

California Asparagus and Strawberries Make Gains on Taiwan and in Japan

By Elizabeth Mello

Taiwan and Japan offer good opportunities for many U.S. horticultural products. This article examines market constraints and describes the flourishing efforts underway to capitalize on opportunities for asparagus and strawberries in Japan, and for asparagus on Taiwan.

Familiarity Breeds Content

The California asparagus industry faced a challenge. Although Japan and Taiwan are major Asian markets for California asparagus, a fundamental difficulty confronting the product is one of limited recognition.

Japanese retailers are reluctant to advertise and promote California asparagus, so consumers do not differentiate this product from that of other countries and may be unfamiliar with its many uses, quality and wholesomeness.

Like their Japanese counterparts, consumers on Taiwan lack awareness of the origin, attributes and uses of California asparagus. In addition, Taiwan's traders need more familiarity with handling and storage (especially at the retail level), as well as such attributes as grade and size.

On the strawberry front, Japanese consumers lack awareness of the origin, wholesomeness, characteristics, use and availability of California berries, while Japan's food trade lacks knowledge of their firmness and size, promotion ideas and handling. The trade is also resistant to off-season promotions.

The California Asparagus Commis-

sion, the California Strawberry Commission and FAS staff in Washington, DC, in Japan and on Taiwan have set out to improve the market positions of asparagus and strawberries in Japan and asparagus on Taiwan through a number of objectives:

- learning marketing methods and consumer preferences for the products
- visiting food retailers, hotels and restaurants conducting product promotions
- determining the competitive challenge of domestic and foreign products
- helping U.S. exporters generate direct trade contacts with importers and retailers, strengthen sales and distribution networks and establish long-term partnerships with leading importers in Taipei and Tokyo

Taiwan Making a Meal of Asparagus

Vigorous and imaginative efforts are underway to promote California aspara-



gus. On Taiwan, the vegetable has caught the attention of both the food service and retail sectors. At the Intercontinental Hotel in Taipei last March, an eight-course luncheon showcasing California asparagus was well attended by local media and so well received that it was extended for two weeks. The Hilton held a month-long menu promotion of California asparagus, with a fixed-price lunch featuring everything from shrimp meat-wrapped asparagus to—you guessed it—ice cream. Media coverage was extensive, with 56 articles reaching a readership of 13.1 million and seven TV and radio spots.

Although the supermarket is relatively new to Taiwan, upscale retailers display asparagus in attractive ways, such as in water or wrapped in cellophane. Sampling promotions in 15 hypermarkets increased sales by an estimated 365 percent. Recipe

leaflets and attractive packaging (five spears in a narrow plastic bag) also prompted consumer purchases. Between 2001 and 2002, consumer awareness of California asparagus jumped from 22.5 to 48 percent, and knowledge of preparation methods rose from 33.8 to 43.6 percent.

But Taiwan's asparagus market presents challenges as well. Its import scene has changed a lot: while a few importers controlled vegetable imports in the past, many new importers have emerged since the liberalization of Taiwan's market. Moreover, Thai asparagus, which tends to be extremely uniform and attractively packaged, and is declining in price, is offering stiff competition to California asparagus. Price figures significantly in the buying decisions of Taiwan's importers.

In Japan's asparagus market, U.S. product competes primarily with imports from Mexico and the Philippines and

with domestic product. Although U.S. exporters have expressed concerns about Chinese asparagus penetrating the Japanese market, knowledgeable market observers do not see China as an immediate competitor, due to infrastructural and chemical residue issues. Meanwhile, importers note that California asparagus will continue to have a place in Japan, although the country's ongoing economic downturn combined with a strong U.S. dollar constrained 2002 sales.

The standout activity for California asparagus in Japan so far has been a contest consisting of an asparagus quiz. The response was overwhelming: contest promoters expected a maximum of 5,000 entries—and received over 30,000. The contest was supported by media initiatives, including one-page, full-color articles in publications with a circulation of 6.5 million, and TV features reaching



525,000 households. A consumer survey one month after the contest showed a 31-percent increase in consumer awareness of California asparagus over the prior year.

Japanese Relish Strawberries

The Japanese have a theory about strawberries and the economy: when the country is in the financial doldrums, consumers turn to well-known fruits such as strawberries because these foods help them feel more secure.

This seems to be true in the capital at least, since strawberry products are everywhere. In Tokyo, promotions for California strawberries have garnered considerable success, especially in the bakery sector and in several restaurant chains. Strawberries are used in a plethora of products, including ice cream, cookies, candy, sandwiches, crepes and beverages. Strawberry milks are extremely popular in the beverage category,

and the Japanese chain Pronto has done an especially good job at marketing this product with U.S. IQF (individually quick frozen) strawberries.

Since the California industry sells both fresh and frozen strawberries in Japan, the country's food service industry primarily relies on frozen product with limited use of fresh. U.S. berries are generally considered to be not quite sweet enough for the average Japanese consumer's palate. But the industry's success with frozen product is leading Japan's retail trade to promote and sell fresh berries, and its food service sector to consider using fresh product as well.

The California strawberry industry is developing innovative ways to encourage use of fresh berries, such as in salads and pasta dishes. In Japan, fresh strawberries are mainly consumed in winter and early spring, having been produced in hothous-

es. To encourage consumption of California strawberries in the "off-season" (May-July), the industry targeted a summer strawberry breakfast campaign to the retail and food service sectors. In the food service area, menu promotions were held with several leading hotels and two major restaurants.

On the retail side, the industry partnered with 14 leading retail chains with in-store sampling and demonstrations in 122 outlets. The health benefits of California strawberries were showcased on a television program in the Osaka area, reaching over 10.9 million consumers. ■

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