

AUSTRALIAN HONEY CREATES A BUZZ IN CHINA

EXPORT CASE STUDY | MARCH 2018

Located in regional New South Wales, Superbee has been packaging delicious home-grown honey for three generations. With the increasing popularity of its honey in China, the company is experiencing significant growth thanks to its exports to North Asia.

Superbee has been packaging 100 per cent, home-grown honey since 1968. Located in central New South Wales, the Superbee factory packages over 2,000 tonnes of honey each year, making it Australia's leading packer of pure honey

Sourced from beekeepers hives from eastern Australia and prepared at in our factory, Superbee honey is distributed to a range of customers in the food industry, as well as multinational companies in Australia and overseas.

Export important to business strategy

Superbee currently exports its range of local honey, gifts and supplements to more than 15 countries, including China, Singapore, Hong Kong, Vietnam, Indonesia and the United Arab Emirates.

'Compared to the domestic market, our products receive higher demand from overseas customers,' says Sandra Hessel, Administrative Assistant and Export Manager at Superbee.

'For this reason, exporting is a key focus of our business strategy.'

Recently, the company expanded its ventures in Asia by entering the Chinese market. Hessel says China's demand for premium Australian honey products has resulted in the country becoming Superbee's number one export market.

'Chinese culture holds a strong belief in the natural healing abilities of honey, and it is this belief that



'Compared to the domestic market, our products receive higher demand from overseas customers.'

Sandra Hessel, Administration and Export Manager, Superbee Honey

brings increased demand for our products in the market,' she says.

'Chinese consumers also consider Australian products as high quality and safe for use, further strengthening demand for our products.'

Prior to the China-Australia Free Trade Agreement (ChAFTA), Superbee products faced a 15 per cent tariff on entry into China. Under ChAFTA, the tariff has reduced to 3 per cent, with total tariff elimination expected by January 2019.

Market visits vital for export success

Hessel credits Superbee's success in China to attendance at trade shows and industry fairs, which she says has helped build sales and gain valuable contacts.

'Our, Director Ross Christiansen, has been to various trade shows in China and Australia, including the popular Fine Food Australia event



Australian Government

Australian Trade and Investment Commission



which receives a lot of interest from distributors across Asia,' she says.

'Ross is a big advocate of getting out and about in the markets to meet potential customers and develop important contacts, which I think has been a significant contributing factor to our success in China.'

Do your homework and consider logistics

Exporting products to China hasn't always been easy for Superbee, with Hessel admitting the journey has been full of learning curves.

'One of the biggest challenges we've faced during the export process is the amount of paperwork some of our customers in China require,' she says.

'There have been occasions where some of our customers have requested more documents than what's actually required from customs officials, so it can be difficult to determine what is really needed. But once you understand the ins and outs and have the right paperwork in place, the process is fairly easy.'

In addition, Hessel says the logistics of exporting products from Superbee's factory in regional NSW to customers overseas has been challenging, and at times costly, due to its distance from distribution centres.

'Being based in Forbes, it's not a straightforward pick-up and drop-off process for our products. It takes approximately six hours for local carriers and freight forwarders to collect products from the farm and transport them to Sydney for dispatch,' Hessel explains.

'Being so far away from major distribution centres means we need to schedule pick-ups in advance and ensure all products are packaged ahead of time. I cannot stress the importance of taking into account these sorts of logistics when exporting as the costs can quickly add up.'

In-country employees are beneficial

For those considering exporting, Hessel says having employees in your export country who are fluent in the language and can communicate with locals, greatly benefits your business success.

'We have a couple of staff who live in China and work for the company,' she says.

'This really helps minimise the language and communication barrier when our Chinese customers prefer dealing with people who can speak their language.'

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