

5 keys to the future of the food and beverage sector

How food companies can balance competitiveness with sustainability and improve their value proposition.



November 5, 2024

The food and beverage sector is undergoing a crucial transformation, driven by political tensions, new regulations and the rise of technology. In this dynamic environment, here are five essential strategies to help companies thrive:

1. Innovate to create value in a global context

Think big, do things differently and find new ways to add value for both consumers and society. It's no longer enough to focus on product pricing, promotion and visibility in stores. [It's vital to adapt to changing consumer behavior, market expectations](#) and new sustainability standards. The more proactive your company is, the better positioned it will be to grow and compete in a landscape shaped by geopolitical tensions.

2. Build resilience with efficiency

Rising costs due to inflation have tested the sector's ability to manage supply chains effectively. It's not just about resisting price hikes but about [optimizing every part of the supply chain](#) for greater streamlining and agility — all while leveraging the benefits of specialization through globalization. The new economic cycle, driven by the “silver economy” (consumers over 50), is reshaping demand. Companies that cater to this growing segment of older consumers will gain a competitive advantage.

3. Competitiveness and sustainability

[Treat sustainability not as an obstacle but as an opportunity to generate added value.](#)

Aligning corporate competitiveness with sustainability goals is both essential and the only viable path forward. Brands that do so will be better positioned to withstand regulatory and market pressures.

4. Attract and motivate talent in a changing environment

To improve your company's long-term profitability, invest in people and their concerns. It's crucial to [create flexible work environments](#). Think of it like a jazz band, where fluid, non-hierarchical collaboration fosters creativity and innovation. Additionally, companies need to adapt their talent strategy to the global context, responding to new labor expectations and the challenges of workforce diversification.

5. Technology and AI: Make them engines for transformation

Develop new business models through digital transformation. [True competitive advantage](#) now lies not just in using technology to be faster and more efficient — achievements that robotics have already reached in transportation, logistics and warehousing. The big shift is in leveraging new technologies to scale, generate valuable data and redefine customer experience. [Artificial intelligence plays a key role in product personalization and supply chain efficiency](#).

www.iese.edu/insight