



Rocks & Wings Ltd.

# MARKETING ORGANIC PRODUCTS IN ASIA

Event: BIO-ASIA-LINK CONFERENCE / Beijing  
Date: 17. - 18. 10.2007  
Presented by : Hans Kottulinsky

# INTRODUCTION

## SPEAKER:



**Hans Kottulinsky (33)**  
**Austrian / Shanghai Resident**  
**Forest Engineer / Marketing / Finance**  
**Nature/ Health / Sports**

## ORGANISATION:



**ORGANIC Retail Association (4)**  
**Member of IFOAM**  
**World Wide / HQ in Austria**  
**Know How Exchange/ Market Development**  
**Nature/ Health**

## COMPANY:

**ROCKS WINGS LTD.**



**ORGANIC Consulting and Trade (2 ½)**  
**Hong Kong / Shanghai**  
**Know How / Marketing**  
**Nature/ Health/ Activity**





## ORA MISSION

1.

To support the Organic Retailing Sector worldwide.

2.

To encourage the development of independent Organic Retailing Sectors in emerging markets.

3.

To link and exchange the know-how of international organic market-development experts.

4.

To build up international networks between the actors along the supply chains of organic food retailers.



# WHO IS THE CUSTOMER ?

- Singles and young families in their
- late 20ies to mid 40ies, have a
- higher education, white collar worker
- 1a/ 1b income group,
- urban citizens.
- They are self conscious,
- eager to learn and
- happy to invest in their well being.
- They are conscious with brands and like to show their status.
- They tend to be sporty, members in a gym and like out door activities.
- **EXTREMELY SUSPICIOUS**

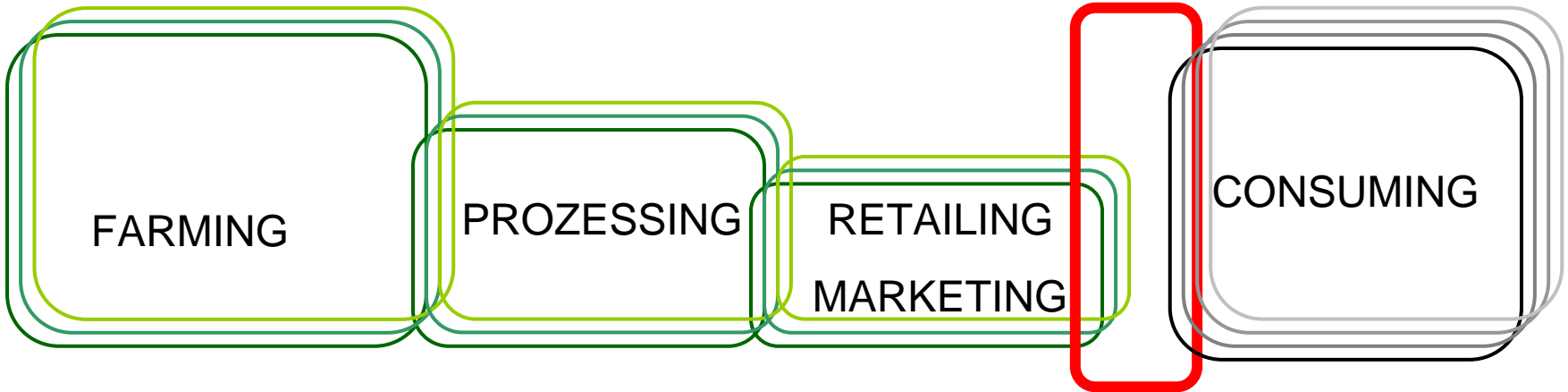
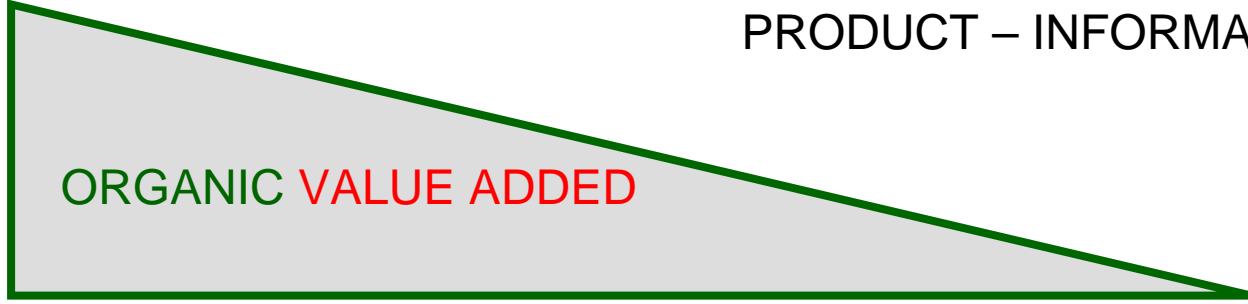
R&W Market study / Shanghai 06/07



# ORGANIC VALUE CHAIN

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PRODUCT – INFORMATION FLOW



MONEY FLOW

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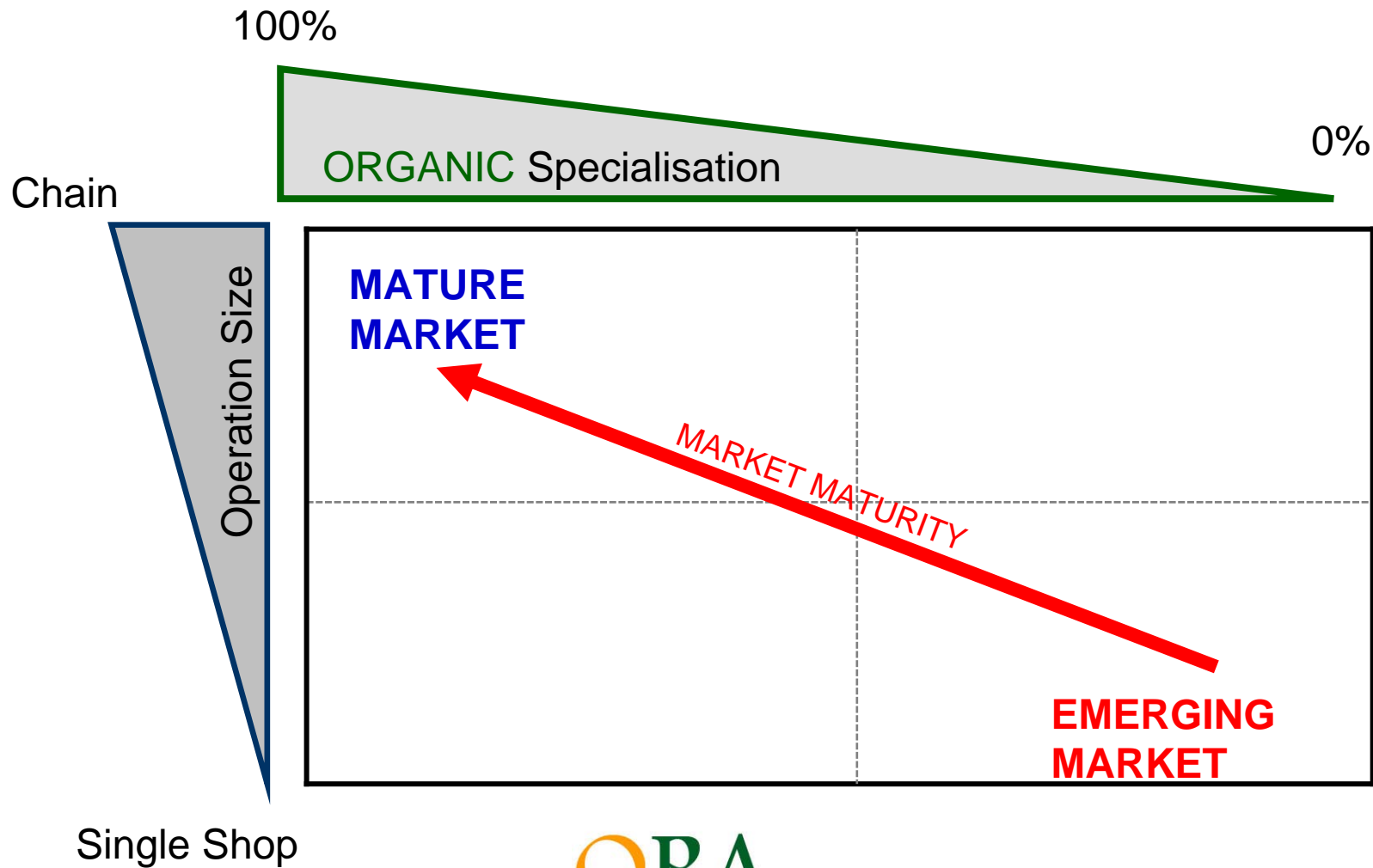


# WHAT IS ORGANIC RETAIL

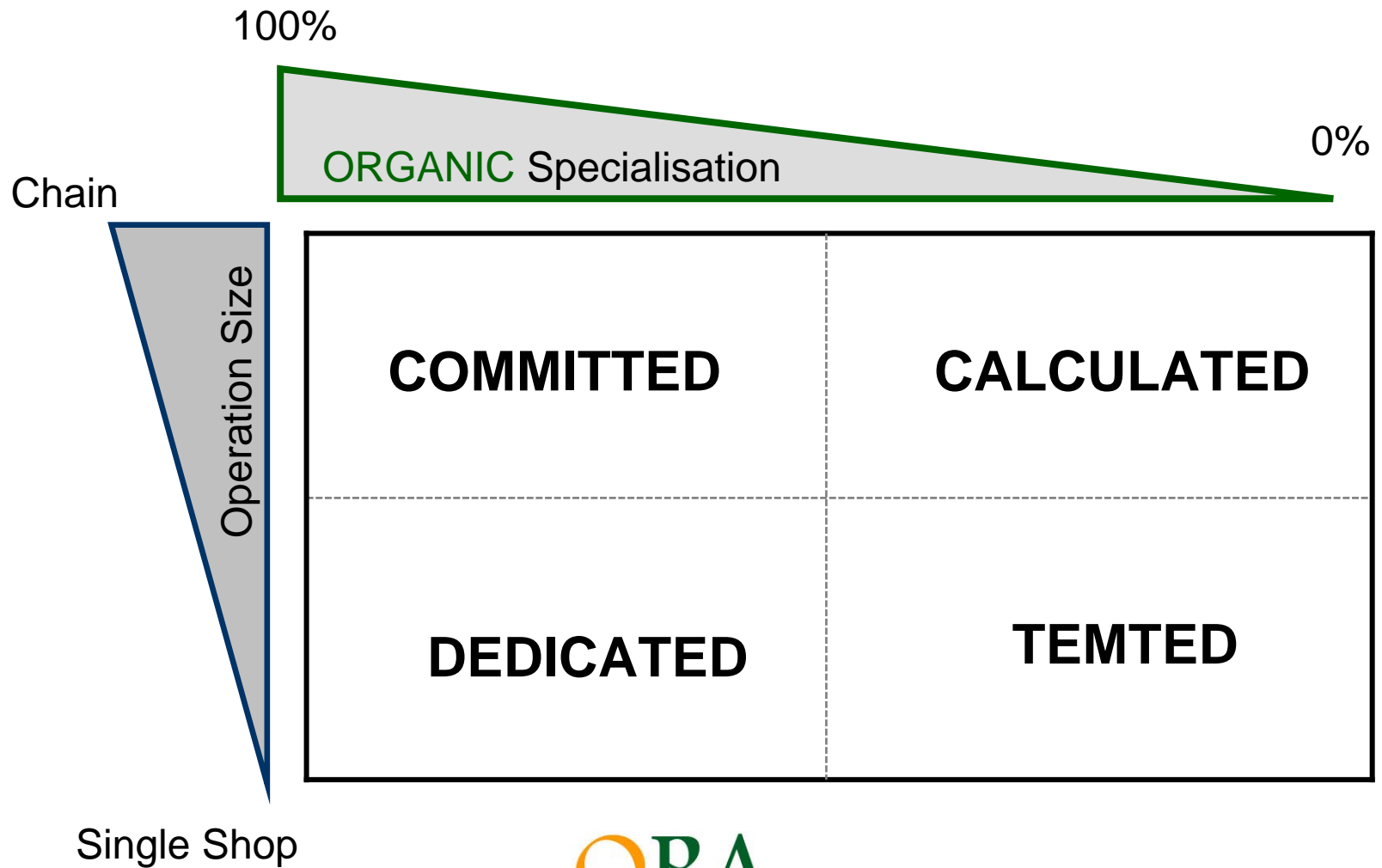
- ~~Certified Product~~
- + Retail Shelf
- ~~+~~ **ORGANIC Retailing Concept**
- + ORGANIC Product Know How
- + ORGANIC Communication Strategy
- + ORGANIC Promotion Plan
- = **ORGANIC RETAIL**



# DEGREE OF SPECIALISATION



# SPECIALISATION IN CHINA



# SPECIALISATION – TEMPTED

## PRODUCT PORTFOLIO

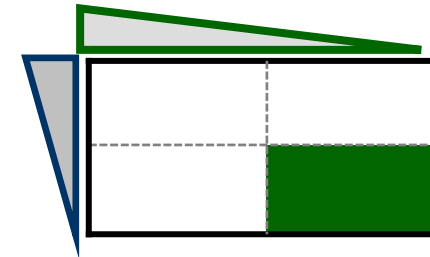
Portfolio , appears randomly selected, no with and depth in the assortment, tend to be overpriced because of small volumes, supplier driven

## MARKETING CONCEPT

No marketing concept, intention to sell over price, no separate communication or promotion, sometimes off sell of outdated items.

## ORGANIC KNOW HOW

No specific know how, staff is mostly confused when addressed by interested customers, no dedication of management - no dedication of staff



## REMARK

Is one possible way to enter but is not seen as ORGANIC RETAIL, very often frustrated after first try,



# SPECIALISATION - COMMITED

## PRODUCT PORTFOLIO

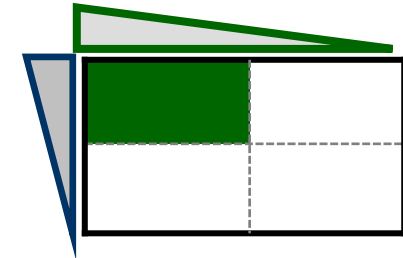
A high % or pure ORGANIC product portfolio with a number of items in each category and a selection of products in various price ranges – depth and width

## MARKETING CONCEPT

A ORGANIC driven marketing concept with an integrated communication strategy and promotion plan, the customer knows what to expect.

## ORGANIC KNOW HOW

Deep know how, highly trained staff with strong dedication to the topic.



## REMARK

It needs a mature market with a broad customer base and sufficient quality locations



# **ADVANTAGE OF SPECIALISATION**

**BETTER ORGANIC KNOW HOW**

**BROAD AND DEEP PRODUCT PORTFOLIO**

**HIGHER VOLUME**

**LOWER COSTS**

**EASIER TO COMMUNICATE**

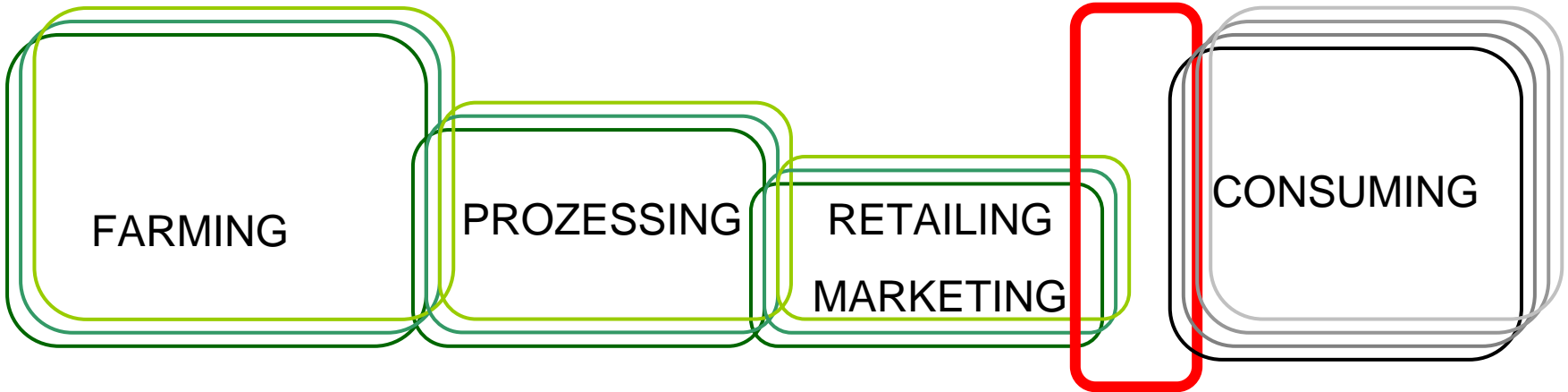
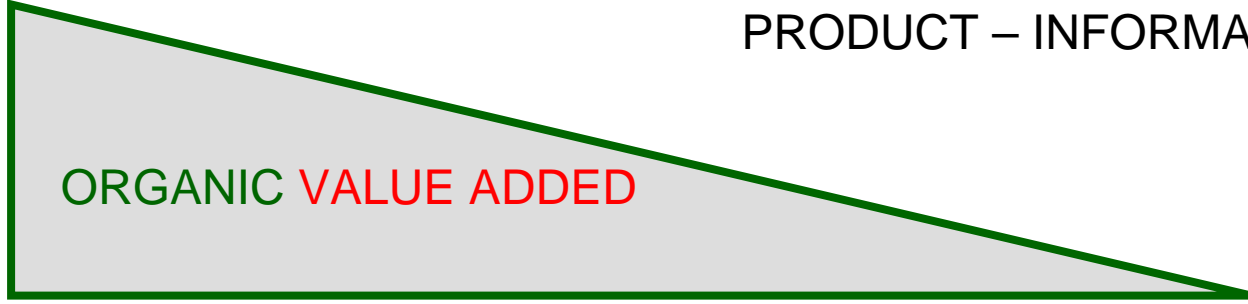
**CUSTOMER KNOWS WHAT TO EXPECT**



# ORGANIC VALUE CHAIN

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PRODUCT – INFORMATION FLOW



MONEY FLOW

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# INFORMATION FLOW

## HORIZONTAL INTEGRATION

Organisation of Marketing units

PRIVATE LABELS

REGIONAL ASSOCIATIONS

## VERTICAL INTEGRATION

Development of value chains

INTEGRATION OF PRODUCTION,  
PROCESSOR , RETAILER

**SUSTAINABLE  
TRUST**



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