

MADE BY DENMARK

Annual insight report on Denmark as a food nation 2019



Solutions of tomorrow
By Denmark

Made by Danmark

Annual insight report on Denmark as a food nation 2019

Version 1.0

2019

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Survey and data

Epinion

Graphics and layout

Advice A/S

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DENMARK CAN DELIVER SOLUTIONS OF TOMORROW



Our global food system is on a burning platform where societal trends and issues of sustainability, climate adaptation, health and food availability pose a number of serious challenges.



As a food nation, Denmark is capable of showing ways forward.



Constantly striving to find new solutions, the food and agriculture sector develop knowledge, ingredients and technologies that optimises a sustainable production of safe quality foods in environmental and climate friendly ways. We are experts and frontrunners when it comes to food safety, collaboration, sustainability, organics, gastronomy, health, food tech and premium quality products.

In short, we produce better foods and solutions for the world's growing population.

But do we tell this story enough? And how receptive is the global food market to the many Danish strongholds?

In a survey, conducted by Epinion for Food Nation, we asked international decision makers in four of Denmark's important export markets about their views on Danish food products and solutions. The findings show great potential for Denmark to manifest itself as a top-of-mind food nation across international markets.

In the United States, the United Kingdom, Germany, and China, awareness of Danish food products and solutions is already relatively high, and most of the surveyed decision makers think favorably of Denmark as well. But while the current level of recognition is, indeed, cause for contentment, it should inspire to do even better at communicating essential Danish strongholds. On central areas like food safety, food tech and innovation, the survey shows room for improvement for our global image to rightfully represent our actual level of expertise. A path that, according to the findings of this report, lies wide open in front of us.

The Danish food and agriculture sector is a uniquely trustworthy cluster of organisations and companies with top control procedures, high standards for quality, world-leading sustainable solutions, organic production and innovative technologies. This is who we are. This is also how we should be seen around the world. We are well on our way, but if we unite in our continued efforts to put this image forward, we can go much further.

Made by Denmark is the first in a forthcoming series of annual reports, issued by Food Nation, with information for Danish food and agriculture companies and others working with export of Danish food products and solutions. The objective is to help strengthening and exploiting the export potential, and it is our hope that the report will serve as inspiration as to how we can keep showing our international trading partners that Denmark can deliver the solutions of tomorrow.

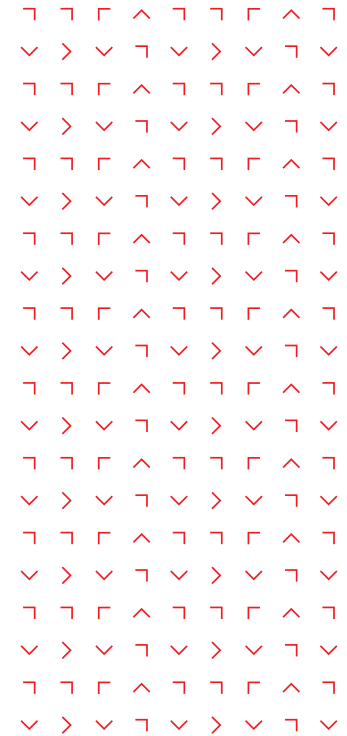
Enjoy.

Lise Walbom
CEO, Food Nation





Credit: Mikkel Heriba, Visit Denmark



ABOUT THE SURVEY

This report is based on a quantitative survey conducted by Epinion for Food Nation.

The survey examined Denmark's image as a food nation among decision makers in international companies working with production or handling of food and agriculture.

In total 802 decision makers were surveyed in four of Denmark's key export markets: The US, the UK, Germany and China.

In each market, Epinion interviewed a broad range of companies, covering small and medium-sized enterprises as well as large multinational companies. All informants are in the food and agricultural industry; producing, purchasing, selling, or handling food products and solutions.

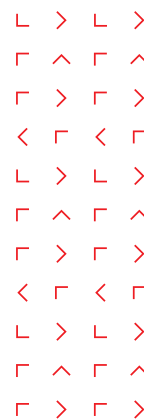
The survey covered topics of awareness, associations, values and importance.

Data was collected for the first time in November and December 2018. Henceforth, the survey will be conducted on an annual basis.



AWARE- NESS



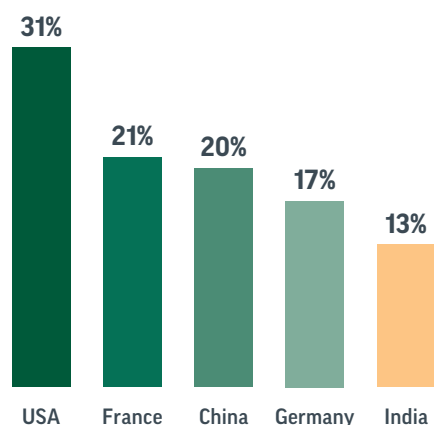


DENMARK HAS GREAT GROWTH POTENTIAL AS A FOOD NATION

The global demand for food and agriculture products and solutions is on the rise and Danish food and agriculture companies have a lot to offer international trading partners. A new survey reveals great potential for Denmark to expand its position as a globally recognised food nation. One way of moving forward is by working together to further unfold the core stories about central Danish strongholds in the food sector.

TOP 5 TOP-OF-MIND FOOD NATIONS

Decision makers in the food and agricultural industry in the US, the UK, Germany and China tend to mention major food producing countries, when asked to think of countries with food products and solutions relevant to their industry.



Denmark is a world-leading food nation with a long and proud tradition of producing safe, natural, nutritious and high quality foods – all of which are values and standards in high demand on the global market. We hold great export potential, and the opportunities to expand are right in front of us.

A new survey for Food Nation, carried out by Epinion, indicates that, while Danish food products and solutions are consistently rated highly on numerous essential qualities, Denmark is not yet a country that immediately comes to mind when important international decision makers are asked to think of countries with relevant food products and solutions.

Just 5% of decision makers in the food and agriculture industry in the US, the UK, Germany and China list Denmark among the five first

countries coming to mind, when thinking of foreign countries with food products and solutions relevant to their industry. Instead, major food nations such as the US, France and China are taking the lead.

COMMUNICATING DANISH STRONGHOLDS

While top-of-mind status is yet to be achieved, it is well within the grasp of the Danish food and agriculture sector. According to Thomas Bustrup, COO at The Confederation of Danish Industry Denmark is widely known and recognised internationally as a frontrunner when it comes to innovative, sustainable, safe and effective food production.

“All Danish food companies focus on making their solutions more sustainable, maintaining the high level of food safety that we are known for. This is basically the backbone of the Danish food export. This needs to be top of mind among international decision makers when they look for tomorrow’s solutions.

*Thomas Bustrup, COO,
The Confederation of Danish Industry*

The Danish food arena is experiencing a steady increase in international sales and high quality products and innovative food solutions are in high demand. Thus, the question remains as to how Denmark can translate its current position into an even stronger global image.

Danish food and agriculture companies play an important role in this regard. Export driven companies represent Denmark in international

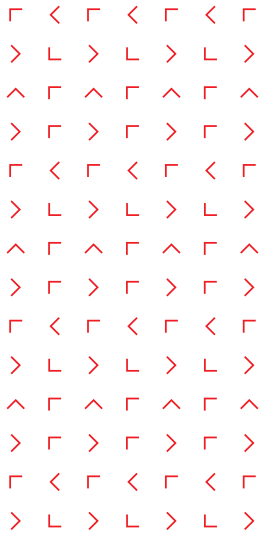
markets and hold the dialogue with relevant trading partners.

In order to become even more well established alongside other well known food nations, Thomas Bustrup points out the importance of standing together and communicating the strong unified narrative of Denmark’s special areas of expertise within food and agriculture:

“In Denmark, we like to face challenges together and the public-private partnership founded with Food Nation to create awareness about Danish solutions is an important step to make a difference globally and meet the massive export potential.

*Thomas Bustrup, COO,
The Confederation of Danish Industry*





A SOLID FOUNDATION FOR EXPORT PROMOTIONS

The Danish food arena excels in high quality products, food safety, organic production, sustainability and gastronomy. In addition, Danish suppliers are very competitive in innovative food tech solutions as well as strong collaborators.

According to Thomas Bustrup, these virtues are the backbone of Danish food export.

Promoting them will not only help positioning Denmark as a food nation – the Danish strongholds also work as a solid foundation for export promotions:

“My impression is that buyers associate products from Denmark with a high standard of quality and a high level of food safety. But we need to continuously communicate the Danish strongholds to support a strong and export driven business environment for all companies.

*Thomas Bustrup, COO,
The Confederation of Danish Industry*

GLOBAL DEMAND FOR DANISH STANDARDS

According to the survey, Denmark is a significant player on the German market, where 11% of the surveyed decision makers trade with Danish food companies. Yet, the percentage of decision makers importing Danish food products and solutions to the US, the UK and China count for less than 5% of the total sample.

When, on average, only 5% of decision makers have Denmark top-of-mind, it might be because Danish food and agricultural products and solutions currently count for a minor share of the import in at least three of the markets surveyed. The percentage of decision makers who have Denmark top-of-mind matches the trade flows.

However, the global demand for food products and solutions of Danish standards is on the rise due to a number of pressing circumstances: Food production has multiple effects on the environment, the global population is growing, and consumers are looking for affordable, high quality food as part of a healthy and balanced diet.

In this regard, Thomas Bustrup sees great potential for Denmark to expand further as a food nation:

“Globally, the food and agriculture sector is facing major challenges of finding sustainable solutions for food production, while meeting the increasing demand for high-quality food. As a food nation that excels in product quality, food safety, innovative solutions and food tech, Denmark has massive growth potential in this business area.

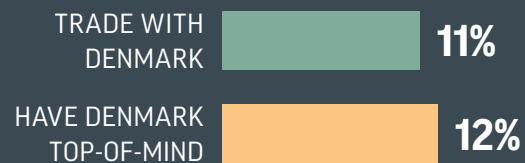
*Thomas Bustrup, COO,
The Confederation of Danish Industry*

Awareness follows trade flows

Chinese decision makers that...



German decision makers that...



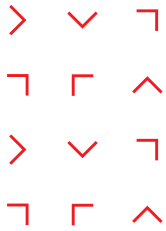
British decision makers that...



American decision makers that...



Based on interviewed decision makers in the food industry. Not actual trade flows.



CASE: DANISH CROWN

ENTERING NEW MARKETS WITH DANISH STRENGTHS

Export driven companies represent Denmark in international markets and hold the dialogue with relevant trading partners. As Denmark's largest food slaughterhouse, Danish Crown is an important exponent of Denmark as a food nation.

Danish Crown is considered a world-leading meat processing company. The enterprise has more than 28.000 employees in countries all over the world, and has an annual turnover of more than 60 billion DKK.

On a global scale, Danish Crown is known and respected for its excellent level of food safety, quality and high standards for animal welfare as well as for its sustainable production methods.

To convey the unique expertise of the company, Danish Crown has worked to focus its export promotions on Danish strengths within food and agriculture.

DANISH FOOD SAFETY APPEAL TO ASIAN MARKETS

By disseminating stories of Denmark's well functioning control systems, strict national veterinary authority and high standards for production methods, Danish Crown has contributed to creating powerful opportunities for Danish meat export to several Asian markets – especially China, which is now Danish Crown's fastest growing market.



The Danish tradition of producing meats without the use of hormones and antibiotics has been one of the essential parameters, appealing to Chinese trading partners

Danish Crown has succeeded in showing the Chinese market that it is capable of offering reliability in terms of delivery and quality as well as a high level of food safety parameters, which are essential to Chinese buyers within the food and agriculture sector. The Danish tradition of producing meat without the use of hormones and antibiotics has been one of the essential parameters, appealing to Chinese trading partners. In 2015, Danish Crown's sales accounted for 21% of the total Danish export to China, and today the company has four sales offices in China.

EMPHASISING RELEVANT STRONGHOLDS

In European markets, Danish Crown has emphasised other relevant parameters to posi-

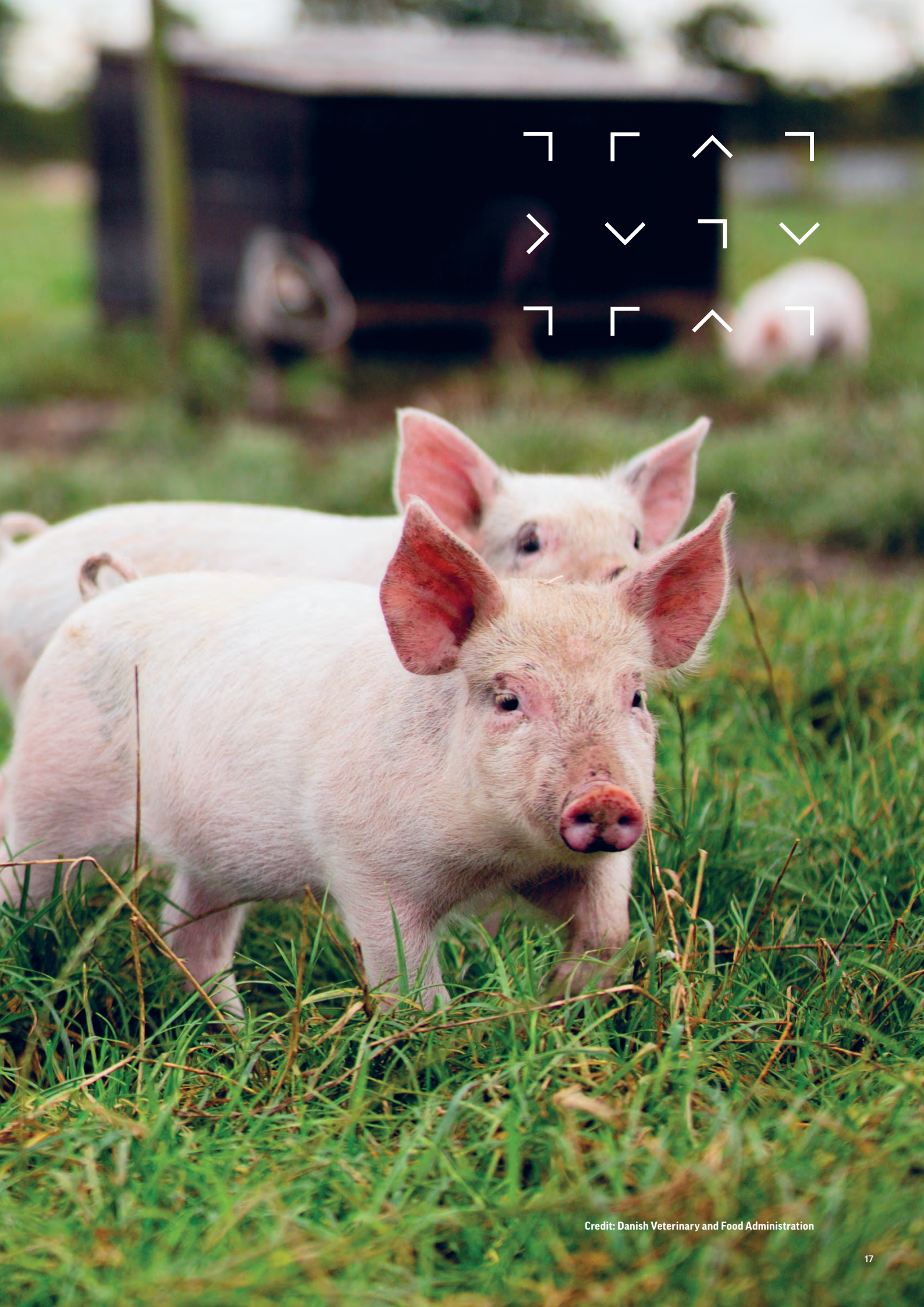
tion its company as a frontrunner on excellent quality and safety.

By communicating stories of Denmark's co-operative movement, Danish Crown has shown European trading partners how Danish farmers collaborate on delivering premium quality pork from farm to consumer.

Danish Crown's strategy of communicating relevant Danish strengths in their export promotions has contributed to support a strong and export driven business environment for the Danish food sector.

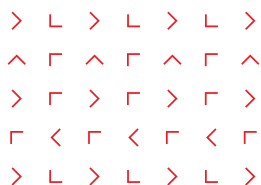
A photograph of a piglet in a grassy field. The piglet is white with pink ears and a pink snout, looking towards the camera. In the background, another piglet is lying down, and there is a wooden fence and some trees. The text "STRONG-HOLDS" is overlaid in large white letters.

STRONG- HOLDS



FINDING DENMARK'S BRAND ASSETS AS A FOOD NATION

Our image as a food nation is positive but diverse. In order to position Denmark as a relevant trading partner in international markets, we must focus on our distinctive assets.



Denmark might not always be top-of-mind as a food nation. However, the survey indicates that decision makers and buyers in the US, the UK, Germany and China are well aware of Danish food products and solutions, and thinks favourably thereof.

70%
of the associations about
Denmark as a food nation
are positive.

While generally positive, the free associations given in the survey were numerous and varied, including everything from 'Organics' 'Safety', 'Fresh', 'Innovative', 'Quality' to 'Bacon', 'Dairy', 'Meat', 'Honey', 'Pastry' and 'Cookies'.

FINDING RELEVANT BRAND ASSETS

However, diversity is not necessarily an issue, according to branding expert, Polymeros

Chrysochou, Associate Professor at the Department of Management at Aarhus University:

“When branding food products and solutions on being Danish, it is not enough to put a Danish flag on the label of your product. You need to communicate the story of how your product is unique by being Danish. In order to do that, you need to find the distinctive assets that make Danish companies different from other suppliers in that specific market.

Polymeros Chrysochou, Associate Professor,
The Department of Management, Aarhus University

Which virtues to highlight may differ from market to market. For the Asian customer, food safety is extremely important, while new consumer trends in the US have resulted in an increased demand for organic food.

"What aspect of Denmark's general food brand is relevant in this particular market? This is a question that any Danish food or agriculture company should ask itself before embarking on a new export adventure. International buyers are always focused on consumer demands in their specific market," says Polymeros Chrysochou.

A UNIFIED BRAND FOR DENMARK AS A FOOD NATION

Danish food and agriculture companies can highlight brand assets that appeal to target groups in relevant markets.

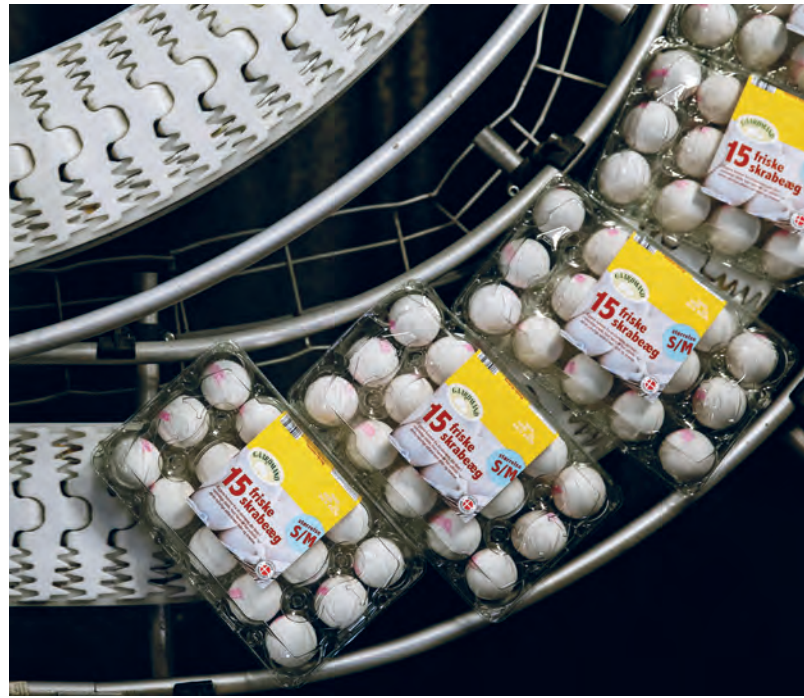
However, the overall Danish food nation brand must be unified and consistent and should correspond to the image of Denmark in general:

"Our brand as a food nation needs to be coherent with the reputation of our country in general. Denmark is a country with high standards of living – known for being innovative with regards to technology, design and know-how. These assets should help establish us as a strong food nation," says Polymeros Chrysochou.

Traditional food nations like Italy are known for their culinary traditions and recipes. Their distinctive assets are bound up with lifestyle and culture.

Likewise, Denmark is coloured by culinary trends such as New Nordic gastronomy, but we have other distinctive assets to highlight, says Polymeros Chrysochou.

"High standards in food production is a virtue that gives any Danish company the opportunity to stand out. On parameters such as food safety, organic and sustainable production and quality in general, we surpass many international suppliers."



BRANDING FOOD AND AGRICULTURAL PRODUCTS AND SOLUTIONS IN A B2B-SETTING

When branding Danish food products and solutions in a business to business context, credibility and reliability are very important.

International buyers look for credible and reliable suppliers, and in this regard, the general image of the country plays an important role, says Polymeros Chrysochou:

“Denmark is generally seen as a well-functioning nation that can be trusted financially. There is, in other words, a platform for communicating our collaborative strengths as well as our credibility, when it comes to delivering high standards.

*Polymeros Chrysochou, Associate Professor,
The Department of Management, Aarhus University*

According to the survey, reliability is seen as the most important criteria when choosing a supplier in the markets of the US, the UK, Germany and China. 80% of decision makers within the food and agricultural industry find reliability decisive.

TOP 5

Determining aspects for...

Chinese decision makers

78%
RELIABILITY



75%
FLEXIBILITY



71%
GOOD TASTE



69%
FOOD SAFETY



68%
LOW ENVIRONMENTAL IMPACT



German decision makers

80%
FOOD SAFETY



77%
RELIABILITY



77%
TRANSPARENCY



77%
FLEXIBILITY



72%
GOOD TASTE



British decision makers

80%
RELIABILITY



77%
LOW ENVIRONMENTAL IMPACT



76%
FLEXIBILITY



56%
HEALTHY



53%
GROWTH-CREATING



American decision makers

87%
RELIABILITY



87%
FLEXIBILITY



86%
LOW ENVIRONMENTAL IMPACT



67%
FOOD SAFETY



66%
HEALTHY





CASE: CARLSBERG

BRANDING DANISH BEER ON SUSTAINABILITY

Sustainable production, resource efficiency and continuous quality improvement are all part of the Danish food cluster's DNA. Accordingly, sustainability is a strong brand asset, setting Danish companies apart in several foreign markets.

The Danish mindset towards sustainability is tied to a decade-long history of public-private partnerships intended on shaping and developing food production in Denmark. Time and time again, Denmark has set ambitious goals to minimise pollution and optimise resource efficiency through every step of the value chain.

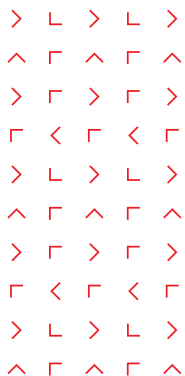
Danish company Carlsberg is one of the world's leading brewery groups and a great example of the Danish food sector's dedication to cutting down on CO₂-emissions and saving resources.

BUSINESSES ADDRESSING CLIMATE CHANGE

Since the founders set up shop in Copenhagen in 1847, Carlsberg has been living by its values of brewing for a better tomorrow. Its purpose is to brew excellent beer while leaving a better world for future generations through investments in science and sustainability.

Carlsberg's ambitious sustainability programme, 'Together Towards ZERO', is an example of how the Danish food sector takes responsibility. The strategy consists of four goals to be met by 2030: ZERO carbon footprint, ZERO water waste, ZERO irresponsible drinking and a ZERO accidents culture. Their ambition of ZERO carbon footprint aligns with the Paris Agreement's goal of limiting global warming to 1.5 °C.

Since its 2015 baseline, Carlsberg has reduced relative carbon emissions by 20% and water consumption by 9%, showing the Group's determination to decouple growth from environmental impacts.



With Snap Pack
Carlsberg reduces
both plastic
waste and carbon
emissions

GLOBAL CONSUMERS REQUIRE SUSTAINABLE ALTERNATIVES

In 2018, Carlsberg also launched a series of consumer facing sustainable innovations, including Snap Pack, which reduces both plastic waste and carbon emissions. This new technology for beer packaging can save as much as 76% of the plastic in multipacks. For Carlsberg, this means saving of up to 1,200 tons of plastic – or the equivalent of 60 million plastic bags.

International consumers demand sustainable alternatives, and Carlsberg's initiatives show how Danish food companies can adjust to the changing consumer trends worldwide.



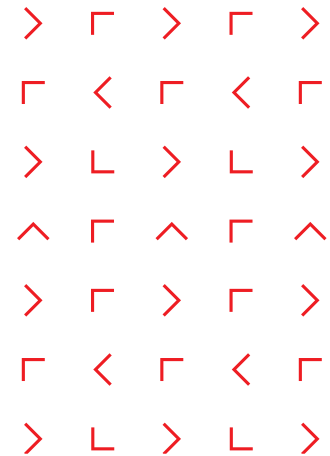
Credit: Carlsberg



THE OUTSIDE PERSPECTIVE

Credit: Organic Denmark

Two international buyers comment on their impression of the Danish food and agricultural industry as well as their experience trading with Danish suppliers of food products and solutions.



CHINA

Douwe de Witte is Procurement & Category Manager of Import Fresh at the Chinese wholesaler Metro. He trades in frozen assortments and dairy products from Danish-owned producers and distributors.

“When I think of Danish food, I think of high quality. I know from experience that the Danish food cluster has high production standards, that regulations on food safety are strictly enforced, and that health checks, facilities and processes all abide to those regulations. So, I am strongly confident in buying from Danish distributors of food products and solutions. Both in terms of quality but very much from a service point of view as well. There is a certain understanding and a certain trust when dealing with Danish companies that promises will be kept and delivered on. When trading distances are this long, complications are unavoidable, and in times of trouble, trust becomes hugely important. A good relationship helps to resolve issues quickly and fairly. And we have always been able to work things out when dealing with Danish suppliers – even when the blame was on us. To me, that is a major asset.”

THE UNITED KINGDOM

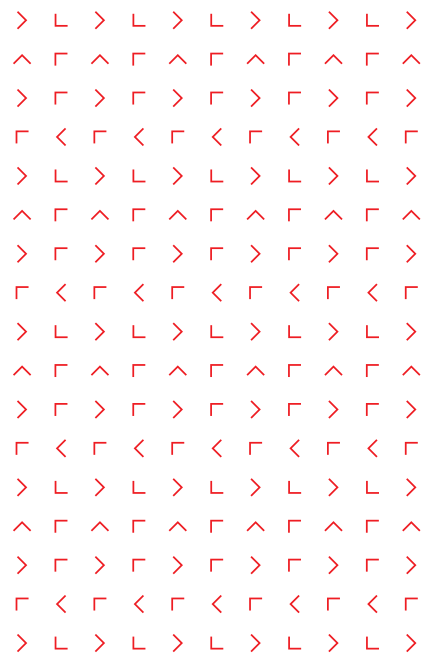
Tom Bolger is Buying Manager at British Supermarket retailer Asda. He trades in butter and spreads, cream and eggs, yoghurts, desserts and juice.

“When I think of Danish food, my professional opinion is that you guys are right up there with the best, when it comes to quality. I have always experienced exceptional quality when dealing with Danish brands, and they have always served a great job for me. It is very clear to me as a food buyer, that Denmark plays a big role in segments such as farming and dairy. At least in the UK, I think you have a strong heritage. You really own those segments in ways that other countries do not. And I think you are strong collaborators. Very clear, very reliable, very consistent day in and day out. But very willing to share as well, which has done a lot for me in my field, because you are quite advanced and forward thinking in terms of linking food and science. Specifically, in my experience, merging taste and functionality. We have benefitted a lot from that.”



FOOD SAFETY





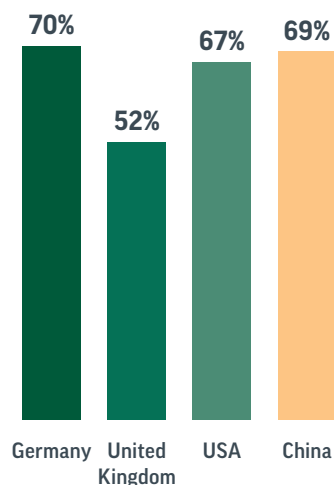
FOOD SAFETY IS OUR PRIDE

Food safety is one of the most important criteria for international decision makers when choosing food and agricultural suppliers. It is also one of the key strongholds in Danish food and agricultural production, and one we need to maintain and communicate. However, the survey reveals that international decision makers in the four selected markets do not see Denmark as a frontrunner when it comes to food safety, indicating massive untapped potential.

FOOD SAFETY IS A KEY CRITERIA ACROSS COUNTRIES

The bar chart shows the share of decision makers in each country that find food safety determining.

The bar chart shows the share of decision makers in each country that find food safety decisive or very important.



The world needs and requires high food safety. At least, this is the case if you ask international decision makers in four of Denmark's most relevant and important export markets – the US, the UK, Germany and China. The survey shows that 65% of the international decision makers highlight food safety when asked what is very important or decisive when choosing international suppliers.

This is good news, given the Danish expertise in precisely this matter, says Esben Egede Rasmussen, Director at the Danish Veterinary and Food Administration.

“It is generally agreed on that the Danish food and agricultural sector is first in class when it comes to food safety. The cooperation between state, industry and research has resulted in very high standards for food safety in Denmark.

*Esben Egede Rasmussen, Director,
The Danish Veterinary and Food Administration*

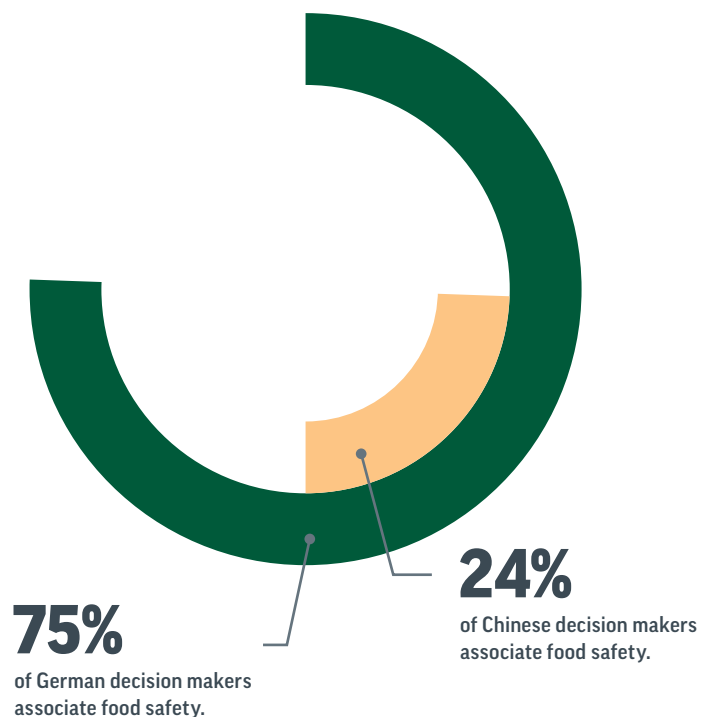
WE HAVE AN UNTAPPED POTENTIAL

Although food quality and safety are key competences in Denmark, the survey indicates fierce competition for the attention of international decision makers. This could point to an untapped potential in better communicating our stronghold within food safety.

“Danish food companies cannot take for granted that the international markets know of our excellence in food quality and safety. We must show it by continuously telling understandable and documented stories about our strongholds. For instance, stories about our responsible industry and our control system,” says Esben Egede Rasmussen before elaborating on the importance of focusing on the issues that appeal to consumers in each specific market.

“I think it is very important that Danish food and agriculture companies understand the consumers with whom they wish to engage. What is important to them when it comes to food quality and safety? Maybe it is not the Danish salmonella plan of action or other large-scale structural initiatives you need to

HOW GERMAN AND CHINESE DECISION MAKERS PERCEIVE FOOD SAFETY IN THEIR OWN COUNTRY



focus on. Maybe it is something ‘closer to home’ for the local consumer.”

DEFEAT THE HOME BIAS

The survey indicates that food safety is especially important to German decision makers who associate food safety more with their own food products and solutions than with those of Denmark, as illustrated in the figure above. This makes them more likely to choose a national supplier.



**German decision makers
associate Danish products
less with food safety than
German goods.**



**Chinese decision makers
associate Danish products
more with food safety
than Chinese goods.**

“It is natural to think that the food in one’s own country is the best – no matter the objective facts. This is a hurdle that any food and agricultural company needs to overcome when exporting. There will always be a home bias to defeat, and that poses a challenge to one’s communication. But it can be done. You have to appeal to the specific market.

*Esben Egede Rasmussen, Director,
The Danish Veterinary and Food Administration*

According to the survey, Denmark has overcome the national bias when it comes to the Chinese market. The decision makers in China find food safety very important and they are more likely to have high confidence in Danish products than their own.

“Since we got into China with Danish pork ten years ago, both the Danish public authority and the Danish food and agriculture companies have put a lot of effort and energy into that market. We have had a clear strategy for demonstrating and communicating our excellent food safety and that has paid off. But it is not given that we will maintain our strong position in China. We have to keep demonstrating and documenting our high food safety standards,” says Esben Egede Rasmussen.

China is, in this regard, a Danish success story, carrying an important inspirational message: Food safety is an important position of strength that functions to open up doors around the world. It is, therefore, important to continue to develop and communicate this area in order to continue our export of knowledge, products and solutions to international stakeholders.



Credit: Fiskebranchen

CASE: FOSS

DANISH FOOD SOLUTION ENSURES HIGH QUALITY AND SAFETY IN FRESH MILK

Food safety and high quality are important strongholds that open doors to international markets. Especially in Asia, several cases of food related illnesses have stressed the need for higher levels of safety and quality. Danish food technology company FOSS has successfully entered international markets with a milk screening concept that ensures high quality and food safety in fresh milk.

Denmark has a leading position when it comes to delivering the most up-to-date and innovative technological solutions for securing and improving food quality. The work of the food technology company FOSS is a great example of just that.

With FOSS' invention of the solution GoodProduct, more consumers around the world can trust their fresh milk to be safe.

A GROUNDBREAKING SCREENING METHOD

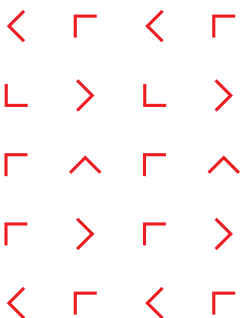
In collaboration with dairies from all parts of the world, FOSS has created the solution GoodProduct – a groundbreaking screening method for fresh milk.

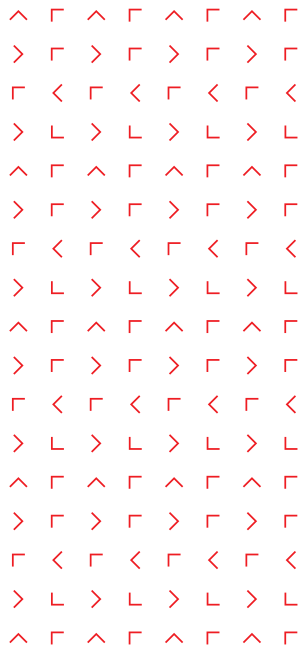
The solution is developed to measure product quality by analyzing the chemical composition of milk, including protein, fat, lactose and total solids. The screening method is also sensitive to foreign substances in milk, such as remains from cleaning materials and other impurities.

GoodProduct can thus be used as a standard quality assurance tool in dairies around the world.

ENTERING ASIAN MARKETS WITH SAFE SOLUTIONS

FOSS' milk-screening concept has become popular in Asia where GoodProduct is sold as an important tool to reduce milk adulteration.






In recent years, dairy industries in developing countries have faced a challenge with foreign substances being added to the raw milk for the purpose of selling at higher prices. Countries like China and India have been plagued by this challenge, which puts consumers at risk and undermines the trustworthiness of the countries' established dairy sectors.

With the GoodProduct technology, dairies can now quickly determine if the milk they receive from local farmers is impure or attenuated. The screening method is instant, giving dairies time to react in cases of contamination, before their milk reaches the consumer.

Thousands of milk scanners, based on the GoodProduct concept, have been implemented at dairies around the globe and are especially present in Asian markets.

The case of GoodProduct shows how global quality and food safety can be raised to new levels with Danish technology and solutions.



FOSS' milk screening concept has become popular in Asia



**HEALTHY,
NATURAL
AND
ORGANIC**



HEALTHY, NATURAL AND ORGANIC FOOD MAKE DENMARK UNIQUE

Denmark has a unique branding position by being a frontrunner on natural and organic food that fits a healthy lifestyle. The Danish food and agriculture sector needs to adapt to each market's understanding and expectations concerning these matters.



In the markets of the US, the UK, China and Germany, Denmark is to a great extent associated with foods that support a healthy, organic and natural diet.

According to the survey, international decision makers in the food and agriculture industry in the four selected markets are, in general, more likely to associate 'healthy', 'natural' and 'organic' with Danish food products and solutions than with the products of their own country.

The good reputation among our international trading partners is good news for Denmark.

According to Anne Lawaetz Arhning, CEO, the Danish Agriculture & Food Council, Danish

food producers have a unique chance of positioning themselves internationally around healthy, organic and natural food products and solutions:

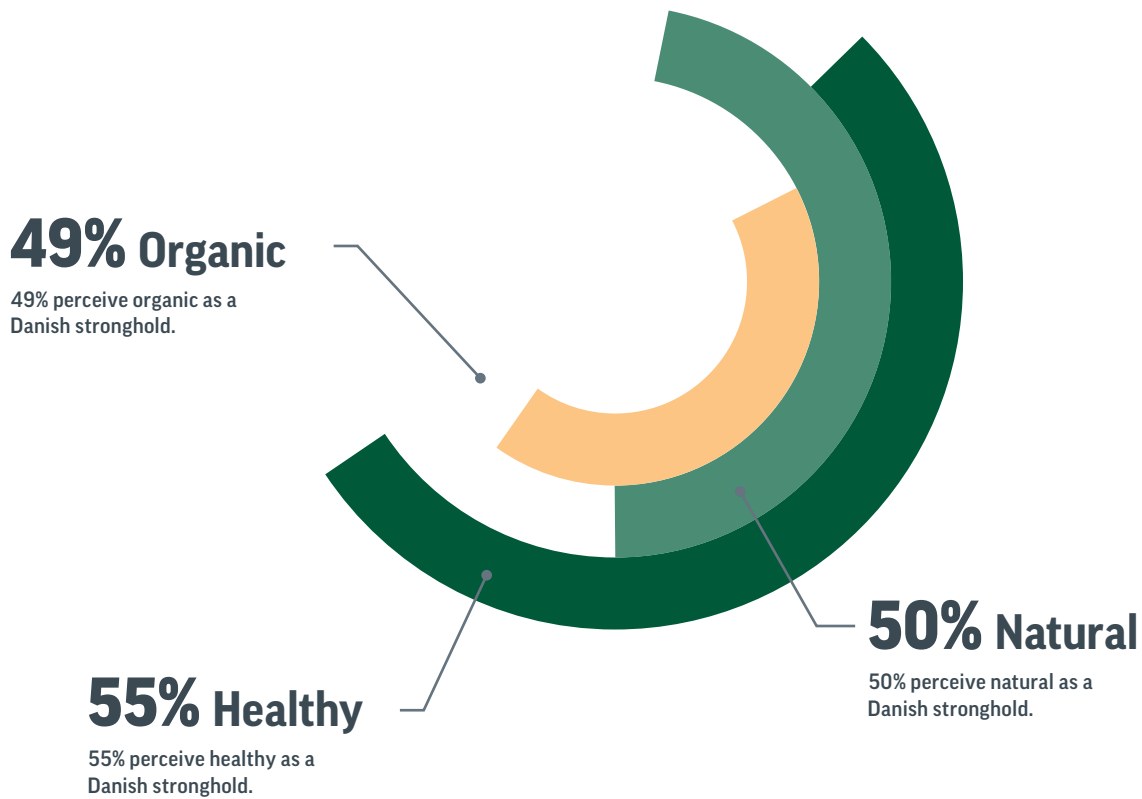
"A large number of Danish consumers demand food products that fit a healthy and conscious lifestyle. Denmark's high standards of living have brought the Danish food cluster to the forefront of providing nutrient-rich, organic and naturally produced food."

OVERCOMING REGIONAL DIFFERENCES

Denmark has strict regulations and certifications, and our food cluster has high standards in production methods. These factors are objective, measurable market advantages that

PERCEIVED DANISH STRONGHOLDS ACROSS THE COUNTRIES

The decision makers are in general more likely to associate these three aspects with Danish food products and solutions than with the products of their own country.



Danish food and agricultural companies can communicate to international trading partners.

However, when branding Danish food products and solutions on non-objective parameters, Anne Lawaetz Arhning recommends taking regional understandings into account. What is perceived as 'healthy' and 'natural' in a product may differentiate from one market to another based on cultural understandings.

“Health and naturalness are subjective parameters that may be defined differently across borders. In China, 'health' is usually related to food safety. A Chinese buyer

typically expects healthy food products to be clean and produced under hygienic circumstances with a high traceability. In a Western context, 'health' is more likely to be tied to a product being natural. A Western buyer will typically expect healthy food products to be free from unnecessary additives, medicaments, hormones and growth enhancers.

Anne Lawaetz Arhning, CEO,
The Danish Agriculture & Food Council



These subjective understandings will not only depend on regional differences. The way international buyers think of non-objective parameters can be affected by many other factors. For instance, understandings of health can vary throughout different parts of the supply chain.

SELLING ORGANICS IS ABOUT BUILDING TRUST

While healthy and natural food is tied to subjective understandings, the term 'organic' is more likely to be understood as objective due to official certification and legislation.

Europe has joint organic regulations, but the definitions and perceptions of organic food products can still differ – especially outside European borders, where regulations are different. It is important to continue to build on the great trust in Danish organic food products, especially when selling outside the EU, says Anne Lawaetz Arhning:

“ Consumers outside the EU tend to be more skeptical about the credibility of organic food products. Therefore, the main focus should be building up trust in Danish certification when selling organics outside European borders. Danish food companies need to stress the fact that the certification of organics in Denmark is supervised by authorities and highly trusted among consumers.

Anne Lawaetz Arhning, CEO,
The Danish Agriculture & Food Council

When selling organic food products and solutions to neighboring countries within the EU, a slightly different approach can be taken, asserts Arhning:

“In European markets like Germany and the UK where awareness and trust in Danish organic food products have already been established, Danish food companies can move on and tie their organic products to other areas of Danish expertise such as sustainability, quality and natural food production.

Anne Lawaetz Arhning, CEO,
The Danish Agriculture & Food Council

INTERNATIONAL DEMANDS FOR HIGH STANDARDS

In Denmark, food products which support a healthy and natural diet are in high demand among a broad range of consumers. Internationally, however, food products of Danish standards are still reserved for a minor group of the world population with the right purchasing power. Nevertheless, there is a global demand for high quality products and solutions that the Danish industry can benefit from.

61% of decision makers in the surveyed markets find that health is a very important criteria when buying food products and solutions, and 35% of decision makers look for organic products.

KEY CRITERIA

When choosing a supplier, across the countries

61% Healthy

39% Natural

35% Organic

Anne Lawaetz Arhning agrees that the Danish food and agriculture sector has a large export opportunity here:

“There is an increasing global demand for nutritious, natural and organic food of the excellent standards, offered in Denmark. Danish food companies can take advantage of this unique position and enter international markets by identifying the right trading partners and build and facilitate an understanding of our unparalleled expertise.

Anne Lawaetz Arhning, CEO,
The Danish Agriculture & Food Council

TOP 5

Danish strongholds according to...

Chinese decision makers

68%
GOOD TASTE | 

51%
HEALTHY | 

50%
RELIABLE | 

49%
NATURAL | 

43%
FOOD SAFETY | 

German decision makers

56%
ORGANIC | 

48%
NATURAL | 

45%
HEALTHY | 

41%
FOOD SAFETY | 

40%
CO-OPERATION | 

British decision makers

63%
FLEXIBILITY | 

58%
HEALTHY | 

53%
FRESH | 

52%
GOOD TASTE | 

52%
NATURAL | 

American decision makers

72%
FLEXIBILITY | 

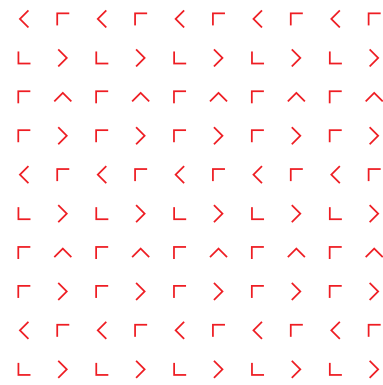
66%
HEALTHY | 

66%
ORGANIC | 

65%
GOOD TASTE | 

63%
FOOD SAFETY | 





CASE: ARLA FOODS

MEETING INCREASING GLOBAL DEMANDS FOR ORGANICS

Danish food companies can make a difference for the environment and for the health of global consumers by responding to the increasing demand for nutritious, natural and organic food.

All across the world, consumer trends are changing, and more international consumers now demand products that represent naturalness, authenticity, health and sustainability – all of which are values bound to organic foods.

Accordingly, the global market for organic food and drink is growing. Today, 4% of all food and drink consumed is organic, as stated in the Global Organic Dairy Market Report 2019.

THE WORLD'S LARGEST ORGANIC DAIRY

Organic products have been sold for decades in Scandinavia, where Danish dairy Arla Foods has made organics one of their key competencies from cow to consumer.

In Denmark, Arla Foods increased sales of organic dairy products by 5% in 2018, bringing in more than a billion Danish kroner on organic food and drink.

As a cooperative dairy owned by more than 12,000 farmers from several European countries, Arla Foods is one of the strongest actors on the international dairy arena.

Internationally, Arla Foods has successfully taken the position as the world's largest manufacturer of organic dairy products.

SPREADING THE WORD OF ORGANICS

Arla Foods is working to spread more knowledge about organic products in Europe – making organic dairy products accessible and relevant to a larger group of consumers. In Arla Food's opinion, organic products should not only be a niche product designed for a narrow, resourceful target group.

By increasing sales of organics, Arla is making a difference for the environment and for the health of the consumers. The sheer size of Arla Foods allows them to have a significant global impact.

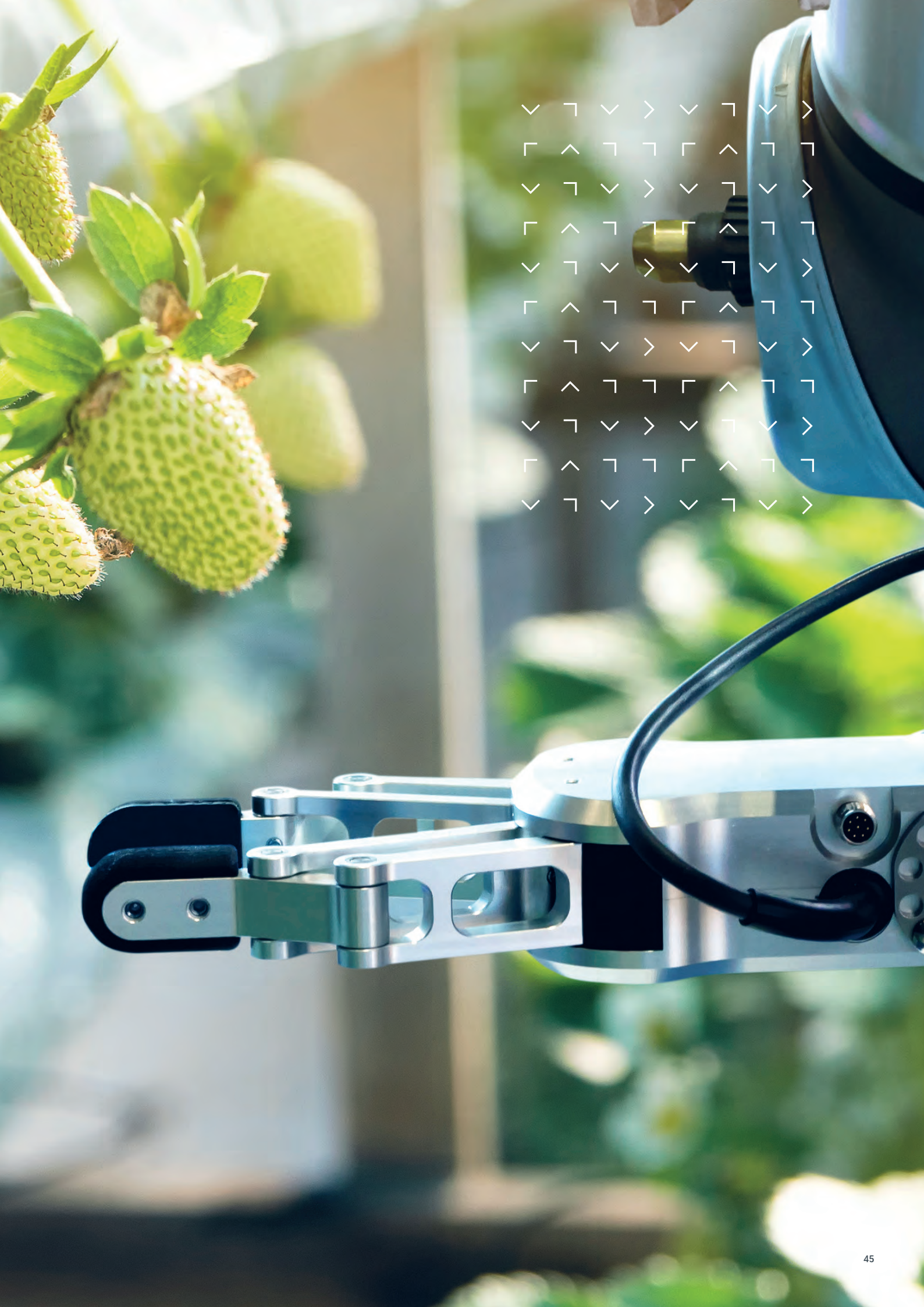
The case of Arla Foods shows how consumers will reward companies with ambitions for a sustainable development and for making organic food accessible for more people. Thus, focusing on organics can improve bottom line figures.



Arla is making a difference for the environment and for the health of consumers

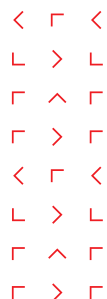


FOOD TECH



DANISH FOOD TECH CAN MAKE GLOBAL FOOD PRODUCTION MORE SUSTAINABLE AND EFFICIENT

Denmark is a food nation with a proud tradition of innovative technology and solutions for efficient agricultural practices and food production. Danish food technology can play an essential role in facing the global challenge of providing enough nutritious food to meet the demands of a growing population.



The global population is accelerating. By 2050, the world population will consist of almost ten billion people, according to the UN's world population prospects.*

In addition to a growing population, the general living standards are on the rise in developing countries. Every year, more and more people demand safe, healthy and affordable foods.

Even though the global society is facing a potential crisis of supply, the UN estimates that one third of global food production is either lost or wasted before ending up on a plate.

Knowhow and solutions for efficient food production and distribution are strongly needed to minimise food loss and waste and to ensure sufficient access to foods suited for an active, healthy life.

DENMARK AS EXPORT DRIVEN TECHNOLOGY LEADERS

The urgent call for more intelligent, high-tech and efficient food production is a great opportunity for the Danish food sector. Considering its small size, Denmark has a very large number of companies that are export driven technology leaders within their field.

*The 2015 Revision

As one of the strongest stakeholders on the international dairy scene, Arla Foods has become a world leader in producing and distributing safe and affordable dairy products worldwide. Innovative food technology is one of the keystones in reaching this position.

According to Peder Tuborgh, CEO at Arla Foods, Danish agriculture and food companies will play an important role in making quality food accessible in foreign markets:

“Innovation is key to developing new sustainable solutions. For Arla, innovation is at the heart of our business and with advanced research and technology, we successfully utilise the many different ingredients which milk contains. One good example of this innovation is whey. Whey was once seen as a waste product, but today, we specialise in optimising the use of this high quality ingredient in infant formula, clinical- and sports nutrition, health foods and other foods and beverages

*Peder Tuborgh, CEO,
Arla Foods, Danish agriculture and food companies*

MOVING TOWARDS A MORE SUSTAINABLE WORLD

The GAIN Nordic Partnership is a great example of how Danish food technology can entail a more intelligent global food production.

In a three-year cooperation project with Arla Food Ingredients as a leading partner, a technology for a new nutrient dairy product was developed to boost healthy food production in Ethiopia.

The GAIN Nordic partnership co-developed a whey vitamin mix that can be added to local milk in developing countries, resulting in an affordable, highly nutrient yoghurt.



Using Danish technology and local milk, this dairy product can be produced easily and inexpensively. Thus, the product is a crucial component in defeating malnutrition, especially for mothers and children in the developing part of the world.

According to Peder Tuborgh, The GAIN Nordic Partnership is a great example of how collaborations and Danish innovative technology can benefit the health of the global population:

“The partnership GAIN is a very good example of how collaborations between companies, NGOs and authorities can be successful and make a real difference in people’s lives. In Arla, we are guided by the UN Sustainable Development Goals and want to contribute to ensure that all people have access to affordable nutrition, especially in developing countries. It is particularly motivating to see how Arla’s expertise in dairy products and production can make a significant change for undernourished children.”

CASE: NOVOZYMES

CUTTING COSTS AND CLIMATE IMPACT OF POULTRY PRODUCTION WITH DANISH ENZYME

With a rising global demand for poultry, there is urgent need for new solutions to produce more broilers with as little environmental impact as possible. A Danish enzyme from Novozymes makes poultry production significantly more cost-efficient and sustainable.

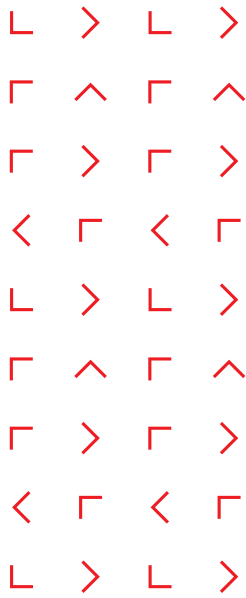
In OECD-countries, poultry consumption has gone up more than 70% since 1990. Thus, demand is rampant for food tech solutions that will allow for increased production of quality poultry while using fewer resources and maintaining a sustainable manner with animal welfare high on the agenda.

INCREASING EFFICIENCY FOR FARMERS

In a partnership between Novozymes, one of the world's leading ingredient companies, and DSM, a Dutch leader in animal nutrition products, the enzymatic solution Balancius with a positive impact on the growth of broilers has been developed.

The enzyme works by removing bacterial cell debris from the chicken's gut, enabling farmers to produce 3% more food from the same amount of feed.

Considering that up to 70% of a farmer's total production costs goes towards feed, Balancius can significantly cut costs and lower the environmental impact of food production.



Novozymes makes poultry production significantly more cost efficient and sustainable

HELPING TO IMPROVE SUSTAINABILITY ON A GLOBAL SCALE

As a food nation, Denmark has the potential to be a leading trading partner on food tech and sustainable food solutions.

The invention of Balancius is minimising the environmental effects of poultry production, and the enzyme also contributes to meeting the increasing global demand for affordable quality poultry as part of a healthy, balanced diet. The product has already been launched in Latin America and the United States. If Balancius were used for all broilers in Latin America and North America, the total greenhouse gas emission savings would amount to around 4.2 million tons of CO₂. The savings of rolling out the solution in Latin America corresponds to the annual emissions of 500,000 Brazilian citizens.

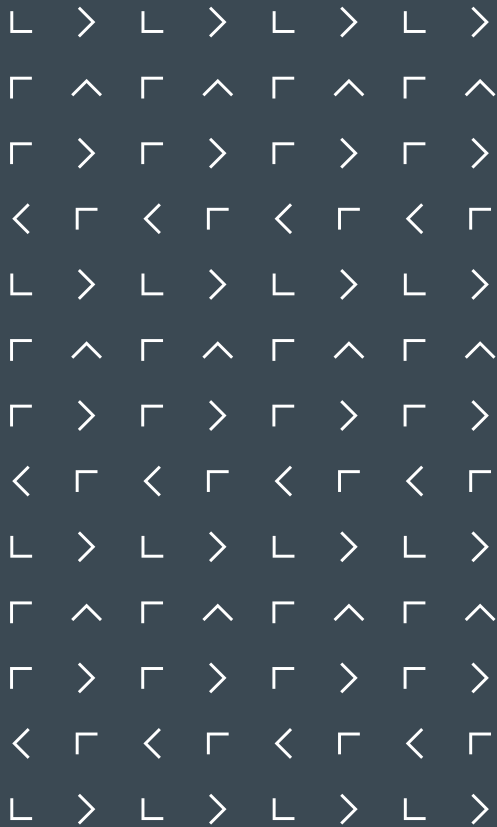


Credit: Danish Veterinary and Food Administration



KEY FINDINGS





KEY FINDINGS

As the report lays out in detail, thus, it is more important than ever to efficiently communicate the Danish strongholds within deciding aspects of food and agriculture through a clear, unified narrative.

The key findings for companies seeking to strengthen and exploit the great export potential of Danish food products and solutions are the following:

┐ **EXPLOIT GROWTH POTENTIAL**

Denmark has a great potential to expand its position as a globally recognised food nation and Danish food and agriculture companies have a lot to offer international trading partners. While Danish food products and solutions are consistently rated highly on numerous essential qualities, Denmark is not yet a country that immediately comes to mind when important international decision makers are asked to think of countries with relevant food products and solutions. The world is in dire need of sustainable, safe and high quality food products and solutions – and this is exactly where Denmark excels. One way of moving forward is therefore to further unfold the core stories about central Danish strongholds in the food sector.

➤ **BUILD CREDIBILITY ON DENMARK'S GENERAL REPUTATION**

Denmark's brand as a food nation is connected to the reputation of our country in general. According to experts, Denmark is seen as a credible and well functioning nation with high standards of living that is known for being innovative with regards to technology, design and know-how. We are strong collaborators and can be trusted financially. In a business to business context, reliability is decisive, and the general reputation of Denmark gives Danish food and agriculture companies a platform from which to communicate their credibility as suppliers.

✓ **COMMUNICATE DANISH STRONGHOLDS**

In order to reach our full export potential, export driven food companies should work to promote even stronger stories on the unique expertise of the Danish food sector. Communicating Denmark's strongholds as a food nation would serve as a solid foundation for export promotions of Danish food products and solutions. High standards in agriculture and food production is a virtue that gives any Danish company the opportunity to stand out. On parameters such as food safety, quality, organic production and sustainable solutions, we surpass many international suppliers.

┐ **DEFEAT THE HOME BIAS**

Consumers usually prefer foods from their own home countries. It is, thus, natural for international buyers to favor such products – even though Danish food products and solutions are extremely competitive on important parameters like food safety, sustainability and innovation. When exporting, any food or agriculture company needs to overcome this challenge by consistently communicating the strongholds that set Danish food products and solutions apart.

^ **REFER TO RELEVANT BRAND ASSETS**

The overall brand of Denmark as a food nation can be activated and referred to differently according to the specific market and the product sold. Which virtues to highlight will differ from market to market. To an Asian customer, food safety is extremely important. In Western markets, where the general level of food safety is more well established, consumers might be oriented towards other trends like the increasing demand for organics.

┐ **LINK DANISH EXPERTISE IN FOOD TECH TO SUSTAINABILITY**

Sustainability is a global mega trend which Denmark can tap into with our unique expertise in food tech and innovative solutions. We must continuously keep showing the world that Denmark can lead the way towards a more sustainable and efficient food production, providing more quality foods for more people. Positioning Denmark as a country that can deliver solutions of tomorrow will help us expand further as a world-leading food nation.

Examples of strongholds to communicate when exporting Danish food products and solutions



QUALITY & SAFETY

Around the world, Danish food products are synonymous with high quality, reliability and excellent hygiene. Our strict production methods and innovative solutions for food production make Danish food products unique in terms of quality and safety.



SUSTAINABILITY

Denmark is globally recognised for its sustainable food production and has led the world in producing products and solutions with minimal pollution, high resource efficiency and a small carbon footprint – and we are constantly striving 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 more than ever consumers demand natural and organic products and solutions – an area in which the Danish food and agriculture companies excel.



COLLABORATION

The unique Danish way of working allows the Danish food cluster to be ground-breaking, productive and trustworthy. The Danish model of public-private partnerships is also a great example of how collaborative efforts have raised the safety and quality level of Danish foods to world-leading standards.



HEALTH

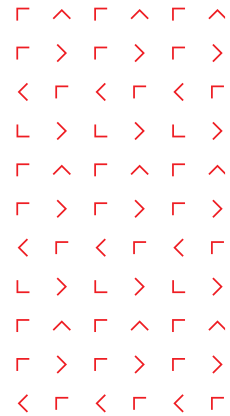
Denmark has extensive health experience and know-how that can contribute to the major global challenges. Through partnerships between knowledge institutions, public authorities and the Danish agriculture and food sector, Denmark can deliver naturally produced, healthy and highly nutritious food products and solutions.



INNOVATIVE FOOD TECH

Danish food tech companies can with innovative solutions solve issues related to food loss and waste, hygiene, optimization and sustainable production of food and agriculture, providing better food for more people.

ABOUT FOOD NATION



Food Nation is a non-profit partnership established by the Danish government and leading private organisations and companies. Food Nation is a branding consortium and creates awareness of Denmark as a frontrunner within innovative, sustainable and effective food production and work as a gateway for international stakeholders seeking information about Danish food and agricultural products and solutions.

In central Copenhagen, Food Nation welcome international delegations to the Visitor Centre. Through an interactive tour you and your business partners will get an introduction to Denmark as a world-leading food nation and the Danish strongholds within the food and agriculture sector.

Find out more about Food Nations services and arrange a visit to the Visitor Centre at www.foodnationdenmark.com.

FREE MARKETING MATERIALS

At www.foodnationdenmark.com/insight-report/ we have collected a number of marketing materials to support your export sales and communication. On the website you can find and download:

- The image analysis report
- Infographics
- Slides
- Fact sheets on the US, the UK, China and Germany
- Articles from the report

Made by Denmark is the first in a forthcoming series of annual reports on Denmark's image as a food nation.

Do you wish to receive the raw data material that works as the basis for the report, please contact Food Nation on foodnation@foodnationdenmark.dk.



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