**Interview with Adam McConnochie**

Project manager, ASEAN Young Business Leaders Initiative

Asia New Zealand Foundation

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1. Who are some entrepreneurs or businesses currently selling in Asia, more specifically ASEAN countries?

Chia + Awaka and Pics Peanut Butter have collaborated to enter the market in Singapore and Malaysia.

Spring Sheep have developed a sheep milk product with no lactose for the Taiwanese market but are also currently looking into Vietnam and Malaysia with other products using sheep milk such as gelato.

Manukee produced a Manuka honey drink for the market in Thailand.

It is important for entrepreneurs to sequence their steps into the South East Asian market. CHIA and PIC’s have gone to Singapore and Malaysia first and will then look into Indonesia, the Philippines, Thailand and Vietnam. This means that they can get things set up well, iron out problems and develop confidence in the market.

1. What form of marketing are they doing?

Smaller businesses rely on their distributors to make the product known as well as businesses who use their product. Larger businesses such as Zespri are able to do much more extensive marketing of their product. Smaller businesses also use websites, Instagram and Facebook.

It is very important for food and safety information to be communicated in marketing, more so than sustainability and organics which are also important to the ASEAN market.

It’s important to do your research and understand what the market actually want, for example Spring Sheep went to the Taiwanese market and did market testing. The research showed that they did not want a picture of a NZ pasture on the packaging but preferred an image of a sheep instead. It is really important for producers to understand the market and make a product for that market rather than just take a product for the NZ market and expect to sell it in South East Asian nations.

1. Is there a lot of reliance on distributors for marketing and getting products into shops?

Yes, there is a reliance on distributors and it is tricky to find a good distributor. Sometimes businesses new to the ASEAN market struggle to find a distributor that fits their brand. Asia New Zealand Foundation has supported New Zealand entrepreneurs to go to trade shows such as a recent Food Connections event in Indonesia where they are able to display their product to 40+ distributors. It’s a bit like speed dating but the entrepreneurs are able to expose their product to and meet a range of distributors.

1. By going online can they sell and get around regulations?

Selling online is more about taking the distributor out of the picture and this can decrease costs for the entrepreneur or business. Most sell online but also have a physical presence instore.

NZ has free trade agreements with ASEAN countries so there are less regulations and barriers to trade.

Tick the statements which appear in the text

* Chia + Awaka and Pics Peanut Butter have collaborated
* There are significant regulations and barriers
* Smaller businesses rely on their distributors
* It is tricky to find a good distributor
* It is not important for food safety information to be communicated

Tick the statements that say what Adam meant even though the words have been changed

* It is important to meet with a range of distributors rather than rush and pick the first one you meet.
* It is better to enter the market by yourself rather than join with another NZ business or entrepreneur.
* Businesses need to understand their market and do market research

Tick the statements that you think Adam would agree with. Provide information from the interview to support your answer.

* Products need to be produced specifically for the South East Asian market
* Larger businesses can market their product easier than small businesses
* New Zealand businesses can ‘go it alone’ to get into Asia
* The countries in South East Asia are very similar so once you enter one you can easily enter the others.