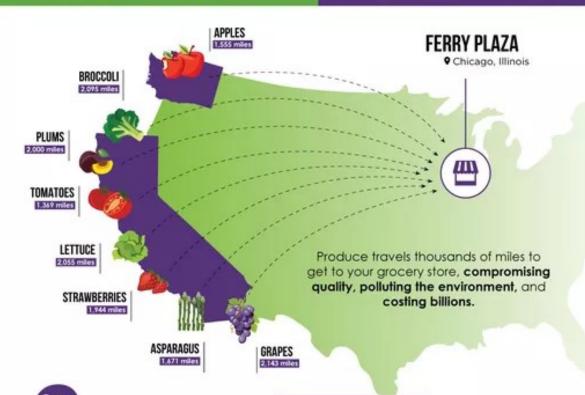
# MORE MILES → FEWER NUTRIENTS





FRESH PRODUCE
LOSES 45% OF IT'S

### **NUTRITIONAL VALUE**

by the time it makes it to the shelf.





to communities everywhere in a way that's better for the environment



MISSION: To provide fresh, local produce to communities everywhere in a way that's better for the environment



<u>VISION:</u> We strive to grow the best tasting, most nutritious produce possible



<u>VALUE PROPOSITION:</u> Cost savings, yield predictability, healthier, fresher and tastier. produce



BUSINESS MODEL: Crop science + machine learning + IoT, big data, environmental control



+ heirloom seed stock = minimise environmental footprint while using 1% of water, less than 1% of the land and no pesticides or synthetic fertilizers



**PEOPLE & REWARDS:** 100-200 employees with expansion planned, salary \$48k - \$52k, unlimited PTO and the option to purchase stock.



**STRUCTURE:** Flat, young organization, vague corporate identity, high crossfunctional collaboration, centralized decision-

### Expert opinion

- •What do you think of Plenty's technology and IoT strategy? Do you buy it?
- •Modern greenhouse technology relies heavily on sensors, data and smart optimization of the process. Tight control over the growth conditions enables high efficiency.
- •Can food produced in such an artificial environment taste like it came "from your backyard garden"?
- •LED lighting and hydroponic systems can yield in extremely high quality produce. Especially accumulation of aroma in herbs has been very convincing. Selection of the plant varieties also plays an important role.



Lauri Reuter
PhD, Biotechnology
Senior Specialist,
Disruptive Technologies

- •What are the biggest risks for Plenty?
- •At the moment the value proposition is based on the image of clean and local produce. With time, the actual retail price of the produce needs to become competitive with more traditional alternatives. Reaching that goal soon enough may be a risk.
- •How far do you think that the 200 million investment will take Plenty?
- •Referring to the previous point, 200 million should be enough to build up production and distribution to lower the cost per unit significantly. Plenty should be able to establish a market.
- •Anything else you would like to add?
- •Plenty seems to target the environmentally and technologically aware urban consumer. Their "Non-GMO" declaration is not in line with that, and may turn out harmful for the company. The "heirloom varieties" are a good starting point for vertical farming, but modern breeding will produce a whole generation of improved crops that may carry huge market potential.

It is also generally contradictory that a "science based farming" company would make such a declaration.



1. 2.

Establishing
behavioural readiness
through conflict
management

Identity change from a startup to an established company

Fulfilling the needs of different customer groups



### Establishing Behavioural Readiness

#### Reasons why startups fail:

- 23% Lack of motivation and common vision (not the right team)
- 9% Lack of passion
- 8% Burnout
- 7% Failure to Pivot
- 13% Disharmony on team/investors
- Total: Lack of behavioural readiness contribute to 60% of startup failures

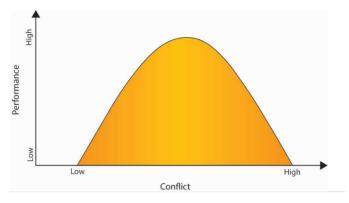


(Source : Forbes, 2016)

### Is Conflict Always Bad?

- Not all conflict is bad. Ability to achieve equilibrium is key
- Personal conflicts have to be dealt with professionally (large influx of massive hires)
- Ways to minimise (or exterminate) interpersonal conflict in Plenty?
- Specific training for new employees regarding company culture
- Other perks and benefits to increase satisfaction in working life
- Team-Building exercises and events for all Plenty's employees





(Source : Jehn et al, 2001)

#### Potential Causes of Conflict

- Task Interdependence (advertising & new media)
- Incompatible Goals (eg. between sales and logistics department)
- Personality Differences
- Communication problems between Plenty's employees
- Limited Resources



### **Managing Conflict**

Copyright 2004 by Randy Glasbergen. www.glasbergen.com



"We need to form a conflict-resolution team to settle the dispute over who should be chosen for our conflict-resolution team."

- Changing the structure
   (2 departments report to the same manager?)
- Change team composition (cycling employees around different offices)
- Create a common opposing force (us vs them mentality)
- Consider majority rule (create a fair procedure for contesting disputes)
- Problem-solve (focus on actual problems, not personal)

(Source : Gordon et al, 1990)



#### DIFFERENTIATION FROM CATEGORY COMPETITORS

# neofarms



Provide appliances in the kitchen, aeroponics

Technical provider

Raised Bed Vegetable Garden, DIY





#### Modern farming

Involved in many industries, from technical providers to retailer, medical, and architecture



Plenty



Aeroponics (Crops' roots are periodically sprayed with a mist containing water and nutrients)

Hydroponics (plants are grown in a nutrient-rich basin of water)

Produce provider

Greenhouse

Shop Relative Toponics

Provide modified

shipping containers,

portable and modular

farm that can be

stacked and shipped

like shipping containers,



Best Choice Products Raised Vegetable Gar.

100 (30)



\$19.99 **/prime** 

\$32.99





**食食食食**(111)

\$16.49 **vprime** 

**常常常計** (4)

"Free-range"

Traditional farming

### A change in corporate identity is needed

Corporate identity (CI)

# Plenty's claimed CI (also perceived by the press)

Voice

- Channels: social media, website, Crunchbase, farming facility
- What: Vertical farming, grows in warehouse, near urban areas, Jeff Bezos-backed, raised \$260 million
- Geographical expansion
- Affordable, fresh, nutritious produces

Mind and soul

- Start-up culture
- Sustainable and environmental friendly, organic
- · Leader in cost-effectiveness and innovations
- Value-for-money
- Technical focus and the use of analytics

Physical appearanc

- Food grown on trays or hanging modules in a climate-controlled, indoor facility
- Grows under LEDs and without soil
- · Use heirloom seeds
- Minimise environmental footprint while using 1% of water, less than 1% of the land and no pesticides, synthetic fertilizers or GMOs
- Located in Kent, Washington, 100,000-squarefoot warehouse

#### Plenty's should be (recommended) CI

- Vertical farm with exceptional benefits compared to traditional farming
- Backed by strong, famous investors
- Scalable business, have plans to expand soon
- Compared to DIY growing: more affordable, less timeconsuming in growing time, quality not compromised
- Viable business, yield predictability increases
   overtime

**Brand characteristics:** start-up, scalable, societal, responsible, sustainable, efficient, organic, global (not US), **no** mention of GMO-free (too misleading), not energy-intensive if use renewable energy (e.g. solar, wind)

<u>Leader in:</u> Sustainability & responsibility, logistics and supply chain, pricing, convenience, less reliant on

- Growing capacity is on wholesale scale → target large societal purposes (i.e. everyone)
- In-house carry more plants per sq.m. than competitors who also use hydroponics
- Irritating system more effective than aeroponics competitors
- Technology-intensive, not human resource-intensive
- Geographical expansion & exhibition offices & materials

## Roadmap to successful corporate identity change

- Reaffirmation of identity by founders' consensus on and explanation of company's mission, vision, values
- Plenty has 3 founders (Matt Barnard, Nare Mazonson, Nate Storey) who each has motivating stories to tell about the founding of young Plenty. Barnard is also CEO and Storey is CSO, therefore the company's strategies reflect well founders' aspirations and core values

(Re)Assess
current
(perceived)
corporate
identity

Gain
acceptance
for the
identity
(message)

- Plenty is recruiting on a large scale and has plan to double its size, therefore, corporate identity must be regularly audited
- Internal survey to middle management to find out dimensions of identity that are relevant to staffs at different levels
- Through discussion, generalized first-order themes
- Rating of the importance of & how company is performing in each dimension

## Roadmap to successful corporate identity change

- Identity tuning by reaching consensus with lower level staffs and new recruits about key current and should-be dimensions of CI
- Criteria for corporate stories: relevant, realistic, responsive attitude, sustainable
- Reformulate identity claims if necessary

(Re)Assess
current
(perceived)
corporate
identity

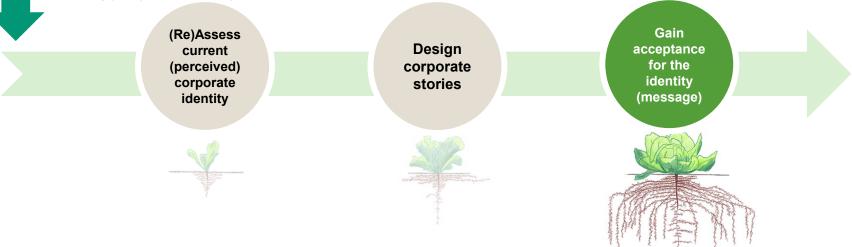
Design
corporate
stories

Gain
acceptance
for the
identity
(message)

- Plenty position as a brand that serves the social values
- The social constructionist approach to corporate identity: organizational identity is a
  collective reality or shared understanding by organizational (internal and external)
  stakeholders about the organization (Gioia, Schultz, & Corley 2000).
- Adaptive stability in corporate identity: The core values of a corporate brand may be resistant to change, but the brand itself has to adapt its interpretation, given changes in the environment (ibid.).

## Roadmap to successful corporate identity change

- Choosing one of 4 change strategies: the green-print: change people and encourage action via facilitating learning situations and learning
  potential
- · Behavior: make people aware of the new identity, motivate people to learn, and overtime their skills and understanding reach consensus
- Symbolism: Designed or advised by experts, logo, consistent online and offline channels, e.g. website design, language (international), content (show of capable HR, video of farming process, interviews with experts), offline (investment in office to show financial performance, generous employee package). Make sure all employees have the same understanding about such symbols.
- Communication: changes communicated in the beginning of the process, messages are informative in nature (not manipulative), and facilitate dialog (2-way communication)





#### FULFILLING CUSTOMER GROUPS' NEEDS



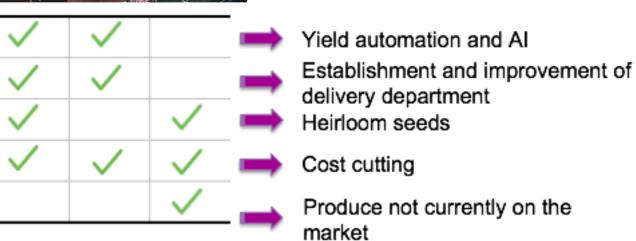
Yield predictability

Ease of delivery

Better produce

Affordable prices

Trying new things



# FOOD-FOR-THOUGHT IN POSITIONING PLENTY'S BRAND VALUES



- Embracing tech
  - Using GMOs to perfect the produce
- Sustainability
  - Clean energy Collaborating with energy companies that fit their values and brand
  - Charity
- Visibility
  - Create a label for restaurants
  - Stands in supermarkets

#### CONCLUSION

#### Identity management

- (Re)Assess current (perceived) corporate identity
- Design corporate stories
- Gain acceptance for the identity (message)

#### Offering management

- Fulfilling customer groups' needs
- Food-for-thought in positioning plenty's brand values

Conflict management

1. Changing the structure; 2. Change team composition; 3. Create a common opposing; 4. forceConsider majority rule; 5. Problem-solve