

"What you've heard or read about China has already changed"

OTTAWA, Oct. 28, 2013 — Understanding the changing Chinese marketplace and Chinese consumer is the key to successfully exporting processed foods to China, advises a retail expert who spoke to Canadian processed food companies recently.



It is well known that China is undergoing rapid transformation. But Andrew Wu, LVMH Group President for Greater China, explained that targeting the right Chinese consumer segment – in the right city and with the right marketing channel – requires rethinking how to export to that country. Mr. Wu made his insightful comments to agri-food stakeholders at a Toronto forum in August arranged by the Canadian Agri-Food Policy Institute, in partnership with Export Development Canada, the Ontario Ministry of Agriculture and Food and MNP.

Based on that event, CAPI and its partners are publishing today [*Charting a Path for Global Growth: 5 reasons why China offers unprecedented opportunities for Canadian agri-food companies.*](#) Some highlights of Andrew Wu's advice:

- **China is not "one" market:** Given that over 170 million Chinese born in the 1990s have grown up with prosperity, are technologically savvy, and seek out international brands, Canadian brands need to identify and cater to this demographic segment, among others.
- **The need for a city strategy:** With 122 cities having populations exceeding one million people, Canadian companies need to target one retail supermarket chain in one city to initiate and build upon a market entry strategy.
- **The disruptive rise of e-commerce:** China's top retailers have launched "food channels" and e-supermarkets that are transforming how many Chinese consumers shop for food – influencing the way Canadian food companies can approach the market.

"The message is clear for Canadian processed food companies keen to export to China," says David McInnes, CAPI President and CEO. "The Chinese marketplace is transforming rapidly, and so Canadian food companies must transform the way they approach and operate in that market."

This forum is part of CAPI's ongoing research to identify ways to strengthen the competitiveness and success of Canada's processed food companies.

About CAPI

The Canadian Agri-Food Policy Institute (CAPI) is an independent, unbiased policy forum that is dedicated to the success of Canada's agriculture and agri-food sector. CAPI is a catalyst. It identifies emerging issues, promotes dialogue and advances alternative solutions to issues with stakeholders across diverse agri-food supply chains and among other food stakeholders. Based in

Ottawa, CAPI was established as a not-for-profit corporation in 2004 by the federal government and is guided by a diverse Board of Directors and an Advisory Committee.

For more information, please contact:

David McInnes

President & Chief Executive Officer

Canadian Agri-Food Policy Institute

(613) 759-1038 / (866) 534-7593

mcinnesd@capi-icpa.ca