

IB/ET33 THE BUSINESS OF FOOD

DESCRIPTION:

This course offers an overview of all aspects of food from a business perspective. It will cover areas such as: innovation, production, marketing, consumer understanding and distribution of food. The course will focus on the differences between the creation and functioning of small, medium and large businesses; we will cover the specificities of fresh produce and fast-moving consumer goods, as well as the entire scope of processed foods. The course will provide a broad knowledge of specific business areas, such as positioning, branding, the creation of a value proposition, communications and channel decisions, and the funding of a new business. The course is especially interesting for students from the fields of business, finance, economics, marketing, management, as well as those with an entrepreneur spirit, who would like to start their own business in the future. The course theory will be discussed through specific case studies of food products, brands, services and other food-related ventures.

INSTRUCTOR: Fernando Alegría, MBA

MEETING TIMES: Tues-Thurs 10:30-12pm, ROOM 102

LEARNING METHOD:

- **Lectures**: relevant theory and examples are presented by the instructor, with motivating content to cement the learning of the different topics. Issues are clarified and expanded upon.
- Case studies, videos and readings: previous work is required, in order to be prepared for in-class discussions.
- Class discussions and debates: exchange of ideas and cultural perspectives based on readings, videos and case studies.
- **Teamwork and student presentations**: students will prepare a food-related business plan and present their work to the class, covering the main subjects discussed throughout the course. Presentations should promote debate and discussion, in order to enhance collective and individual learning.

REQUIRED WORK AND FORM OF ASSESSMENT

The final grade will be determined as follows:

- Class preparation and participation: based on attendance and quality participation stemming from using knowledge acquired through reading and analysis. 20%
- Midterm exam: in-class test on business concepts explained in class and as applied to the discussions of business cases, videos and readings. The exam will include a combination of multiple choice, short answers and brief essays. 25%
- Final team project and oral presentation: student teams will research and analyze a business venture in the food industry, for which they will prepare a business plan. Each group will choose their own research topic and obtain agreement with the professor. Some topics and contacts will be suggested by the professor, but students are free to look for alternatives. They will prepare a visual presentation file, which will include extended notes of their research and analysis. Each team will perform a 20-minute oral presentation and will aim to generate class discussion. The presentation file should be submitted in advance to the presentation and a printed file (slides+ notes) should be handed in to the



- professor on the due date. Students will be graded on their command of the issue acquired through research, readings, analysis and discussions. **30%**
- **Final exam:** in-class test on business concepts explained in class and as applied to the discussions of business cases, videos and readings. The exam will include a combination of multiple choice, short answers and brief essays. **25%**

Additional Notes about the Business Plan:

A business plan is a document that outlines how a business is going to achieve its objectives. It covers in detail many areas (such as marketing, finance, personnel, etc.), which are necessary for the success of a new or existing business. Although business plans are normally related to new ventures, every existing business should also have its own business plan in place. In this course we will work with a strong focus on the business plan, which will bring together the whole content of the course. Guidance for the development of the business plan will be provided during the course, including checklists and descriptions of the specific sections of it. The professor will suggest some local businesses, which are at different stages of their development, and would welcome a business plan prepared by some "independent experts" (the students of this course). Students are also free to propose their own alternative businesses or even work on a business plan for their own local entrepreneurial venture, if they have one in mind. This will be a team project, in which students will get together for the research and preparation of the business plan, conducting interviews, writing the different sections, pulling it all together and ensuring consistency of the plan, as well as preparing and delivering the presentation. Importantly, each student must submit their own copy of their group business plan.

LEARNING OUTCOMES:

By the end of the course students should be able to:

- Identify, summarize and describe relevant business theories, in relation to food business situations.
- Analyze "real world" case studies involving food business issues.
- Provide recommendations for action on the aforementioned business case studies.
- Prepare a business plan for a food venture.
- Use relevant concepts to explain and discuss typical management decisions regarding the business of food.
- Utilize analytical tools and frameworks that managers use to plan and execute the main activities in food business situations.

ATTENDANCE POLICY:

Attendance is mandatory for all classes, including course-related trips. Any exams, tests, presentations, or other work missed due to student absences can only be rescheduled in cases of documented medical or family emergencies. If a student misses more than three classes in any course 3 percentage points will be deducted from the final grade for every additional absence. Seven absences in any course will result in a failing grade.

Session No.	Detailed Description:	Required Reading



Session 1: introduction.	Setting the scene. Explanation of the objectives of the course and the use of cases/articles, as the hubs where discussion revolves and learning occurs.	Mennell, Stephen, Anne Murcott and Anneke Van Otterloo. "The Sociology of Food: Eating, Diet and Culture", Food Technology and its Impacts (pages 68- 74). SAGE Publications, England. 1994.
Session 2: the business of food in Europe	Where most of the food in Europe comes from, how it is consumed, as well as relevant regional/country differences and similarities.	Pilcher, Jeffrey. "Food in World History", The Columbian Exchange (pages 19-26). Routledge, England. 2006. Food Drink Europe's views on Horizon Europe: https://www.fooddrinkeurope.eu/uploads/publications doc uments/FoodDrinkEurope Position paper on Horizon Europe1.pdf Dietary patterns in European countries (pages 21-27): https://eupha.org/repository/
		advocacy/EUPHA report on healthy and sustainable diet s 20-05-2017.pdf
Session 3: the branding of food	The role and principles of branding in food. Differentiation, value proposition and customer segmentation.	Fanning, John. "The Importance of Being Branded: An Irish Perspective", Chapter 2: Why Brands? (pages 21-32). The Liffey Press, Ireland. 2006.
		Doyle, Peter and Philip Stern. "Marketing Management and Strategy", Segmentation, Positioning and the Marketing Mix. (pages 63-84) Pearson Education Limited, England. 4th Edition 2006.



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		Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing", Company Case: Starbucks: just who is the Starbucks customer? (pages 233-235). Pearson Education Limited, England. 6th European Edition 2013 (print and electronic).
Session 4: the branding of food cont.	Targeting and positioning. Brand image, values and equity.	Doyle, Peter and Philip Stern. "Marketing Management and Strategy", Segmentation, Positioning and the Marketing Mix. (pages 84-92) Pearson Education Limited, England. 4th Edition 2006. Kit Kat case: No break for Nestlé in trademark row https://www.bbc.com/news/world-europe-44939819
		Unlocking a Captive Market: The Battle to Unseat the Nespresso https://knowledge.wharton.u https://knowledge.wharton.u https://knowledge.wharton.u https://knowledge.wharton.u penn.edu/article/unlocking-a-captive-market-the-battle-to-unseat-the-nespresso/
Session 5: the branding of food cont.	Fast moving consumer goods (FMCG), fresh produce and B2B branding.	Hollensen, Svend. "Global Marketing", Red Bull: the global market leader in energy drinks is considering further expansion (pages 782-791). Pearson Education Limited, England. 7th Edition. 2017.
		Hollensen, Svend. "Global Marketing", Tetra Pak: how to create B2B relationships with the food industry on a



		global level (pages 792-797).
		Pearson Education Limited, England. 7th Edition. 2017.
		Hatch, Mary Jo and Majken Schultz. "Taking Brand Initiative: How Companies Can Align Strategy, Culture, and Identity Through Corporate Branding", Chapter 1: What is Corporate Branding? (pages 3-13) John Wiley & Sons, USA. 2008
Session 6: channel decisions or go-to-market strategy	The distribution channels and the role of distributors and retailers. Category management principles.	West, Douglas, John Ford and Essam Ibrahim. "Strategic Marketing: Creating Competitive Advantage". Case Study. Fage Yogurt: sustaining competitive advantage in a crowded market (pages 100 – 104). Oxford University Press, England. 3rd Edition. 2015. Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing" Marketing Channels: delivering customer value. (pages 352-360, 364-369). Pearson Education Limited, England. 6th European Edition 2013 (print and electronic). O'Keefe, Michael and Andrew Fearne. "From commodity
		marketing to category management: Insights from the Waitrose category leadership program in fresh produce". In Supply Chain Management: An International Journal. Volume



		7, Number 5, (pages 296- 301). MCB UP Limited. 2002.
Session 7: channel decisions or go-to-market strategy cont.	Focus on the types of retailers, the private label phenomenon and the ubiquity of food.	The Aldi effect: how one discount supermarket transformed the way Britain shops https://www.theguardian.com/business/2019/mar/05/long-read-aldi-discount-supermarket-changed-britain-shopping Can a shift in shopping help Tesco beat the discounters? https://www.bbc.com/news/business-47031879 Buisan de la Figuera, Isabel. "Private Label on Food Market. Comparing Spain and Furone How will be the next."
		Europe. How will be the next 10 years?". Universitat Internacional de Catalunya. 2016. Report: Amazon's hunger for grocery-store dominance goes beyond Whole Foods: https://www.fastcompany.com/90382936/amazons-hunger-for-grocery-stores-goes-beyond-whole-foods
		goes-beyond-whole-roods
Session 8: knowing your customer	Fundamentals of consumer research and the decision making from test results.	Salomon, Michael, Gary Bamossy, Soren Askegaard and Margaret Hogg. "Consumer Behaviour: A European Perspective", Lifestyles and Consumption Choices, (pages 223-231). Pearson Education Limited, England. 5th Edition 2013.



		Allison, James. "How British is British Food" in Food, Health and Identity, (pages 71-86). Edited by Pat Caplan. Routledge, England. 1997.
Session 9: pricing	The importance and methods of pricing. Price sensitivity and its relation with positioning.	Keegan, Warren and Bodo, Schlegelmilch. "Global Marketing Management: A European Perspective", Chapter 12: Global Pricing (pages 397-422). Pearson Education Ltd, England. 2001.
Session 10: The business of hospitality	The value proposition of a restaurant. The role of the experiential aspects.	Lester, David. "How they Started. How 30 Good Ideas became Great Businesses". Pizza Express, Inspired by Italy, (pages 45-52). Crimson Publishing, England. 2nd Edition. 2009. Medina, Xavier. "Food Culture in Spain", Eating Out (pages 115-124). Greenwood Press. USA. 2005. Fanning, John. "The
		Importance of Being Branded: An Irish Perspective", the Critical Role of Staff in Service Business (pages 198-207). The Liffey Press, Ireland. 2006. Dunkin' Donuts soars on first day as public company https://www.youtube.com/watch?v=5m7YtwP5k3k
		The angry chef or the Michelin guide: which giant ego are you rooting for?: https://www.theguardian.co m/commentisfree/2019/jul/12



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Session 11: The business of hospitality cont.	The service component and personnel management. The gig economy and its implications.	Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing", Marketing Strategies for Service Firms (pages 253 - 256). Pearson Education Limited, England. 6th European Edition 2013. West, Douglas, John Ford and Essam Ibrahim. "Strategic Marketing: Creating Competitive Advantage". Chapter 9: Service Marketing Strategies (pages 289 - 320). Oxford University Press, England. 3rd Edition. 2015. Nando's spices up its leadership style: https://www.personneltoday.com/hr/nandos-spices-up-its-
Session 12: revision for midterm and business plan guidelines.	Review of topics discussed until this point and presentation of a proposed structure of a Business Plan , for the end of term assignment. We will discuss the details of this assignment.	leadership-style/
Session 13:	Midterm Exam	
Session 14: brand management and communication	Advertising and promotion development. Educating the customer.	Rogan, Donald. "Marketing: An Introduction for Irish Students". Marketing Communication (pages 228- 237). Gill & Macmillan Ltd, Ireland. 2 nd Edition. 2003



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		Hollensen, Svend. "Global Marketing", Absolut Vodka (pages 679 – 686). Pearson Education Limited, England. 7th Edition. 2017
Session 15: brand management and communication cont.	The customer journey. Endorsement and the role of experts. Re-branding and re-positioning.	West, Douglas, John Ford and Essam Ibrahim. "Strategic Marketing: Creating Competitive Advantage", Case Study: Cookie turns 100: how a successful heritage brand updates the product, packaging and advertising (pages 393 - 400). Oxford University Press, England. 3rd Edition. 2015. When Does the Real Customer Journey Start? Earlier Than You Think. https://knowledge.wharton.upenn.edu/article/when-does-the-real-customer-journey-start-earlier-than-you-think/
Session 16: brand management and communication cont.	Principles of media planning. The role of digital and social media.	Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing", Steps in Developing Effective Marketing Communication. (pages 424-429). Pearson Education Limited, England. 6th European Edition 2013 (print and electronic). Roberts, Kevin. "Lovemarks: the future beyond brands", Chapter 13: I'll follow the sun (pages 169-184). Powerhouse books, USA. 2004.



		West, Douglas, John Ford and Essam Ibrahim. "Strategic Marketing: Creating Competitive Advantage", Case Study: Social Media Impact on a brand Launch at PepsiCo (pages 515-518). Oxford University Press, England. 3rd Edition. 2015.
Session 17: More on the Business Plan	Review of sample business plans and review of expectations for the final project.	Porter, Michael. "Competitive Advantage: Creating and Sustaining Superior Performance", Competitive Strategy, The Core Concepts (pages 1-26). The Free Press. USA. 1985.
Session 18: Innovation in food	Product, packaging and innovation in the whole value proposition.	Rogan, Donald. "Marketing: An Introduction for Irish Students", Packaging (pages 190-193). Gill & Macmillan Ltd, Ireland. 2 nd Edition. 2003 Trout, Jack. "Differentiate or Die", Chapter 8: The Steps to Differentiation (pages 65-72). John Wiley & Sons. Canada. 2000.
Session 19: Innovation in food cont.	The product life cycle. The concept of quality. How to lead an innovation process.	Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing", Developing New Products and Managing the Product Life Cycle. (pages 287-291). Pearson Education Limited, England. 6th



		European Edition 2013 (print and electronic). Rogan, Donald. "Marketing: An Introduction for Irish Students". Quality Control (pages 334-337). Gill & Macmillan Ltd, Ireland. 2 nd Edition. 2003 The food truck revolution: https://www.nationalgeograp-hic.com/magazine/2015/07/food-trucks-urban-trends-cuisine/
Session 20: food entrepreneurship	How to start a "start-up". The product and the market. Competition. The value proposition. Innovation and creativity. Venture partners.	Lester, David. "How they Started. How 30 Good Ideas became Great Businesses". Cobra Beer, The Expertly Brewed Brand, (pages 29-36). Crimson Publishing, England. 2nd Edition. 2009. The aggressive, outrageous, infuriating (and ingenious) rise of BrewDog: https://www.theguardian.com/lifeandstyle/2016/mar/24/the-aggressive-outrageous-infuriating-and-ingenious-rise-of-brewdog
Session 21: food entrepreneurship cont.	Profitability and break-even analysis. The basics of financing a food business venture and company valuation. The franchising route.	Educational video for businesses. Prof Alan Barrell discusses sources of funding. https://www.youtube.com/watch?time_continue=754&v=Flr5ih3SA98 Hughes, Janet and Brian Ireland. "Costing and Calculations for Catering".



Session 24:	Course conclusions and review for final Final Exam	
Session 23:	Oral presentations	
Session 22: food entrepreneurship cont.	Guest speaker: the view of an entrepreneur.	
		Business Viability (pages 131 – 139). Stanley Thornes Publishers Ltd, England. 1981. These 5 Fundraising Mistakes Can Kill Your Startup's Seed Round: https://www.fastcompany.com/40524433/these-5-fundraising-mistakes-can-kill-your-startups-seed-round Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing", Franchising (pages 360-361 and 392). Pearson Education Limited, England. 6th European Edition 2013.

REQUIRED READING:

- Albaum, Gerald and Edwin Duerr. "International Marketing and Export Management". Pearson Education Limited, England. 7th Edition 2011
- Allison, James. "How British is British Food" in Food, Health and Identity, 71-86. Edited by Pat Caplan. Routledge, England. 1997.
- Doyle, Peter and Philip Stern. "Marketing Management and Strategy". Pearson Education Limited, England. 4th Edition 2006.
- Fanning, John. "The Importance of Being Branded: An Irish Perspective". The Liffey Press, Ireland. 2006.



- Hatch, Mary Jo and Majken Schultz. "Taking Brand Initiative: How Companies Can Align Strategy, Culture, and Identity Through Corporate Branding". John Wiley & Sons, USA. 2008
- Hollensen, Svend. "Global Marketing". Pearson Education Limited, England. 7th Edition. 2017
- Hughes, Janet and Brian Ireland. "Costing and Calculations for Catering". Stanley Thornes Publishers Ltd, England. 1981.
- Keegan, Warren and Bodo, Schlegelmilch. "Global Marketing Management: A European Perspective". Pearson Education Ltd, England. 2001.
- Kotler, Philip, Gary Armstrong, Lloyd Harris and Nigel Piercy. "Principles of Marketing". Pearson Education Limited, England. 6th European Edition 2013 (print and electronic).
- Lester, David. "How they Started. How 30 Good Ideas became Great Businesses". Crimson Publishing, England. 2nd Edition. 2009.
- Malhotra, Naresh, David Birks and Peter Willis. "Marketing Research: Applied Approach".
 Pearson Education Limited, England. 4th Edition. 2012.
- Medina, Xavier. "Food Culture in Spain". Greenwood Press. USA. 2005
- Mennell, Stephen, Anne Murcott and Anneke Van Otterloo. "The Sociology of Food: Eating, Diet and Culture". SAGE Publications, England. 1994.
- O'Keefe, Michael and Andrew Fearne. "From commodity marketing to category management: Insights from the Waitrose category leadership program in fresh produce".
 In Supply Chain Management: An International Journal. Volume 7, Number 5, 296-301.MCB UP Limited. 2002.
- Palmer, Adrian. "Principles of Services Marketing". McGraw-Hill Education / Europe, Middle East & Africa, 7th Edition. 2014.
- Pilcher, Jeffrey. "Food in World History". Routledge, England. 2006.
- Porter, Michael. "Competitive Advantage: Creating and Sustaining Superior Performance". The Free Press. USA. 1985.
- Roberts, Kevin. "Lovemarks: the future beyond brands". Powerhouse books, USA. 2004.
- Rogan, Donald. "Marketing: An Introduction for Irish Students". Gill & Macmillan Ltd, Ireland. 2nd Edition. 2003
- Solomon, Michael, Gary Bamossy, Soren Askegaard and Margaret Hogg. "Consumer Behaviour: A European Perspective". Pearson Education Limited, England. 5th Edition 2013.
- Trout, Jack. "Differentiate or Die". John Wiley & Sons. Canada. 2000.
- West, Douglas, John Ford and Essam Ibrahim. "Strategic Marketing: Creating Competitive Advantage". Oxford University Press, England. 3rd Edition. 2015.

Online Resources:

- https://www.fooddrinkeurope.eu In 1982 UNICE (the Union of Industrial and Employers' Confederations of Europe) founded the CIAA (Confederation of Food and Drink Industries of the EEC). Registered as an international association under Belgian law, CIAA's creation provided Europe's food and drink industry with its own independent organisation. Since then, CIAA became a key stakeholder, working with European and international institutions on issues impacting on the food and drink industry.
- https://eupha.org/repository/advocacy/EUPHA report on healthy and sustainable diets 20-05-2017.pdf
 2017 European Public Health Association – EUPHA
- http://www.fao.org/3/CA1796EN/ca1796en.pdf FAO: World Food and Agriculture Statistical Pocketbook 2018.
- http://www.fao.org/3/a-i3621e.pdf FAO: Statistical Yearbook 2014 Europe and Central Asia Food and Agriculture.



Recommended Readings:

- Ayan, Jordan. "Aha! 10 ways to free your creative spirit and find your great ideas". Random House, USA. 1997.
- Godin, Seth. "Permission Marketing". Simon & Schuster, USA. 1999
- Goody, Jack. "Cooking, Cuisine and Class: A Study in Comparative Sociology". Cambridge University Press. 1994.
- Harris, Marvin. "Good to Eat: Riddles of Food and Culture". Allen & Unwin Publishers, England. 1986.
- Kershen, Anne. "Food in the Migrant Experience". Ashgate Publishing Company, England. 2002.
- Kotler, Philip and Fernando Trias de Bes. "Lateral Marketing. New Techniques for Finding Breakthrough Ideas". John Wiley & Sons, USA. 2003.
- Macbeth, Hellen (edited by). "Food Preferences and Taste". Edited by Pat Caplan. Berghahn Books, England. 1997.
- McVety, Paul, Bradley Ware and Claudette Levesque Ware. "Fundamentals of Menu Planning". John Wiley & Sons, USA. 2009.
- McGhie, Austin. "Brand is a four-letter word. Positioning and the Real Art of Marketing". Advantage Media Group. USA. 2012.
- Malhotra, Naresh, David Birks and Peter Willis. "Marketing Research: Applied Approach".
 Pearson Education Limited, England. 4th Edition. 2012.
- Ries, Al and Jack Trout. "Positioning: the battle for your mind". McGraw Hill Education, USA. 2000.
- Stuart, Tessa. "Packed: the food entrepreneur's guide". Stamford Brook Press. 2013.
- Tidd, Joe and John Bessant. "Managing Innovation: Integrating Technological, Market and Organizational Change". John Wiley & Sons, England. 2013
- Wyshak, Susie. "Good Food Great Business: How to take your artisan food idea from concept to marketplace". Chronicle Books, USA. 2014.