

# BESTON GLOBAL FOOD COMPANY FEEDS THAI APPETITES FOR AUSSIE FOOD

EXPORT CASE STUDY | NOVEMBER 2018

With Thai consumers becoming more affluent and curious to experience foreign cuisine, the Beston Global Food Company found strong market research and on-the-ground support offered a recipe for international success.

From its headquarters in Adelaide, the Beston Global Food Company (BGFC) has made fast progress towards fulfilling the ambitious promise of its name. Founded in 2014, the company has a presence in several Asian countries, supplying food to consumers who are increasingly interested in experiencing the clean, safe, high-quality products for which Australia is well known.

## The right place at the right time

Thailand is the second biggest economy in the ASEAN region. The region has a combined GDP of US\$2.4 trillion, a number that is expected to grow dramatically over the coming decades – with Thailand located at the centre of this high-growth region.

As the Thai economy continues to grow and incomes along with it, Thailand's consumers are increasingly eager to enjoy the fruits of their labour. The country's growing middle class has a modest exposure to foreign products. The imported food and beverage (F&B) sector represents an accessible, low-cost way to satisfy consumer cravings for new brands and dining experiences.

BGFC's insight was to realise that Australia's clean, green image and reputation for product integrity would prove to be an attractive starting point for Thai consumers unsure of how to navigate the world of international cuisine.



Jock Tulloch (second from right), General Manager, Beston Global Food (Thailand), with executives from KCG Corporation, a leading Thai food importer, at BGFC's Jervois mozzarella plant.

**'Companies looking to establish themselves with new consumer groups must adapt to the local environment and keep innovating according to local demand.'**

Jock Tulloch, General Manager, Beston Global Food (Thailand)

In addition, as a regional and global holiday hotspot, Thailand's 35 million-plus tourists create a major market for imported products. With the Thailand-Australia Free Trade Agreement set to eliminate all remaining tariffs by 2021, Australian suppliers have an added advantage over products from other competing markets.

With growing markets and reduced costs, BGFC calculated that an expansion into Thailand would make perfect business sense.



Australian Government

Australian Trade and Investment Commission



## Account for local tastes

Different countries and cultures have varying expectations of what food should taste like, what type (and size) of packaging they prefer, what kinds of ingredients they feel comfortable consuming, and other variables.

Thailand in particular has unique tastes in many areas. BGFC's extensive research led the company to develop new types of snack cheeses that would appeal to the Thai palate, while also staying true to its production methods.

'Companies looking to establish themselves with new consumer groups must adapt to the local environment and keep innovating according to local demand,' says Jock Tulloch, General Manager, Beston Global Food (Thailand).

## Understand the local environment

Exporters of F&B products have to consider each country's technical and practical issues before they can establish a successful export business. Even in Thailand's business-friendly environment, BGFC needed to familiarise itself with the country's regulatory and certification requirements.

Companies also need local access to high-quality commodities and other goods, as well as dependable processing and manufacturing partners. The right local partners can keep costs low and quality high.

BGFC credits support from Thai distributors and the Austrade team in Bangkok for practical, on-the-ground advice and expertise that has helped the company enter the Thai market effectively. Austrade also facilitated introductions to potential customers and offered support to promote the company's products through retail channels.

An increasingly important element of marketing is about educating consumers about product features such as the unique taste, potential health benefits or how to eat or prepare the foods, to make them locally appealing. One example is promoting Australian cheese during wine tasting to underscore the premium taste and quality of the brands.

BGFC is now one of Australia's fastest-growing food exporters and suppliers in the ASEAN market. It has benefited from advice from local partners including Austrade. It has taken advantage of free trade agreements which Australia shares with ASEAN countries, including AANZFTA and bilateral agreements with Thailand, Singapore, Malaysia and Indonesia. It is riding the wave of the ASEAN middle class and their growing desire to experience new food and dining experiences to grow its business.

## About Austrade

The Australian Trade and Investment Commission – Austrade – contributes to Australia's economic prosperity by helping Australian businesses, education institutions, tourism operators, governments and citizens as they:

- › develop international markets
- › win productive foreign direct investment
- › promote international education
- › strengthen Australia's tourism industry
- › seek consular and passport services.

### Disclaimer

Whereas every effort has been made to ensure the information given in this document is accurate, the Australian Trade and Investment Commission does not provide warranty or accept liability for any loss arising from reliance on such information.

©Commonwealth of Australia 2018