



BC blueberries
Powered by nature.

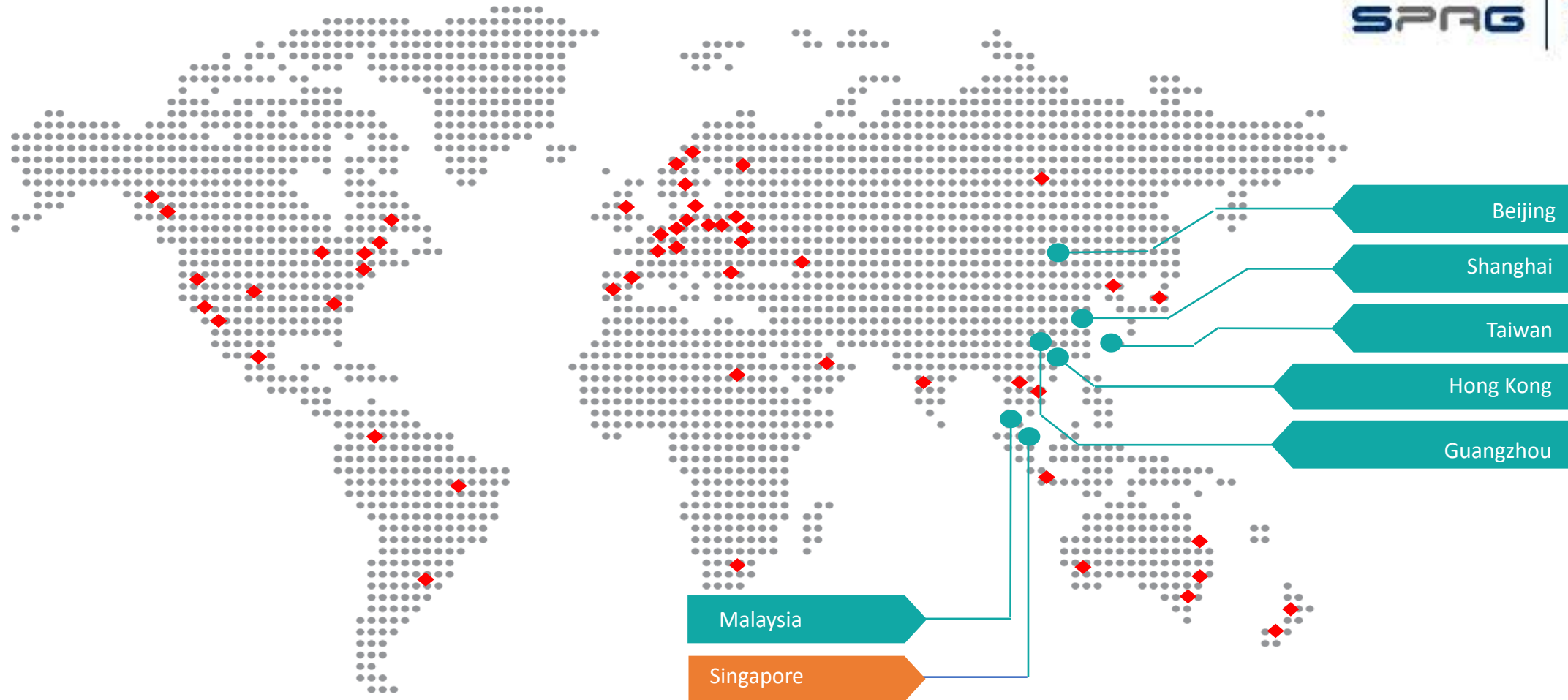
VIRTUAL FIELD DAY
AND AGM 

Asian Market Opportunities for BC Blueberries

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STRATEGIC PUBLIC RELATIONS GROUP
縱橫公共關係顧問集團



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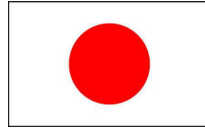
Asia: A Growing Market for Blueberries



- The strong appetite for fresh blueberries and blueberry products in Asia is increasing
- Drivers for this trend include **increasing middle class and internationalization of diets, consumers' healthy choices, increased availability, and market education**
- Despite access to regionally grown products, Asian consumers are increasingly purchasing imported fruit products as they are often seen as higher quality and healthier

Asia: A Growing Market for Blueberries

Japan



- In 2019, **6000 tons** of fresh blueberry were consumed, with an growth rate of 2%.
- Japanese buyers are extremely discerning – high quality is expected
- High prices for fresh products – so dried, frozen and VA products represent strong opportunities
- Japan is an extremely fast-paced nation with a strong “snacking” culture – packaging and convenience are key considerations

South Korea

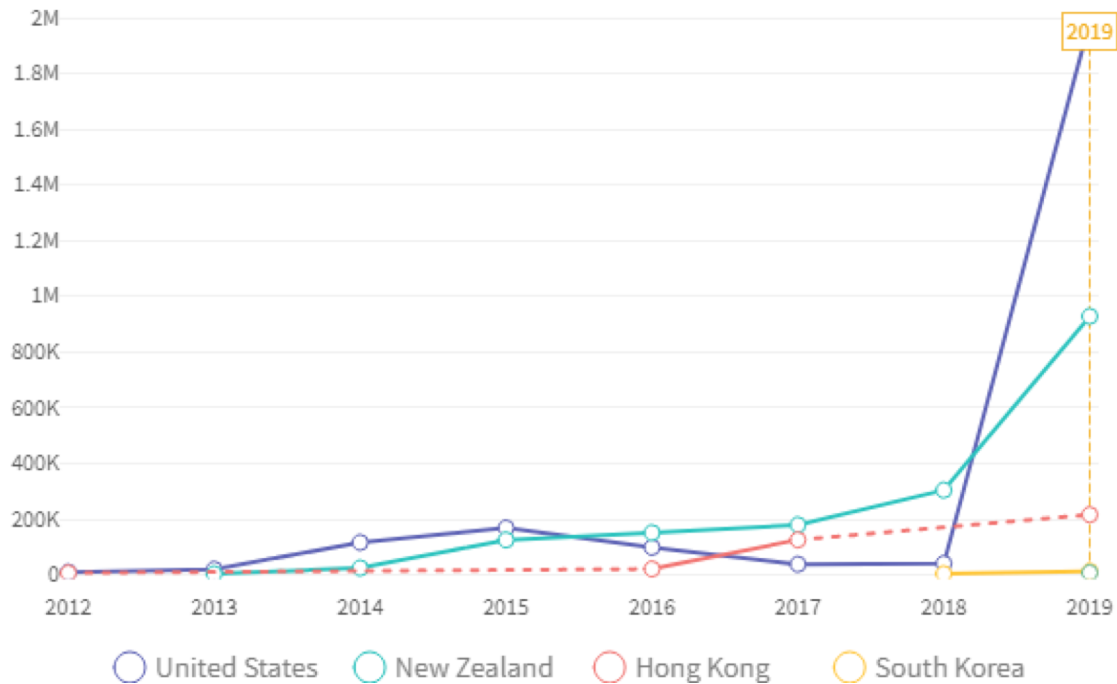


- Despite domestic production, importing of blueberry products has remained steady to meet demand
- Still maintain a strong understanding of blueberries as a superfood with numerous health benefits
- Known as an anti-aging “time-reverser” with strong benefits for skin and eye health
- Continues to be a major ingredient in cosmetics: lip/nail products, eye shadow, face/neck care – trendsetters for China

Vietnam



IMPORT TRENDS OF BLUEBERRY TO VIETNAM

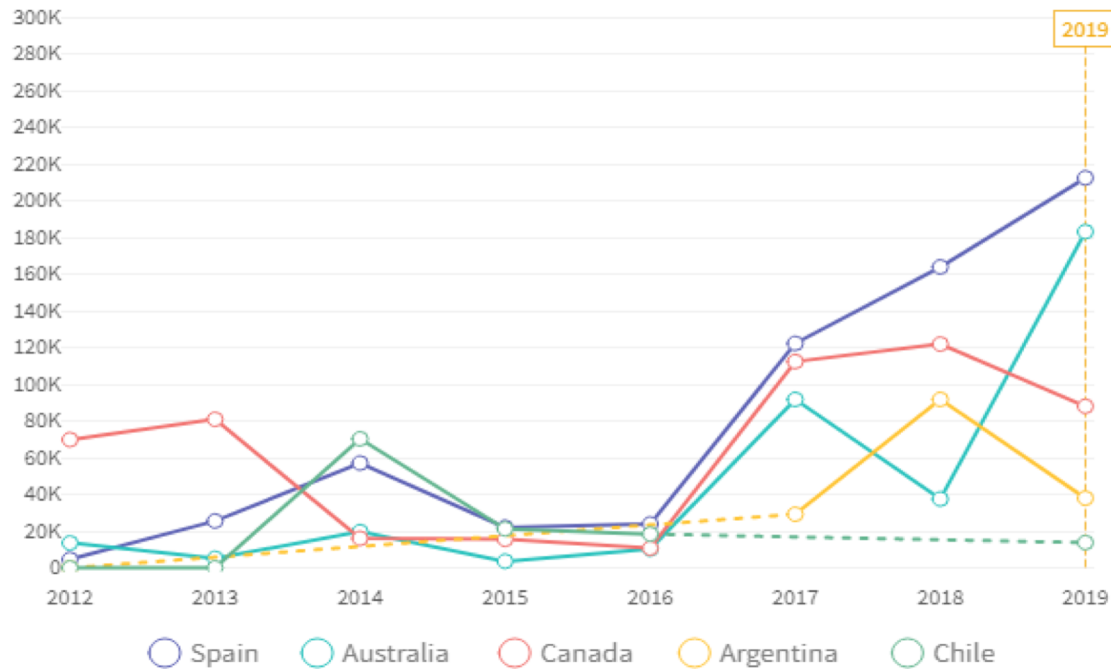


- Becoming a top Asian consumer of blueberries with millions of pound being imported annually
- Vietnam's middle-class is fastest growing in South East Asia – looking for more quality imported products
- Massive e-commerce boom, led by Lazada, Shopee, Tiki
- Huge growth in hypermarket development over the past 5 years providing offline access to imported goods.
- Our current communications activations in the region have already shown interest in BC Blueberry products (and Canadian agricultural products in general)

Indonesia



IMPORT TRENDS OF BLUEBERRY TO INDONESIA

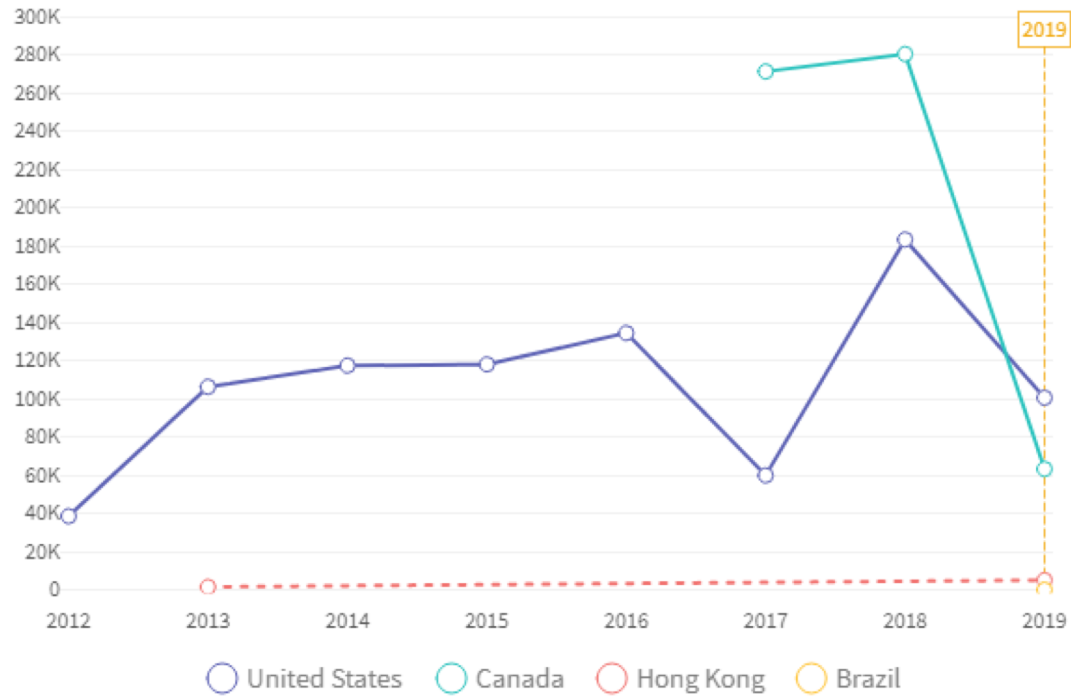


- Premium fresh fruit is in high demand in Indonesia
- Population of 255 million with approx. 50 million middle class and growing (near world top 10)
- Increasingly health conscious middle-class consumers looking for “superfoods” – value added premium foods and fresh fruit and vegetables
- Huge growth in hypermarket development over the past 5 years providing offline access to imported goods.
- Relative ease of business

Philippines



IMPORT TRENDS OF BLUEBERRY TO PHILIPPINES

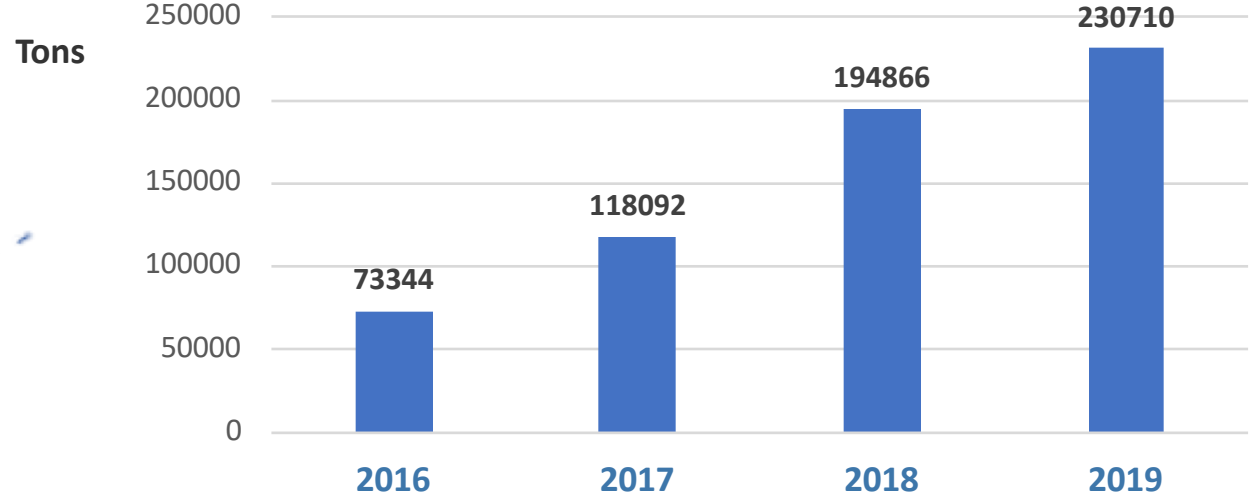


- Canada has opportunities in frozen, dried and value added products
- Similarly to other SEA neighbours, Increasingly health conscious middle-class consumers looking are for high quality imported foods
- Current significant investment in domestic e-commerce platforms (for domestic and cross-border trade)

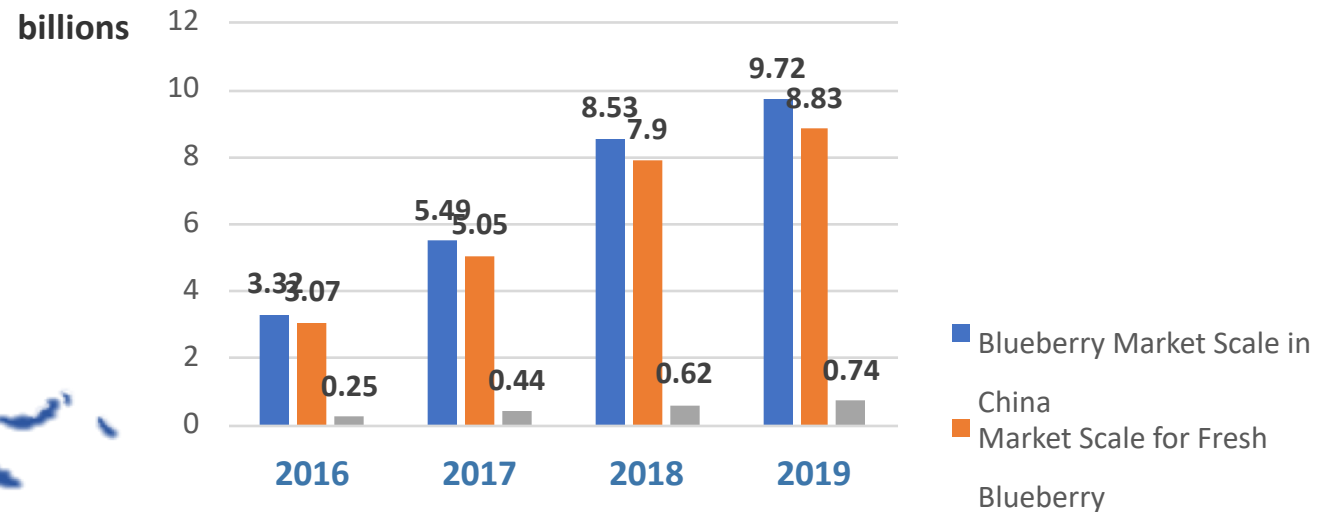
Demand in China



Blueberry Demand in China

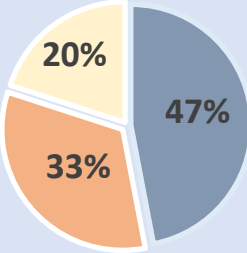


China Blueberry Industry Development



Preferences in China

Chinese Consumer Preference



- Foreign Brands
- Domestic Brands
- Buy whatever that is on the shelves

84% of all consumers buy imported food through E-Commerce platforms, among which **Tmall Global** is the most popular platform.

In 2019, **70.3%** of consumers consider quality as the first factor to be considered when choosing imported food. However, influenced by COVID-19, this year **food security** has become the most important factor for consumers while choosing imported products.



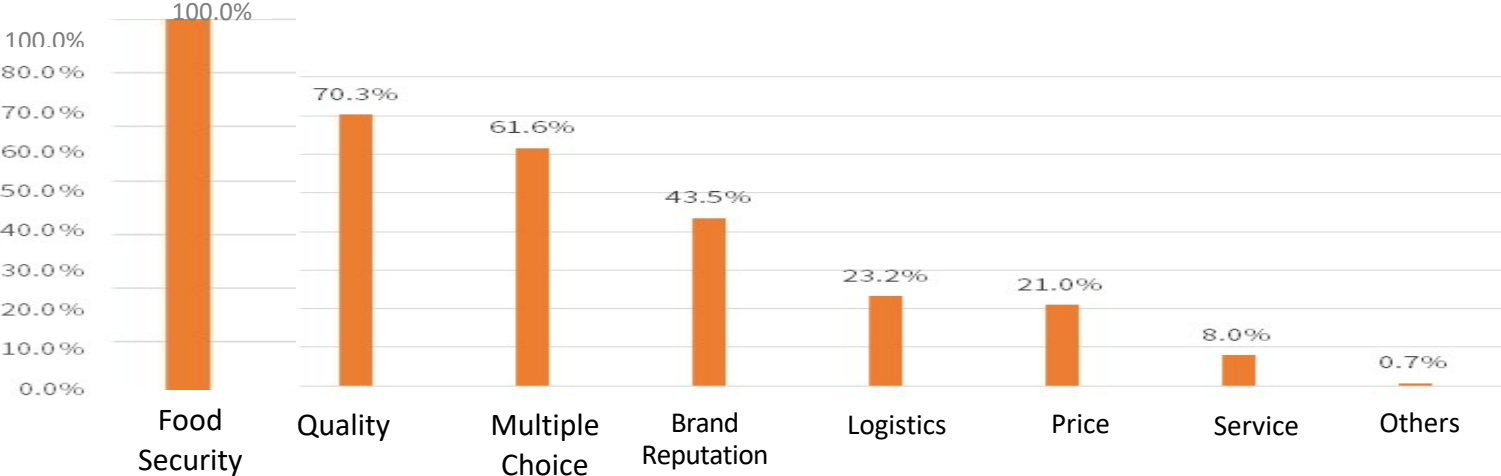
Imported vs. Local

17,042 tons

of fresh blueberries are imported into China from 2020.01 to 2020.10,

which value

890,833,433 RMB



The relatively expensive price of imported blueberries is a symbol of high-quality lifestyle, which in turn makes imported blueberries favored by **Chinese growing middle class**, which is now an increasing group in Tier-1 and Tier-2 cities in China.

The Middle Class takes up **11%** of the Chinese adult population, which covers about **109 million** people.

49% of the consumers who purchase imported food earn more than **8,000 RMB/ Month**

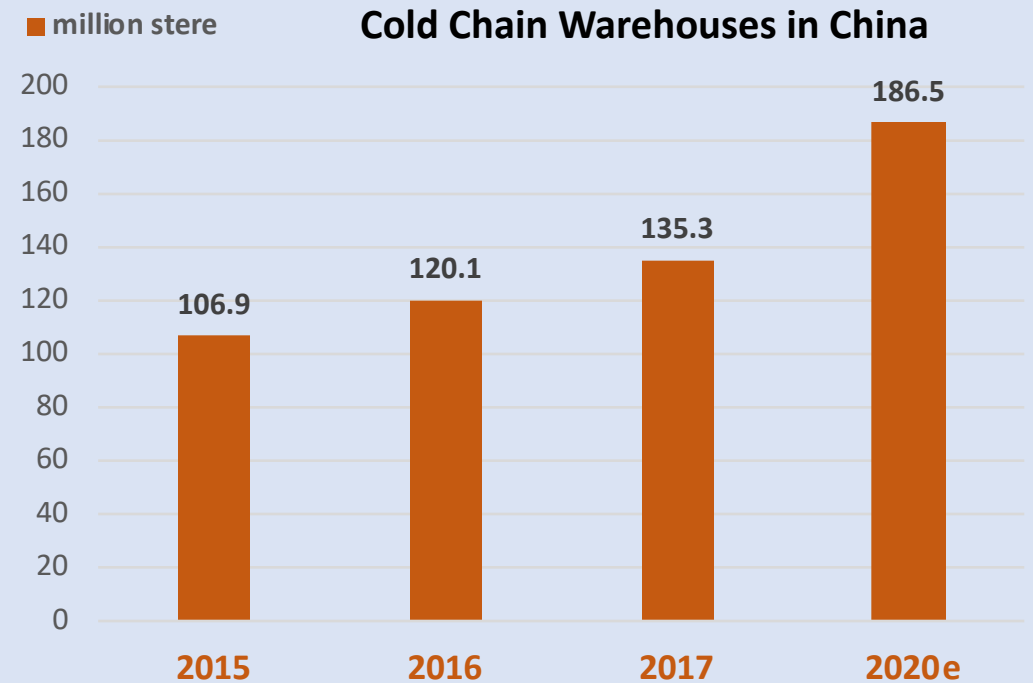
More than **51%** of the consumers will buy imported fruits at least once a week



Potential



The development of **international logistics cold chain**, especially international cold chain transportation, ensures the freshness of imported fruits and food.



Consumer Survey

We executed our own small survey to 30 Chinese consumers regarding blueberry consumption and brands:

Profile of Respondents:

- 75% female/25% male (Beijing residents)
- Ages between 23-50
- Middle class (avg. monthly salary between 2500CAD-4000CAD monthly)

Survey Highlights:

- Majority stated they intend to purchase more blueberries from 2021 and beyond. When asked the reason majority responded with known health benefits of blueberry consumption.
- The mothers who participated indicated they intend to incorporate blueberries into the diet of their child(ren).
- Over 80% stated that freshness was a key consideration with all fruits they purchase and that fresh products would be a priority. Many also stated however that they would be open to other products including dried and frozen if they maintained their health benefits
- 70% stated that they would be willing to pay a premium for important blueberry products and 100% believe Canadian agricultural products are of top quality
- 90% said their preference is to buy imported fruit online

Key Statements:

- *"I know blueberries, especially imported blueberries are very healthy and more Chinese are buying them. I don't really know how to use them in cooking"*
- *"If they are imported and the packaging is really good I would give Canadian blueberries as gifts"*
- *"I have seen blueberries in some stores from Chile, I'm not sure if I am seen them from Canada. I don't know the difference. They are expensive"*
- *"Since this past year I have decided to focus more on my health. I am willing to buy blueberries from Canada if the price is competitive and I can find it easily"*
- *"I feel safer buying imported products for my family but I worry about imported frozen products"*
- *"I don't know much about blueberries. They are not common in China. I don't know about Canadian products"*

Key Considerations

- E-Commerce in China is vital – however just being on the platform (i.e. Tmall Global) will not ensure actual sales of BC Blueberry products
- We are working in China to develop an eco-system to ensure consistent demand and thus consistent availability for BC Blueberry products (with potential partners such as HEMA and DARUNFA)
- Potential opportunities for special product categorization for BC Blueberries
- We expect frozen, dried, and VA products to perform well in the region + tailored offerings (holiday gifts)
- Product education - whether in China or other regions mentioned, consistency in messaging is key – cutting through the noise in the competitive landscape and driving home the truly UNIQUE and PROFOUND characteristics of BC Blueberry products to consumers
- In the greater China region and beyond, we are looking to increase our efforts in 2021 through more digital outreach, online/offline events, short-form video production and influencer campaigns



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