

# ARGENTINE BEEF

## **Brief for Market Research and Strategic Plan for the Promotion of Argentine Beef in China and Hong Kong<sup>1</sup>.**

### **General objective**

The aim is to carry out a Market Research study for Argentine Chilled and Frozen Beef, bone-in and boneless cuts and offal in China and Hong Kong that allows to identify the current structure of the market, the location and characterization of the demand, the distribution and marketing, the main players in every link of the chain and the description and consumption trends.

### **Specific Objectives**

- 1- Define the structure of the market, its current situation and future prospects,
- 2- Define promotion strategies in accordance with each market segment and points of sale,
- 3- It should be supplemented with the development of a Strategic Plan for the Promotion and Communication of Argentine Chilled and Frozen Beef, bone-in and boneless cuts and offal in China and Hong Kong,
- 4- Define the type of products to be promoted, cities, markets, market segments and specific targets, with promotional actions that allow positioning the image of beef in these markets and improving their market share.

### **Methodology**

The study will be conducted based on the analysis of secondary information sources, and specifically, primary information-gathering from contacts with qualified informants in the sector, access to own or purchased databases where it is advisable to take into account the statistics from 5 to 10 years prior to the date of the study for its prospective analysis.

Specific objectives should also include the following:

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<sup>1</sup> If the Company cannot develop the present study in Hong Kong, it should be clearly stated in its methodological and economic proposal.

### Beef production in China and Hong Kong

Description of bovine herds: breeds, stock, structure, slaughter, beef production, etc. Location of production areas. Description of current and future production trends.

### Offer description

-Local current offer for chilled and frozen beef, bone-in and boneless cuts and offal. Current size of the offer and future trend, specifying: type of product, cuts, classification, product presentation, quality and price etc. Marketing and distribution systems of the local offer.

- Structure of external offer for Chilled and Frozen Beef, bone-in and boneless cuts and offal:

Countries of origin and source countries of imported beef. External share within the total available offer in the market. Identification of external offer: type of product, cuts, classification, product presentation, quality, price, distribution and marketing channels and positioning in the market.

### Market Access conditions, Import and transport operations

General tariff treatment and tariff preferences per product and country of origin. FTA.

Analysis of regulations related to import and trading in China and Hong Kong for Chilled and Frozen Beef, bone-in and boneless cuts and offal.

Ports and/or airports of entry. Nationalization of the product; administrative and customs procedures, duties, certifications, health and quality controls. Costs. Special customs zones: description and benefits granted for the import of beef and internalization into mainland China.

Structure and logistics of beef transport in domestic market for chilled and frozen beef, bone-in and boneless cuts and offal.

### Description of beef distribution

-Distribution channels for Chilled and Frozen Beef, bone-in and boneless cuts and offal.

Analysis of institutional and private distribution channels: importers, distributors, wholesalers and retailers. Market share of each distribution channel within the overall beef distribution and growth prospects. Description of each channel: supply system, quality requirements and certifications for processes and products, traded volumes and their demand characteristics: type of product, cuts, classification, product presentation, labeling requirements and quality. Purchase conditions: average volume, purchase conditions and payment terms.

-Identify and classify the main companies in every link of the supply chain and their market share. Geographic location of the main demanding centers.

### Description of beef marketing

Analysis of the main marketing channels for beef: traditional markets, supermarkets and hypermarkets, HORECA sector and on line – ecommerce systems. Description of the type of product traded in each channel, sourcing and marketing methods.

Processing of imported beef in China (fractioning and packing) for its marketing and consumption.

### Demand description

Description of current and future consumption of Chilled and Frozen Beef, bone-in and boneless cuts and offal. Identification of the main cities / regions and market segments. Consumption methods and seasonality per region.

Institutional and private consumption trends: consumer preferences regarding quality of the product.

Purchasing system (points of sale, type of product, product presentation, etc.).

Beef consumption outside the household (HORECA)

Appearance of new consumption patterns for beef.

### Beef Price analysis

Price evolution at different marketing channels.

Price differentiation regarding the type of product, product presentation, classification and distinguishing qualities.

Trading margins in every link of the value chain.

Price seasonality.

### Marketing Actions and communication from competitors

Identify different promotion actions from local and external competitors: advertising campaigns, direct marketing actions, current costumers' loyalty, promotions and sales terms, etc. Positioning strategies.

### Argentine Beef

Identification of Argentine beef share in the Chinese market:

-Positioning of the product in the Chinese market. Perception of the market and consumers.

- Positioning of the product against the same product coming from third markets: quality, price, etc.

-Current distribution channels for Argentine beef: growth prospects within these channels, or access strategies for new products (high value cuts)

-Prices in different distribution channels, positioning regarding local offer and offer from third markets.

-End use of the product: processing, trade, catering, etc.

### Conclusions y Recommendations

As a result of the research carried out, the study should identify market opportunities for Argentine beef, type of products to be traded, markets and market segments for each type of product and marketing, trading and communication strategies to achieve consolidation of Argentine beef exports, their growth, both in volume and price, and the development of new commercial opportunities.

## **Specific Terms and Conditions to Participate in the Request for Proposals**

### **1) Company's Profile and Background**

The company should preferably have an advertising, marketing and merchandising agency.

The company should have, at least, 3 (three) years of experience in the market and have branches present, in, at least, 2 (two) city in China. The company should be able to subcontract in other cities where it is not physically present.

The company should have the necessary background and it should submit evidence supporting its track-record in the works to be performed, the research field or similar fields, and it should have experience in market research and marketing of foodstuff imports.

### **2) Research Team**

The professional team in charge of the Research Study should be presented, along with its background and experience in the specific research field.

### **3) Work Plan and Schedule of Activities**

Provide details about the work plan and schedule, relevant to the tasks to be performed in each stage (concurrent and sequential), along with their duration and the objectives set for each stage.

### **4) Work Plan and Schedule of Activities**

Provide details about the results expected from each work stage, considering the submission of two partial reports and a final report upon completion.

### **5) Work Method**

Provide details about the research methods and materials and information sources, explaining the validity of the proposed method.

## **6) Quote**

Quotes should be submitted in United States dollars, and they should include unit and total price (taxes included) of the Market Research Study to be performed, including every expense resulting from work development and delivery. Payment method of the performed work should also be included.

## **7) Proposal Submission Date and Method**

Proposals should be sent to [s.rey@ipcva.com.ar](mailto:s.rey@ipcva.com.ar) and [a.scarano@ipcva.com.ar](mailto:a.scarano@ipcva.com.ar) by **February 9, 2018**. Proposals, as well as the Market Research Study, should be submitted in English and Spanish languages.

Short-listed companies must submit their proposals in Buenos Aires, on a date to be defined, represented by their owners or duly authorized representatives, at no cost for IPCVA.

## **8) Questions**

For further details, interested parties should contact Sergio Rey [s.rey@ipcva.com.ar](mailto:s.rey@ipcva.com.ar) and/or Cecilia Benasayag [a.scarano@ipcva.com.ar](mailto:a.scarano@ipcva.com.ar)