

EXPLOREExperiencing Local Food Resources in the Nordic countries

Magdalena Markowska, Jönkoping International Business School



The motivation for the project

- Part of New Nordic Food Program
- Growing interest in local produce & high quality ingredients
- Revitalisation of rural areas through increase value creation from Nordic local/regional food products and production
- Local heritage









Our goals...

- Find rural high quality restaurants in Nordic countries
 - We searched for restaurants focused on using high quality local raw ingredients and
 - We searched for restaurants that offer superior culinary experience
- See how the restaurateurs manage their businesses
 - What and how they do
- See the role these restaurants play in local value chains
 - Identify their networks and their role in them



What we have done...

- Over three years
- In 4 Nordic countries
- 11 cases of rural gourmet restaurants
- 95 Interviews with restaurateurs, their employees and business partners, incl. suppliers as well as local policy makers



What we have observed...

- Restaurateurs actively engage in changing perceptions of local food
- Impact of restaurants mainly on cluster level, new product development for suppliers
- Identified Critical Management Challenges
- Innovative ways to solve environmental constraints



Critical Management Challenges

- Addressing seasonality of demand and supply
- Creating uniquness based on location
- Building supplier infrastructure
- Assuring complementary services and experience
- Creating or linking into mechanism of promotion













Seasonality of demand and supply

- In the Nordic countries there are large seasonal differences:
 - Uneven tourist seasons
 - The growing season is short leading to large variations in the supply of fresh local ingredients such as vegetables, fruits and berries.

Solving the problem:

- Seasonal menus or customized menus that reflect the availability of supply and the traditions of the area.
- ➤ Become very flexible and opportunistic offering a set menu that may change during one night.
- Provide a very simple and robust menu that can be offered all year long.

Building uniqueness of location











Creation of (local) value

- Use local resources
- Educate local suppliers

- Create new experiences
- Build on tradition



Sorbet on block of ice, Fridrik V, Iceland



Crème Brûlée Served in an Egg, Fridrik V, Iceland



Building Supplier Infrastructure

- Supplier may not be able to deliver raw material of sufficient quality,
- Suppliers may be unable or unwilling to customize their offerings to the restaurants to provide the uniqueness that the restaurants seek,
- Suppliers may be reluctant to experiment

Solving the problem:

- Work with the suppliers to ensure the quality
- Interact with the suppliers to change their frame of reference. This may require a tireless advocacy of local food and changes in how suppliers cooperate with one another, even suppliers that are competitors.



Creating complementary services

- Additional services have been created either in house or in cooperation with external partners
- Complementary services are gaining their vitality when the infrastructure is not available
- Experience enhancers are helping the businesses to differentiate and to attract more customers
- They often allow the businesses to earn money outside the main offering









Some examples of new experiences

- VIP Table
- Participatory cooking
- Cooking classes
- Food tours to suppliers
- Culinary tours through times and/or themes



Creating or linking into mechanisms of promotion

- The most critical challenge of a new business is to attract customers
- Mechanisms that promote the destination helps to bring out the specific characteristics of the location and is likely to attract people that are interested in the uniqueness of the destination, including food.
- Examples: networks of service providers



Building Value Chains

 Building value chains allows restaurateurs to create value throughout the supply chain

 Creation of local associations and/or organizations unites businesses, acts as quality assurance, develops local identity & pride

New product development











Creating local identity

- To create the feeling it is necessary to identify the core values, define the unique characteristics and create a sense of belonging.
- Local identity results in pride of being part of the community
- Strong local identity helps create innovation and change the ways of thinking about the resources and opportunities



Developing the destination

- To be able to develop own business, entrepreneurs often need to engage in developing the environment around them.
- This can include building up the infrastructure, i.e. accommodation, additional services like museum, theatre or outdoor activity like skiing, golf, etc.
- Local identity and joint effort of individuals and businesses being part of local organizations help develop the place as a destination, i.e. Akureyri, Iceland



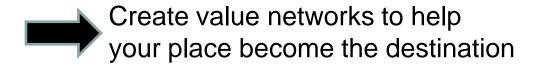
Conclusions

Embedding in local values and resources has created new opportunities for local entrepreneurs.



Use the resources to create new opportunities for yourself

By involving others the region, community can benefit ...





Conclusions

One needs to see own business in a bigger picture



Create conditions that will attract your target customer



Building on own capabilities and skills enhance the sought after experiences



Reconfigure the existing resources and relationships to create new value, engage others in the efforts