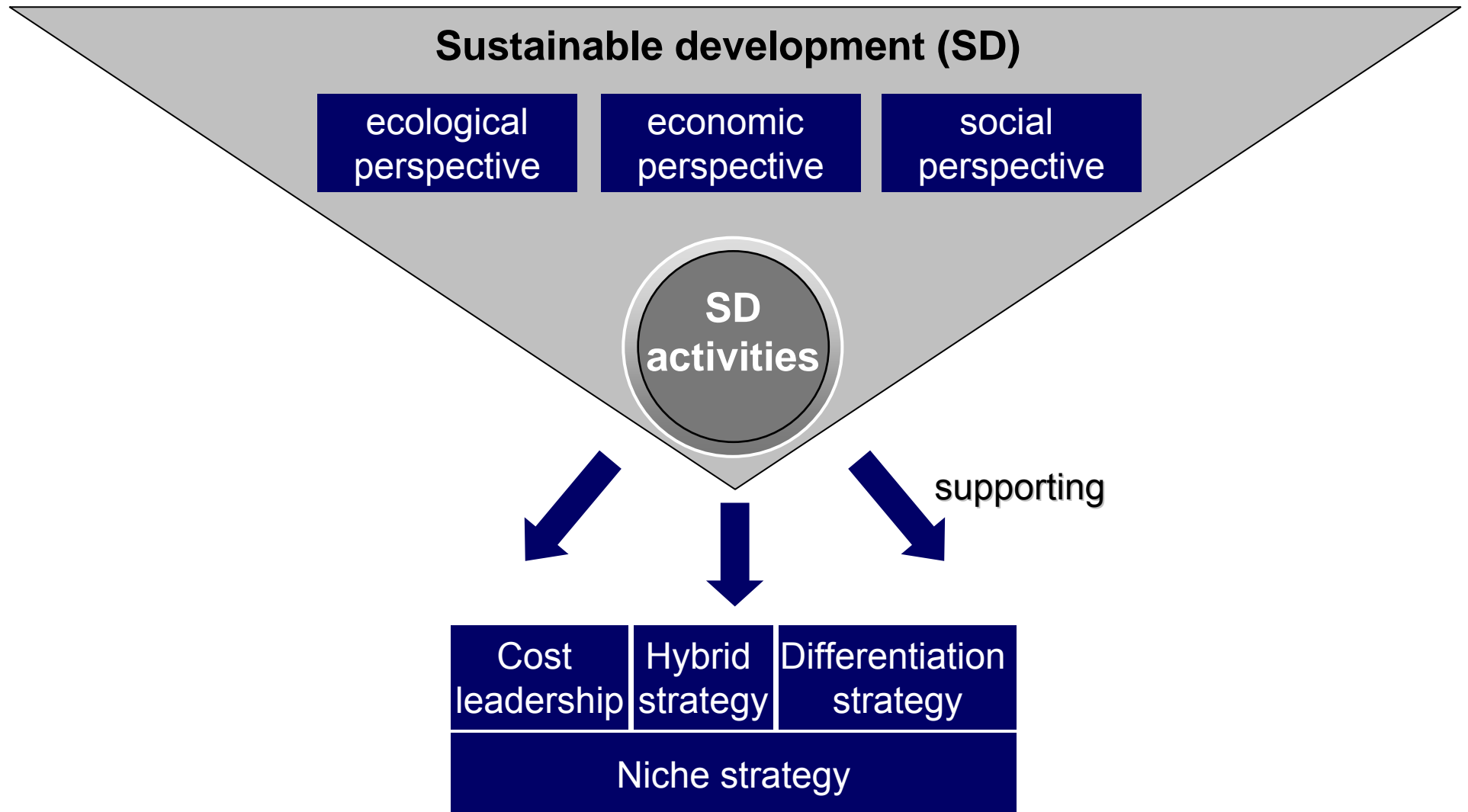
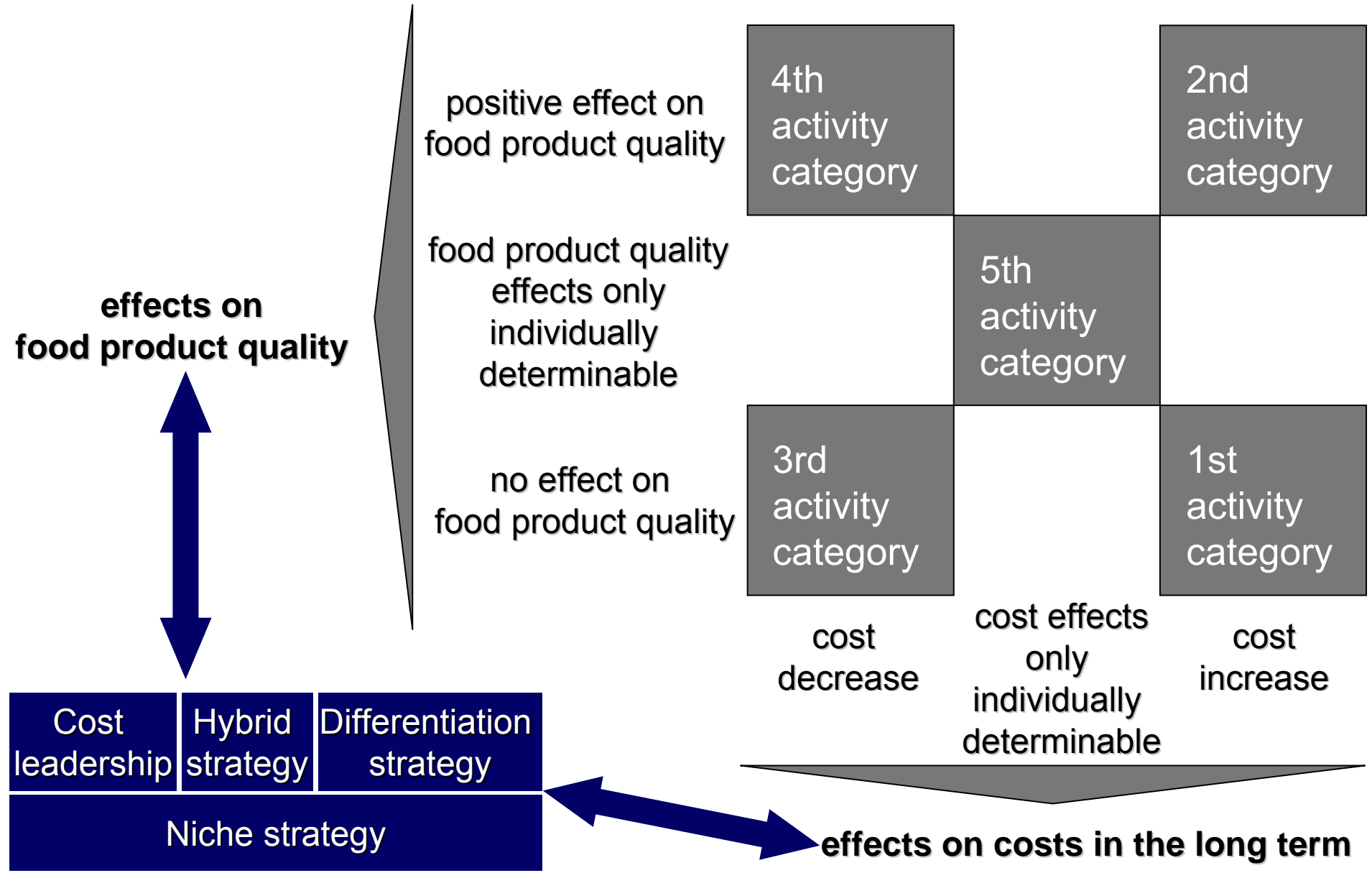

Interdependencies between competitive strategies and activities within sustainable development in the food industry

Malte L. Peters; Stephan Zelewski



Porter's concept of generic competitive strategies



Sustainable development activity categories

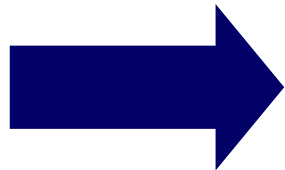
Cost increasing activities

2

no effect on
food product quality

1st
activity
category

- investment in emission filters not required by law
- utilization of renewable energy
- ...



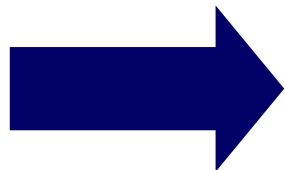
Cost leadership:
Differentiation strategy:

difficult to realize due to cost increase
company must undertake additional activities
to communicate the unique benefit

positive effect on
food product quality

2nd
activity
category

- refraining from using chemical fertilizers
- ...



Cost leadership:
Differentiation strategy:

difficult to realize due to cost increase
high food product quality to establish a USP

Sustainable development activity categories

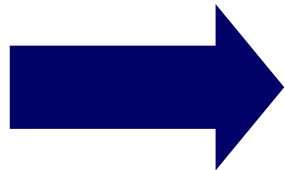
Cost decreasing activities

2

no effect on
food product quality

3rd
activity
category

- replacement investments in new resource-efficient machines to save electricity, water and gas



Cost leadership:

Differentiation strategy:

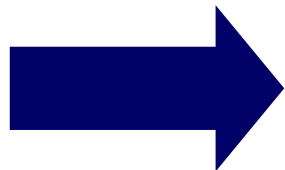
realizable due to cost decrease

realizable due to congruence of the goals of reducing resource consumption and cost

positive effect on
food product quality

4th
activity
category

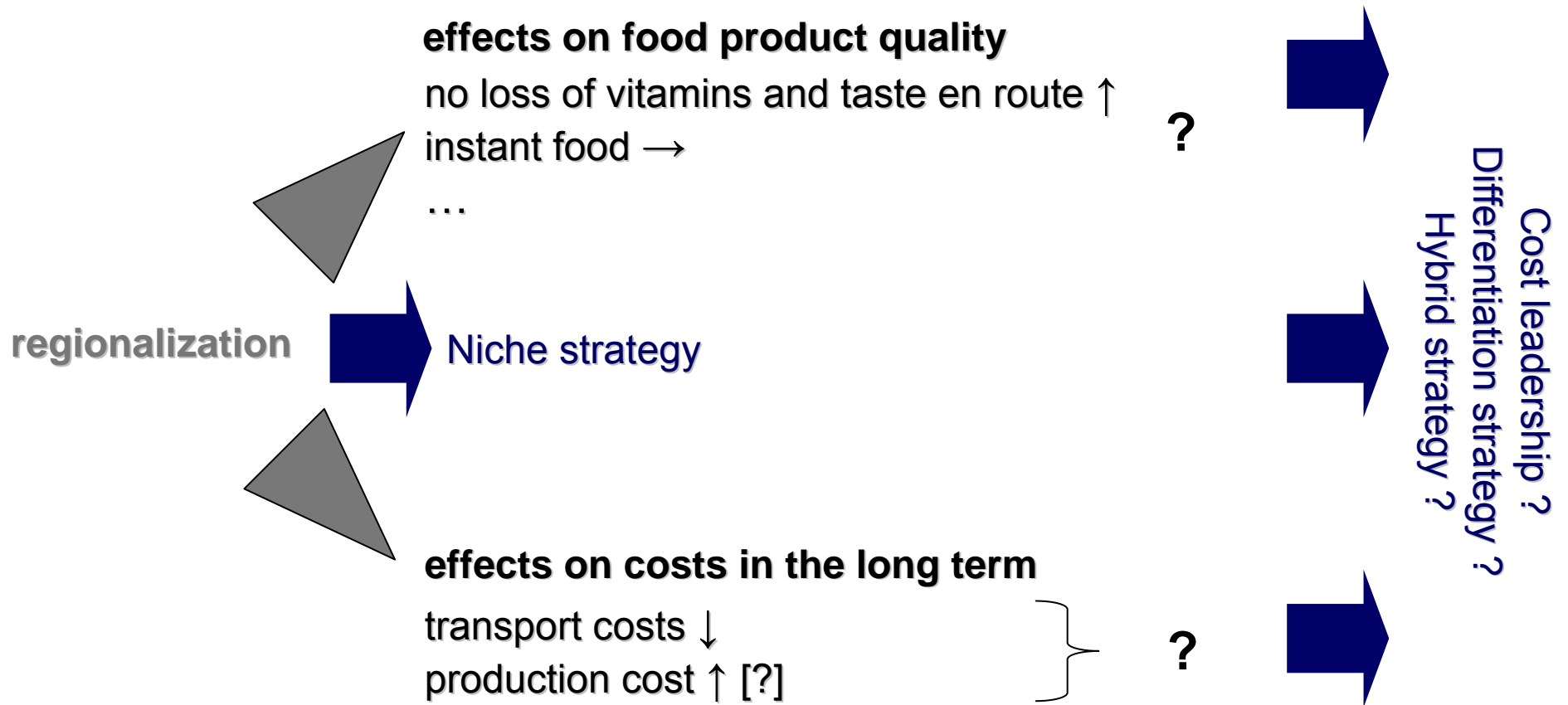
- replacement investment in new machines that consume fewer resources and guarantee higher quality



Cost leadership, Differentiation strategy, and Hybrid strategy realizable

5th
activity
category

- training of employees
to act in the best interests of sustainable development
- regionalization
→ sourcing from regional suppliers and self-restriction to regional markets
- ...



Cost
leadership

companies pursuing cost leadership are recommended to focus on activities within the third and the fourth category, and on those activities in the fifth category that enable them to cut costs in the long term

Hybrid
strategy

companies focusing on activities from the third and the fourth category could possibly realize a hybrid strategy

Differentiation
strategy

companies uncompromisingly following the idea of sustainable development and thus implementing activities from all five categories should choose a differentiation strategy

Niche strategy

Thank you for your attention!

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