

OPINION



The secret of success can be found in a simple breakfast spread

The man behind Nutella shows how simple ideas can be very powerful

BY **BRENDA SCHOEPP**
AF COLUMNIST

I was first introduced to Nutella while travelling in Europe as a young woman — the thought of chocolate for breakfast was just too good to be true!

Today, the sweet treat remains a frequent visitor to our home, disappearing in the early hours shortly after waking.

The man behind the mysterious blend of hazelnuts and chocolates was the late Michele Ferrero, the creator of other chocolate wonders such as Ferrero Rocher, Mon Cheri, Kinder Chocolate, Tic Tac, and Kinder Eggs. Ferrero rarely gave interviews, but when he did, he talked about differentiation. In other words, his secret to having a net worth of nearly \$27 billion was in offering a product with a difference.

For Nutella, that was the discovery of adding vegetable oil to the traditional blocks of hazelnut and chocolate that bakeries had used. His father was the first innovator, but Ferrero had the defining moment and was a marketing wizard. It was a spreadable treat that could be afforded by everyone because

you only had to add bread or biscuit to enjoy the taste of chocolate and hazelnuts.

The hazelnuts that fell from the trees in abundance in his native Italy were the foundation for relationships with area farmers. In the direct supply chain that was developed, the making of a globally recognized product supported the local economy. This is a great reminder to support local entrepreneurs. We never know where they may go in the future. It all starts with an idea and a little crazy experimentation. Who says the next global wonder won't be started by the girl or boy next door?

As for Kinder Surprise, those lovely little Easter eggs with a toy inside, this was in response to a belief that something special should be part of every day. Why not make it Easter every day? The idea of making a day special for all of the people all of the time reminds me of the philosophy behind Chapman's Ice Cream, the cool Canadian treat. Its ice cream and other products are produced in a nut-free facility, which is its first point of differentiation. It also tastes better and has less artificial ingredients and is offered in sugar-free varieties. Most importantly, even after fire devastated its plant, the

Chapman team rebuilt because it believed that every Canadian should have the opportunity to enjoy ice cream.

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White chocolate was introduced by Ferrero in appreciation of families, especially young mothers. He knew mothers loved to reward little ones with a treat and the milky base of white chocolate treats were soon gobbled up by toddlers around the world. Again, by understanding your client and looking at who buys what rather than pushing what you have to sell, there is an opportunity to differentiate and dominate a market.

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ing their product, but it is often the little moves that count. Success comes from sacrifice and kindness. Keeping in step with where people are in their lives allows you to fully appreciate the demographic in which you hope to sell. For Ferrero, that was fully evident to him after the Second World War when he tried to sell chocolate in Germany. The country was a mess and the people broken. In response he took his Mon Cheri chocolates out of the box and sold them singularly. The response was good but more importantly it developed a loyalty to the name.

Canadians also respond to the sweetness of chocolate and turn to it in times of trouble. Chocolate and lipstick sales always increase during recession because they are low-cost feel-good items. One of Ferrero's competitors, Hershey, is also listening to the needs of the consumer. Hershey sees the writing on the wall and is going to gluten-free, GMO-free, high-fructose-free chocolate production. These decisions are not made lightly but failure to respond would bring about the same demise as has been seen in dry cereal consumption. Keep adding processed sugars and watch your sales shrivel.

The legacy of Ferrero is actually not in his chocolate although it certainly made him the richest man in Italy. The legacy was in his devout faith and his treatment of all his team — because without your team behind you, there is always a point when the entire tower can fall.

This is an important lesson for all businesses, family and otherwise. It is people who make you successful. Your team and your buyer both must be fully engaged and loyal to the product and to you.

We don't always know who is behind products or if they were the invention of one man and owned by one family. But we do know when we trust a product and that we buy it because it is different from the rest. And we can always be encouraging of early innovators and entrepreneurs trying to come up with the next best thing to sliced bread. After all, the combination of sliced bread and a simple chocolate hazelnut spread has made food history.

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Talent, not gender, is what matters in today's agriculture

Whether running farms or taking a leadership role in ag businesses, women are breaking down the gender barrier

BY **GWEN PADDOCK**

Agriculture may be considered a male-dominated industry, but more women are not only recognizing the many opportunities in this sector, they are also taking on leadership roles.

Gone are the days when farming meant back-breaking physical labour. As well, the trend towards larger farm operations has meant a need for different skills and capabilities, including management, sales, and marketing skills. There are also positions in agribusiness working for grain elevators, feed manufacturers, and input suppliers, to name a few.

Women comprised 48 per cent of the employed Canadian workforce in 2011. In addition, between 1991 and 2001, the proportion of employed people aged 25 to 34 with university degrees rose from 19 per cent to 40 per cent for women compared to only 17 per cent to 27 per cent for men.

With the number of women in the workforce and the higher levels of education

they've achieved, agricultural businesses recognize they need to be female friendly or they will miss out on top talent. As a result, more are hiring based on skills and experience, with gender playing less of a role. In some cases, women who were raised in rural areas want to move to urban centres, but many in the agricultural industry want to learn how to attract more young women, to bring the energy and ideas of their generation to this evolving industry.

One indication that agriculture is a growing field for women is the launch of the first Advancing Women Conference in 2014. In 2015, there are two conferences — one earlier this month in Calgary and a second in Toronto in October. I had the pleasure of speaking at the conference this year.

Conference organizer Iris Meck is proud to shine a spotlight on the many accomplishments of women within the agricultural industry. She wants to "pay it forward and invest in future leaders by sponsoring and funding great opportunities for women in ag."

Women are taking on leadership roles in all areas of agriculture. Some may work on the family farm and take over the management of it when their parents retire or following the death of a spouse. Other women may take on leadership roles in large companies related to agriculture — DuPont, Dow Agro Services, and Bayer Crop Science were all participants at the conference. Still others lead agricultural startup companies.

While more women are in leadership positions at work and control their family's wealth at home, there are differences between the genders when it comes to wealth management. For example, only 53 per cent of women have the confidence to invest money, compared to 82 per cent of men. And although women make up half of RRSP contributors, their total share of contributions is lower — 39 per cent compared to 61 per cent for men.

Here are some tips women can use today to achieve financial independence:

- Think of long-term savings for a milestone event or retirement.

- Participate in your employer pension plan, and contribute to your RRSP and TFSA accounts.
- Learn by doing. When you begin investing start small, gain a comfort level with risk, and build from there.
- You want to pay down your debts, but be sure to allocate funds for savings too.
- Get advice. Find a financial adviser who is knowledgeable, who you connect with and who you trust. To find a financial adviser, get a recommendation from colleagues or friends.
- Remember, no matter your age, it is never too late to start saving.

There are certainly many opportunities for women in the agriculture industry, and many success stories to celebrate. By having a sound financial plan — no matter what industry you work in — you can reap the rewards of financial independence.

Gwen Paddock is the national director for Agriculture and Agribusiness at RBC.