Challenges & opportunities for Sheep Dairy products in China

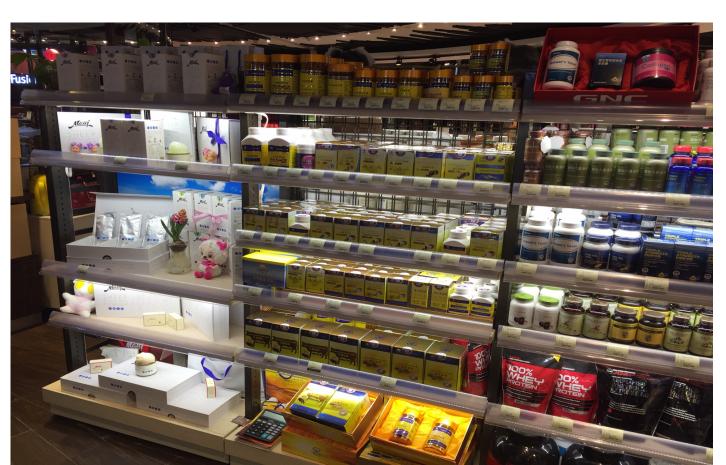
Super Organic Dairy Manager Hunter McGregor (Shanghai)

Hunter McGregor

- From Central Otago
- Lived in China since 2007
 - Dalian, Changzhou & Shanghai
- Speak Chinese
- Sheep Dairy background
 - Started 5 years ago with Blue River Dairy
 - 2 years assisting them in China
 - Now assist Super Organic with their NZ investments and in the Chinese market.
- Bruce McGregor –Deer Improvement
 - 13 years with Peter Gatley & Jake Chardon

Maui Milk in China

Building the brand by positioning products in highend super-markets in Shanghai (& around China) in the health food section.



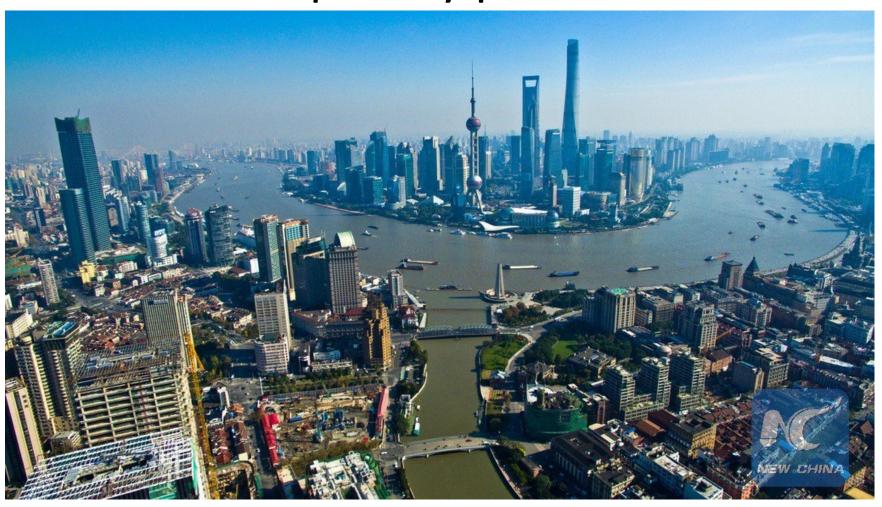
Building the Maui brand in China

Talk directly to the consumer

- Events & other activities
- Tastings the product is very important
- Online and offline
- It's about one sale at a time.



Challenges and opportunities for New Zealand Sheep Dairy products in China



Consumer Education

Consumer education is the biggest challenge for the sheep milk industry.

- Chinese People need to learn about Sheep Milk.
 - Tasting the product
 - Their own research
 - They are fast learners but its not easy.

Chinese Language

- 牛奶 (nui nai) = cows milk
- 羊奶 (yang nai) = sheep or goat milk
- Most people assume that 羊奶 is goats milk
 绵羊 (mian yang) = sheep
 山羊 (shan yang) = goat

Its important to be clear that it is Sheep Milk

We don't want to do this:

- Sliver Fern Silere Lamb
- 高山羊 (Gao Shan Yang) for Silere brand
- 高(high)山(mountain) 羊(Sheep)
- Some Chinese people read this as high goat meat.



Why confuse the consumer?

Chinese market is not just one market

Tier one, two, three and four Chinese cities.
 There are big differences between all of these.

You have heard this but what does it mean?

Beijing & Shanghai

- Some differences between these tier one cities
 - Language
 - Money
 - Stereotypes
 - Food Shanghai seafood / Beijing meat 串儿 and beer in summer
 - North via South

Could use 100's of different cities to highlight similar things.

Consumer behavior

- This is changing fast in tier one, two, three and four Chinese cities.
 - Technology is driving a lot of the change
- 5 years ago Chinese consumers were not that accepting of sheep milk.
 - This has changed and so have the consumers.

One of my favourite quotes:

"Chinese consumers are modernising not westernising"

Social media in China

- Different players & it is more advance than most people think.
 - WeChat, Weibo, Linkedin

WeChat

- There is nothing like it outside of China.
- Companies outside of China are coping its functions.
- It is an very powder tool for all business in China.

O2O & ecommerce

- O2O = Online to Offline
 - Where online companies are going offline.
 - Also offline companies need to be online.
- China is a very completive place and ecommerce is no different.
- Most ecommerce is heading mobile
 - China is leading the way in this.
- Online in China is a must
 - But so is offline.

Transparency is very important

- Consumers are well educated and travelled.
- You have to back up your marketing speak with real actions.

Health benefits of Sheep milk

- Lactose is part of the sale pitch.
- Sheep milk does make a difference to some people but the scientific research into this is not that strong.
 - One Example is my daughter.

Changing markets

- China consumers will move and change faster than anyone can plan for.
- Most foreign companies are not flexible enough to move with these changes and are often left behind.

New Zealand Sheep milk opportunities

- Healthy product
- Safe & clean environment
- Transparency & traceability

This is the same for all New Zealand Products.

Contact Details

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