

Singapore, an exceptional showcase for business development in Southeast Asia

Larry Karass, Vice President, Business Development, Nutrisoya Foods Inc.

Southeast Asian consumers are fond of soy beverages. Over the past five years, they have been able to enjoy the Natur-a range of soy and non-dairy beverages made in Quebec by Nutrisoya Foods. This St-Hyacinthe, QC company produces and exports around the globe. While Natur-a drink boxes and cartons are found on the numerous store shelves throughout several populous countries in Asia, it is in the small city-state of Singapore that Nutrisoya began its conquest of the region.

Since the company launched the manufacture of soy beverages in 1993, Nutrisoya's turnover has continued to grow exponentially, driven by the passion for delicious natural foods. "In Asia, our company counts on the growth of emerging markets to increase its market share. The hub of our Asian business is Singapore, an outstanding showcase for the entire region," said Larry Karass, Nutrisoya's VP of Business Development.

IDEAL PRODUCTS FOR IDEAL MARKETS

Each month, several 40 foot containers filled with Natur-a products leave the Port of Montreal bound for ports in Asia. Per Mr. Karass, soy and rice beverages travel well: they are not affected by the heat and stay fresh for several months. Shelf life, transit times and logistics are not a problem.

The main challenge has been to identify beverage markets seeking the added value of niche products that are nutritious, organic, low in fat and sodium, allergen-free, gluten-free, and free from preservatives. These attributes are sought by educated and well-informed consumers conscious of the benefits of a healthy diet and looking for delicious natural foods. The shelf-stable properties of Natur-a products are convenient for increasing numbers of middle-class customers who appreciate the advantages of pantry-loading with healthy beverages that require no refrigeration prior to consumption.

Mr. Karass met his first Singapore customer at Natural Products Expo in California. The latter, operating a small local chain of natural food stores was very interested in high quality and competitive pricing of products such as those produced by Nutrisoya and promptly booked his first order. From this niche market, Natur-a beverages attracted other larger distributors, and eventually the leading supermarket chains serving Singapore's mass market.

Today, Nutrisoya soy, rice and almond beverages are available throughout the Vitakids retail network - its original partner; Cold Storage, as well as the NTUC Fair Price supermarket chain, Singapore's largest grocer. There are now at least 140 points of sale for Natur-a products.

REGIONAL EXPANSION

Readily adopted by Singapore consumers, Natur-a beverages, have attracted the interest of distributors in other Southeast Asian countries. Many of these markets in fact follow consumer trends in Singapore, where residents enjoy a standard of living and education that make them precursors to their neighbours in this vibrant region of the world.

The company has begun to grow exports to the Philippines, Thailand and Taiwan. And progress is being made developing business in Malaysia, Vietnam, China and Hong Kong.

"The interest and demand for our products is very strong. We are pleased to welcome Asian customers regularly to our St-Hyacinthe production facilities. Moreover, one must not underestimate the good reputation of Canada, its businesses and its products overseas. Many customers are even familiar with our spokesperson, respected athlete, world champion and multiple Olympic medalist Clara Hughes", says Larry Karass.

3 TIPS FOR SUCCESS IN SINGAPORE

1 - Seek established and reliable partners: Make sure these are well-established local companies who can really deliver the goods. Otherwise you could waste a great deal of time and money. Nutrisoya, often approached by interested distributors, is quite selective and requires expects potential customers to pay for initial delivery of samples.

2 - Establish clear mutually acceptable ground rules: agree on milestones and regular monitoring of the results with your partners, all the while providing a service that is second to none. Singapore businessmen are demanding professionals who scrupulously respect agreed terms and conditions.

3 - Be available: notwithstanding the time difference. Be prepared to respond to customers evenings when they are beginning their day at the office. If you are fortunate like Nutrisoya, you will have the opportunity to welcome these customers in your facilities to further strengthen relations.