, 2015-2020



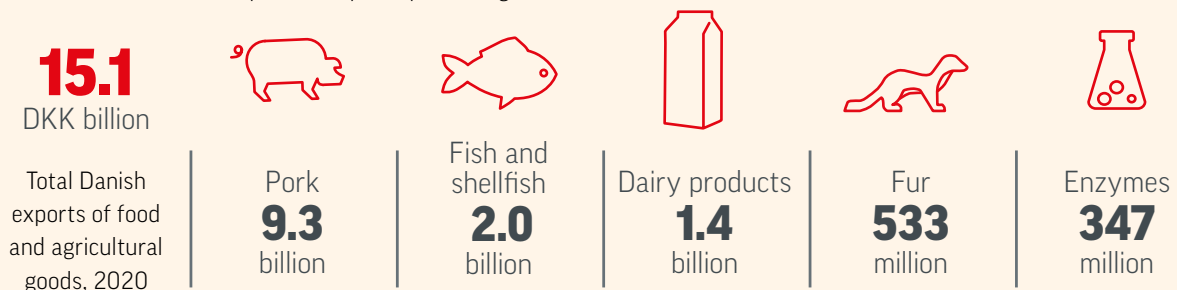
(Statistics Denmark)

GDP per capita

GDP per capita is a prosperity measure that indicates the value of a country's economic output per citizen. In 2020, GDP per capita in China was USD 9,422, which is 16.6% higher than in 2015. By comparison, GDP per capita in Denmark was nearly six times higher (USD 54,684) in 2020 and has grown 7.8% since 2015.

Export of food and agricultural goods, 2020

Exports in top 5 export categories:





Key findings and business opportunities

1. Build on the actual trade flows to increase awareness of Danish strongholds

Denmark is top of mind for 10% of German decision-makers when asked to mention food nations. This is the highest rating among the countries surveyed, although somewhat low compared to the actual trade flow with Germany. There is good potential to increase awareness of Danish food and agriculture companies as reliable suppliers of high-quality products.

2. Leverage Denmark's position as a producer of authentic products and solutions

Quality, organic, sustainability and natural are attributes frequently associated with Danish food and agricultural products and solutions. In general, however, German decision-makers rate domestic products and solutions higher. Denmark only stands out for authenticity – a strength that should be leveraged when promoting Danish products and solutions in Germany.

3. Increase awareness of the high food safety standards of Danish products and solutions

Food safety is by far the most important indicator of food quality for 59% of German decision-makers, with 76% believing that a proven high standard of food safety increases a product's value. As 36% recognise Danish food and agricultural products and solutions as having the world's highest food safety standard, this suggests a readiness to invest in Danish systems, controls and certifications that contribute to safe food production and traceability.

4. Emphasise the use of quality assurance systems and controls in food and agricultural production

For 43% of German decision-makers, food safety is closely linked to regulation and control. They also seem to have faith in government-set food safety standards. Companies could raise awareness of the high level of food safety in production by communicating about their use of quality assurance systems and controls and collaboration with Danish authorities on food safety documentation and control.

Brand awareness

German decision-makers have, at 10%, the highest unaided awareness of Denmark among the countries surveyed. Nevertheless, this is still low for a country that is Denmark's biggest export partner. When asked which countries are top-of-mind suppliers of food and agricultural products and solutions, they mention France (28%), the Netherlands (23%), Italy (21%), Spain (20%) and the US (12%). Denmark comes in seventh place.

While 44% of German decision-makers agree that Denmark is a leading food and agricultural nation, 63% state that they know little about Danish food and agricultural products and solutions. This result points to significant potential for Danish companies to increase the level of awareness through stronger communication of Danish strengths.

Attributes associated with Denmark

German decision-makers primarily associate Danish food and agricultural products and solutions with quality and organic.

Top 5 attributes associated with Danish food and agricultural products and solutions



Country of origin

Country of origin is important to 83% of German decision-makers, who typically prefer domestic products and solutions over imports. In fact, it is only on authenticity that they rate Danish products and solutions higher than their own. On quality, reliability and food safety, they rate Danish products and solutions significantly lower. Just 32% find that Danish companies provide good value for money.



Food safety and technology

Most German decision-makers agree that a high food safety standard is increasingly important to trade and adds to product value. They also regard investment in new technological solutions as a necessity for boosting food safety and quality, optimising resources and securing long-term growth.

Against this backdrop, it is interesting that 36% of decision-makers recognise Danish food and agricultural products and solutions for having the world's highest food safety standards. Close to half – 47% – see Denmark as a strong provider of technological products and solutions that secure high food safety and support resource efficiency. 52% agree that Danish technological products and solutions support resource optimisation and the green transition. However, only a handful of German decision-makers state they are in need of new technological solutions to minimise resource consumption in the value chain and improve food safety (see page 31).

What German decision-makers say about food safety and technology

% who agree or strongly agree with the following statements

82% A proven high level of food safety and quality is an increasingly important trade parameter

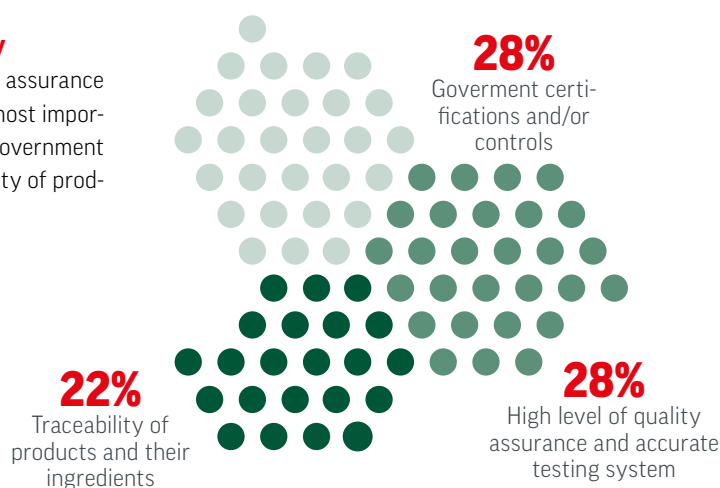
76% A documented high level of food safety increases product value

69% Investment in technology to support food safety and quality and optimise resources is necessary for long-term growth

59% Food safety is by far the most important indicator of food quality

Top 3 drivers of high food safety

For German decision-makers, quality assurance and accurate testing systems are the most important food safety drivers, followed by government certification/controls and the traceability of products and their ingredients.



Trading with Germany

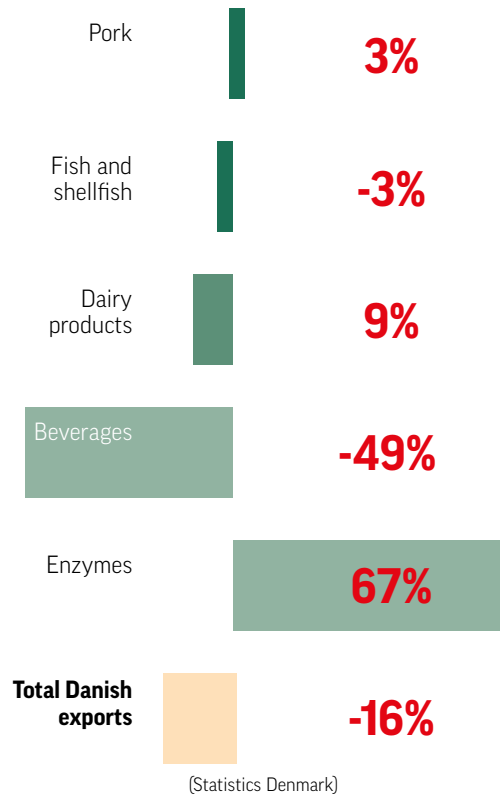
With goods exports that total DKK 93.9 billion, Germany is one of Denmark's long-standing key trading partners. However, total Danish exports have decreased by 16% since 2015.

In 2020, food and agricultural goods, including bio-based products and machinery, accounted for 27.1% of exports.

Among the top five export categories, enzyme exports stand out for a 67% increase since 2015. Beverage exports, on the other hand, are halved. Most of this decline (47%) has taken place since 2019.

Agricultural machines are an increasingly important export category, with 57% growth since 2015. In 2020, machine exports reached DKK 852 million.

Export development in top 5 categories, 2015-2020

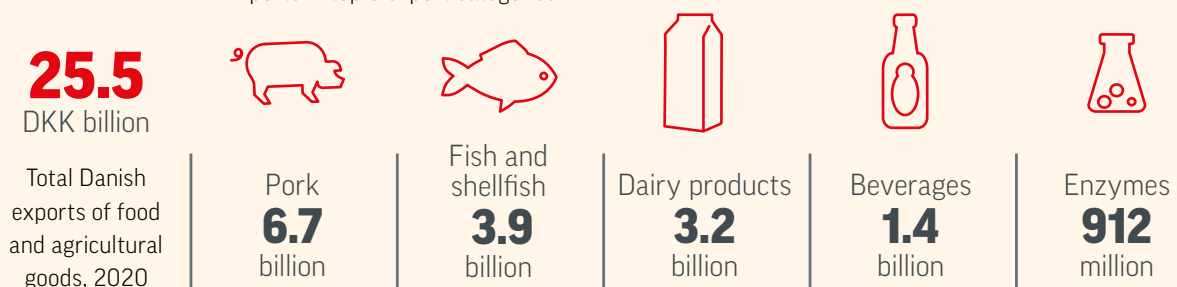


GDP per capita

GDP per capita is a prosperity measure that indicates the value of a country's economic output per citizen. In 2020, GDP per capita in Germany was USD 42,187, which is 2.6% higher than in 2015. By comparison, GDP per capita in Denmark was 30% higher (USD 54,684) in 2020 and has grown 7.8% since 2015.

Export of food and agricultural goods, 2020

Exports in top 5 export categories:





Key findings and business opportunities

1. Drive awareness of Denmark as a food and agricultural nation

Just 4% of US decision-makers are aware of Denmark as a food nation, which is quite low compared to the trade flow. Danish food and agricultural companies should use the Danish strongholds to build awareness of their products and solutions and Denmark's image as a trustworthy and reliable country of origin.

2. Showcase strongholds within animal welfare, organic and sustainability

US decision-makers frequently associate Danish food and agricultural products and solutions with quality, food safety, sustainability and organic attributes. However, they tend to rate US products and solutions higher than those from Denmark. To overcome this home bias, Danish companies should showcase strongholds within animal welfare, organic products and sustainability.

3. Emphasise Danish technological solutions that drive sustainable development

43% of US decision-makers believe that technological products and solutions from Denmark support resource optimisation and the green transition. Danish food and agricultural companies can build on this foundation through communication that emphasises their capabilities as a relevant technological partner for sustainable development.

4. Increase awareness of the high food safety standards of Danish products and solutions

For 67% of US decision-makers, food safety is by far the most important indicator of food quality, while 54% believe that Covid-19 has increased their customers' food safety concerns. Although 35% recognise Danish food and agricultural products and solutions as having the world's highest food safety standards, companies could benefit from stronger communication about how their systems, controls and certifications contribute to safe food production and traceability.

Brand awareness

Only 4% of US decision-makers name Denmark as a top-of-mind country for food and agricultural products and solutions. They primarily mention Canada (33%), Mexico (29%), China (25%), France (17%) and Germany (14%).

However, 41% agree that Denmark is a leading food and agricultural nation, while 35% say they know little about Danish food and agricultural products or solutions.

Attributes associated with Denmark

US decision-makers primarily associate Danish food and agricultural products and solutions with quality and food safety.

Top 5 attributes associated with Danish food and agricultural products and solutions



Country of origin

Country of origin is important to 81% of US decision-makers, and they generally prefer domestic products and solutions over imports. They particularly see domestic products and solutions as more affordable and reliable than those from Denmark. However, when it comes to animal welfare, organic products, sustainability and low environmental impact, they rate Danish products and solutions higher. Despite the low score for affordability, 47% of US decision-makers consider Danish products and solutions good value for money.



Food safety and technology

Most US decision-makers believe that a high food safety standard increases a product's value and that food safety is an increasingly important trade parameter. There is also wide agreement among 72% that investment in new technology is necessary to support food safety, quality and resource optimisation and enable long-term growth.

Just over a third – 35% – recognise Danish food and agricultural products and solutions as having the world's highest food safety standards, while 40% see Denmark as a strong provider of technological products and solutions that secure high food safety and support resource efficiency. 43% agree that Danish companies deliver technological products and solutions that support resource optimisation and the green transition.

What US decision-makers say about food safety and technology

% who agree or strongly agree with the following statements

74% A proven high level of food safety and quality is an increasingly important trade parameter

72% Investment in technology to support food safety and quality and optimise resources is necessary for long-term growth

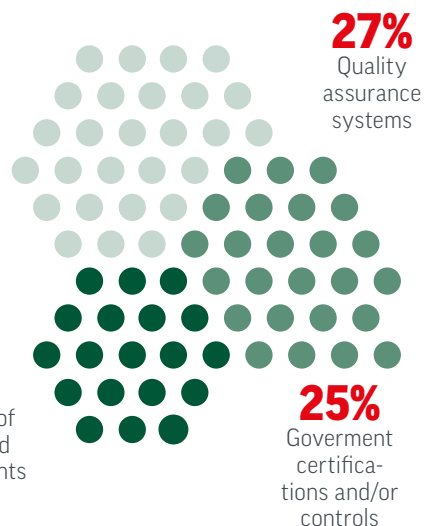
70% A documented high level of food safety increases product value

56% Technological solutions are essential to minimise resource consumption in the value chain

Top 3 drivers of high food safety

For US decision-makers, quality assurance systems are the most important food safety drivers, followed by government certification/controls and the traceability of products and their ingredients.

19%
Traceability of
products and
their ingredients



27%
Quality
assurance
systems

25%
Government
certifica-
tions and/or
controls

Trading with the US

The US is one of Denmark's largest export markets, receiving DKK 72.1 million in exported goods. Over the past decade, the US has grown in importance as a trading partner for the Danish food and agricultural sector. In 2020, food and agricultural goods, including bio-based products and machinery, accounted for 8.3% of total exports.

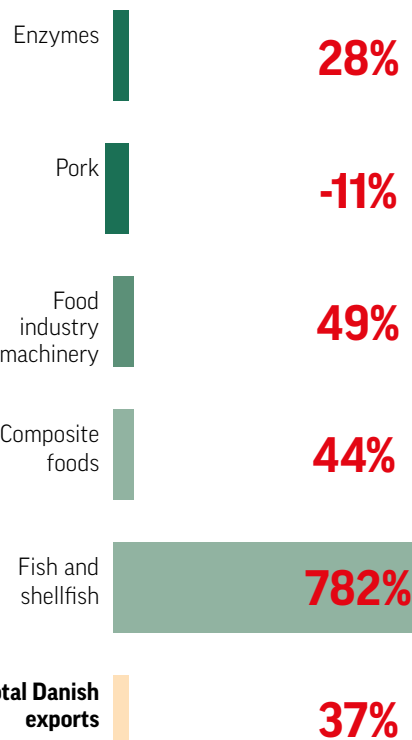
Among the top five export categories, fish and shellfish stand out for 782% growth from 2015 to 2020.

During this period, exports of machinery to the US food industry have increased by 49%, while agricultural machine exports have declined by 37%.

Although pork exports are down 11% since 2015, they grew considerably – 42% – in 2020.

Composite foods are also attracting increased interest from the US market, with exports rising 25% in 2020 alone.

Export development in top 5 categories, 2015-2020



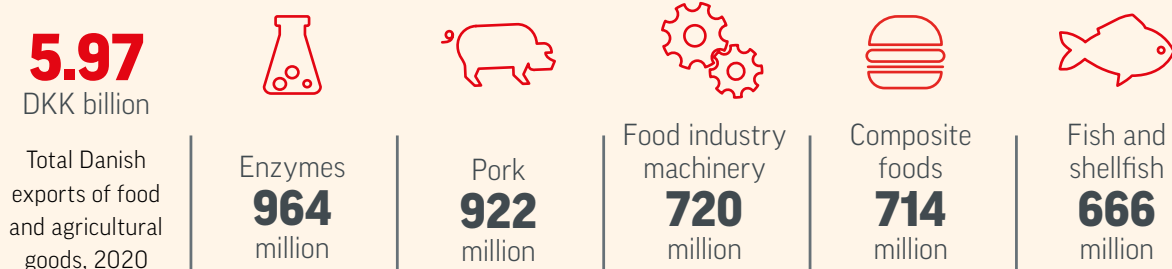
(Statistics Denmark)

GDP per capita

GDP per capita is a prosperity measure that indicates the value of a country's economic output per citizen. In 2020, GDP per capita in the US was USD 55,811. This is 2.7% higher than in 2015. GDP per capita in Denmark was roughly at the same level (USD 54,684) in 2020 and has grown 7.8% since 2015.

Export of food and agricultural goods, 2020

Export in top 5 exports categories:





STRONG

DANISH STRONGHOLDS

Food Nation creates awareness of Denmark as a frontrunner for innovative, sustainable and effective food products and solutions. This includes highlighting the following strongholds, which Danish food and agricultural companies can use to advantage – both to boost exports and to strengthen Denmark's international brand.

QUALITY & SAFETY

Around the world, Danish food products are synonymous with high quality, reliability and excellent hygiene. Our stringent production methods and innovative solutions ensure Danish food products stand out for their impeccable quality and food safety standards.

SUSTAINABILITY

Denmark is globally recognised for sustainable food production and the development of know-how for production with minimal emissions, high resource efficiency and a small carbon footprint. We strive constantly to do better.

ORGANIC

Denmark has been on the world map as an organic frontrunner since the introduction of the state-controlled organic Ø-label in 1987. Today, consumers demand more natural and organic food products than ever – an area in which Danish food and agriculture companies excel.

COLLABORATION

Denmark's collaborative culture is at the heart of the Danish food cluster's reputation for groundbreaking innovation, high productivity and trustworthiness. Public-private partnerships are common. Collaborative efforts have raised Danish food quality and safety to world-leading standards.

HEALTH

Denmark is a source of extensive experience and know-how for solving global health challenges. Through partnerships between knowledge institutions, public authorities and the Danish food and agricultural sector, Denmark can deliver natural, healthy and highly nutritious food products and solutions.

GASTRONOMY

Denmark has achieved worldwide fame for its New Nordic cuisine and a new generation of chefs, who continue to develop Danish food culture. The objective is to make the most of seasonal raw materials at every step of the food value chain. Danish cuisine is a role model for dynamic development in line with global trends.

INGREDIENTS

Denmark's high concentration of ingredient companies and expertise represents an ecosystem of knowledge and innovation. The ingredient industry is skilled in developing solutions that enable feed and food manufacturers to make better use of resources, improve access to nutrition and support the health and wellbeing of livestock and consumers.

INNOVATIVE TECHNOLOGY

Innovative technology is an important enabler of a green transition within the food and agriculture sector. New smart solutions support the world's rising demand for safe and nutritious food by making it possible to produce more with less, increase efficiency and minimise energy consumption.

*Interested in reading more about the strongholds in the Danish food cluster?
Download our white papers at www.foodnationindenmark.com/toolbox*



ABOUT



ABOUT FOOD NATION

Food Nation is a non-profit partnership established by the Danish government and leading private organisations and companies. As a branding consortium, Food Nation exists to create awareness of Denmark as a frontrunner within innovative, sustainable and efficient food production and to provide a gateway for international stakeholders who seek information about Danish food and agricultural products and solutions.

VISITOR CENTRES

Food Nation welcomes international delegations to its visitor centres in Copenhagen and Aarhus. By joining our interactive tour, you and your business partners will be introduced to Denmark as a world-leading food nation, including the Danish food and agricultural strongholds.

Find out more about Food Nation's services and arrange a visit to the visitor centres at www.foodnationdenmark.com.

FREE MARKETING MATERIAL

Food Nation provides Danish companies with insights and marketing material to support their export journey. Visit www.foodnationdenmark.com/toolbox to download:

- Insight reports and articles
- Publications, including white papers
- Fact sheets and food facts
- On-demand webinars

ABOUT THE REPORT

This insight report is the third annual report on Denmark's image as a food nation.

If you are interested in obtaining the data behind this report, feel free to contact Food Nation at foodnation@foodnationdenmark.dk.



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