



NEEDS ASSESSMENT: MIND PRAGMATISM WHILE TRANSFORMING

The Needs Assessment conducted by SmartAgriHubs marks the starting point for the project's activities on improving the capabilities of Digital Innovation Hubs (DIHs). DIHs play an essential role in delivering relevant services as a 'one-stop-shopping-window' for parties working on digital innovations in agriculture. By means of the assessment, gaps were identified between what the DIHs deliver and what the farming sector needs. This in turn provides the SmartAgriHubs community actual demand-driven guidance on capability building priorities.



Overall the results point towards a focus on productivity as the main driver of digital transformation in the farming sector. Less importance is ascribed to business model innovation and customer intimacy; yet these are key for ensuring the sustainability of the sector.

NB: this note summarises the main insights from the Needs Assessment. Please refer to our forthcoming deliverable "D4.1 Needs Assessment" for a full overview of the results and the research methodology.

We analysed the following items: Ecosystem, Digitalisation Needs, Vision on digitalisation and DIH Innovation services:

Ecosystem

Most network connections of hubs are with University/Research Centres, local SMEs, Competence Centres, farmer associations and communities, local governments and education & training institutes. **Connections with larger local businesses and start-up programmes are less usual.** A starting point is for DIHs to familiarise more with the farming sector in their own ecosystem, as the data point towards a disconnect here.

Digitalisation needs

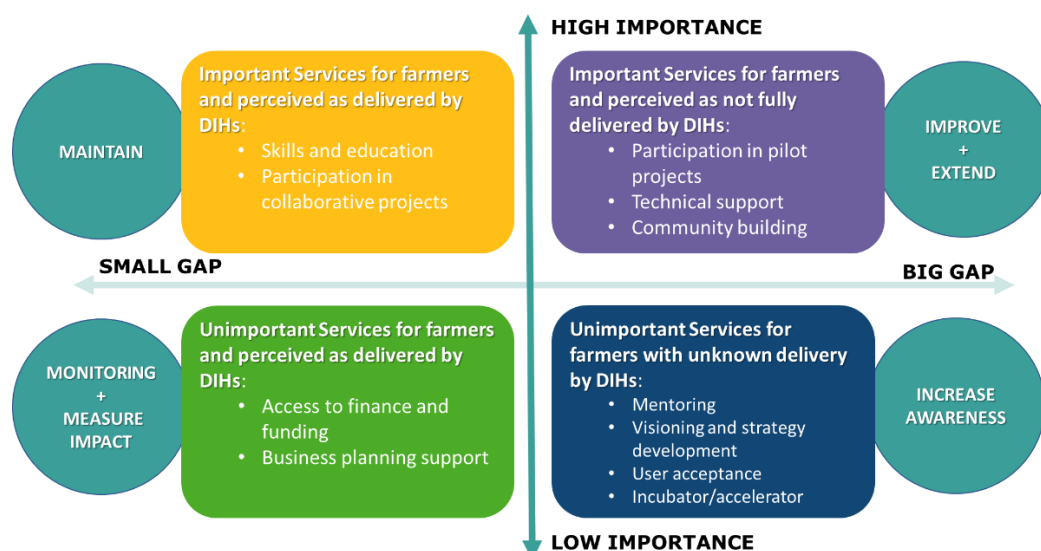
DIHs are aligned with farmers in their digitalisation needs: both state "optimise production" as most important need, and "change business models" amongst the least needed. This prioritisation of production-related issues is also observed in the digital solutions that are most popular among respondents: sensing, predictive analysis and business intelligence.

Vision on digitalisation

"Data" and "mindset" are most prevalent associations with the concept of digitalisation. In turn, **items relating to customers and marketing were seldomly selected** when both farmers and DIHs were asked to share their vision. When asking about the mindset regarding innovation in general, we found that bigger farms give more priority to innovating than smaller farms, who are more focused on profitability.

Innovation services

By asking both the DIHs and the farming sector how important they consider a list of pre-defined services and whether they are, respectively, delivered or readily accessible, the gaps could be identified between the two respondent groups. Here you find a graphical representation of the findings:



For some services there is a solid and promising match between what the farming sector requires and what is offered by hubs (top left quadrant) and the strategy for these is to continue to ensure quality and availability.

For the services in the top right corner another view arises: “Community Building” (e.g. scouting for new partners and ecosystem building) for instance is much less covered in the current services of hubs - which is also reflected by the earlier mentioned analyses of the Ecosystem. Services can be improved here, e.g. through support on ecosystem mapping and co-creating with stakeholders such as the farmer community. There is a notable difference here between the Regional Clusters though, which supports the idea of recognising “champions” and exchanging best practices amongst participating hubs.

Below left we see another remarkable result: “Access to finance and funding” and “Business planning support” seem so-called “hygiene factors”; they are available but not regarded to be of great importance (but would probably be missed if not present).

Finally, the services in the bottom right quadrant are deemed relatively unimportant by both DIHs and the farming sector. These underline the findings that digitalisation is now mostly productivity-driven and less attention is given to potential strategic moves and/or starting-up new businesses. In due course these deserve more attention.

Recommendations going forward

There is an obvious focus on the operational benefits of digitalisation throughout the sector. This indicates that the services of the hubs should remain to evolve around the pragmatic consequences of digital innovations on the farm: how they are used, the impact on processes and balance sheets, how they can be tested, and so on. True transformation for ensuring a sustainable and thriving sector does however require more: an out-of-the box approach to business model innovation and a better connection to the customer. We need DIHs to plant and grow the seeds for change while supporting productivity improvements. DIHs and Regional Clusters are strongly encouraged to interpret and prioritise these (and more detailed) findings.

What can Smart Agri DIHs expect from SmartAgriHubs in the near future?

August 2019	Needs Assessment Report	The full report of the survey will be available on https://www.smartagrihubs.eu/deliverables
September 2019	Regional prioritisation	SAH will organise several regional workshops and hackathons in collaboration with IEs, DIHs & CCs and RCs to identify needs and opportunities for open calls to optimally expand the network, validate DIH approaches, and mobilise a critical mass of IEs with related technical excellence.
September 2019 and beyond	Innovation Portal	The SAH Innovation Portal will be open for use by hubs to develop maturity and exchange best practices. A digital tool will become available assess the maturity of your Innovation Services and set up an actionable improvement plan (from October this year). Materials and trainings (webinars) to support that process will be made available via this portal, too. DIH registration and search functionality will be part of the portal, as well as a guided online search to multiple options for solutions provided by Competence Centers and other parties.
Ongoing	European Hub networking	Meanwhile we encourage DIHs to register and participate in the overall European DIH network via https://dihnet.eu/ and register (if eligible) in the smart specialization platform .

SmartAgriHubs thanks all participants who provided responses and helped distributing the survey