



GO-GRASS

Grass-based circular business models
for rural agri-food value chains

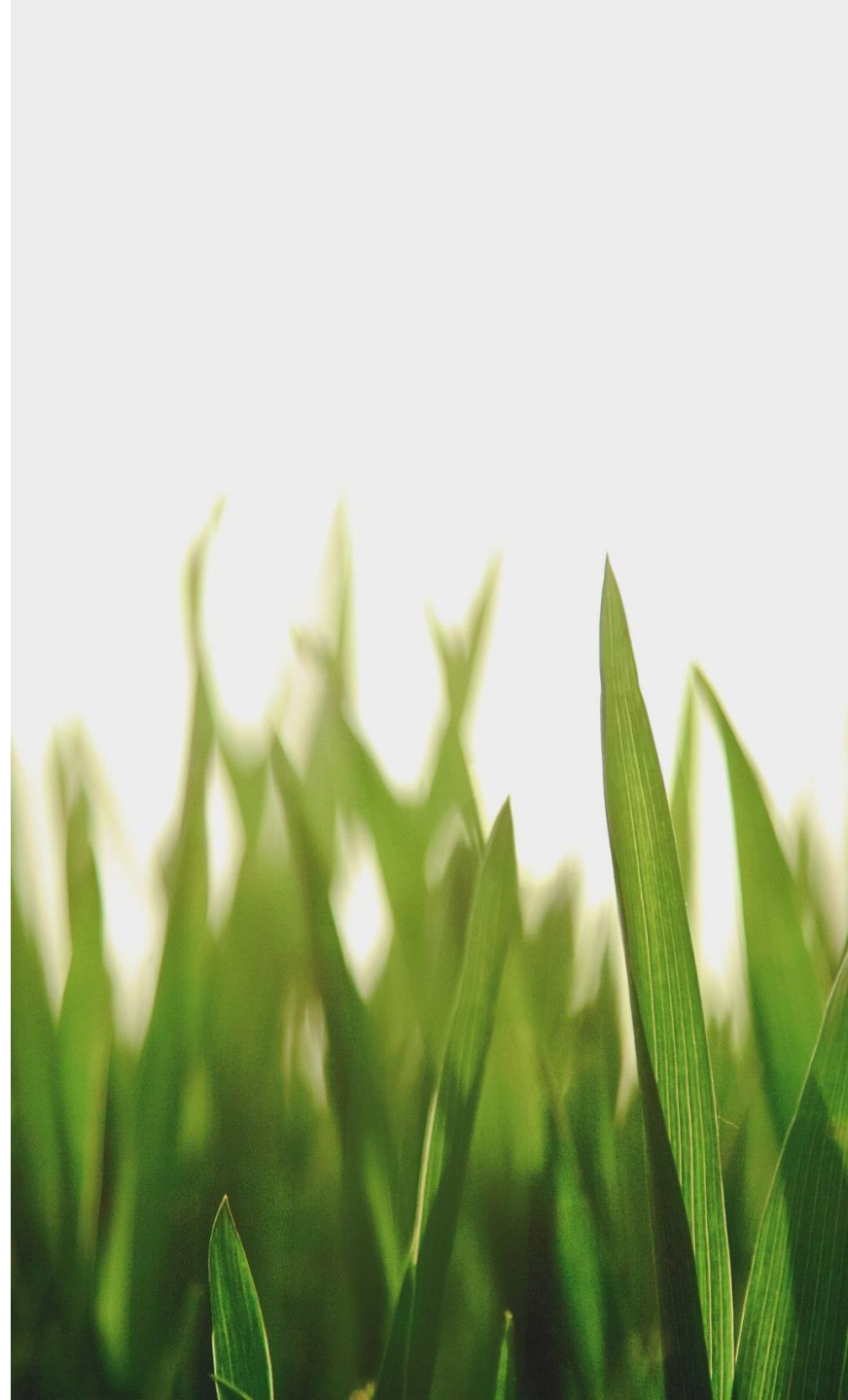
Product, customer, production and key resources

Training material



Agenda

1. Describing Product, Service or Solution
2. Production and facilities
3. Key resources
4. Competitor evaluation
5. Key learnings





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1 - Description of product, service or solution

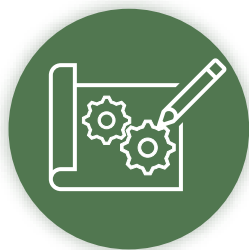


Describing your product/service

It is a two-level approach



General description of your product, who will use it and how.



Technical description to describe the core technology elements and performance results.



General description of product



Easy description of your product/service, how it works, who is going to use it and why.

- How is it going to be used in practice?
- How and why does it create value for the customer/user?
- Does it require special training or competencies to use/benefit from it?
- What are the tangible attributes or other special characteristics of your solution?
- Why is this product useful or better than the competition?





General description

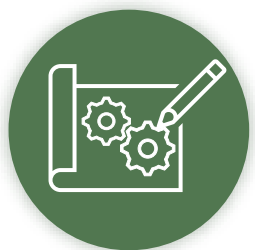
Example of a general product description based on the Swedish DEMO

“Our product is bedding material made from reed canary grass in forms of briquettes. This type of bedding material gives higher comfort level for the animals and is more hygienic than current wood-based solutions. After use, the bedding can be used as a fertilizer or for biogas or heat production. Our product will result in higher efficiency of the biogas process and contribute to increase circularity.”





Technical description of product



This type of description includes the technical and functionality levels of your product/service/technology

- What is special about your product/service from a technical/quality point of view? *(Add illustration to better explain your solution)*
- Describe size and functionality
- Highlight documented (real-life testing) features *(related to e.g., quality, sensitivity, longevity, robustness, and reliability)*





Technical description

Example of a technical product description based on the Swedish DEMO

“The product is a soft, dust free bedding material for animals like horses, poultry, and cattle. It is heat treated which eliminates bacteria and mould spores and it can be delivered as small bales of 20 kg, big bags 200-220 kg or as bulk in containers. Testing showed that changing the bedding materials is only needed every other day compared to conventional solutions.”





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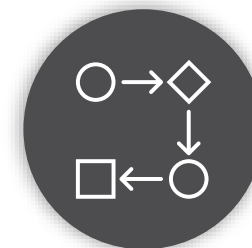
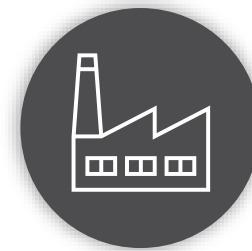
2 - Production and facilities



Production and facilities

It is important that you:

- Have an overview of production facilities needed to make the product or provide the intended services.
- Understand the dependency/relationship with suppliers/partners
- Have an overview of short and long-term access to raw material

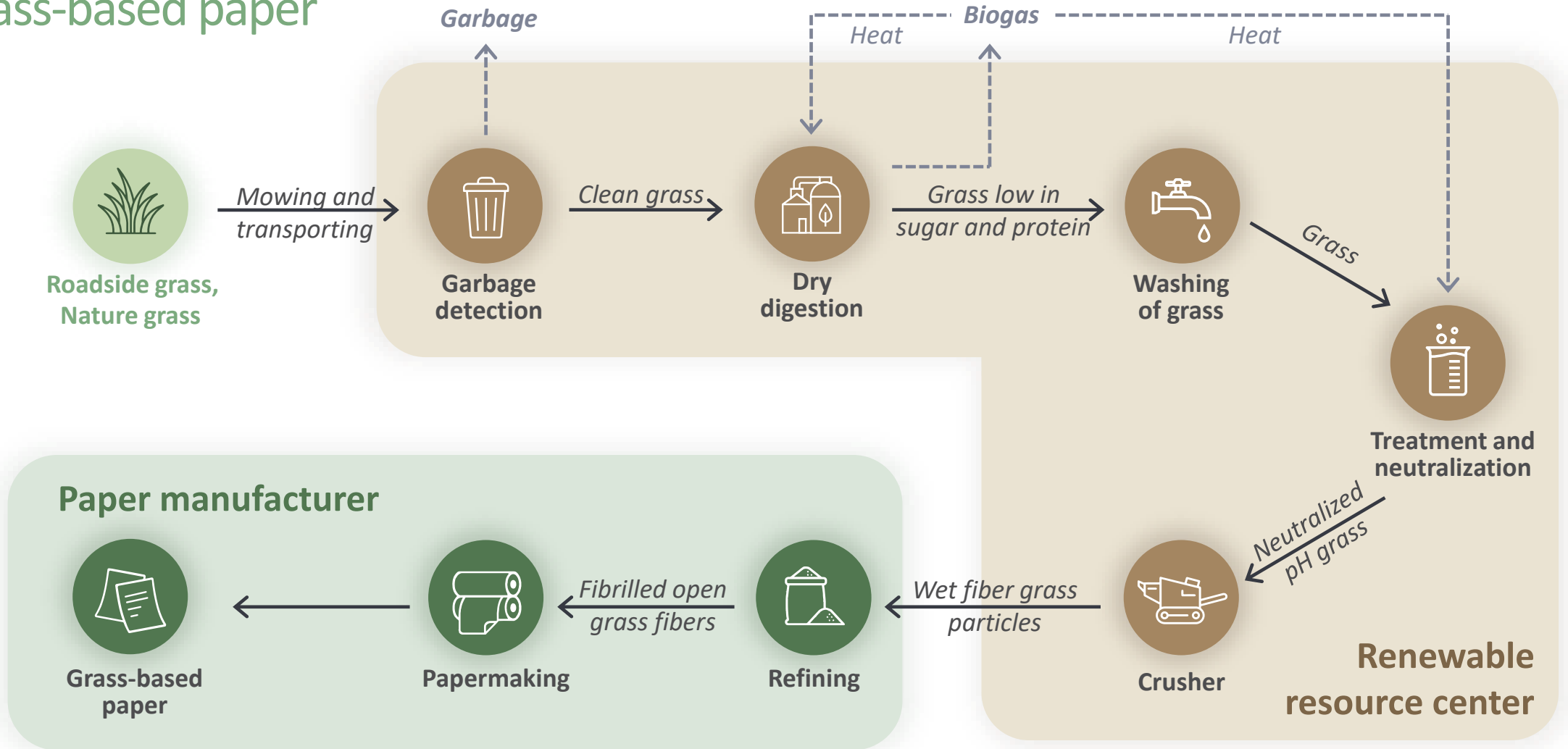


The best practice usually is to work on your supply chain analysis to describe how is your product/service produced.



Supply chain analysis example

Grass-based paper

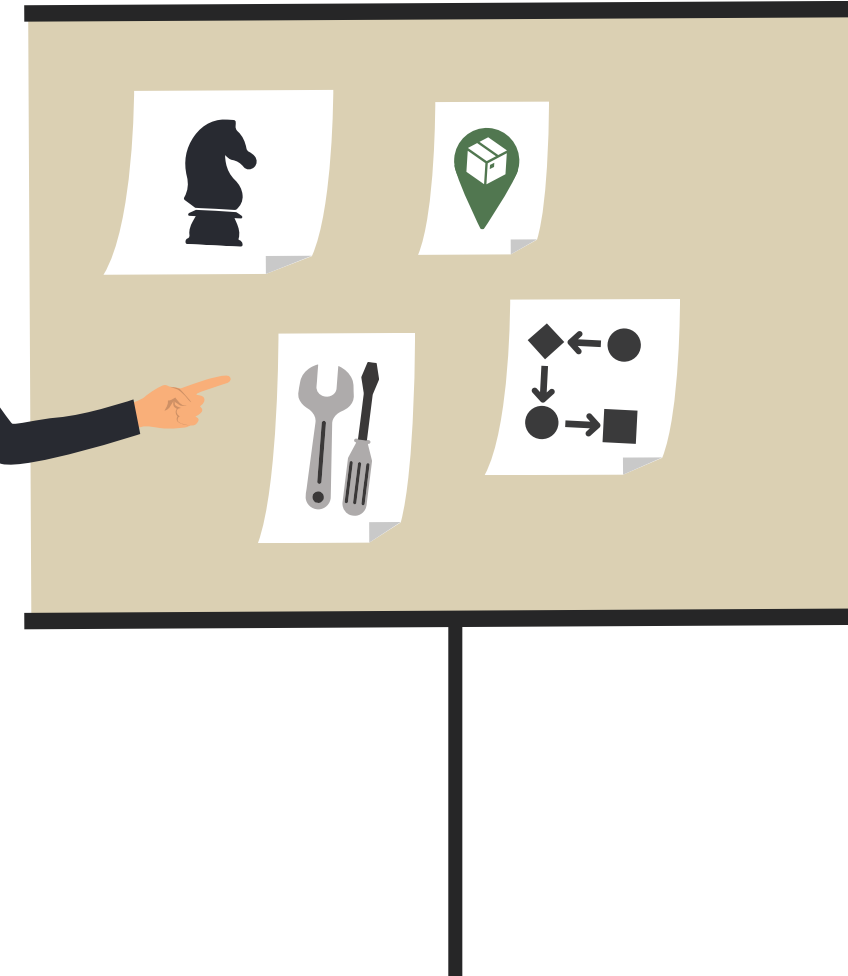




Scale-up

In order to grow your production, you need to think about:

- A clear strategy for securing facilities and resources
- The location of the production
- Access to all the relevant resources
- Adaptation process when production increases





Example

Grass pulp production scaled up to pilot scale

- Designed and built a pilot-scale facility
- Expand network with people or parties supplying raw materials, processors and end users of grass fibers
- Optimize the process to reduce costs, optimize the supply chain and keep looking for opportunities to scale up from pilot to production scale





3 - Key resources



Key resources



Key resources are all the resources that are needed to realize the intention behind the business idea.

Without access to the needed key resources, there is no business.

It can be monetary, but includes also staff or access to machinery

Few examples of key resources to replicate the Danish DEMO

- *Access to fresh quality grass*
- *Machines with proper systems for harvesting and cutting the grass*
- *Collaboration with providers of technology and knowhow*
- *Flexible bio-refinery process*
- *Ability to certify end-product (organic standard)*





Types of resources



- Material resources
 - Raw material
 - Machinery
 - Building
- Monetary resources
- Internal resources
 - Staff with special competence
- External resources
 - Supply related
 - Quota restricted
- Immaterial
 - Access rights/Licence



Analysis of key resources

The analysis of key resources shall include an overview of:

- Availability the resource
- The cost and potential issue
- Constraints with or without control of the company

Key resource	<i>In place</i>	<i>To be obtained</i>	<i>Free access</i>
Staff	✓		
Competencies	✓		
Access to rights			✓
Machinery		✓	
Buildings		✓	
Raw material	✓		
Other			



Availability of key resources

The business strategy should be based on realistic assumptions about the availability and accessibility of key resources



Develop a contingency plan for small/moderate supply/value chain interruptions in access to a key resource



For a replication of the Dutch DEMO, there should be contingency plan to a scenario where the quantity of road-side grass in the area decreases to a level where it cannot satisfy the production needs.





4 - Competitor analysis



What is your competitive advantage?

Compared to traditional wood shaving and sawdust that are used as animal bedding, the briquettes made from reed canary grass in the Swedish DEMO have many climate benefits.

Competitive advantages of bedding material made from reed canary grass are:

- Enhanced sustainability, improved soil health and water retention
- Significant carbon capture and storage material
- Utilizing unused land area for a crop with a market value



Provides a more environmentally friendly, sustainable, and efficient alternative to traditional wood shavings for animal bedding



Example of SWOT for Swedish DEMO

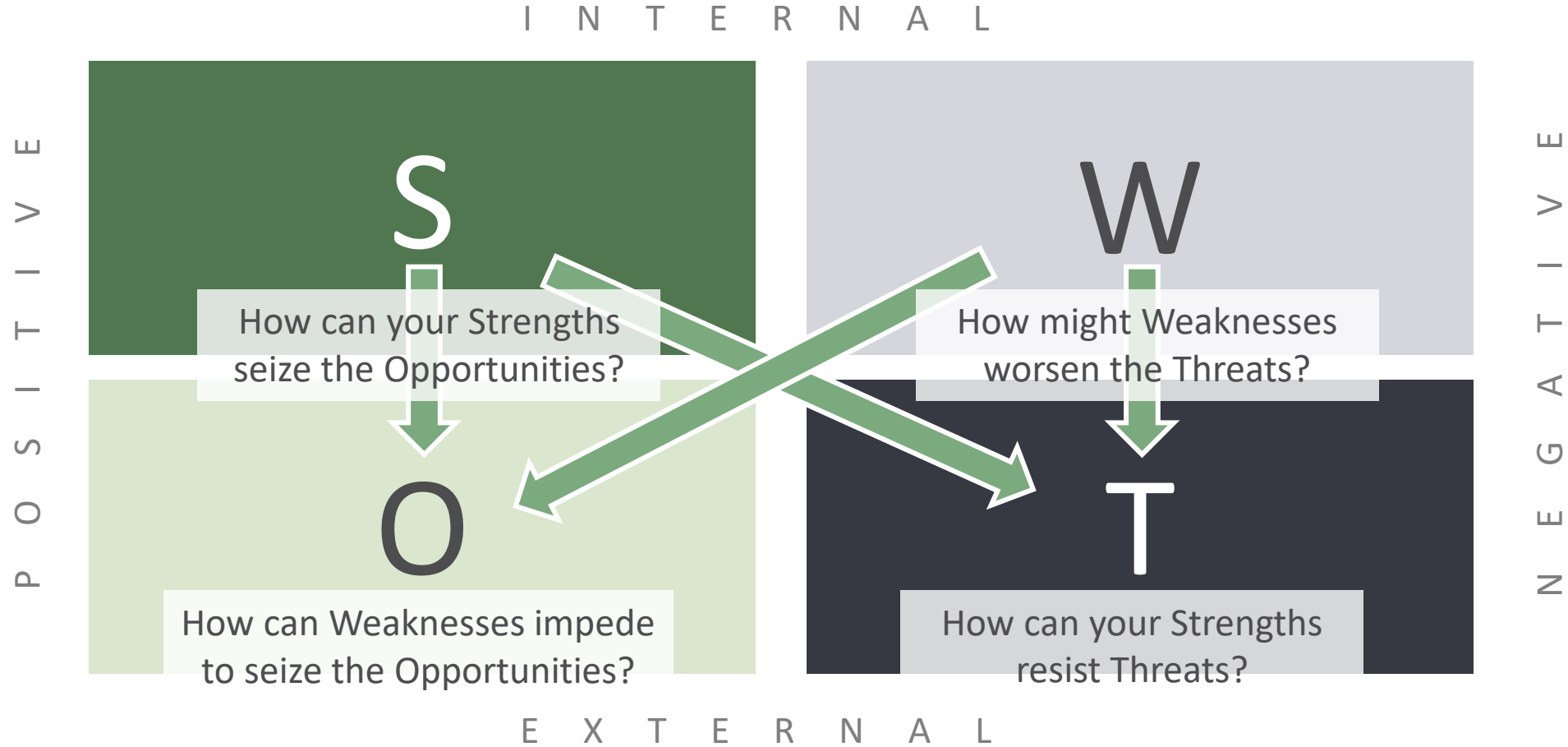
*SWOT analysis is a great way to discover your **S**trengths, **W**eaknesses, **O**pportunities and **T**hreats.*





Your strengths and weaknesses

How do they affect one another?





Competitor evaluation

Competitor analysis is used to determine your competitors' strengths and weaknesses in relation to your own and identify market gaps.

Knowing your competitors is important because:
























- It will uncover how you can improve your business strategy
- It will show your competitive edge, of how can you keep your partnerships and customers
- You can identify gaps or discover potential threats
- It will allow you to discover opportunities and potentials





Competitor evaluation matrix

Below is an example for a tool, called **competitor matrix**, to get an overview of your and your competitors' strengths and weaknesses.

	Your company	Competitor 1	Competitor 2	Competitor 3	
Quality					 STRONG
Price					
Payment terms					 MODERATE
Financial strength					
Local & regional network					 WEAK
Etc.					



Type of competition

Direct

Direct competitors sell a similar product or service to a similar target audience. These are likely the companies that first come to mind when you think of your competition.

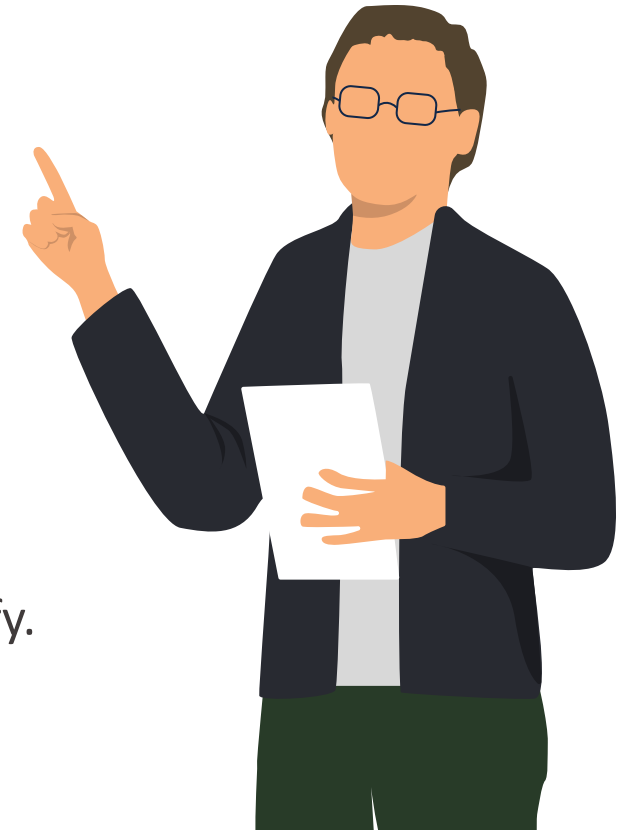
Indirect

Indirect competitors sell a different product or service in the same category but target an audience similar to yours.

Alternative

Replacement competitors exist outside your product category, but they satisfy a similar customer need. They are the hardest to identify.

Often the biggest competitor is that customers choose to continue to do as before.





Example of the Danish DEMO

Direct

A direct competitor to the main product is soy protein.

For the fiber fraction, there is competition between the use of cattle feed and the use of biogas production

Indirect

Use of agricultural land for other crops than grass.

Alternative

Alternative proteins can come from rapeseed cakes, sunflower cakes, peas, field beans





How to evaluate competitors?

1. Identify the market segment and the problem of users/customers that you are trying to solve
2. Identify direct, indirect and alternative competitors - competitors in the form of products, companies or processes
3. Compare your solution with the identified competitors' products/services, their prices and business model
4. Describe how competitors might react to your market entry

To stay on top of your competitors, you have to assess them regularly.





5 - Key learnings



Key learnings

At the end of this training, you should be able to:

- Describe your solution from a general and technical point of view
- How are you going to produce your product/service
- Scale-up strategy in short and long-term
- Make a comprehensive overview of key resources
- Compare your product/service with competitors'
- Summarize why customers/users will prefer your solution over others





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