

DELLA ROSA WINS A MAJOR SLICE OF CHINESE BUSINESS

EXPORT CASE STUDY | OCTOBER 2017

Della Rosa Fresh Foods' has achieved international success by becoming the first Asia-Pacific business to export pizza to China.

For Emilio De Lorso, Managing Director of Della Rosa Fresh Foods, pizza-making is in his blood. He started his first business in 1990, making pizza bases with his mother in their garage. The business has since turned from a small, family-owned company into a leading production facility employing over 230 people.

Della Rosa is known for its premium, stone-baked pizzas, made from fresh, locally grown produce. In Australia, you can find its products on the shelves of major supermarket chains including Woolworths, Coles and Aldi. The company also has partnerships with numerous airlines, hotels and restaurants.

Cultural differences an opportunity to innovate

When Della Rosa began exporting to China three years ago, cultural differences in food tastes proved to be an export challenge for the company.

'When we first trialled the product in China, we found it was too salty, so we had to reformulate the whole recipe to suit Chinese tastes,' says De Lorso.

Changing the recipe to suit local tastes was crucial to the export success of the business.

'For the Chinese market, we had to make our pizzas sweeter and spicier. The packaging also had to reflect the market's preferences. In total, we changed nearly 70 per cent of the original product, but if we hadn't, our pizzas would not have been successful,' he says.

FTAs help lower the cost of products

Cultural differences in food types and tastes were not the only challenges Della Rosa faced. De Lorso



'Our pizzas were among the most expensive products in the supermarket. Thanks to ChAFTA, our products are now priced mid-range and are more affordable for Chinese consumers.'

Emilio de Lorso, Managing Director, Della Rosa Fresh Foods

admits the price of the pizzas was also an issue initially.

'During our visits to China, we found our pizzas to be among the most expensive products in the supermarket,' he says.

However, after the implementation of the China-Australia Free Trade Agreement (ChAFTA), the tariff for pizza with toppings fell from 10 per cent to 4 per cent, this enabled Della Rosa's products to be more price competitive in the market.

De Lorso says ChAFTA has helped their products to be more affordable. As a result, Della Rosa has



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seen sales increase, which in turn has helped the company emerge as a leading market player.

‘Thanks to ChAFTA, our products are now priced mid-range and are more affordable for Chinese consumers. Our sales and the frequency of orders have also increased,’ he says.

The keys to in-market success

To ensure businesses reap the benefits of Australia’s North Asia free trade agreements, De Lorso encourages them to invest in relationships and maintain contact with clients throughout the entire export process.

‘One of the most critical things is to keep in contact with your clients, and to do so constantly, in order to build relationships and trust with them,’ he advises.

De Lorso says the best advice he can give to those considering exporting is to be sure your products have a number of unique or differentiating attributes to ensure they remain competitive within the market.

‘Today, there aren’t many products that don’t already exist. Supermarket shelves are filled with hundreds of brands all selling the same thing, so you have to stand out,’ he says.

‘In my experience, Chinese consumers love Australian products. We have made the point of being an Australian business in order to stand out against other competitors. It’s this point of difference that will help us make the sale.’

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