Vietnam – Food and Beverage Opportunities

Webinar for Australian exporters
4 February 2016
About this webinar

- Introduction – Romina Tinazzi (Austrade Sydney)
- Market overview – Katharine Heather (Austrade HCMC)
- Guest speakers
  - Mickael Retailleau, General Manager, Classic Fine Foods
  - Adam McDonald, General Manager, InterContinental Westlake Hanoi
- Introduction to Taste of Australia in Vietnam 2016
- Q&A
Katharine Heather
Trade Commissioner – Vietnam
Austrade
Traditional Vietnam

Traditional retail channels in Vietnam
Modern Vietnam
Traditional Vietnam

Traditional food service in Vietnam
Modern Vietnam
Increasingly sophisticated palate and consumers
Mickael Retailleau
General Manager
Market trends and opportunities

1. Australia best practice in production i.e. traceability and healthy message for both HORECA (Hospitality, Restaurants & Catering) and Retail must be empathized. Gluten free products, natural products, regional identity of production (e.g. Yarra Valley) has appeal.

2. Huge opportunity on portion fresh or frozen beef for retail with smaller portions size to allowing individual consumers to purchase. High trust in Australian products.

3. E-commerce will grow substantially in the next 5 years, small packaging for dry goods will have a big potential.

4. Modern trend remains weak (17% of total Retail), convenience stores will grow faster than supermarkets. Again think about small packaging.

5. Opportunity for dairy products high end, no commodities required
Tips on doing business in Vietnam

1. Long term investment vision is compulsory - accepting low volume for first 2 years of business vs substantial marketing investment.

2. Develop relationship with distributor - product training to educate staff of distributor to push your products. Two trips per year may be required.

3. Registration on plant NAFIQAD and quality declaration (Decree 38) for manufactured products are the first steps to export to Vietnam. Import laws are complex.

4. Set up a designed best practice guideline for consumers to use your products.
Adam McDonald
General Manager
Market trends and opportunities

1. **Beef** - primarily, the Vietnamese have a taste for quality beef, either in the form of a "steak" or roast. Most probably this would be on premise as not many at home cooks would know how to cook or have an oven.

2. **Seafood** - fresh, crustacean, fish

3. **Milk** - especially for children, quality dairy, we drink UHT at my house, you get used to it

4. **Cheese** - again high end

5. **Red Wine and whisky type sprits** - focused on male Vietnamese, mostly a beer culture, the women do not drink a lot. They do like red wine and will spend money on a "brand".
Tips for doing business in Vietnam

1. Have a trusted partner here in Vietnam
2. Be in it for the long haul
3. HCMC and Hanoi will need different strategies, in marketing, people management, product placement etc
4. It is about relationships, built up over time, it is different culture than other places in Asia. The involvement with authorities is different and complex.
5. There are endless opportunities, 90 million people, 60% under the age of 35, huge internet opportunity as it is in its infancy.
Taste of Australia
19 – 22 April 2016
Vietnam

Australian Government
What is ‘Taste of Australia’?

Taste of Australia is an Australian Government promotion that will:

• Introduce Australian premium food and beverage suppliers to Vietnamese importers, distributors, retailers, food manufacturers, restaurants and other industry players to secure business connections

• Provide an opportunity to share Australia’s modern and sophisticated culinary culture and ingredients with the Vietnamese market through B2B and B2C activities

• Open the doors for newcomers to Vietnam as well as provide a platform to grow brands and drive new business for established exporters to Vietnam.
Event Partners

And many more to come....
Opportunities for Australian suppliers in Vietnam

• **Meat** – beef, lamb, veal, venison, kangaroo…
• **Seafood** – oysters, salmon, abalone, lobster…
• **Dairy** – milk (UHT), butter, cheese, yoghurt…
• **Horticulture** – citrus (mandarins, navals), table grapes – [we have a ban on many other products but hoping this will change soon] – also dried fruit and nuts
• **Processed food** – snack foods, biscuits, breakfast cereals, sauces, condiments, jams etc
• **Beverages**
  • non-alcoholic drinks – milk, cordials, soft drinks, juices
  • alcoholic drinks – wines, beers, cider, cocktail mixes, ready to drink products
# Taste of Australia Program

<table>
<thead>
<tr>
<th>Date - 2016</th>
<th>B2B</th>
<th>B2C (Full month of April)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Monday 18 April</strong></td>
<td>Australian participants arrive in Hanoi, Vietnam (Note – this day is a public holiday in Vietnam)</td>
<td></td>
</tr>
<tr>
<td><strong>Tuesday 19 April</strong></td>
<td>Hanoi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business program for Australia delegates including site visits to Australian retail promotions or support for promotions by their in-market partners, meetings with existing distributors/importers (if relevant), other in-market activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Wine and cheese networking at Ambassador’s residence</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Tuesday 19 April</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business program for Australia delegates including site visits to Australian retail promotions or support for promotions by their in-market partners, meetings with existing distributors/importers (if relevant), other in-market activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business matching appointments with Australian participants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Taste of Australia in Vietnam – Hanoi showcase</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Cooking demonstrations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Australian food and wine technical seminar program</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Executive chef cook-off competition</td>
<td></td>
</tr>
<tr>
<td><strong>Wednesday 20 April</strong></td>
<td>Hanoi</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business matching appointments with Australian participants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Taste of Australia in Vietnam – Hanoi showcase</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Cooking demonstrations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Australian food and wine technical seminar program</td>
<td></td>
</tr>
<tr>
<td><strong>Thursday 21 April</strong></td>
<td>HCMC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business program for Australia delegates including site visits to Australian retail promotions or support for promotions by their in-market partners, meetings with existing distributors/importers (if relevant), other in-market activities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Australian Government Taste of Australia 2016 official reception</td>
<td></td>
</tr>
<tr>
<td><strong>Friday 22 April</strong></td>
<td>HCMC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Business matching appointments with Australian participants</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Taste of Australia in Vietnam – HCMC showcase</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Cooking demonstrations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Australian food and wine technical seminar program</td>
<td></td>
</tr>
</tbody>
</table>
How to participate?

Option 1 – B2B
As an exhibitor, take part in the Taste of Australia official program, including product showcase, business matching, technical seminar, promotional activities, networking events etc. Apply online by 19 February here.

Option 2 – B2C
Partner with your established importer/distributors to support a retail or food service promotion in Vietnam during April e.g. Aussie menus, wine/cheese, sampling at stores, competitions or other promotions. Find out more here. Apply by mid-March.

Note: To achieve the maximum impact, we recommend creating a program for your business that includes both options where this is possible.
Market trends and opportunities - Austrade

• *Young population with growing disposable income and changing lifestyle* – eat out several times per week and seek premium products (30-40% income spent on food and eating out)

• *Raising awareness of food safety is a national priority* – leverage Australia’s clean, green, healthy and sustainable credentials in your marketing

• *Internationalisation of market* – growing western tourists, hotels seeking (demanding) high-quality and familiar products, modern supermarket and retail chains flourishing

• *Timing is everything* - AANZFTA tariff reductions and exchange rate depreciation provide considerable advantage for Australian products in short-term (refer to the [Tariff Finder](#)) – don’t wait!

• *Food service is untapped opportunity* – growing restaurant chains – fast food, family restaurants, buffets – seeking quality food service ingredients and wine
Tips for doing business in Vietnam - Austrade

• **Limited awareness of the variety Australian products available** – in-market promotional and advertising activities will improve sales

• **Choose the right partner** – face to face, regular trips, know their customers, build trust and respect, listen to their feedback, support seasonal promotions

• **Complexity of import procedures** – support your importer closely to ensure your documentation is ‘perfect’; contact Austrade for support when inconsistencies arise

• **Focus on urban centres** - but don’t forget the regions

• **Talk to Austrade** – keep us informed and seek our advice (don’t wait until something goes wrong)
Find out more?


Katharine Heather
katharine.heather@austrade.gov.au

Thanh Cao
thanh.cao@austrade.gov.au

On export matters, you can ring 13 28 78 in Australia to speak to an Austrade adviser during business hours or visit www.austrade.gov.au for program information, including Export Market Development Grants.