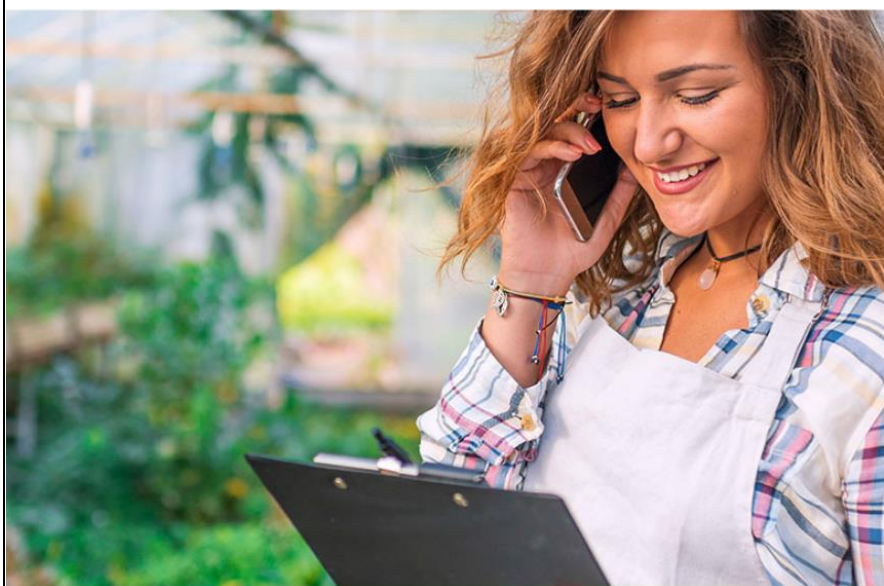


# MODULE TWO



# OPPORTUNITY RECOGNITION IN THE AGRI-FOOD SECTOR

## Supplementary Material



VERSION

# ENGLISH



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# Module Two – Opportunity Recognition in the Agri-Food Sector

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## 1. Learning outcomes

On successful completion of this module the learner will be able to:

- Identify the methods of accessing finance
- Describe their business model (the product, who the target market is, its value proposition, what benefits the product offers to the customer) and will discover their marketing plan
- Develop an awareness of the creative thinking process and the ability to demonstrate a range of tools, and techniques to stimulate and apply it in business
- Apply online tools to engage with customers, peers, networks and competitors effectively using online, social media platforms for product(s) and/or service(s)
- Differentiate insights of entrepreneurial personal, interpersonal, and professional traits
- Develop insight into customer development specific to food businesses in terms of customer identity, market sizing, empathy and design thinking
- Describe and discuss the dynamics of food business creation and generate food business models applicable to women's businesses
- Create new food business concepts or develop business concepts from other opportunities

## 2. Module objectives

Module 2 will cover topics such as opportunity recognition, business modelling and financing, innovative thinking, building brand awareness and a social image and platform to speak to your audience/ customer using social media.

The module will teach learners:

- How to do in-depth market research
- What knowledge to get to ensure a successful business launch
- How to grow your business

The main questions will be considered:

- What is missing or how can the market be improved? Is the market overly saturated?
- Is there a gap in the market that can be filled by your product? How does your business stand out from others?
- Research into existing products that would compete with yours or products which can be used as a substitute
- What would be the most suited model to your type of business?
- Make use of existing platforms to spread the word about your business and increase customer engagement

- What are the different financing options that would be most advantageous when setting up a business?
- Promote your brand so that it stands out amongst other and is easily recognizable through logos, colour schemes and more
- Understand what your future consumers need and how your products can address those needs

### 3. Module sessions

#### Session 1: Market research

Market research is the process of gathering information about your target market and customers to verify the success of a new product, help your team iterate on an existing product, or understand brand perception to ensure your team is effectively communicating your company's value effectively.

Market research can answer various questions about the state of an industry, investigate several areas of the market, but it can take weeks or even months to receive an accurate picture of the business landscape.

Market research allows you to find out and meet your buyer. By understanding your buyer's problems, main points, and desired solutions, you can craft your product or service to satisfy their needs. Market research also provides insight into a wide variety of things, including:

- Where your target audience and current customers conduct their product or service research?
- Which of your competitors your target audience looks to for information, options, or purchases?
- What's trending in your industry and in the eyes of your buyer?
- Who makes up your market and what their challenges are?
- What influences purchases and conversions among your target audience?
- Consumer attitudes about a particular service, product, or brand
- Whether there's demand for the business initiatives you're investing in
- Unaddressed or underserved customer needs that can be targeted
- Attitudes about pricing for a particular product or service

The traditional marketing process is that marketing plan should include seven Ps (1):



✓ **4 common market research methods (2)**

1. **Surveys:** companies ask participants to answer questions. Surveys can be conducted through various means, including:
  - Phone
  - Mail
  - Online
  - In person

Surveys are a cost-effective way to gather a large quantity of data for analysis. Written surveys may also allow participants to provide anonymous answers.

2. **Interviews:** personal interviews include unstructured, open-ended questions. This method is conducted directly between an interviewer and another participant. Interviews usually last for about an hour and are typically recorded.
3. **Focus groups:** In focus groups, a moderator uses a series of questions or topics to lead a discussion among a group of people. Participants are based on certain characteristics. Insights are taken from the answers of the group. The sessions are usually videotaped, and it takes at least three groups to get balanced results. However, this is quite an expensive way to get information.
4. **Observation:** during a customer observation session, someone from the company takes notes while they watch an ideal user engage with their product or service. This is a good alternative to focus groups. It's less expensive, but a researcher cannot get inside the users' heads. So, observation is no replacement for customer surveys and interviews.

## Session 2: Business modelling

There are several traditional models (3):

- **Manufacturer:** Utilisation of raw materials to create a product to sell
- **Distributor:** A business that buys products directly from a manufacturing company
- **Retailer:** A retailing business purchases products directly from a wholesale or distributing company, then sells it directly to the public
- **Franchise:** Uses the parent's business model and brands to become either a manufacturer, distributor or retailer
- **Brick and mortar:** It's when the manufacturer, retailer or wholesaler deal with customers directly



Over the years several new models have been developed specifically for agri-food business:

- *Circular* – or zero waste model. These models keep products and materials in use for as long as possible to get the maximum value from them. It focuses on reshaping business and economic systems so that waste is minimised till ‘zero’.
- *Replicable* - refers to the ability of your product, service or business to be replicated and sold and delivered consistently and reliably, to serve (theoretically) infinite customers the exact same service or product, to the exact same standard, every time. It also has another terminology: ‘repeatable business’.
- *Open innovation* - a business model for innovation that promotes collaboration with people and organisations outside the company. It allows to integrate external knowledge and expertise into internal process.
- *Inclusive* - provides goods and services to low-income communities making them part of the value chain of companies as suppliers, distributors, retailers, or customers.

The range of business models that make up an agricultural value chain include farm enterprises, traders, agro-processors, wholesalers, transporters, warehouses and retailers. An inclusive business model approach reinforces the value chain by focusing exclusively on strengthening business models that link small farmers to value chains. Smallholder business models include traders, farmer organisations, agri-food processors, and large buyers (4).



### 1. Goals



What is a Business Model?  
Business challenge/issue  
Current business model &  
Strategy

### 2. Development of Business Model options

Creation of Business Model options  
Business Model Canvas



### 4. Company specific evaluation criteria for Business Model

What are other important  
criteria for assessing the  
business models?



### 3. Evaluation Business Model options

Is the current  
challenge/issue solved?  
Acceptabel for  
stakeholders?  
Financial feasible?



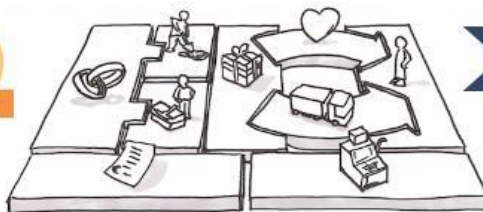
### 5. Deployment Business Model

Is the organization able  
to deploy the business  
model?



### 6. Selection best Business Model

Selection of the business model that  
has received the most investments.



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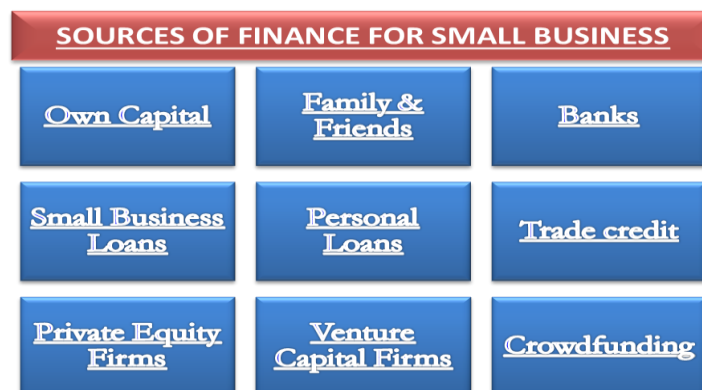
## Session 3: Financing and Funding

There are several funding options available for small businesses:

- *Loans* – financial institutions/banks offer funding that must be repaid over time with interest. Can be personal loans or a traditional business loan. An applicant must prove that s/he will be able to repay the loan and meet any requirements.
- *Investors and Venture capitalists* - investors can provide their own money to an early-stage start-up. In return, they receive equity or convertible debt. They will take greater risk compared to banks or venture capitalists. The VCs invests in small companies, generally using money pooled from investment companies or large corporations. Typically, VCs do not use their own money to invest in companies, thus risking less. They tend to invest in businesses that are already established to reduce their risk of losing investments.
- *Research & Development grants* – funding for new product, service or process. Grants often help fund a feasibility study, development of a prototype or collaboration with other businesses or with academic researchers. A grant is money that does not require the transfer of shares. While the type of grants available vary by country, typically there are a few different types of grants to help with start-ups in the early days.
- *Crowdfunding*- small amounts of capital from many individuals to finance a new business idea. Usually works through social media or crowdfunding websites.

Advantages: access to funding you otherwise might not get from traditional sources; great way to interact with potential consumers; ability to get public opinion on your product/service.

Disadvantages: must follow the rules/fees of the crowdfunding platform; if you don't reach your funding goal, any finance should be returned to your investors and thus possible damage to your start-up company's reputation (5).



## Session 4: Building brand awareness



Brand awareness is one of the most important KPIs to measure when growing a company. In a world where consumers rely on extensive research and others' opinions before making a purchase, brand trust is everything. Once a consumer bonds to your brand, they're more likely to make repeat purchases with little to no forethought — which then bridges the gap between trust and loyalty.

### *How to Build Brand Awareness?*

- Be a person, not a company
- Socialize
- Tell a narrative
- Make sharing easy

### *Brand Awareness Strategy*

- Guest blog on other niche websites
- Advertise everywhere
- Choose an image or symbol that represents you
- Create a short, catchy slogan

### How to Increase Brand Awareness

- Offer free products/services.
- Create free content.
- Sponsor events.
- Give your brand a personality (6).

✓ **Online marketing**



Online (digital, internet) marketing means selling products and services over the internet. It involves finding marketing strategies that appeal to a specific target market. The research and analysis are necessary to measure the success of those strategies. Online marketing uses a variety of digital, online, and electronic means to push a message to current and potential customers and mostly relies upon websites or emails. Products and services can be also promoted via blogs, social media, forums, and mobile apps. The message might be crafted as an image, a piece of text, or a video, and distributed in any number of places. In every online marketing strategy, it is highly probable, that two aspects of digital marketing would appear: online advertising and social media. Digital marketing works for B2B as well as B2C companies.

A key benefit of using online channels for marketing a business or product is the ability to measure the impact of any given channel, as well as how visitors acquired through different channels interact with a website or landing page experience. Of the visitors that convert into paying customers, further analysis can be done to determine which channels are most effective at acquiring valuable customers (7).

## Communication

Ted talk video by Katherine Hampsten on miscommunication:

<https://youtu.be/gCfzeONu3Mo>

Ted talk video by Phil Waknell on presentation tips: <https://youtu.be/yoD8RMq2OkU>

<b>Soft Skills</b>
Planning
Ability to communicate
Ability to listen
Physicality - body language
Business etiquette- Timeliness, Phone etiquette
Personal etiquette- First Impressions, Recognize your own weakness/strengths
Interpersonal skills- Teamwork, Awareness

<b>Planning:</b>
Establish objectives
Understand priorities - yours and everyone else's
Think & Plan before you Do

(Jobs.ie 2022)

<b>Communication:</b>
Communication is the key to every aspect of your personal and professional development
Communication skills can be learned
Stop talking
You do not need to fill every gap in the discussion
Engagement
Listen
What do you want / need?
What do others want / need?
And what importance do they place on what they want / need?
Don't interrupt
Respect
Understand non-verbal signals
Before you think about what you are going to say next - Listen to what is being said
If you don't have an answer, don't give one
Learn negotiation and refusal skills
Feedback
Belief / Honesty
Good manners

**How to Become an Effective Listener:**

Decide you want to listen

Do not Judge

Accept responsibility for understanding

Ask questions

Clarify your understanding

Encourage others to talk

**The Benefits of Effective Listening:**

More productive

Improves professional and personal relationships

Helps avoid conflict

Improves understanding

Helps you negotiate

Helps you to stand out

**The Ten Commandments: (Lions University 2021)**

Stop talking- And stop planning what you are going to say next

Put the talker at ease ( Emulate their approach - make them comfortable If they adopt a formal approach, do the same, if they remain standing, do the same, if they offer coffee, accept)

Respect their time limitations

Show that you want to listen- Engage with them, not just with your questions but actively

Remove distractions

Empathize with them- This is about validation

Be patient

Hold your temper- Breathing

Take care with arguments and criticism- Try to avoid 'but'

Ask questions- Clarify anything you do not understand

(Skills you need 2022)

**Social Media**





### First You Must Understand:

- What social media is popular, and where I can best reach my customers
- What is your product or service and what are the unique selling points?
- Why does your brand exist, where does your passion and purpose come from?

### What is The Purpose of Social Media for Your Brand?

- Build brand awareness, personality, customer trust & likability

### Who is Your Target Audience?

- Specific groups of people you want to reach “When you try and talk to everyone, you end up talking to no one” Interested in your content, products, or services Common characteristics - demographics, challenges, likes, dislikes & behaviours, identify who they are not

### What is Branding?

- It’s your instant recognition, personality and is fundamental to the content you create for social media. Build a brand, ethos & energy not just a business.
- Participate and Engage Like, follow back, comment, post, hashtags, collaborate, share

### Social Media Platforms:

- Twitter, Instagram, Facebook, LinkedIn, Tiktok

### Twitter

Highest demographic: 30-49 year old’s (Barnhart 2021)

YouTube video on how to tweet - <https://www.youtube.com/watch?v=nGODHQsgxcY>

### Tips

Keep Twitter handle aligned with your brand name:

- ✓ Clear image/ logo,
- ✓ Consistent color scheme,
- ✓ Add a cover photo.

Make sure to engage and be social:

- Like, tag & retweet, be consistent & current,
- Be positive & kind.

Tweeting 2-5x times daily

- Morning commute -7.30 am-8.30 am,
- Coffee break - 10.30,
- Lunchtime 1.30 pm,
- 9.30 pm - 11.00 pm,
- Worst time- 4.00 pm-9.00 pm - when home life happens.

Ask yourself before you tweet:

- Is this tweet going to help my customer?

## Instagram

Highest demographic: 25–34-year old's (Barnhart 2021)

### Bio Tips:

- ✓ Photo/ logo - make sure it fits and is consistent,
- ✓ Choose username - close to the brand and same in all platforms,
- ✓ Bio - be clear about what your business is, where, who it's for and how you can help,
- ✓ Add humor.

## Creating a Post

YouTube video link on how to post on Instagram-

<https://www.youtube.com/watch?v=GyJlz98Xedg>

- ✓ Image or video - up to 10x Caption: include context & conversation,
- ✓ Emoji's will add fun and personality,
- ✓ Hashtags up to 30 - 3x categories,
- ✓ Tag products,
- ✓ Tag people,
- ✓ Tag place.



(Image 3 & 4: Example of Instagram post and caption)

### Instagram Stories

- Great place to build camera confidence & share real-life content,
- Disappears after 24hours,
- Show your work and products,
- It doesn't have to be perfect- trial and error and take your time.

### Content Strategy- Pillars

- **Organisation** - Instead of just creating content on the fly, your pillars help you create content that covers the necessary topics for your brand.
- **Targeting** - Defined pillars then become your guide crafting specific content for specific people (hint: Don't ignore part of your target audience).
- **Ideas** - Coming up with fresh ideas is often troublesome for brands: content pillars automatically focus your content ideas on topics that are perfect for you and your brand. Don't be afraid to ask your audience (polls, stories - engage).

### Content Calendar

- A content calendar is a schedule of when and where you plan to publish upcoming content.
- Content calendars usually include upcoming pieces, general updates, planned promotional activity and partnerships.
- Content marketing to grow your online business, - planning & organisation are key.



## Creating Content

- ✓ Create your content with Canva
- ✓ Aim for 2-4 posts weekly
- ✓ Brainstorm content (look at pillars)
- ✓ Schedule your tweets and posts

## How to Establish Presence on Social Media for Your Business

YouTube Video on how to build a strong social media presence

<https://www.youtube.com/watch?v=mDIDt6EEQUw>

## 4. Case studies

Some examples and description provided in slides.

- ✓ **Additional material: Building up company online.**

The COVID-19 pandemic caused a mass shift to online business operations. Many entrepreneurs try to successfully transition their traditional businesses to an e-commerce world. Without a firm command of digital skills, there is no way to propel innovation and remain competitive.

Thanks to the internet, people can gain knowledge online. And it is not only about doing research while browsing the web before bedtime, but serious online courses that provide solid knowledge. Naturally, all business-related topics are very popular among them. If you don't know yet how to start building up a business or if you already have some ideas in your mind, you can find plenty of free or paid online courses that provide basic knowledge. The courses are related to many different aspects of running a business, from these dedicated to beginners, to the ones that are suitable for people who are already running companies and want to keep learning as entrepreneurship is a very wide area of expertise.

On *Skillshare*, a free online learning platform, you can participate in a course called *E-Commerce Essentials: How to Start a Successful Online Business*. It will not teach you how to use the various marketing channels but how to approach the process of starting an online business. By the end of this course, you'll know how to choose which products to sell online, how to identify your competition and do a competitive analysis, how to find the best eCommerce platform and how to come up with content marketing strategy.

<https://www.skillshare.com/classes/E-Commerce-Essentials-How-to-Start-a-Successful-Online-Business/121692420>

If you don't mind paying for your training, you can check the course called *Online Class: How to Start and Run an Online Business*. It is provided by the platform Universal Class. The course help you understand how to create an online business, even if you don't have

any online business experience. From the basics of learning how to choose your market to designing a website and building an online marketing strategy, you will learn what you need to do to create an online business that's built to succeed. This course is especially helpful for those who have a business idea but want to move it online instead of into a traditional store. <https://www.universalclass.com/i/course/start-an-online-business.htm>

Another example is *Google Digital Workshop platform*. It provides detailed online courses covering many different topics and the business-related ones are very comprehensive as well. *Get a business online* course helps to find out how to build a digital presence, sell to customers online, and stay safe from hackers. You can browse in Google Digital Workshop's wide offer and find some interesting topics, related to business, online marketing and personal skills. [https://learndigital.withgoogle.com/digitalworkshop-eu/courses?category=digital\\_marketing,data,career\\_development](https://learndigital.withgoogle.com/digitalworkshop-eu/courses?category=digital_marketing,data,career_development)

When running a business online or learning how to do it, you should consider widening your knowledge of web environment and how to find yourself in it. There are even some specific skills, considered as digital skills. Among them you can mention the ability to find, evaluate, use, share, and create content using digital devices, such as computers and smartphones. *FutureLearn*, an online educational platform, offers courses designed according to principles of effective learning, through storytelling, discussion, visible learning, and using community support. You can decide if you want to learn digital marketing, web analytics, Artificial Intelligence or maybe extend your point of view and seek for new ideas with *Digital Skills for Work and Life* or *Reimagine your career* courses. <https://www.futurelearn.com/career-advice/grow-your-digital-skills>

*MOBI (My Own Business Institute)* is an online platform providing free business courses for people all over the world. The whole website is dedicated only for business related training materials. MOBI's popular online courses teach new entrepreneurs how to start a business and experienced entrepreneurs how to grow a business. Through video, audio, and text, online students learn how to pick a business, how to finance it, how to build clientele, and how to create a successful team. <https://www.scu.edu/mobi/>

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