

CASE STUDY

# FrieslandCampina achieves grass-to-glass traceability





# Introduction

Safe, authentic, sustainable FRISO infant formula products reach consumers through the Kezzler-powered TrackEasy solution.

One of the world's largest dairy companies, FrieslandCampina, tackled the problem of infant formula safety in China and Hong Kong with a global traceability solution, powered by Kezzler technology.



Image source: Royal FrieslandCampina



# Background

**As outlined by the Food and Agricultural Organization of the United Nations (UNFAO), consumers need access to timely, clear, reliable information to make food choices to address rising complexity of food safety**

This rising trend among consumers to trace food source and demand more transparency in food production is also seen in the baby food and infant formula industry.

## How can we trust that infant formula is safe?

After a tragic scandal in China in which six babies died and many more were hospitalized due to contaminated domestically produced infant formula, Chinese consumers understandably felt afraid and began to embrace imported formula. Without robust food safety systems in place, for infant formula in particular, parents felt they could not trust domestic brands but also wanted to trust and verify the authenticity and safety of the formula brands they bought instead.

According to a FRISO-commissioned survey conducted by Nielsen:

- 93% of mothers in China and Hong Kong think that the information on product packaging is insufficient to give them peace of mind
- Parents needed to search for more information via other sources to learn about the following:
  - quality control (71%)
  - product origin (63%)
  - production conditions (63%)

Respondents claimed that having this information would help build confidence that they were making the best choice (77%) for their child.





# Making infant formula traceability easy: FRISO TrackEasy and Kezzler

Dogged by several counterfeit product scandals, infant formula proved to be a candidate ripe for the development of traceability requirements at the individual product level. For both domestic and foreign formula brands, Chinese government traceability requirements came to demand granular tracking and reporting standards for regulatory compliance and market access.

In response, leading infant nutrition brand FRISO launched FRISO TrackEasy in Hong Kong in August 2019, the industry's first smart packaging solution that enables parents to follow the full journey of FRISO's formula milk, starting from the Netherlands-based farms, and continuing even after the product landed in the consumer's hands. The solution has since rolled out globally.

Image source: Royal FrieslandCampina





Parents have growing expectations for greater transparency and accountability in the brands they purchase. With TrackEasy, mums can see when their can of FRISO was produced – from when the milk is collected from farms to the quality assurance checks. Such details are made possible through our full chain control, where FRISO owns all steps from the cows in our Holland-owned farms to the final product. With TrackEasy, parents can trace their product from grass to glass and feel reassured that they are providing the best nutrition for their children.

**Brendt Kodden**

President Specialized Nutrition at Royal FrieslandCampina

# The TrackEasy solution

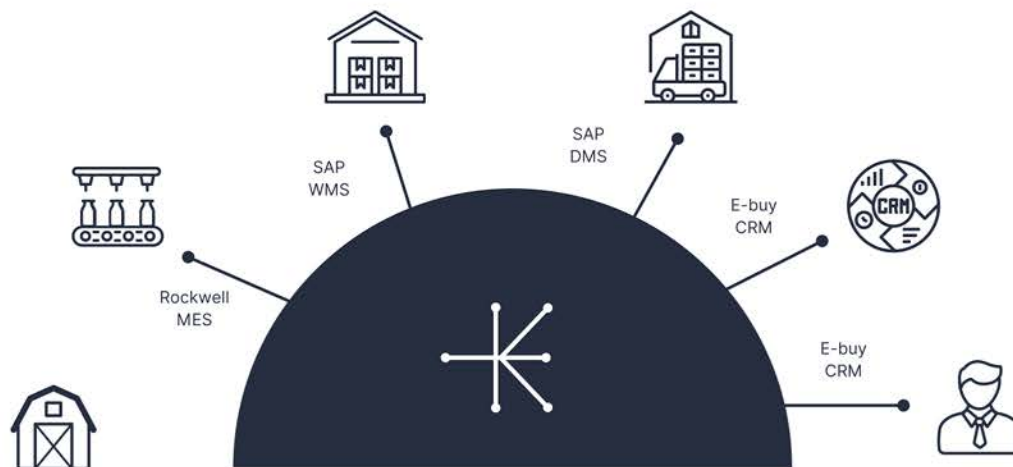


Image source: Royal FrieslandCampina

With the TrackEasy solution, consumers scan the FRISO infant nutrition products using their phone and experience the grass-to-glass journey of the exact product in hand. They can check authenticity and learn more about the product and its origin simply by scanning a unique QR code on the bottom of each can.

The TrackEasy solution is integrated with China's popular WeChat platform, allowing consumers to scan directly from within the app.

The project involves assigning unique, secure and traceable digital identities to every single product. By tracking the products from farmer to consumer, the solution supports confidence in FRISO infant formula by eliminating concerns about fraudulent products and enabling FrieslandCampina to engage with consumers directly.



**MES:** Manufacturing Execution System

**DMS:** Distribution Management System

**WMS:** Warehouse Management System

**CRM:** Customer Relationship Management



# Grass-to-glass visibility

Using Kezzler's unique digital IDs printed and activated on the FrieslandCampina production line, the TrackEasy solution enables grass-to-glass visibility into the complete value chain for infant formula, starting from manufacturing and landing when the product is in the consumer's hands.

## MANUFACTURING

The unique digital ID takes in upstream information related to the milk (farm and milking date) and is associated with the cans to give the user full traceability from grass to glass. The solution also registers product and manufacturing data like GTIN, manufacturing date and expiry date. In addition, the packaging hierarchies, unit-box-pallet, are built and registered at the end of the manufacturing line.

## WAREHOUSES AND DISTRIBUTION

Before shipment, quality approval information and a government clearance certificate for export are registered. Top-level packaging hierarchies (pallet – container) are registered as well as relevant shipping information.

Upon receipt, the import date and government clearance certificate are also added. Aggregation allows for explicit hierarchy details to be visible from can through to box, pallet, and container level. The movement of the products from distributors to retailers is tracked all the way out to the intended retail store.



Image source: Royal FrieslandCampina

## CONSUMER AND SALES INCENTIVE PROGRAMS

In the retail store, scanned products become part of a sales incentive program. Before or after the purchase of a product, consumers use a phone to scan the QR code on the bottom of the product to see the actual journey of the product.



## MULTI-TIER AGGREGATION

Kezzler's solution enables multi-tier aggregation, which in the case of FRISO consists of three tiers: lid to can, can to box, and box to pallet.

Each respective level is serialized using Kezzler unique digital IDs and any subsequent rework or re-aggregation throughout distribution is tracked, with every supply chain tracking event shared using the Electronic Product Code Information Services (EPCIS) standard.

## SYSTEM INTEGRATION

To support an efficient and scalable integration process with FrieslandCampina's various production and distribution partners, the Kezzler platform is used to flexibly perform integrations between Kezzler and third-party solutions in customer-defined formats.

The extensive Kezzler REST API library also delivers integrations with the existing ERP system (provided by SAP) and the MES, which also supports EPCIS.



Image source: Royal FrieslandCampina

# Building Brand Awareness, Trust, and Loyalty

One of the most critical and innovative aspects of the TrackEasy experience is the ability to strengthen trust and provide quality assurance through engaging digital marketing campaigns using the data gathered from the grass-to-glass journey. As concerned parents demand greater access to product information related to production, sourcing, and quality and the ability to check authenticity, traceability creates transparency and helps to create consumer peace of mind.

FrieslandCampina also uses the unique TrackEasy consumer experience to acquire new customers in a competitive market. Digital campaigns highlighting the grass-to-glass traceability bolster consumer perception of the FRISO brand as one that can be trusted, which extends the value of TrackEasy beyond physical stores.

Parents can virtually experience the app prior to purchase, helping to drive brand adoption. With an improved value proposition, the brand is able to move away from traditional marketing initiatives, such as discounts.

Promoting the TrackEasy experience in their display and social media campaigns has produced some impressive results for FrieslandCampina in Hong Kong:

- 1 in 3 visitors clicked on the "buy now" call to action
- 7% of unique visitors converted to first-time buyers



# Why a Connected Products Platform?

Apart from the core purpose of FRISO traceability – restoring and building consumer trust – Kezzler's Connected Products Platform delivers a variety of benefits:

- ✓ Compliance: Ability to meet current and future government traceability and reporting requirements
- ✓ Consumer experiences: Create and support customer loyalty and increased sales through enhanced product experience
- ✓ Transparency: Ability to satisfy the increasing consumer demand for transparency and product information
- ✓ Data: Gather unprecedented consumer and consumption insights through traceability data
- ✓ Reduce business risk and safeguard brand value: Ensure product integrity and protect brand value with a fully secured supply chain. This extends to detecting unauthorized distribution and enabling more targeted recalls.
- ✓ Visibility: Supply chain efficiency gains with end-to-end unit-level visibility

Image source: Royal FrieslandCampina



Kezzler's Connected Products Platform is a critical piece in our ecosystem and gives us various opportunities to deliver personalized and engaging experiences.

**Mason Choo**

Global Brand Experience Director at Royal FrieslandCampina



# Ensure safety and create peace of mind for parents through traceability

With Kezzler's Connected Products Platform integrated with FrieslandCampina's existing IT infrastructure and logistics systems, FrieslandCampina has been well-positioned for a continued rollout of TrackEasy across global markets at the same time as delivering the safe products – and trust in this safety – consumers crave.



//

Ensuring our consumers can have full confidence in FrieslandCampina brands is paramount. This is why we have adopted Kezzler's serialization technology to deliver supply chain visibility for our infant formula brands, as well as providing a way for stakeholders throughout the supply chain to validate their products in real-time.

**Hans Wessels**

Senior Project Manager at Royal FrieslandCampina



//

We live in a world of complex, global supply chains. To properly ensure food safety, brands need to have full visibility from ingredients through to consumption for every product sold. We are proud to support FrieslandCampina in their mission to bring safe and sustainable products to consumers. I am convinced that this level of transparency will soon be expected for all consumer products.

**Christine C. Akselsen**

CEO of Kezzler



KEZZLER

Thank you for reading.

Please visit [www.kezzler.com](http://www.kezzler.com) for more case studies and contact information.