■ ASSIGNMENT QUESTIONS ■

1. What are the distinctive features of Danone’s strategy under Franck Riboud’s leadership? How successful has the strategy been?

2. To what extent and in what respects can the food and beverage sector be considered a global industry?

What the benefits arise from international scope and cross-border integration in this sector? Do these benefits vary between Danone’s four areas of business (fresh dairy products, waters, baby nutrition, and

3. Does Danone possess a competitive advantage within its sector? What is the basis of this competitive advantage? To what are Riboud’s leadership values and principles and Danone’s commitment to social and environmental responsibility sources of competitive advantage? How effective are the distinctive features of Danone’s organizational structure, management systems and leadership style in helping Danone to (a) adapt to national market conditions and (b) exploit linkages across national borders?

4. What recommendations would you make to Franck Riboud regarding Danone’s corporate strategy during the next five years (2012-6)? In particular:

* Should Danone continue to focus upon growing in emerging market and does Danone need to change the way in which it conducts business within these markets (e.g. Should joint-ventures continue to play a central role)?
* Should Danone’s make further changes in its business portfolio? If so, are there any businesses it should divest? Are there any new diversifications it should pursue?
* Does Danone need to adapt its distinctive approach to management? In particular, is Danone’s decentralized management system and its commitment to social, environmental and employee responsibility an impediment to or a facilitator of superior efficiency and profitability?