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Report Name: Discover US Baking Ingredients and Trends Hybrid Virtual Promotion

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Report Highlights:

The “Discover U.S. Baking Ingredients and Trends” hybrid virtual promotion was ATO Beijing’s first baking ingredients activity since the outbreak of COVID-19 in early 2020. The purposes of this activity were to raise bakers’ awareness of the nutrition, health benefits, taste, and versatility of U.S. baking ingredients and to increase exports to China. The activity was sponsored by ATO Beijing and 10 USDA Cooperators with products ranging from dried fruit and nuts to wheat and dairy. This activity reached an audience of over 2.5 million netizens in China through social media platforms and over 200,000 real-time viewers through livestreaming. Additionally, ATO Beijing strengthened connections with baking associations and businesses and generated trade leads with this activity.

Background

Over the past thirty years, China's baking sector experienced robust growth. The outbreak of COVID-19 in early 2020 slowed down overall economic development but hardly impacted the baking sector. In fact, China's imports of baking-related ingredients such as nuts, dried fruit, and dairy products climbed steadily over the past three years. This indicates that the baking sector continues to have strong growth potential for U.S. exporters.

To capture this market opportunity, FAS China ATOs launched a national promotion for U.S. baking ingredients. ATO Shanghai conducted a pilot activity in 2021 with great success, and ATO Beijing brought it to Beijing this year with the goal of reaching audiences in North, Central, Northwest, and Southwest China.

USDA Cooperators Warmly Welcome the Activity

USDA Cooperators expressed support for this activity in its earliest planning stages. The baking industry cuts across a wide spectrum of commodities from nuts, dried fruit, and dairy products to wheat. The activity convened multiple Cooperators to maximize impact.

As a result, almost all Cooperators exploring China's baking sector or that intend to do so in the future supported the activity, including U.S. Pistachios, Blue Diamond Growers, California Prunes, U.S. Cranberry Marketing Association, U.S. California Raisin Administration, U.S. Tart Cherry, U.S. Wheat Associates, U.S. Highbush Blueberry Association, U.S. Dry Pea and Lentil Council, and the U.S. Dairy Export Council.



Good Local Partners Matter

A good partner in the target market ensures success. In China's baking sector, there are a number of professional associations, each with its own strengths. ATO Beijing selected the China Association of Bakery and Confectionery Industry and provided



the framework and foundation for cooperation that would make the activity a success.

The China Association of Bakery and Confectionery Industry, abbreviated as Bakery China, is the leading baking association in China. What makes Bakery China distinct is its huge number of members, its ownership of the largest bakery trade show in the world (Bakery China Show), its strength in new media, and its experience in working previously with USDA Cooperators.

The Main Events

The activity was designed to address the three most important players in the baking sector (purchasing managers, chefs, and consumers) in three parts (seminar, chef demonstration, and in-store promotion).

I. The Seminar

The seminar targeted senior managers of food ingredients importers/distributors, bakeries, and food manufacturers and aimed to influence purchasing decisions by providing information on high quality baking ingredients from the United States and the latest baking trends. The seminar was comprised of three sessions, including presentations, panel discussions, and U.S. baking ingredients updates. Two speakers delivered presentations. The first was from TikTok, which has the most dynamic e-commerce platform in China. He spoke about the promotion of moon cakes on the TikTok online shopping platform. The second speaker was from a prominent baking industry consulting firm. He shared lessons learned from experience and best practices for opening a new bakery. The panel discussion included in-depth exchanges on the role that high-quality ingredients could play in boosting sales and brand reputation, involving representatives from supply chains, bakery houses, and master chefs. Finally, the U.S. baking ingredients update session highlighted the latest information on nutrition, harvesting, applications for use, and marketing strategies.



ATO Beijing Director Lashonda McLeod Harper kicked off the seminar with opening remarks.

I. The Chef Demonstration

The chef demonstration aimed to raise awareness of U.S. baking ingredients among R&D managers, pastry chefs, baking students, and home bakers. Two master chefs were invited to give demonstrations on how to use U.S. baking ingredients in bread and dessert products. The preparation of five bread and four dessert products was shared with over 200,000 online baking professionals in addition to in-person participants.

II. The In-store Promotion



In-store promotion product 1 using California almond slices and U.S. dairy permeate powder

The in-store promotion was held from August 29 to September 5, 2022. Two leading bakery houses in Beijing, Dai Co. and TIENSTIENS were selected for this promotion. Dai Co. product marketing embraces a healthy and natural approach, and TIENSTIENS is famous for its high-quality French-style pastries. Consumers warmly welcomed the new products featuring U.S. baking ingredients.



In-store promotion product 2 using U.S. dried blueberry and California almond slices

Far and Wide-reaching Influence

The activity planned to host 80 in-person participants; however, due to sudden COVID-19 restriction requirements, only 20 in-person participants were permitted. The in-person participants included representatives from importers, distributors, supply chain service providers, baking training institutions, bakery houses, and baking food manufacturers; regionally from not only Beijing, but also Tianjin, Hubei, and Shanghai.

Online sharing and livestreaming have become the most important source of new information for baking practitioners all over China. The activity had over 200,000 live views on platforms: a live-streaming platform, a WeChat public account, and a video/photo sharing platform.

The activity was widely reported by Bakery China and other baking sector new media through a range of mobile applications such as WeChat, Xiao Hong Shu (little red book), email, WeChat video account, Bakery China official website, text message and prints, reaching over 2.6 million baking practitioners, importers and distributors, and home bakers across China.

Trade leads on buyers of high-quality U.S. baking ingredients were generated through the activity; follow-up is ongoing.

Connections Made and Strengthened

- I. Activity Partner: Bakery China, A Potential Long-term Partner

The activity strengthened ATO Beijing's connection with Bakery China. Bakery China continues to lead the industry with the world's largest bakery show, the Bakery China Show, which attracts over 300,000 visitors to Shanghai annually. A positive image of U.S. baking ingredients will continue to grow and sales in the China market could increase as a result of extended and expanded cooperation with this association.

II. Angel Yeast, A Distributor Striving to Increase Sales of U.S. Baking Ingredients

Angel Yeast provided an excellent activity venue with professional baking facilities and equipment.

Founded in 1986, Angel Yeast is a producer of yeast and processed products in China. Over the past thirty years, Angel Yeast has become a major player in China's baking sector and a predominant supplier of yeast and processed products for the baking sector. Taking advantage of its strong sales channels and supply chains, Angel Yeast is developing and expanding its supply and distribution of baking ingredients. For example, in 2021 the company imported over 10,000 tons of U.S. cranberries to process and supply to its clients. ATO Beijing is in contact with its import department to promote the import of more U.S. baking ingredients.



Lashonda McLeod Harper, ATO Beijing Director (right) with Mr. Yang Quan, General Manager of Angel Yeast Beijing (Left) and Mr. Zhang Jiuling, President of Bakery China (Center)

III. TikTok, A Booming E-commerce Platform

In 2016, the viral video sharing app TikTok was created. The app immediately exploded in popularity and quickly became the leading video sharing platform in China, expected to boast 690 million registered users by end of 2022. E-commerce marketing is a priority of TikTok's business strategy. To date, its online shopping mall has been extremely successful at attracting consumers who used to buy only from other e-commerce giants like JD.com and Alibaba.

Conclusion

The baking sector in China is experiencing robust growth, and consumer demand for high-quality baking ingredients is substantial. Participant's awareness of U.S. baking ingredients remains weak. Given this event was hosted in Beijing, there is reason to believe second-tier city markets would be even more in need of education and outreach on U.S. baking ingredients. Nutritious food ingredients are of increasing interest to food producers. Second-tier city markets have untapped potential that should be considered in marketing plans for exporters. There are many second-tier cities in ATO Beijing's region, including but not limited to Tianjin, Qingdao, Xi'an, Chengdu, Chongqing, Wuhan, Guiyang, Changsha, and Kunming. In addition, it is part of ATO Beijing's strategy to outreach to non-traditional bakery

houses, particularly those with a social awareness theme. This hybrid virtual activity will be included in the long-term strategy of ATO Beijing.

Lastly, it is important to partner with highly influential industry organizations. Bakery China was able to reach over 2.6 million baking practitioners and attract over 200,000 live views across China. This impressive audience would not be attainable for industry organizations without the cooperation of exceptionally influential partners and online media coverage.

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Provinces: Hebei, Henan, Shandong, Shanxi, Hubei, Hunan, Shaanxi,
Qinghai, Sichuan, Guizhou, Yunnan, Gansu, Jiangxi
Autonomous regions: Xinjiang Uigur, Xizang Zhuang, Ningxia Hui,

Attachments:

No Attachments.