

At home with mums in China

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Host Institution



Chinese consumers

- Major market for New Zealand food
- Chinese consumers of NZ foods:
 - Have a strong interest in the health of their family
 - Have experienced an event or reached a life stage that triggers a re-evaluation of diet
 - Are younger, have travelled or have interests in overseas countries
 - Are responding to food trends
- “The camera sees more than the eye, so why not make use of it?” – Edward Weston (1886-1958)



Introduction

- Update on progress and the next 6 months
 - Infant, Metabolic, Gastrointestinal and Immune health
 - Piloting a new way to engage with companies
- A phased approach to collecting consumer insights
 - Fast-track start to data-collection (survey and social media)
- **Infant Nutrition – Complementary feeding**

Phased approach

- Understanding behaviour in the home
- Confirm with larger number of consumers
- Fast-track start to Infant Nutrition:
 - Survey
 - Social media



Survey: Complementary feeding

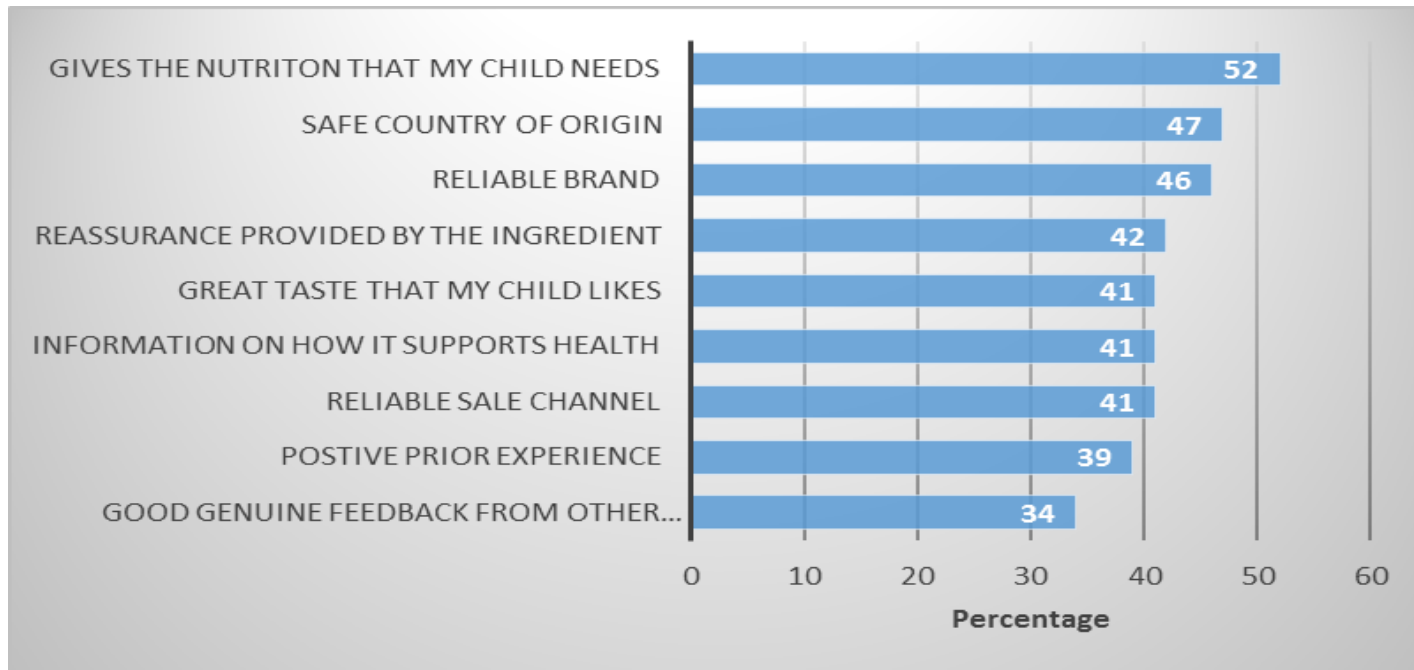
- Complementary feeding occurs when breast milk alone is no longer sufficient to meet the nutritional requirements of infants, and therefore other foods and liquids are needed, along with breast milk. It typically covers the period when the baby is between 6 and 24 months.
- MMR Research Worldwide collected the data.
- >500 Mums (20-35 years) with children aged 3 months to 3 years from each of Shanghai, Guangzhou and Hong Kong.



Complementary foods



Factors that affect choices of pre-packaged complementary foods



Concepts for assessing value

Rice Cereal

(+ different immunity claims)

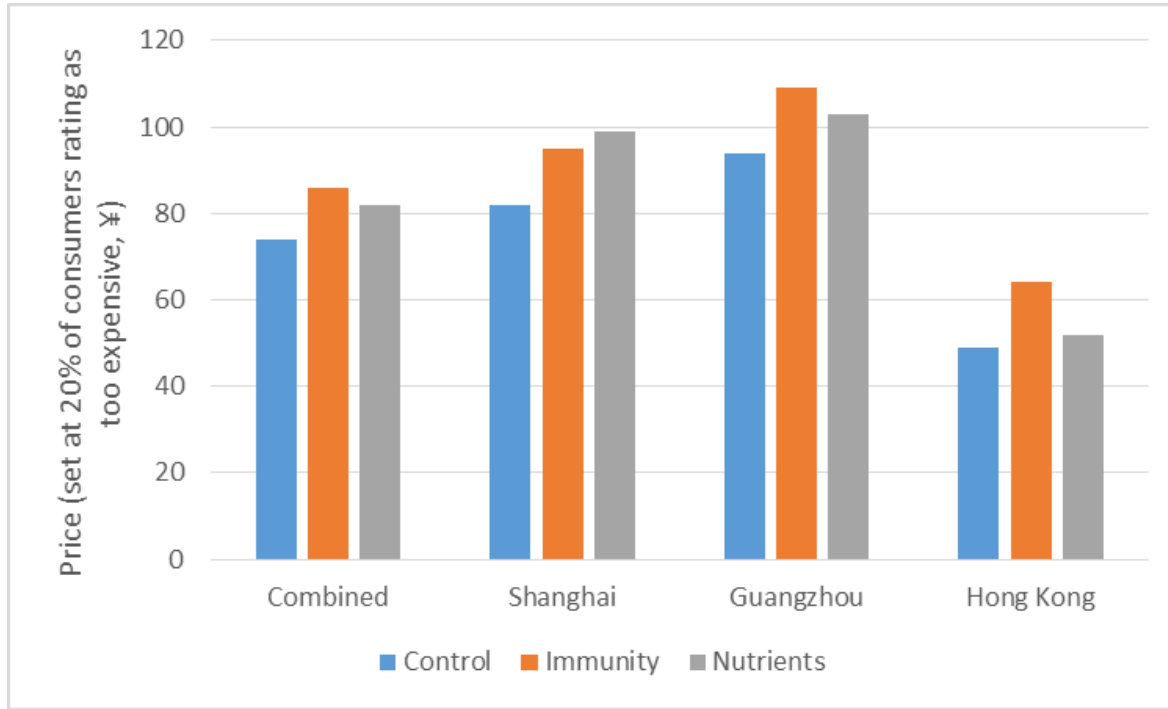
- This rice cereal was made in New Zealand.
- This rice cereal was made in New Zealand using ingredients that have been shown strengthen children's **natural immunity**.
- This rice cereal was made in New Zealand using ingredients that have been shown strengthen children's **natural protection from illness and infections**.

Whole Apple

(+ immunity vs. general nutrients)

- This apple was grown in New Zealand.
- This apple was grown in New Zealand and as a pureed complementary food has been shown to strengthen children's **natural immunity**.
- This apple was grown in New Zealand and as a pureed complementary food is a good **source of nutrients and minerals**.

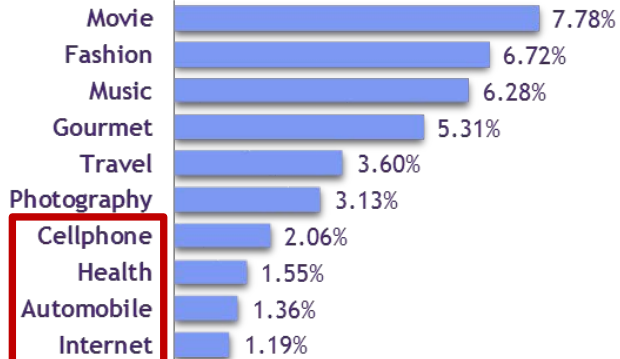
Pricing for whole apple concepts



Social Media

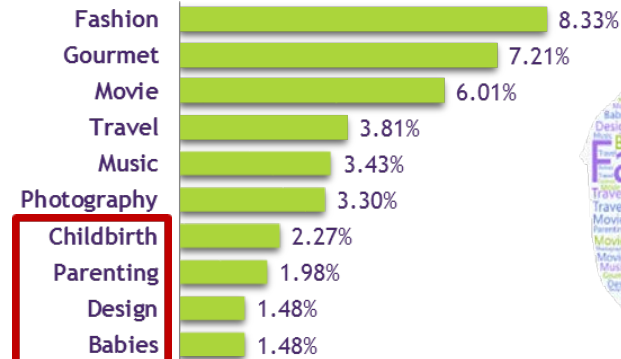
Top 10 Male hobbies

(Base size : 23,267 users)



Top 10 Female hobbies

(Base size : 131,170 users)



One year of posts on Sina Weibo that contain 'complementary food' with noise (e.g. adverts) filtered out; 154,437 users

Methodology



- 12 in-home interviews; 4 Focus groups
- In Shanghai with professional socio economic interviewees
- Interviews conducted in Mandarin
- **Aim: To understand the needs, attitudes, emotions and concerns of Chinese consumers in the area of infant foods**
- Analysis – Chinese speakers did the translation and first wave coding

Feeding Beliefs

- Breastmilk and Baby Formulae – huge confusion

- Neither has all nutrients baby needs, so use both
- Following the return of menstruation breastmilk is no longer nutritious
- Length of maternity leave varies hugely
- Find a brand and stick with it – fear of allergies



- Homemade and packaged foods – from 4-6 months

- Homemade is fresh, natural and safe
- Hard to preserve, no 'fridge', limited space
- No skill for cooking
- Packaged have added nutrition but concern for preservatives
- Concern with taste and texture of packed foods



Information Acquisition and Dissemination

- Online social networking sites and international logistics have enabled a variety of channels
- Prefer WOM; reliable and trustworthy (1 degree of separation)
- Almost none of the Interviewees did any independent research to develop an informed or critical view of infant food and nutrition

Nutrition

- Almost no interest in or understanding of nutrition
- Complete trust in (trusted) manufacturers – expectation that formulae, follow-on milk and supplementary foods contain all the nutrition relevant for the age they are marketed to
- The aims of supplementary food are considered to be
 - Health maintenance
 - To boost immunity



Product and Brand Selection

- Core demand = safety and quality
- Brand reputation is extremely important (not a new brand)
- Domestic brands not trusted
- Foreign brands considered superior (labelling dilemma)
- Brand must be recommended by trusted others
- Foreign brands considered to come from countries with high levels of safety, advanced food processing technology and better milk origin

Purchase Channels

- Overseas 'daigou' via acquaintances is considered the most trustworthy
- Some concerns: freshness, time-consuming, expensive shipping
- 'Daigou' via strangers = concern with counterfeiting
- Good choices: physical stores (some quality control perceived)
- On-line – mixed views.
- Reliability of purchase channel highly significant

Pricing

- Parents very willing to spend on foods for their children
- Food safety a huge concern, therefore willing to pay for premium foreign brands
- Attracted to the idea of fortified supplementary foods
- Willing to pay 1.2x – 1.5x more for such foods



Perceptions about New Zealand

- Favourable
- Good food products
- High quality and safety
- Limited information regarding brands
- High willingness to consume NZ products



Consumer profiles

- We categorised our consumers in to 4 basic profiles



Self-aware consumers



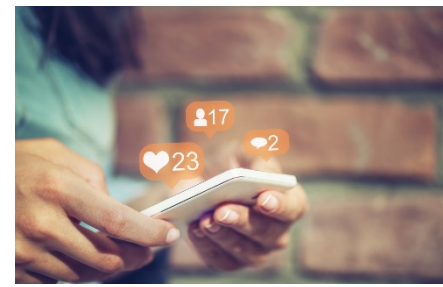
- Consumers who think critically and reflectively
- They have in-depth knowledge and shop purposely
- They draw from multiple sources of information
- They are attracted to scientific evidence and claims
- They are confident making decisions after rigorous research
- They are self aware and curious
- They were a tiny portion of our Interviewees

Confused Consumers



- Has some knowledge of nutrition, but superficial understanding
- Frequently seek the opinion of others, but have inadequate capacity to evaluate and verify inconsistent information, so end up lost and confused
- They are risk averse in their decision making and rely heavily on trusted others and experts
- They were a large portion of our Interviewees

Careless consumers



- Have similar characteristics to confused consumers, but are more careless
- They are not motivated to seek information, rather they are passive information gatherers
- They mainly follow others
- They are comfortable with external guarantees - trends and whatever is popular
- Also well represented in our Interviewees

Experienced consumers



- Experienced parents who are confident
- Relaxed about feeding if their child is reaching expected milestones
- Actively seek information and/or advice only when a problem occurs
- Do not follow trends, but not very active in seeking information
- As baby grows older, many confused and careless parents may evolve in to this type of consumer

Thoughts for Industry

- Visual heuristics could be used to highlight significant nutrients and their benefits
- For packaging, highlighting preserving technology and freshness
- Differentiation by highlighting nutrition differences
- Marketing that demonstrates how the product could support parents in different contexts/settings/environments

Thoughts for Industry

- Brand collaboration with internet celebrities
- Launch brands via popular mobile apps
- In programme brand/product placement
- Price to attract the high value consumer
- Smaller sized packaging
- Emphasize the history of the brand
- Ensure web sites are up-to-date
- NZ needs to invest in its brand