

# **Strategy Hypothesis**

## **Consumer Goods**



#### **STRATEGIC HYPOTHESIS**

#### **Content**

Introduction	3
Challenge	4
Objectives	5
Recommendations	6
Foresight Network	7
Strategy Network	13

#### INTRODUCTION

This **Strategy Hypothesis** was produced by MyCoStrategist's Consulting Platform. It used the platform's embedded Al assistant, Pickle. Pickle currently leverages several generic, industry-agnostic Large Language Models (LLMs).

We selected **Tate & Lyle** as a case study to demonstrate Pickle's functionality. There is no implied reason behind our selection.

Our goal is to create a Strategy Hypothesis within 60 minutes. We wanted to demonstrate **how AI can be used to gain a head start on strategy formulation and action planning**. It is important to state that this resulting report is just a start to help stimulate discussion. We believe that AIs capabilities will rapidly improve. We also believe we will see the emergence of industry-context-trained LLMs and, eventually, enterprises training their own proprietary LLMs to support their strategic analysis and decision making.

Our approach ensures a human is always in the loop, selecting those AI-offered insights that go forward in the analysis and decision making.

In collaboration with our clients, we will continue to develop our use of AI assistants to help organisations and leaders find and elevate their inner strategist.

#### THE CHALLENGE

Health-Conscious Consumer Trends Requires continuous innovation and adaptation to meet evolving health-conscious consumer preferences. Price Volatility of Commodity Food Ingredients Makes it challenging for manufacturers to maintain stable pricing and profitability. Supply Chain Efficiency and Last-Mile Connectivity High costs associated with order fulfillment, delivery, and maintaining zero resource wastage. Strategic Partnerships and Collaborations Requires careful selection of partners and integration of new business models. Technological Adaptation and Innovation Requires significant investment in technology and training.

#### THE OBJECTIVES

- Health Market Penetration Expanding the product line to cater to the health market segment.
- Innovation Collaboration Working collaboratively to drive innovation in product development and business processes.
- Transparent Pricing Strategy Developing a transparent pricing strategy to build trust with consumers and stabilize prices.
  - Supply Chain Optimization Improving the supply chain processes to reduce costs and improve efficiency.
- Sustainable Sourcing Strategy Implementing a strategy for sourcing ingredients sustainably to reduce environmental impact.
  - E-commerce Optimization Enhancing the e-commerce site for better user experience and increased sales.

#### THE RECOMMENDATIONS

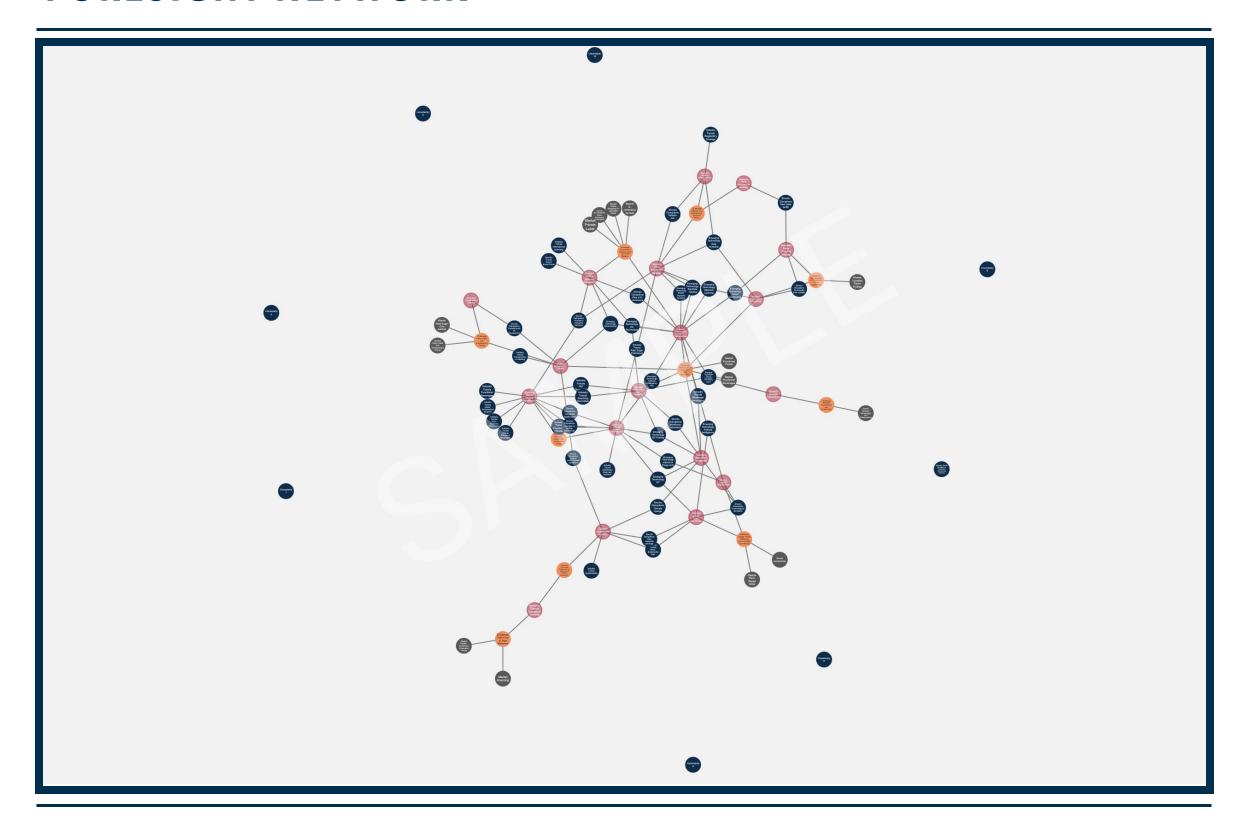
- Launching new health-oriented products for health market penetration.
  - Ollaborating with innovation labs for new product development.
    - Introducing a transparent pricing model for all products.
- Implementation of an automated system for supply chain optimization.
  - Adoption of sustainable sourcing practices for raw materials.
- Implementing an omni-channel platform to streamline e-commerce operations.





2024 MyCoStrategist Confidential

#### **FORESIGHT NETWORK**



#### **CHALLENGE**

Commence preference for  Testada and Tentroparevor  Treeds  Commence preference for  Testada and Testago accordance preference for  Testada and Company, gluetering, and expending  Testada and Company, gluetering, and expending  Treeds  Commence preference for  Testada and Company, gluetering, and expending  Testada and Company, gluetering, and expending  Treeds  T							
Clean Label and Transparency Trends  Consumer Preference for Natural and Organic ingredients.  Consumer Preference for Natural and Organic ingredients in Increasing consumer preference for Natural segan, gluten-free, and organic ingredients.  Ecommerce Platform Costs and Profit Margins  Health-Conscious Consumer Trends  Health-Conscious Consumer Trends  Health-Conscious Consumer Trends  High Cost of Raw Materials  Inflation and Rising Food-ait-home prices affecting consumer purchasing prover.  Price Volatility of Commodity Food ingredients due to various market and colleged for a large segent of the products and promiting and preference of market and provide market.  Supply Chain Efficiency and Colleged and severages e-commerce market and provide market.  Supply Chain Efficiency and English products associated with operating on a commerce platforms, affecting in practices.  Specialty foods and deverages e-commerce parallely foods and provided and product formulations and operating practices.  Specialty foods and dumplings market.  Specialty foods and dumplings market in costs such as gluten-free, non-flowing and product formulations and product formulations and sourcing practices.  Specialty foods and beverages e-commerce perations to costs such as order fulfilliment, delivery, and packaging.  Health-Conscious Consumer and food-ability and product formulations and operating in a commerce perations to reduce costs? What strategies can we use to maintain or improve profit margins.  Health-Conscious consumer demands? What is the conscious consumer demands? What is the conscious consumer demands? What is the conscious consumer demands? What is the product formulations and product of the construction of the conscious consumer demands? What is the conscious consumer demands? What i	ry	Challenge	Description	Situation	Complication	Question	
Natural and Organic Ingredients Ingredient	enge		products with natural and organic		and rebranding efforts to meet	clean label standards? What transparency measures can we implement to build consumer	
on e-commerce platforms, affecting profit margins on e-commerce platforms, affecting profit margins.  Health-Conscious Consumer Trends  Growing demand for healthy, nutritious, and functional food options.  The high cost of specialty food ingredients such as glutter-free, non-GMO, and ingredients such as glutter-free, non-GMO, and ingredients inch in vitamins and minerals.  Inflation and Rising Food-at-Home prices  Price Volatility of Commodity Food Ingredients  Fluctuations in the prices of commodity food ingredients due to various market and economic factors.  Strategic Partnerships and Collaborations  Strategic Partnerships and Last-Mile Connectivity  Supply Chain Efficiency and Last-Mile Connectivity  Tends On the Margins  on e-commerce platforms, affecting profit margins.  Prod and predients and direction of an and pood-at-home prices affecting on surface and the product of serious and product of ferings and enhance supply chain efficiency.  Supply Chain Efficiency and Last-Mile Connectivity  Tends On the Margins  on e-commerce platforms, affecting market  costs such as a dreft fulfillment, deciver, and adaptation and pagetation to meet evolving health-conscious consumer demands? What functional benefits can we add to our products?  Strategic Partnerships and Collaborations  The need to form strategic partnerships to expand product offerings and enhance supply chain efficiency.  Ensuring robust and efficient supply chain efficiency and Last-Mile Connectivity  The need to adopt new technologies and adoptation and interactions.  The need to adopt new technologies such as Al, rybotics, and attomation to severages e-commerce market  Tends On the price of specialty foods and beverages on the price of specialty foods and beverages e-commerce market  The ned to adopt new technologies and adoptation and increases in process of specialty foods and beverages on the price of special	enge	Natural and Organic	natural, vegan, gluten-free, and organic		product formulations and sourcing	reliably? What product reformulations are	
Trends  Trends	enge		on e-commerce platforms, affecting		costs such as order fulfillment,	to reduce costs? What strategies can we use to	
High Cost of Raw Materials  Inflation and Rising Food-at- Home Prices  Price Volatility of Commodity Food Ingredients  Strategic Partnerships and Collaborations  Strategic Partnerships to expand product  Officings and enhance supply chain efficiency.  Supply Chain Efficiency and Last-Mile Connectivity  The need to adopt new technologies  Asterometrical such as gluten-free, non- GMO, and ingredients rich in vitamins and minerals.  Specialty foods market  Spec	enge				adaptation to meet evolving health-	health-conscious consumer demands? What	
Inflation and Rising Food-at-Home Prices affecting consumer purchasing power.  Price Volatility of Commodity Food Ingredients  Strategic Partnerships and Collaborations  Strategic Partnerships to expand product officines and enhance supply chain efficiency.  Supply Chain Efficiency and Last-Mile Connectivity  The need to adopt new technologies products.  The need to adopt new technologies such as Al, robotics, and automation to leavestics  The need to adopt new technologies such as Al, robotics, and automation to leavestics  The need to adopt new technologies such as Al, robotics, and automation to specific to the content of the	enge	High Cost of Raw Materials	ingredients such as gluten-free, non- GMO, and ingredients rich in vitamins	Specialty foods market	foods, making them unaffordable for a large segment of the	lower cost? What strategies can we implement to mitigate the impact of high raw material costs on	
Frod Ingredients  commodity food ingredients due to various market and economic factors.  Strategic Partnerships and Collaborations  The need to form strategic partnerships to expand product offerings and enhance supply chain efficiency.  Supply Chain Efficiency and Last-Mile Connectivity  Technological Adaptation and Inspection  The need to adopt new technologies such as AI, robotics, and automation to partnerships and specialty 1000s market  Dumplings and specialty 1000s market pricing and profitability.  Requires careful selection of partners and integration of new business models.  Requires careful selection of partners and integration of new business models.  What hedging strategies can we use to stabilize our costs?  What potential partners can we collaborate with to enhance our offerings? How can we ensure successful integration of new partnerships?  How can we optimize our supply chain to reduce costs and improve efficiency? What partnerships can we use to stabilize our costs?  What hedging strategies can we use to stabilize our costs?  What potential partners can we collaborate with to enhance our offerings? How can we ensure successful integration of new partnerships?  How can we optimize our supply chain to reduce costs and improve efficiency? What partnerships can we form to enhance last-mile connectivity?  The need to adopt new technologies such as AI, robotics, and automation to such as AI, robotics, and auto	enge		prices affecting consumer purchasing			competitive in an inflationary environment? What value-added products can we offer to justify higher	
Strategic Partnerships and Collaborations  partnerships to expand product offerings and enhance supply chain efficiency.  Supply Chain Efficiency and Last-Mile Connectivity  Technological Adaptation and Inspection  The need to adopt new technologies such as AI, robotics, and automation to Inspection  Strategic Partnerships to expand product offerings and enhance supply chain fefficients and heverages e-commerce market  Food and beverages e-commerce partners and integration of new business models.  Food and beverages e-commerce fulfillment, delivery, and maintaining zero resource wastage.  High costs associated with order fulfillment, delivery, and maintaining zero resource wastage.  The need to adopt new technologies such as AI, robotics, and automation to such as AI, robotics, and automation to partners and integration of new business models.  High costs associated with order fulfillment, delivery, and maintaining zero resource wastage.  How can we optimize our supply chain to reduce costs and improve efficiency? What partnerships can we form to enhance last-mile connectivity?  How can we integrate new technologies into our operations? What training programs are necessary operations? What training programs are necessary operations? What training programs are necessary operations?	enge		commodity food ingredients due to		manufacturers to maintain stable	What hedging strategies can we use to stabilize	
Supply Chain Efficiency and Last-Mile Connectivity  Technological Adaptation and Inspection  The need to adopt new technologies such as AI, robotics, and automation to such as AI, robotics, and automatical as AI, robotics, and automatical as AI,	enge		partnerships to expand product offerings and enhance supply chain		partners and integration of new	enhance our offerings? How can we ensure	
Incompletion  such as AI, robotics, and automation to  such as AI, robotics, and automatical training	enge		chains, especially for perishable		fulfillment, delivery, and maintaining	costs and improve efficiency? What partnerships	
	enge		such as AI, robotics, and automation to			operations? What training programs are necessary	

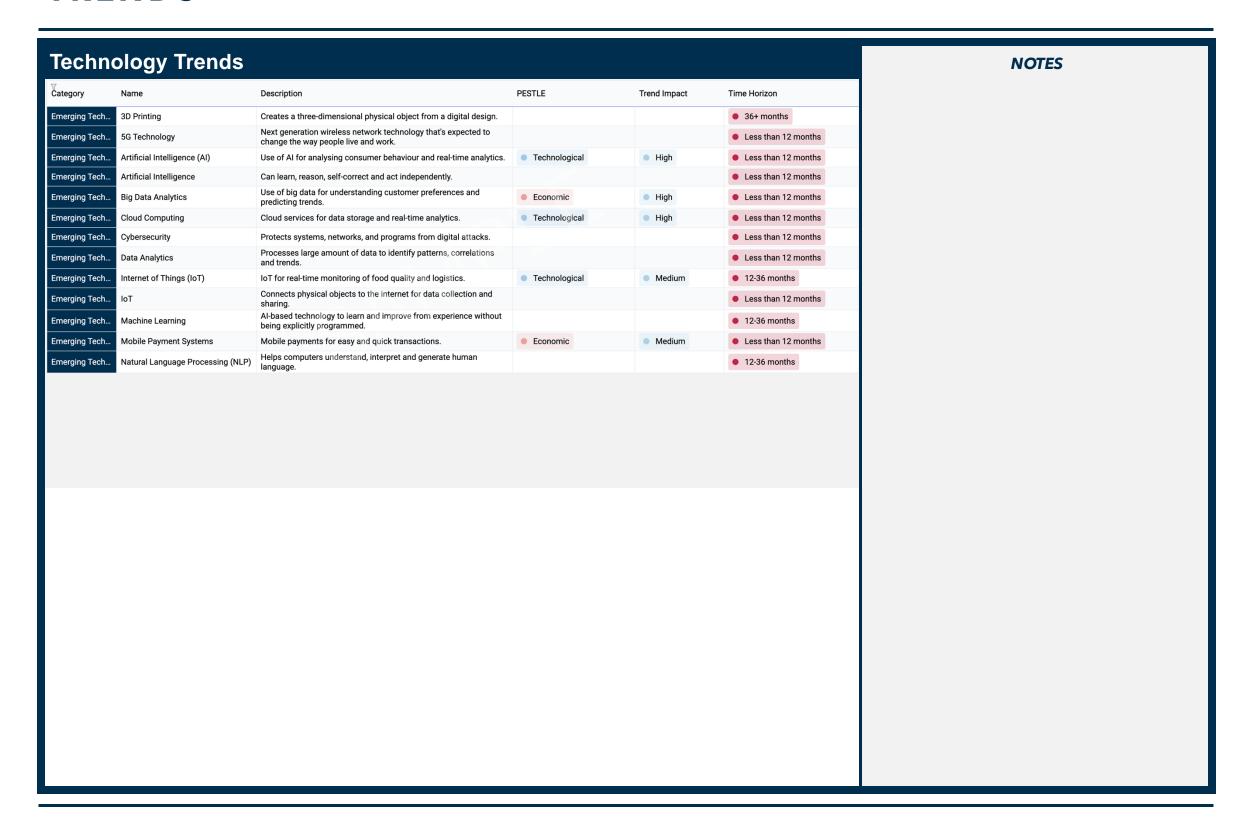
#### **SCENARIO**

ıaı	io				NOTE
	Scenario	Description	Rationale	Related Challenge	
rio	Collaboration for Innovation	Collaborating with tech companies for innovative solutions	To foster technological adaptation and innovation	Technological Adaptation and Innovation	
	Commodities Forecasting	Developing a system for better forecasting of commodity prices	To manage the price volatility of commodity food ingredients	Price Volatility of Commodity Food Ingredients, Technological Adaptation and Innovation	
	Direct-to-Consumer Model	Implementing a direct-to-consumer business model	To increase profit margins by eliminating middlemen	E-commerce Platform Costs and Profit Margins, Supply Chain Efficiency and Last-Mile Connectivity	
	E-commerce Site Optimization	Optimizing e-commerce site for better user experience and conversion	To handle e-commerce platform costs and profit margins	E-commerce Platform Costs and Profit Margins, Technological Adaptation and Innovation	
	Health Market Penetration	Investing in marketing to promote health- conscious products	To capitalize on health-conscious consumer trends	Health-Conscious Consumer Trends	
	Healthy Product Development	Developing new health-conscious products	To meet growing consumer health trends	Health-Conscious Consumer Trends	
	Inflation Management Plan	Developing strategies to manage inflation and rising food-at-home prices	To control the impact of inflation on product pricing	Inflation and Rising Food-at-Home Prices	
	Innovation Investment	Investing in technological innovation for product development	To stay competitive in the market through innovation	Technological Adaptation and Innovation	
	Logistics Improvement	Investing in logistics for improved supply chain efficiency	To enhance supply chain efficiency and last-mile connectivity	Supply Chain Efficiency and Last-Mile Connectivity	
	Online Platform Expansion	Investment in expanding and optimizing e- commerce platforms	To better control platform costs and increase profit margins	E-commerce Platform Costs and Profit Margins	
	Organic Ingredient Sourcing	Partnership with organic farms to source ingredients directly	•	Consumer Preference for Natural and Organic Ingredier High Cost of Raw Materials	
	Price Adjustment Strategy	Formulating a strategy to adjust product prices in response to inflation	To manage the impact of inflation on product pricing	Inflation and Rising Food-at-Home Prices	
	Price Hedging Strategy	Implementing a strategy to hedge against commodity price volatility	To manage the price volatility of commodity food ingredients	Price Volatility of Commodity Food Ingredients	
	Price Stabilization Strategy	Establishing a strategy to stabilize product prices in the face of inflation	To manage rising food-at-home prices	Inflation and Rising Food-at-Home Prices	
	Raw Material Negotiation	Negotiating for better pricing with raw material	To control the high cost of raw materials	High Cost of Raw Materials	
	Strategic Partnerships	suppliers  Forming strategic partnerships with other	To achieve growth through collaboration	Strategic Partnerships and Collaborations	
	Supply Chain Optimization	companies for mutual growth Implementation of new supply chain	To improve efficiency and last-mile connectivity	Supply Chain Efficiency and Last-Mile Connectivity	
	,,	management software transparency	To meet clean label and transparency trends	Adaptation and Innovation	
	Transparency Labeling	Investing in transparent labeling practices			

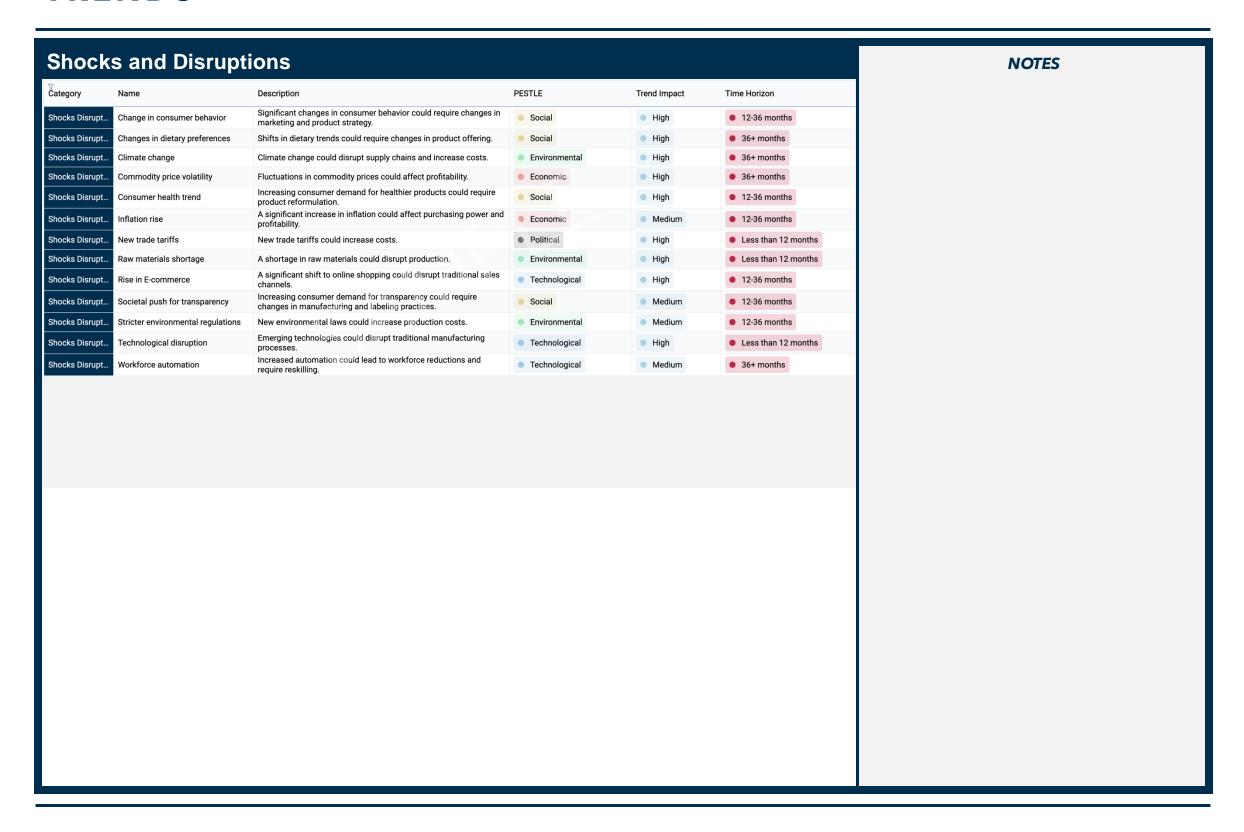
#### **TRENDS**

Name	Description	PESTLE	Trend Impact	Time Horizon	
s Beverage Innovation	Functional, single-serve, and low-sugar beverages	Technological	High		
s Cell-Based Meat and Seafood	Advancements in cell-based meat and seafood alternatives, driven	Social	High	• 12-36 months	
s Functional Beverages	by environmental and ethical concerns.  Growing popularity of functional beverages with globally inspired	Social	High	• Less than 12 months	
s Functional Foods	flavors, transparent sourcing, and innovative packaging.  Incorporating functional ingredients for health benefits	Social	High	Ecos than 12 months	
s Fusion Snack Foods	Introduction of fusion snack foods combining international flavors	Social	Medium	Less than 12 months	
s Girl Dinner 2.0	and traditional snacks to cater to diverse consumer tastes.  Flexible eating with diverse meal formats	<ul><li>Social</li></ul>	High		
s Global Flavors in Beverages	Increased use of globally inspired flavors in beverages, including	Social	Medium	• Less than 12 months	
s Hyper-Personalized Nutrition	tropical ingredients and herbal infusions.  Rise of personalized nutrition focusing on hormone regulation,	Social	High	• 12-36 months	
s International Snacking	menopause support, and overall wellbeing.  Globalization of snack foods with international flavors and cultural	Social	Medium	Less than 12 months	
-	roots, appealing to diverse consumer preferences.  Brands adding global flavors to snacks and telling their cultural			Less than 12 months	
More-Sustainable Sips	roots  Boom in non-alcoholic fizzy drinks featuring functional ingredients	<ul><li>Environmental</li></ul>	Medium		
Non-Alcoholic Fizzy Drinks	for energy, clarity, or calming effects, with minimal added sugar or salt.	<ul><li>Social</li></ul>	High	Less than 12 months	
Nostalgia in Food with Comforting Classics		Social	High		
Real Sugar Preference	Increased preference for real sugar over artificial sweeteners	Social	<ul><li>Medium</li></ul>		
s Regulatory Change	Impact of new regulations such as the EU Deforestation Regulation (EUDR) and Genetic Technology (Precision Breeding) Act on the food and drink industry.	<ul><li>Legal</li></ul>	High	Less than 12 months	
Snacking Innovation	Familiar snacks with new twists and global flavors	Social	High		
Sustainability	Growing emphasis on sustainable practices and eco-friendly products due to climate change and regulatory pressures.	<ul><li>Environmental</li></ul>	High	Less than 12 months	
Transparency in Labeling	Growing demand for transparency in labeling, including clear ingredient sourcing and nutritional information.	Social	High	Less than 12 months	

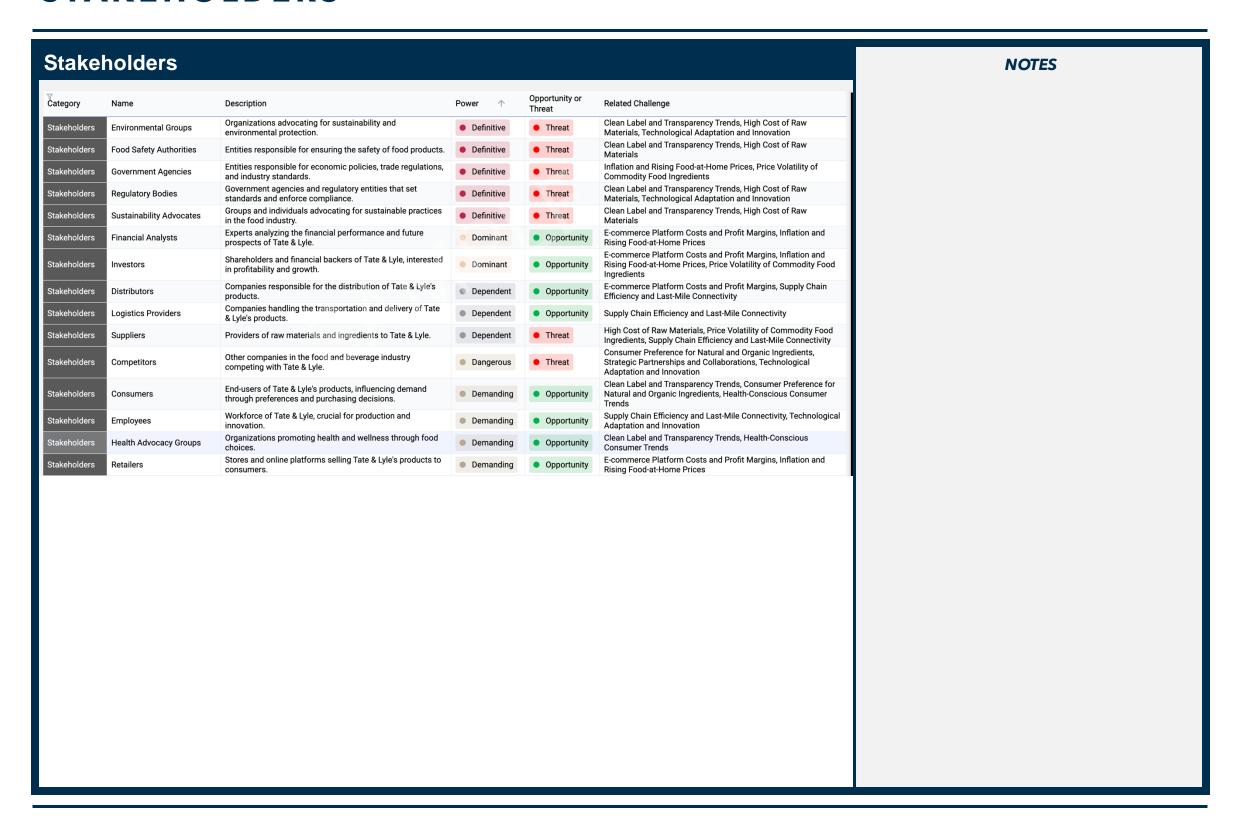
#### **TRENDS**



#### **TRENDS**



#### **STAKEHOLDERS**



#### **MARKET**

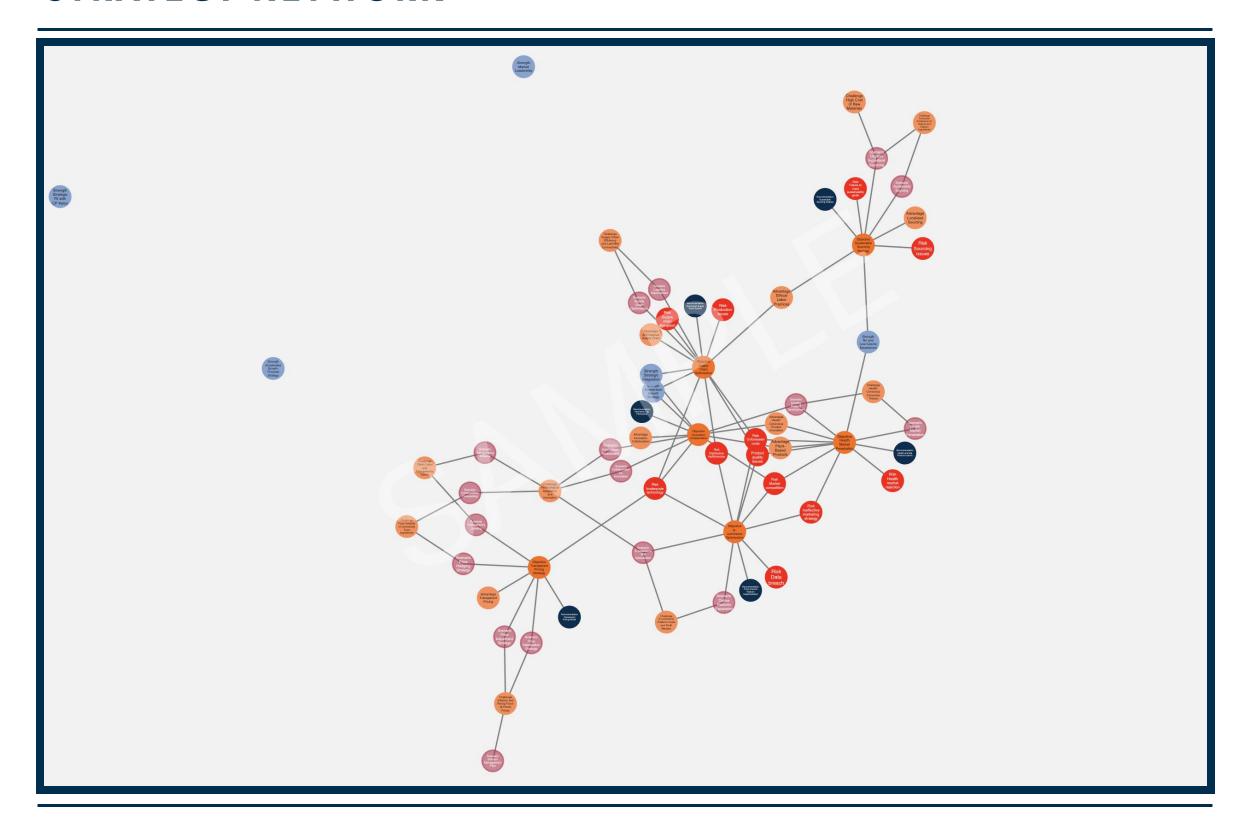
Marke	t			
Category	Name	Description	Market Canvas	Related Challenge
Market	Clean Label and Transparency Trends	Consumers are demanding clean label and transparent products with clear ingredient lists.	<ul><li>Customer Need</li></ul>	Clean Label and Transparency Trends
Market	Complex Flavor Profiles	Consumers are demanding more complex flavor profiles with an emphasis on spicy foods.	Customer Need	Price Volatility of Commodity Food Ingredients
Market	E-commerce Growth	E-commerce platforms are making it easier for consumers to discover and purchase specialty foods.	<ul><li>Growth Area</li></ul>	E-commerce Platform Costs and Profit Margins
Market	Functional Beverages	Beverages enriched with nutrients that offer specific health benefits are in high demand.	<ul><li>Growth Area</li></ul>	Technological Adaptation and Innovation
Market	Functional Foods	Foods enriched with nutrients that offer specific health benefits are in high demand.	<ul><li>Growth Area</li></ul>	Technological Adaptation and Innovation
Market	Health-Conscious Consumer Trends	Consumers are increasingly seeking foods that support mood, mental clarity, and overall wellness.	Customer Need	High Cost of Raw Materials
Market	Non-Alcoholic Mood-Enhancing Beverages	Beverages made with plant-based and mineral ingredients like kava and magnesium are gaining popularity for their mood-enhancing benefits.	<ul><li>Customer Need</li></ul>	E-commerce Platform Costs and Profit Margins
Market	Online Shopping for Specialty Foods	Online shopping is driving the growth of the specialty foods market by providing a broader reach for producers.	<ul><li>Growth Area</li></ul>	E-commerce Platform Costs and Profit Margins
Market	Plant-Based Diets	Plant-based diets are gaining popularity due to their sustainability and health benefits.	<ul><li>Customer Need</li></ul>	Supply Chain Efficiency and Last-Mile Connectivity
Market	Private Label	Private label products are gaining traction due to their affordability and quality.	<ul><li>Growth Area</li></ul>	E-commerce Platform Costs and Profit Margins
Market	Real Sugar Over Artificial	Consumers are preferring real sugar over artificial sweeteners for their meals.	<ul><li>Customer Need</li></ul>	Clean Label and Transparency Trends
Market	Snacking	Snacking is on the rise with consumers seeking new and innovative snack options.	<ul><li>Customer Need</li></ul>	High Cost of Raw Materials
Market	Strategic Partnerships and Collaborations	Companies are forming strategic partnerships to innovate and expand their product offerings.	<ul><li>Growth Area</li></ul>	Strategic Partnerships and Collaborations
Market	Sustainability	Consumers are driving a transformation towards sustainable food production and packaging.	<ul><li>Growth Area</li></ul>	Supply Chain Efficiency and Last-Mile Connectivity



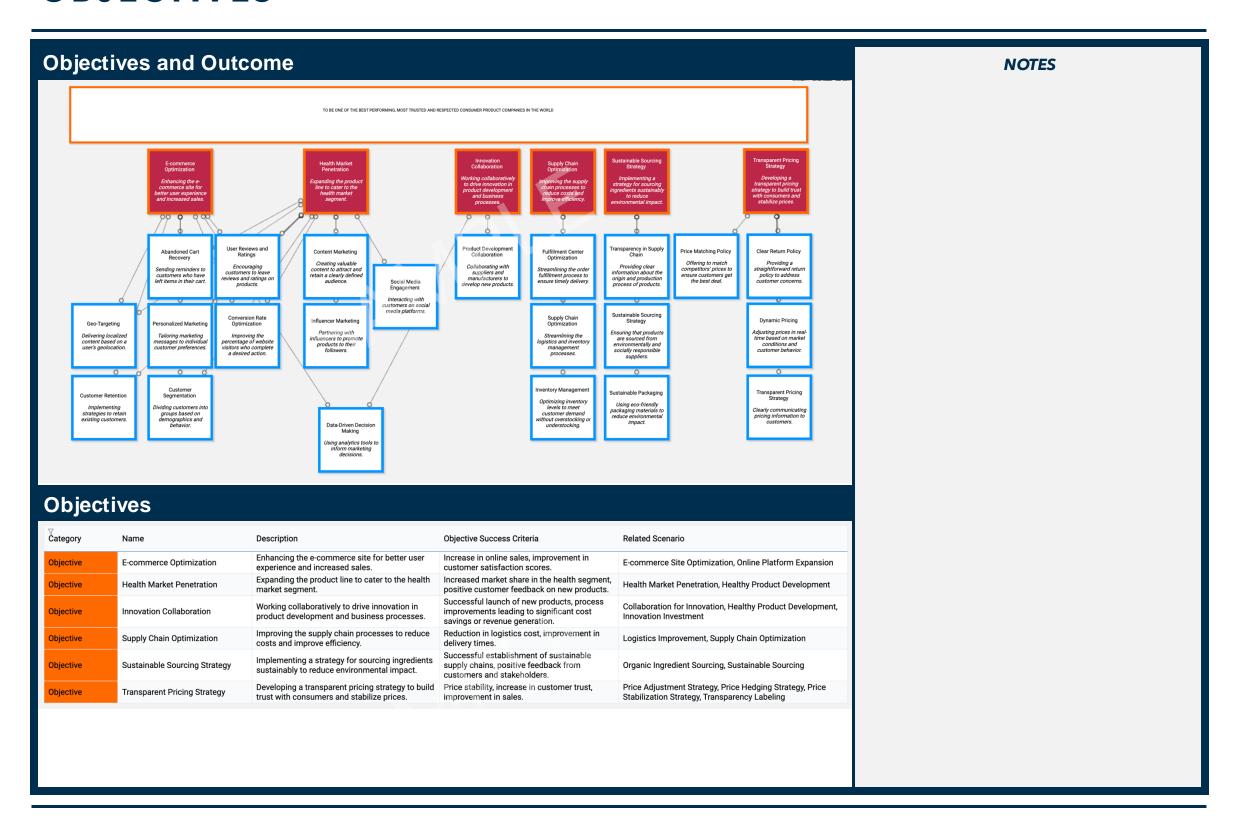
### Strategy

© 2024 MyCoStrategist Confidential

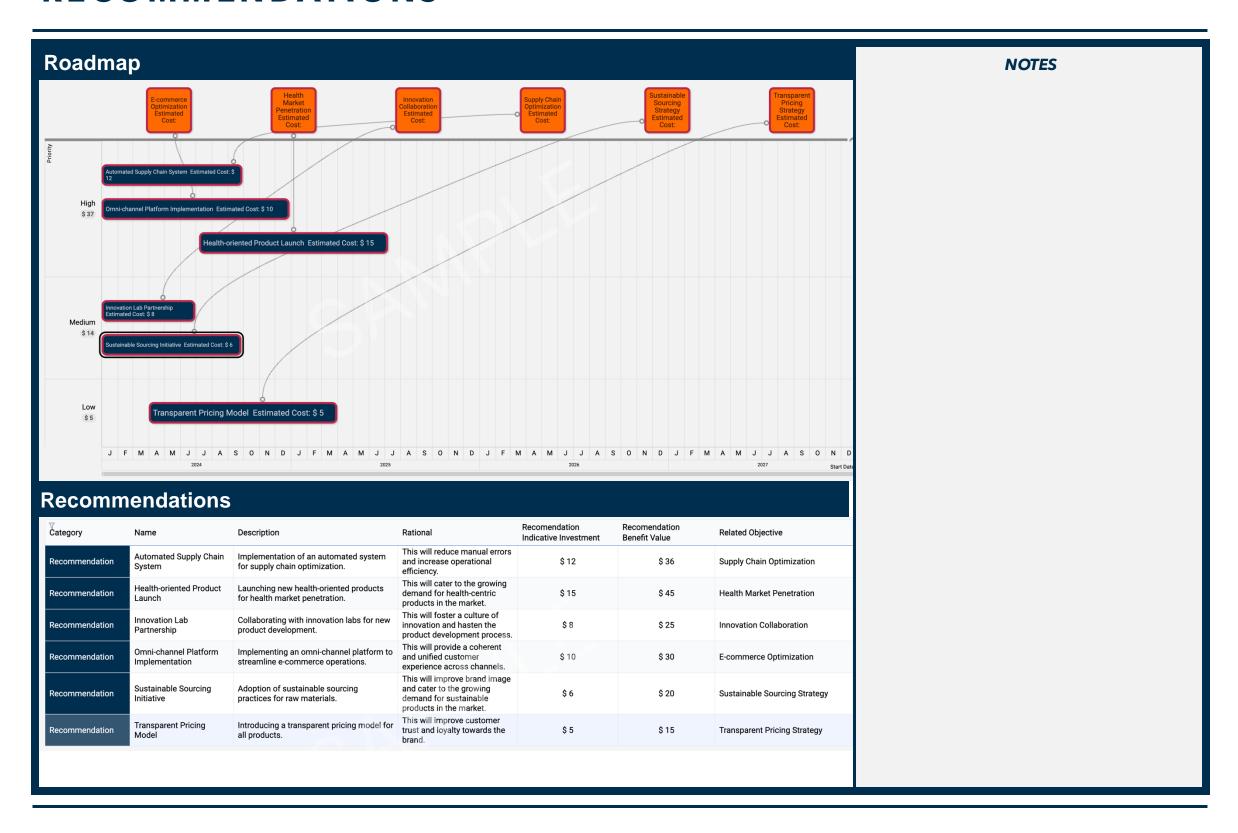
#### **STRATEGY NETWORK**



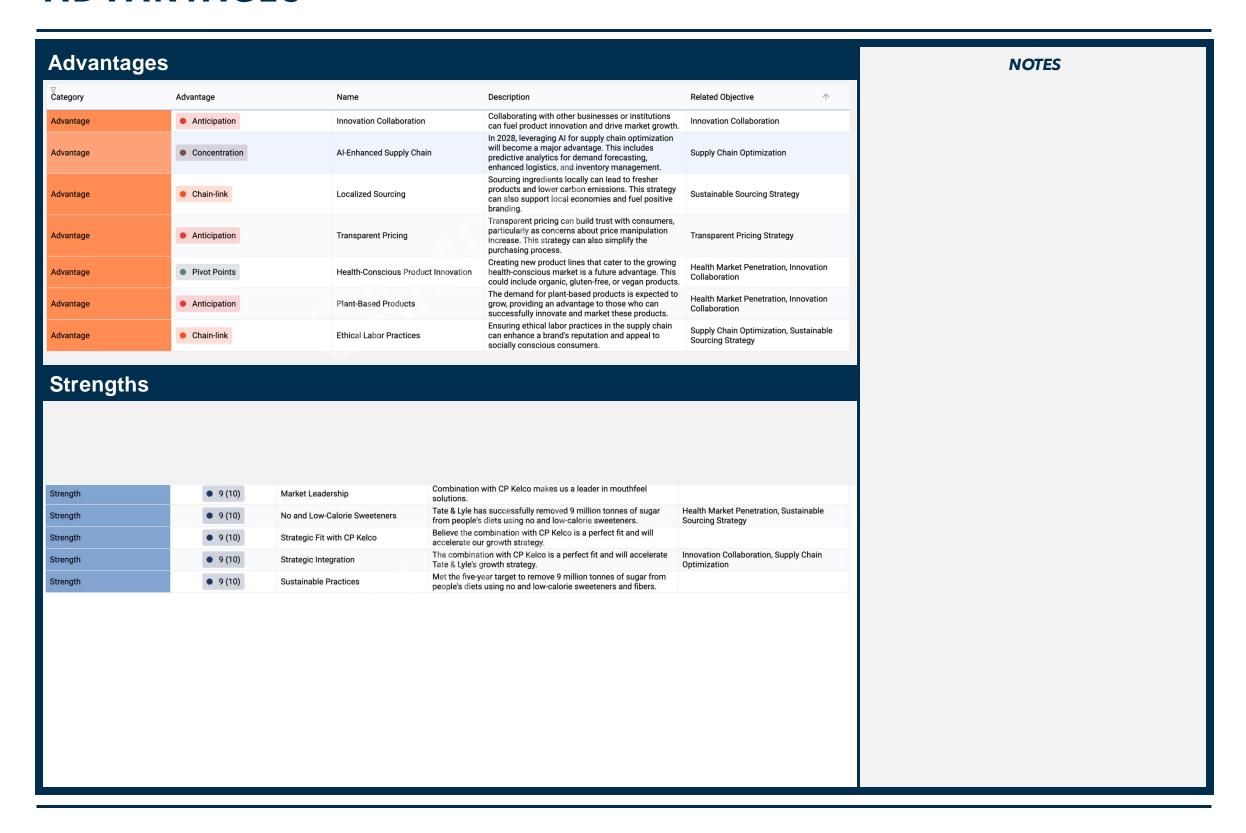
#### **OBJECTIVES**



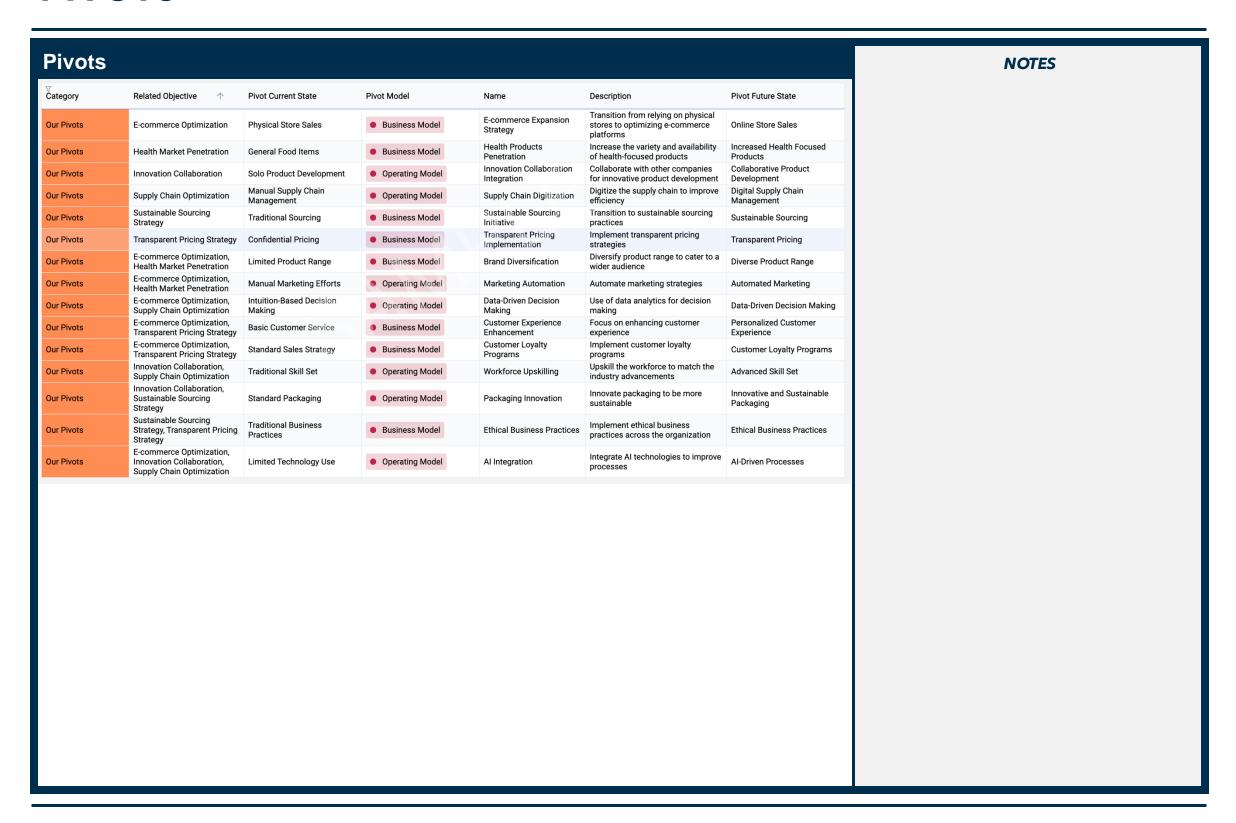
#### **RECOMMENDATIONS**



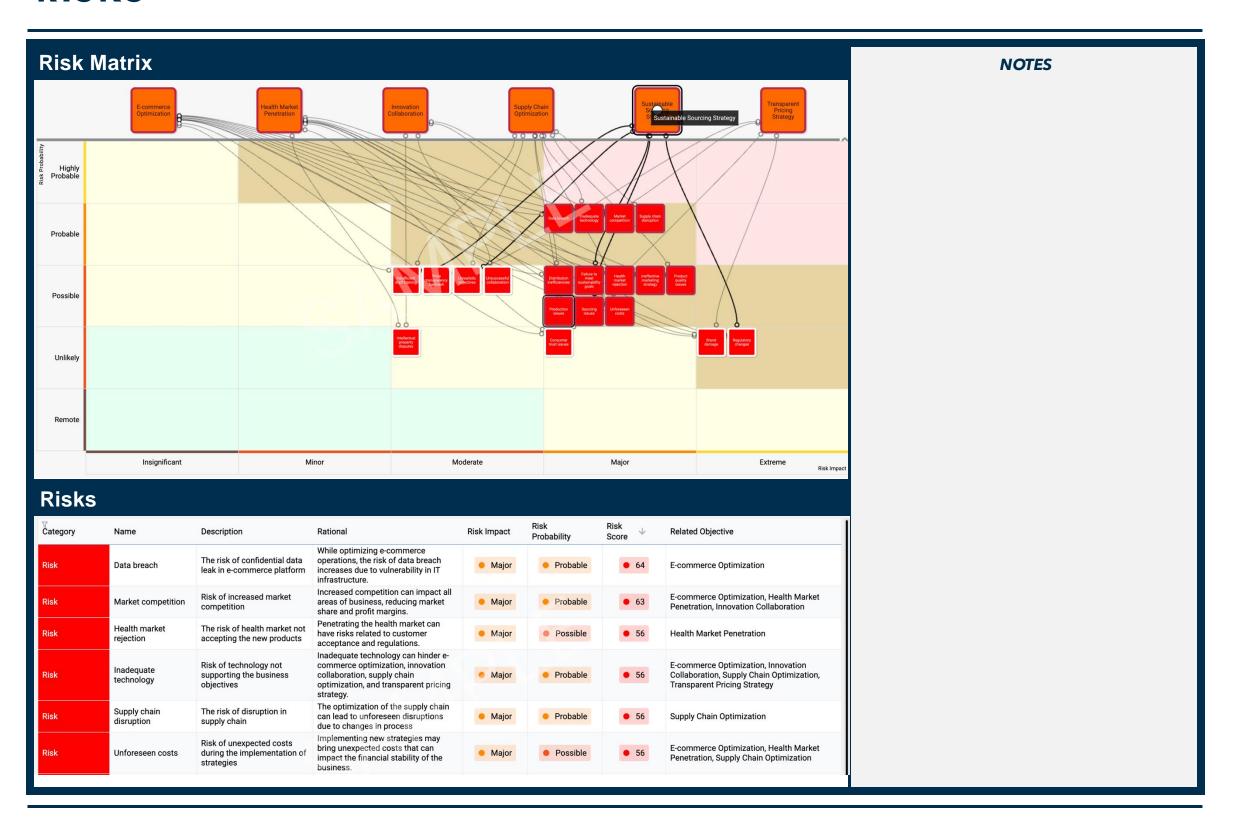
#### **ADVANTAGES**



#### **PIVOTS**



#### **RISKS**



#### **RISKS**

