

CUINA VERITAS – development of a zero organic waste food product line

1. The Company

Eco Veritas was created in 2003 and it is a medium-sized Spanish organic food retail company. Currently, it is the largest retail company for organic and ecological certified food in Spain, having a network of 27 supermarkets and an on-line shop. Eco Veritas employs 200 people and its turnover in 2013 was 24,5 M Euro.

2. Sustainability Innovation

The CUINA VERITAS project developed by Eco Veritas supermarkets, aims at reducing food waste along the value chain by creating a new range of ecological, organic products, made of fresh, top-quality fruit and vegetables that consumers reject due to appearance and would otherwise have gone to waste.



The project presents a double sustainability innovation dimension, an ecological one, reducing drastically the level of food waste of the company going to landfill, as well as a social aspect, since the products are handled and manufactured by intellectually or physically disabled people. The project development lasted 4 years and the first range of products was successfully introduced in the market at the end of 2013, with very good public acceptance. Currently the product range includes:

- Vegetables Cream of Vegetable Soup
- Cream of Pumpkin Soup
- Chicken Broth
- Cream of Carrot Soup
- Tomato and onion sauce
- Red pepper sauce
- Fruit Jams (banana, apple)
- Ham and Vegetables Pizza

CUINA VERITAS products are developed in-house company-owned facilities (a 600 m2 warehouse, kitchen and food processor unit). All company employees have been trained to recognize products that can be of potential use as raw material for CUINA VERITAS and everyone is highly involved in the process, from analyzing potential products to be used to gathering insights from consumers to modify existing or develop new products.

From a consumer standpoint, it is important to note that another innovative characteristic of the project is that it acts, from a communicative standpoint, as a potential sustainability educational tool to consumers by increasing awareness and offering alternatives, which is considered the most important issue on the food waste agenda. Since supermarkets are very important in shaping people's behaviors, these kinds of actions challenge current unsustainable consumer lifestyles, which place little value on food, making it 'easier' to throw it away and buy more from our overstocked supermarkets.

CUINA VERITAS initiative also contributes to promote a new way of consuming, recovering the traditional home food management expertise that Spanish grandmothers had when creating nutritious food out of left over ingredients in a good state, never throwing away any food. In this sense, it also has an added value of recovering traditional food culture heritage.

The main innovation aspects of CUINA VERITAS with regard to sustainability can be summarized as follows:

- Reduction of food waste (mainly vegetables and fruits). Adoption of zero waste philosophy: already reducing drastically the level of food waste going to landfill
- Efficient value chain management (close the loop approach)
- Social integration aspect: CUINA VERITAS products are handled and manufactured by intellectually or physically disabled people
- Improvement of eating habits, healthy nutrition and the recovery of the traditional food heritage
- Impact on healthy nutrition and awareness of food waste sustainability issues amongst consumers and wider audiences
- Adaptation of lifestyle towards good buying and home food waste management practices
- Acts as educational tool for promoting wider consumption of organic products

3. Engagement of End Users and Other Stakeholders

CUINA VERITAS has been the outcome of a well-integrated end user and multi-stakeholder collaboration and co-creation efforts. The process was originated by the commitment of top management responding to consumer insights and increasing concerns about what the company was doing about reducing food waste. It also included high quality of external stakeholder insights (Alicia Foundation, Grupo SIFU), technical experts (for the construction and management of the facilities) and the involvement of all the company key management staff.

Engagement of End Users

Engagement of end users was key at the opportunity- challenge recognition phase (consumer feedback and increasing complaints about the level of waste generated by the stores and questions addressed to the management about how an ecological and sustainable firm was throwing food away). Also during developing, testing and product launch stages, where the company used several methods:

a. Communication Channels and Interactive workshops with Customers

The different communications channels and platforms Eco Veritas has created act as an on-going focus group of its main target market (the more involved and conscious consumers)

and allow the company to have a very detailed picture of what their clients want. It is also a very good tool for gathering market trends, consumers' main concerns and motivations as well as reactions to new product launches.

Veritas obtains information and interacts with consumers through traditional communication tools, online platforms and the organization of consumer workshops. During the project developing and testing phases, the above-mentioned channels were used as market monitoring for the products to be launched.

b. Communications consultancy project

After the identification, through several customer communications channels, of the potential communication risk the project could present due to its innovative nature, Eco Veritas decided to commission a research study to an external communications consultancy company. Due to the fact that initially there was not a very specific target segment for the products, and also because the concerns about the product launch were also shared by company members and store managers, a more traditional approach to market research techniques was overruled. For that reason, the research was oriented to identifying key constituencies for the successful delivery and implementation of the project, the analysis of their inner motivations and concerns (through face to face and telephone interviews), and the development of key messages and a communications strategy proposal for the product launch.

c. Alicia Foundation consumer workshops (“cook, eat and live”)

The organization of co-creation workshops and sessions (with end users, nutritionists, food technicians, Eco Veritas staff) for product recipe proposals and testing was a very innovative way to discuss jointly the different product alternatives that could be commercialized, according to seasonality and potential waste quantities able to be transformed.

Interaction with workshop participants (with very similar socio-demographic characteristics to Eco Veritas consumers) was a really good way of meeting potential expectations from the consumer side and it provided some really useful insights that were taken into account in the elaboration of the recipes.

Other Stakeholders

A proactive approach to stakeholder engagement was very important for product development. Especially with the two key stakeholders:

Alicia Foundation:

Alicia Foundation offered expertise in technological innovation in cuisine, healthy nutrition and eating habits and evaluation of the food heritage, while offering access to market intelligence and having a team of experts devoted to the project.

Eco Veritas and the Alicia Foundation worked together in analyzing different organic fruit, vegetables and dairy products offered by the main distribution food retail chains, both traditional and specialized in organic food. The research methodology included several store checks and visits to gather all kinds of information regarding potential product ideas to be developed, but also indications of best-selling codes and most preferred items by the consumers. The analysis included a table for each supermarket classifying the product offer according to food group, description of ingredients and composition as well as conservation

method. Four leading traditional supermarkets (Eroski, Mercadona, Carrefour, Bon Preu) and a smaller organic food retailer, Biospace, were studied.

The conclusions drawn from the market research analysis assisted in defining which recipes could be tested and developed and which product range could be more competitive and sustainable. Even if some products could be found in the market, the fact that this was the first time they would be made out from fresh organic ingredients with a homemade approach, was considered as a differential factor. This is one of the most prominent outcomes in the product development process.

This process had several stages (process of identification and statistics of fruit and vegetables consumed and wasted per season; market research and competition analysis conducted at several supermarkets for analysis of products, composition and packaging, and recipes for product development).

Grupo SIFU:

Final product manufacturing and processing is done by intellectually or physically disabled people, through the collaboration with a special centre with 17 years of experience in the field (Grupo SIFU). Grupo SIFU recruits and trains the people involved in the project.

This collaboration added social dimension to CUINA VERITAS by showing commitment to special needs collective while enhanced corporate reputation and brand image for both parties.

4. Sustainable Innovation in medium-sized companies

CUINA VERITAS is a very good example on how small/medium-sized companies can act as innovative sustainability drivers. A strong and inspiring leadership, clear vision and goals, a committed and engaged managerial team, a focus on sustainable competitiveness and embedding sustainability across the organization, while integrating it in business development strategies, seem to be some of the key characteristics a company must have to innovate in a sustainable way, regardless of its size.

A lean and flexible organizational structure facilitated immediate integration of user and consumer insights into existing corporate processes of sustainable innovation. While user integration methods might not be very sophisticated, the fact that the consumer insights are seen as innovation drivers by Eco Veritas added a new dimension when those inputs are gathered and analyzed. Each insight can be, in fact, a source of potentially disruptive innovation.

Last, partnership development is actively pursued. Collaborating with other organizations and institutions is considered key to the success of innovative sustainability ideas and its implementation. It has assisted Veritas, a small sized company in comparison with European organic food retail chains, to gather valuable data and information and broaden its sustainability strategies and vision. Building partnerships together with highly specialized organizations (Alicia Foundation, Grupo SIFU) have proved very important for the success of the project as well as in providing legitimacy and credibility to it.