Floriculture World Wide; *production, trade and consumption patterns show market opportunities and challenges*

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Summary

Production, trade and consumption patters
Floricultural production contains a wide variety of products. The production value world wide has been rising from 11 billion to 60 billion dollars in 2003 (estimate). Europe is traditionally a large producer and trader, with a stable production value of about 10 billion dollars (2002). North America has a production value of about 6,5 billion dollars. In Asia production capacity is growing rapidly in several countries. In Africa the production has emerged enormously, but in a risky environment. Oceania is a small producer.
Looking a inter- and intra continental trade in 2002 the following view occurs. Europe and USA have the largest intra continental trade. Latin America, Africa, Asia and Europe export to these continents. Of the existing markets USA has emerged the last decade. Further more the consumption per capita has been rising due to rise of income and developments in culture in countries in Europe, USA and Japan. Asia and Easter Europe have big potential as new markets because the level of prosperity is rising. Totally the worldwide demand has grown. For high volume bulky product we see a South-North pattern. For high quality product there are niche markets world wide. While we see the international trade increasing, the regional supply will be leading. Parallel WTO liberalises the world trade, non-trade barriers occur. This, together with changing from a product driven to a demand driven market, requires strategies for market access. Co-operation in supply chains offers possibilities.

Market developments and supply chains
Consumers buy floricultural product because of traditions, culture and lifestyle. Institutional use of floricultural product has grown contributing to image building. Buyers require product with constant quality, price, and added value or a low price. While most of the product used to go to outlets like florist, and local stores, lately the development of chains of florists, garden centres, warehouses and supermarkets is enormous. Due to clear market positioning, increased buying power, pushing of their private label, they have become large buyer with high and specific demands. This affects the wholesale which has started specialising, profes-sionalizing, and growing rapidly. To be a service provider they have started co-operating with growers very closely, together coping with the demands of the supermarkets, with labels, certificates and quality audits to prove they produce in a sustainable way concerning People, Planet and Profit.

How can producers benefit?
Developments require from producers to develop a large scale, specialise them, and co-operate in making the chain more efficient and sustainable. But producers will have to make choices. What kind of product can they produce, for what type of market? Can they provide added value and quality assurance. In which supply chain will they take part, and will they to

it alone or in a co-operative to make money? In order to do so they have to professionalize, adapt to international standards and guarantee quality.

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On basis of facts and trends we expect that the market will grow, demand higher quality products in larger volumes with more efficient logistics. Service providing in the chain will be more important, as longer term commitment in international alliances.

1. Production, trade and consumption patterns

Introduction
Floricultural production contains a wide variety of different types of plants and plant materials. They can be divided into cut flowers & foliage, potted plants, garden plants, nursery stock (trees), flowering leafy, annuals & perennials and bulbs & tubers. Parental material like plant parts from tissue culture, cuttings is used as a start in production systems to grow the end products for the market.

The production of floricultural products has grown quite consistently over the last 20 years. Based on Dutch and American articles the production was estimated 11 billion dollars in 1985 growing to 24 billion in 1990, via 31 billion in 1996 to 44 billion dollars in 2000. Our figures are not yet complete, but we estimate that the production value was about 60 billion dollars in 2003. This means an average yearly growth of 6 to 9 %. The highest growth has developed in Asia and the USA. And the future is promising.

Production areas
When it comes to the main production areas of ornamentals we see the following:
- In Europe the most ornamentals are produced. The Netherlands is known for cut flowers and potted plants, as well as bulbs, for annuals and perennials. Germany has a name in nursery stock and garden plants. In Italy lots of flowers and potted plants are produced. While Denmark is famous of their potted plants. France is a broad player when it comes to the different types of products. UK, Belgium en Spain are small players in this field. The total production value is about 10 billion dollars, and has stabilized. Countries with the largest share in cut flower production are Germany (11%), Italy (18%) and the Netherlands (35%).
- In North and South America ornamental production mainly consist of flowers and cuttings. In North America (USA and Canada), where 80% of the flowers and potted plants are grown, California and Florida are the most important production regions. In South America, Colombia (6%) and Mexico (3%) together with Costa Rica and Ecuador have developed rapidly over the last decade as producers of flowers and parental material. Also Brazil (6%), for a long time, has been a producer of parental material and cuttings of potted plants.
- Production in Africa has increased over the last decade, with Kenya in the frontline followed by Tanzania, South Africa and Uganda. Flower production, of roses in particular has made enormous progress. Production in countries like Zimbabwe and Ivory Coast has decreased because of the political situation in the country. For Africa we see rapid growth in a high risk environment. Besides an estimate of 0,2 billion dollar production there are hardly figures available about ornamental production in this continent.
- About Asian production we hardly have any figures from the developing countries. Japan is traditionally a producer of specialities in ornamentals. South Korea , India and Thailand are coming up strongly as producers of ornamentals, followed by Taiwan. The production

of cut flowers in Israel has decreased because of the political situation. Local production for local markets seems to be big. Export is starting from countries like China, Vietnam, India, etc.

- In Oceania, Australia and New Zealand produce mainly cut flowers, but are relatively small producers.

Trade patterns

This paragraph elaborated on the main streams of export of ornamental produce world wide. The figures show the value of export of ornamentals within a continent; one country exports to a market in another country in the same continent. Also the value of export streams of ornamental between continents will be shown. There is hardly any relation to production values of continents and countries, except that they are smaller a lot. Quite some countries for instance mainly produce for local markets. (See Italy which only produces for domestic use).

- Cut flowers

Based on figures of 2002, Europe is by far the largest market for cut flowers. The countries within together have an export value for Europe of 2660 million. US dollar. Further more Europe imports from main suppliers like South America (228 mln. USD), Africa (196 USD), Asia (174 mln USD) and North America (65 mln USD). So, the export in and outside of Europe totals about 3425 mln USD)

North America is the second largest market. USA and Canada have an export to each other of about 108 mln USD. The continent imports large amounts of cut flowers from the countries in South America (859 mln USD). Europe is with 141 mil USD the second supplier, followed by Asia with 26 mln dollar export value on cut flowers. So, the export in and outside of North America totals up to 1100 mln USD)

From our figures about Asia shows an internal export between countries of about 94mln USD. This is added by export of cut flowers of 53 mln USD out of European countries, 22 mln USD out of Oceania and 15 mln USD out of South America. This adds up to 184 mln. USD total.

From Africa it is not known that they import cut flowers out of other continents or in between its countries.

- Potted plants

When it comes to potted plants, based on figures of 2002, we can see the patterns differ: Europe has an internal export between its countries with a value of 3013 million US dollar. In addition Europe imports from Asia for about 47 mln USD. This is followed by imports with a value of 42 mln USD from Africa and 39 USD from South America. In perspective of potted plants this mostly concern propagation material and cuttings for production in Europe. This totals 3140 USD value of imported product for Europe

In North America the internal export between USA and Canada is 329 mln USD. This market imports from Europe mostly end product with a value of 54 mln USD. Also South America is a main supplier with 47 mln USD of products; propagation material as well as potted plants for the markets. This is the same with Asia with an export value of 13 mln USD. Together the trade of North America totals an import value of 440 mln. USD.

Asia shows an internal export of ‘potted plants’ between countries of about 52mln USD. This is added by export of potted plant of 76 mln. USD out of European countries. This adds up to 128 mln. USD total.

From Africa it is not known that they import potted plants out of other continents or in between its countries.

- Worlds largest exporting countries.

From the figures available (2002) about world wide trade in cut flowers it is established that the Netherlands is by far the biggest exporter with a value of about 2.000 mln USD. It is followed by Colombia with an export value of about 600 mln USD. They are followed by Israel, Kenya, Belgium and Zimbabwe.
Their role is changing over the last 5 years. We see a negative growth of the export of The Netherlands (-2,7%) and Israel (-6%); the latter because of the political situation. The others show growth of export: Colombia (45%), Kenya (182%), Belgium (130%) and Zimbabwe (46%). Of Zimbabwe we assume that this growth has decreased or that export even has decreased because of the political situation in the country since 2002..

Regarding the inter- and intracontinental trade of ornamentals, the following can be concluded:

- Europe shows by far the largest trade-activity with 3425 mln. USD and 3140 USD for cut flowers and potted plants respectively. North America is second with about 1100 mln USD imports of cut flowers and 440 mln USD for potted plants. Asia comes in third place followed by South America.
  The difference between the figures of Europe and North America is exaggerating compared to reality. This is because Europe exist out of a lot of countries, while North America is larger and consist out of two countries. The European market is larger that the Northern American market, but not 3 tot 10 fold.
- If the world wide trade of cut flowers is compared with that of potted plants (materials) it becomes visible that streams of cut flowers are much bigger. An import reason is that potted plants are heavier per volume and therefore more expensive to transport.
- In general we see that south – north is a more import trade direction than east – west.
- In export figures for potted or ornamental plants, also quite an amount of propagation material like tissue culture plants and cuttings are involved. We can not establish what exactly the export values of these are. But they will grow using the advantages of cheap production input, like labour and land in these countries.

Incentive for growing International trade

- IT, communication and distribution

There are a few global developments which will have their effect on international trade the years to come. There are rapid changes in the possibilities of information technology. Think of the possibilities that handheld computers will mean when it comes to management of the production process. Or what about the introduction of RFID-tags and micro sensors and their impact on tracking and tracing of products throughout the chain. Close to this is the development of communication technology. If the hardware starts communicating with web-based applications all kind of stakeholders of the product chain can access the data and information. This also requires thinking about authorisation of the information access. Next to that more and more of the global population start using English, which make communication easier. There are also developments in in distribution. If the new IT-components en their communication aspects are linked to distribution and route planning, the distribution process can be optimised. Other developments are those in packing and transporting. Packaging called Modified Atmosphere can slow down the process of deterioration of products like fruits, vegetables and flowers. The product can be transported during a longer period of time and still have good quality. This process is also simulated with a ship. The whole shipload can be treated in way that fresh produce keeps its quality. This will increase possibilities of sending orders by ship instead of by plane, which makes transportation a lot cheaper.

- International economic integration
There are different economic trends which will have their effect on the trade in fresh produce. For instances, countries more and more unite themselves in trade unions. And these unions are getting more powerful when more countries join. Different examples can be given. The European union existed out of 15 countries. But since may first 2004, another 10 Eastern European countries joined. Then there is ASEAN, a same kind of development in Asia. The USA, Canada and Mexico have there NAFTA-treaty. Trade within these unions is getting easier and cheaper by decreased regulations and trade barriers.
Another development we see is that (home) markets saturate. For producers, this saturation asks for the strategy to keep their share of wallet, either to enlarge the export activities to other continents.
Finally we see that the activities of the World Trade Organisation (WTO-rounds) globally breaking down all kind of trade barriers. This means more and more the free market mechanism can do its work. This will have its effect on trade as well.

Shift in market for floricultural products
The world market for floricultural product has been changing constantly. Going back to 1992 we see that, calculated in dollars, 57% of the world market consisted of the Europe demand, 23% was Japanese demand and 20% was the demand from the USA. Over the years we see these shares changing. While the European market is loosing share, due to growth of market in the USA, Japan is keeping up its position. USA has proven to be a growing market the last decade up until 2002. The developments of the last two years, with dollar that is weakening, importing products into USA is getting more expensive and will strengthen the domestic production.

Overall we see an increase in the consumption of cut flowers and potted plants per capita in the different parts of the world, as the table shows.

Table 1. Development in consumption of ornamentals per capita in different countries (dollar/year)

Country	**1994**	**2002**	**+**
Germany	74	83	13%
Denmark	63	83	31%
Great Britain	23	52	130%
Spain	19	30	55%
The Netherlands	61	93	54%
Japan	34	51	50%
Russia	n.a.	4	-
China	n.a.	1	-
USA	44	64	45%

The table shows us developments in Europe. In Europe we see that the German market has grown only slightly compared to the others. It is known that the German market has become saturated. The Danish market shows quite a growth. The consumption has increased with even more than 50% looking at the developments in The Netherlands and Spain from 1994 to 2002. The market Great Britain has been enlarged enormously. In 8 years time their people have more than doubled their consumption of ornamentals. The British Supermarkets have played a big role in this as a main outlet for quality products. And this will increase. Furthermore big volumes are needed to supply these parties.

In Japan the consumption in 2002 is one and a half time that of 1994, quite an increased. Com pared tot that, with 45% the increase of consumption in the USA is just a little less.
We cannot compare the figures in the table directly to the trends of the shift in share of the global market. To do so, the figures in the table would have to be multiplied with the amount of inhabitants per country or continent.

Patterns behind the consumption
There are a few trends that can help to explain the general conclusion out of table 1, that the consumption per capita has increased strongly over 8 years after 1994. Because of a growing income people have started to buy more ornamentals for personal use as well as the gifts. Also the institutional use has risen; companies, events and recreation has started to use more flowers and plants for attractive decoration. In Europe and USA we see more small households occur of one or two persons, with a higher than average salary. So the amount of homes to be decorated per capita is rising. Another reason can be found in a trend called 'cocooning'. People in Europe and USA especially have started to spend more time at home, to get a feeling of peace and safety. Doing so they started to make the home cosier, with decorations like ornamentals. The trend of individualisation results in that people want to show their own life style. They also use ornamentals to do so. Finally there is a demand for quality products has grown, since there is more than enough produce; i.e. the English markets compete in who is selling the best quality products. In Europe there is also a trend in bringing nature back in the daily life, by using natural products. All these developments have contributed to a growth in the consumption of products per capita.

If we look at the developments in trade from 1994 to 2002, we see the following (table 2):
The trade within Europe, which was 6055 million dollar in 2002, has changed with 0% in the eight years before. The extra products, that the growth in consumption per capita required, has obviously come from Africa (+74% up until 242 million dollar) and Latin America (+45% up until 274 dollars). Import from Asia seems to have declined by 2% in that period.
With North America the trade has increased with 94% up until 459 million dollar. To be able to supply the increased consumption per capita, further more the imports from Latin America has increased with 72% until 908 million dollar, from Europe with 33% until 361 million dollar and from Asia with 89%.
Also trade within Latin America has grown strongly (137% up until 32 million dollar) in the eight year period. Next to this imports from Europe have increased with 52% until 36 million dollar.
Internal Asian trade has been expanded with 28% over the years until 148 million dollars. This might have resulted in a decrease in imports from Europe(-2% until 250 million dollars) and Oceania (-2% until 32 million dollar).
Looking into the figures the size of countries and amount of inhabitants of continents has to be taken into account. While export from The Netherlands to Belgium adds up to the total, the trade between California and New York is unobserved.

Table 2 Floricultural trade 2002

	Import					
Export	Europe	North America	Asia	Latin America	Africa	Oceania
Europe	6055	361	250	36	34	15
North America	73	459	13	30	0	0
Asia	228	46	148	5	1	4
Latin America	274	908	23	32	0	0
Africa	242	6	9	0	8	2
Oceania	14	12	32	0	0	2
World Total	**6886**	**1791**	**474**	**103**	**43**	**22**

Market opportunities

Considering the developments in trade over the years 1994 until 2002, the following observa-tions can be made when it comes to market opportunities. First the existing markets. Europe offers opportunities for slight growth in either cheap product or high quality product with added value. Also the Japanese market will show a slight growth. Besides very high quality products a niche market for a reasonable price/quality ratio is developing. To utilize this opportunity producers and traders have to focus on high quality product. Of the existing markets USA offers the most possibilities when it comes to an increase of consumption. The weakened dollar, however makes imported products more expensive.

As possible new markets Africa, Latin America, Eastern Europe and Asia can be considered. Of those Africa offers the least opportunities; there is a lot of poverty and a lot of countries are political unstable. Latin America will offer slight growth, in and about the big cities main-ly. Eastern Europe the prosperity has been improving slowly the last decades. Now that 10 countries have joined the EU, an acceleration of this improvement can be expected. Be-cause the level of prosperity still is low, market opportunities in general can be found in relatively cheap product. Because developments in economic growth in South East Asia a big expansion of the market can be expected for instance in China, Hong Kong, Malaysia and Shanghai.

Conclusions about production, consumption and trade patterns

If we overview the facts about the development of production, trade, and markets from the we can conclude the following:

- Worldwide the production has expanded. We see this in these countries where entre-preneurs see opportunities to enter markets combined with good growing conditions;
- Worldwide consumption has grown in these countries where use of ornamentals could increase and in countries where the level of prosperity has risen;
- With rising income consumption per capita will go up. A higher level of prosperity in countries will increase consumption of ornamentals personal use (life style), gifts and institutional segment (decorations);
- The international trade of ornamental products has increased, following the development in consumption of ornamentals in the different continents and countries.
- Regional supply will be leading. The transportation costs will be the lowest and the product will have the highest possible physiological quality;
- Trade liberalisation will be (or is) followed by non-trade barriers. When the regulations about quota and tariffs are decrease, other regulations increase i.e. on quality levels and phytosanitary condition.

Lessons Learned about production, consumption and trade patterns

- With higher income in countries and continents, the demand will rise;
- High volume 'bulky' products will be between North-South pattern or interregional because low product cost are essential;
- There are niche markets for high quality product all over the world; when product is special of exceptional, product price is not so much an issue. But constant innovation is essential to be able to 'surprise' them with new products
- Strategies for supplying niche markets should depend on a supply chain concept of 'Quality'; from 'seed to vase'; the supply of product for this market should not be incidental. Structure and year-round supply are prerequisites.
- There is a demand for co-operation for all actors in international chains.

2. Market developments

People from all over the world use floricultural products for culture and traditions. In the more prosperous countries they are also used to express themselves in line with their life style. Furthermore businesses and organisations also use these products for decorations to create a certain atmosphere contributing to their image.
To a consumers and institutions a floricultural product is more than a plant with foliage and flowers (core product). Plant go together with a pot, it has labels with treatment information and attributes i.e. for Valentines day, etc (tangible product). Then the flowers or plants can be combined with others i.e. in a bouquet, with certain packaging information and services i.e. home delivery (extended product). All these features belong to a product concept of a certain brand of product, with a certain exclusiveness (or not), with certain guarantees i.e. on vase life. Consumers buy products from concepts of 'basic' with low price until 'extend' with all kinds of added values. When they repeatedly buy a product from a certain concept they expect it to be of a constant quality and price; these are prerequisites to the suppliers.
Consumers and institutions buy their product at different kind of outlets. In Europe, USA and in the big cities all over the world there are local florists or even artist selling ornamentals and decorations. Adapting to developments sometimes they form chains, i.e. in Holland a Business Florist Association was established for the business segment. Then floricultural products can be bought at local garden centres and warehouses. But more and more chains of these, with a franchise element, occur. Furthermore in Europe more and more floricultural products are sold in supermarkets. In the U.K. for instance, the main part of flowers and potted plants are sold thru i.e. Tesco, Sainsbury's, Waitrose supermarkets, etc.
These different outlets get their products from different types of suppliers. Local florists and garden centres may buy their product at the auction directly or at the cash and carry service. In Germany, France and England product can also be acquired at wholesale markets. The chains of florists, garden centres, warehouse and supermarkets, more and more have their (preferred) supplier. It concerns large quantities.
More and more these supermarket chains have, lead by the choices consumers make, a clear market position in either the discount segment or service retailing with added value product. Because of fast growth of these chains, their economies of scale increase and every now and than price battles are the result. The supply chain therefore is forced to further reduce costs. We also see the growth of private label. Ornamentals in supermarkets i.e. in the U.K, France Germany etc. occur under private label. Supermarkets see that to make money, fresh product requires professional approach. The trend is to outsource category management to partners in the chain. For image building the supermarkets use all kind of quality assurance schemes, which have to be met by the supply chain.

These developments are the reason that wholesalers / traders specialise, professionalize and grow rapidly, to be of sufficient scale for their clients. More and more they operate as a logistical service provider to their clients. To be able to meet the demand they start working more and more close with growers instead of solely buying at the auction. This, to be sure, their demand is met. The marketing departments of these wholesalers develop new product concepts with their chain partners.

3. Supply chain management

While product, from all over the world solely used to be sold at the auction to all kind of buyers, more and more product is sold directly to supermarkets and specialised wholesalers. Dependent on their market focus and desired image they have product specifications on quality, diversity and quality assurances schemes to be met. The trend we see is that supermarkets, garden centres and warehouses want to be sure the products are produced in a sustainable way. This is also called production in the triple P-concept; a way of producing combining making money (Profit), with care for the environment (Planet) and a social responsible way (People). The word Profit contains items like assets, return on investment, partnerships, mergers etc. Planet refers to entities as soil, air, water and the effects of the use of fertilizer, chemicals for pest control, use of energy and the amount of waste. ‘ People’ requires that attention is paid to human rights, poverty, workers, health and security.
These are schemes like, Eurep-GAP with demands on producing in a environmental and social responsible way. A scheme like this can also be covered with the MPS-label for environmental inputs, the MPS-scheme for socially qualified holdings, and product specs from a label called Florimark, combined in MPS-GAP.
The supply chain will have to combine commercial quality (branding) of the product, together with environmental quality (labels / certificates) and social quality (labels / certificates) in their product proposition towards their customers. Additional of managing the logistics of product to the outlets, from the chain partners this requires registrations, certificates, quality audits, information supply in the chain.

4. How can producers benefit?

Requirements outlets and wholesalers
The developments in the market, at the outlets and at wholesaler level have implications for producers as supplier. To be able to supply the chains of supermarkets, garden centres, ware houses, producers have to be able to supply enough quantity. They need economies of scale and they have to specialise in supplying this chain to beat the competition. Investing in ICT-infrastructure can be a part of that for communicating with the right information at the right time. Their focus should be on decreasing supply chain cost and on decreasing lead times to get a fresher product in the store. They have to be able to meet the quality assurance schemes of the supermarkets, and assure they produce in a sustainable way (triple P). All these developments require knowledge of the supply chain, marketing and product development to be able to surprise the customer with new products. These are quite some requirements to be met.

Questions producers will have to answer
This requires that producers make quite some choices. What kind of product can I grow with what kind of specifications? Can I deliver added value to my product or is standard be good enough. Which kind of markets and chains am I able to supply? Which kind of customers fit my business? Can I do business with supermarkets or will it be better to have a specialised wholesaler as a customer? Will I be able to meet quality assurances schemes? Can I produce

in a sustainable way? Will I be able to develop all this by myself, or would it be better to join a co-operative. And what influence will my choices have on cost, turnover, margins and profit? The more clearly the choices can be made (out of a strategy) the higher the chance of being successful.

Important aspects of the flower supply chain

In this article it is established that the world wide trade of ornamentals has increased over the last decade. This also means there is quite a bit of competition in supplying the markets. The markets and different type of outlets set the standard. Further more, their hosting countries and continents have their regulations. So if exporting product to other countries and continents is considered, the following has to be taken in to account:

- Disease free propagation material; to deliver floricultural products free of disease, for Asian producers it is important to start with healthy propagation material. Because southern countries have good climate conditions for producing propagation materials like seeds, cuttings it is interesting for European and USA growers to import this material. Because of phytosanitary measures in their countries and also their own growing results, it is important that this material is guaranteed disease free.
- High level crop management. To be able to meet the demand and the arrangements made about amount of product, product quality, moment of delivery, it is important that crop management is of high level to assure this.
- Grading according to international standards is important to make the delivery accepted.
- Independent quality inspection. When propagation material or end products are inspected at borders or at the customers', the process will take shorter when it can be shown that it has been inspected by a independent quality inspection organisation in the exporting country. If these are organisation working world wide, i.e. S.G.S., this will build trust. This kind of inspection also will assure the exporting party the product won't returned or destroyed.
- Flexible marketing system. Exporters will have to try to find different (types of) outlets for their produce. Each customer will have a different demand and different product specifications. The more the exporting company is able to play the customers with more different type of specifications, the higher the chance of being able to sell the produce.
- Specialised outlets. Outlets try to build an image and to play target groups by marketing. They fill this in with their outlet buildings and locations, their product assortment and price setting contribute to this. When potential suppliers are able to strengthen this formula with their product and services, they will be welcome as a supplier. Next to that they can distinguish themselves from other suppliers to invest in this relation
- Climate controlled storage and transport. 'Due diligence' or 'do as you say' is extremely important when it comes to meeting the quality level agreed on. During the transport, the quality of the product will decrease. With a climate control focussed on the physiological needs of the product, the process of deterioration will be slowed down. This will rise the chances that the product will arrive with the quality of the right level

5. Expectations nearby future

Looking at the facts presented about the developments in production, trade and consumption in the last 10 to 15 years, combined with the actual trends and lessons learned, we come to the following expectations for the nearby future:

- Higher demand. The demand will rise because of higher income and because certain markets have not saturated yet. Rising income and prosperity will increase the demand in the Asian, Latin American and Eastern Europe;
- Higher quality products. The rise of the average income, the competition in production, market strategies of professional supermarkets will lead to a demand for higher quality product;
- Volume / Logistics. For their competitive edge for supermarket chains it will be more and more important to be delivering year-round, to cut in the amount of suppliers and to constantly have the story full with product. Suppliers will have to be able to help solve these problems by being able to supply big volumes, and to have the logistic well arranged to be able to meet the arrangements made;
- Professionals / providers (category management / vendor management inventory). Because supermarkets sell a whole range of products they could use help in the treatment of the fresh products category. Sometimes this category has problems i.e. with a lot of waste. They have to improve this because of the competition. If suppliers are able to offer category management for the supermarkets in a way that there is more turn over and less waste, it will benefit both parties;
- Long term commitment. This offers possibilities to invest in the relation and to optimise the fitting of the primary process of the enterprises in the supply chain. This also will benefit the parties in the chain;
- International alliances. Continents, countries and unions have their own regulations, and business culture. For exporting producers it is important to understand and cope with this. International alliances will make market access easier.

Market information needs to be fed.

Watching trends in production, trade and consumption on markets world wide makes it possible to draw ones conclusion about their own position. In order to do so, there is a (constant) need for good statistics. With the help of a network of specialists and local sources throughout the world this could be achieved.