

# The retail landscape in Singapore, Hong Kong & Dubai: Opportunities for Australian berry growers

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As part of the Berries Australia International Market Tour to Singapore, Hong Kong and Dubai (UAE) in September 2023, we visited the different stages along the supply chain in those markets to gain an insight into how fresh produce is imported, distributed and marketed, and what opportunities might exist for Australian berry growers.

All three of these markets are non-protocol markets so there are no phytosanitary protocols required for imported produce. Additionally, there are free trade agreements in place between Australia and both Singapore and Hong Kong, and negotiations are underway for a free trade agreement with the UAE.

In all markets, there were berries for sale from all over the world, and not surprisingly a lot of produce from the large marketing groups such as Driscoll's. There were, however, a lot of berries from smaller growers, particularly in retail outlets that use 'provenance' as a marketing tool, or where importers or retailers have direct relationships with growers.

## Packaging

The range of packaging used in all three markets was much larger than in Australian supermarkets.

Other than in some smaller high-end retailers, much more of the fresh produce in Singapore and Hong Kong relies heavily on plastic packaging than in Australian retailer outlets. Many products are double packaged in plastic, and some larger items such as melons are individually packed as well, although in cardboard. A lot of premium fruit is individually packed, or in packaging that separates individual pieces of fruit, particularly fruit from Japan and Korea.

In Hong Kong and Singapore, people shop more frequently and buy less at a time, so convenient packaging is popular, such as produce in carry cases, e.g. the watermelon boxes. This is probably partly due to a higher reliance on public transport and local shopping, and the smaller size of kitchens and apartments.

In Dubai, there is more focus on sustainability and minimising packaging. The population also shops differently to both Singapore and Hong Kong, as they are far more reliant on cars much like Australia (in part because it is too hot!).

In all markets there was a greater range of different sized packaging, and different sorts of packaging for berries and other fresh produce, especially for snacking. Blueberries are popular in flip-top or screw-top tubes and tubs, as are cherry tomatoes and even raspberries.



**Watermelons sold in branded cardboard carry boxes**



**Scottish strawberries in moulded plastic packaging**



**Japanese fruit in individual packaging**



**Even the broccoli and other vegetables like whole pumpkins are often plastic wrapped**



**OZblu® blueberries in tubes, and snack pack raspberries**

## Singapore

The Pasir Panjang Wholesale Centre is Singapore's main wholesale market and distribution point for imported fruits and vegetables. It is a large market and distribution centre, where individual importers have their facilities. Importers have their own cold rooms, but a lot of produce is out on display for buyers to see unrefrigerated. Many of the importers have direct relationships with the growers they source produce from so building relationships is important for success in this market. In addition to supplying retailers, some import solely to supply the hospitality industry, or a mixture of the hospitality industry and retail.



**The Pasir Panjang Wholesale Centre is huge and very busy, and you need to watch where you are walking!**

*There are three main supermarket chains in Singapore – NTUC FairPrice, Cold Storage and Sheng Siong.*

FairPrice is the largest chain with outlets in every neighbourhood. As well as the regular supermarket format, they have a high-end offering 'FairPrice Finest'. FairPrice Finest has 27 outlets across Singapore and caters to the expat community and tourists with a large range of imported products, value-added services and an enhanced shopping experience.

Sheng Siong caters more for the local population, with high quality produce and groceries at more affordable prices. It is a family-owned business, owned and run by the Sheng Siong family. Its outlets are mostly located near the Housing & Development Board (HDB) blocks which are public housing where most residents own their apartments and where approximately 80% of Singapore's local population live.

Cold Storage is the third large supermarket chain, which also has a high-end brand 'CS Fresh' which specialises in imported goods and ready-to-eat meals.

Smaller boutique outlets for fresh produce include 'Little Farms', which is a gourmet grocer specialising in mostly Australian fresh produce and groceries. There is an emphasis on freshness, and they advertise that produce is on the shelves 48 hours after it leaves the farm. They have direct relationships with farmers in Australia for sourcing their produce. The brand started out with one store several years ago, and has expanded to 6 stores around Singapore, and an online retail offer. Little Farms stores also have in-store dining and coffee shops, and are implementing features such as in-store vertical farms in some of their stores for providing fresh herbs and salad greens.

Another boutique outlet is 'Scoop Wholefoods', which is an Australian grocery store again stocking Australian fresh produce, as well as wholefoods from around the world such as nuts, grains, and tea. It is a plastic-free store where you bring your own containers and bags, which is popular with expats. This store format is unusual in Singapore, unlike in Australia.



Little Farms specialises in Australian produce



Australian berries in Little Farms with a vertical farm tower in the background. Little Farms advertise that their produce arrives from the farm to store in 48 hours



## Hong Kong

The main market in Hong Kong for fresh fruit is Yau Ma Tei wholesale fruit market. This market trades only in fruit; seafood and vegetables have their own markets. The market is housed in historic 1913 buildings, and operates as a wholesale market at night, but during the day many stallholders are also retailers and sell to the general public.

In contrast to the wholesale produce market in Singapore, the wholesale market in Hong Kong is a chaotic place! The market at night operates out of large open heritage buildings with minimal refrigeration, and produce is unloaded and even sold in the middle of the road with traffic driving past. The focus is on moving produce as quickly as possible, and it is a far less controlled environment not only with regard to climate control but also traffic movement and access. It is also something of a tourist attraction along with the nearby night market.



**Yau Ma Tei wholesale fruit market trades as a wholesale market for fruit at night, and sells to retail customers during the day**

The two main supermarket chains in Hong Kong are Wellcome and ParknShop. Wellcome has almost 300 outlets in Hong Kong, including the new Wellcome fresh which is Hong Kong's largest supermarket.

Wellcome also operates several high-end outlets, notably 'Olivers the Delicatessen'. Olivers specialises in imported high quality produce, grocery items and wine from around the world. Olivers also offers a personal shopping service, as well as home delivery.

ParknShop has more than 200 stores in Hong Kong, including its boutique outlets. Their flagship food hall is GREAT Food Hall which is a huge high end international food hall in a prestige location on Hong Kong Island. GREAT Food Hall also has a huge range of prepared foods such as salads and sushi, a juice bar, patisserie and bakery. Other boutique offerings owned by ParknShop are 'Fusion' and 'Food le Parc', which are smaller formats and geared towards convenience and quality.

The large chains Wellcome and ParknShop use the smaller 'boutique' outlets to enable them to change the price points for offerings, catering for different demographics.



**Part of the berry display at GREAT Food Hall in Hong Kong. Great Food Hall is a huge international food hall with high quality produce from around the globe**



**Entrance to a Wellcome supermarket in Hong Kong. A lot of the supermarkets are in the basements of large shopping centres**

## Dubai

In Dubai we didn't have the opportunity to visit the wholesale market and distribution centre for fresh produce, but did get to visit some retail outlets.

The largest supermarket chain in Dubai is 'Carrefour', which is a French retail group. As such, it stocks produce and groceries from all over the world, and the fresh produce is generally high quality.

The other main chain specialising in imported produce and groceries is 'Spinneys'. Spinneys is known for its high-quality produce and is popular with expats. The displays of fresh produce were outstanding, and the range was extensive. At the time we visited there were lots of beautifully packaged strawberries from the UK in stock. The provenance of the produce was also important, with some packaging having photos of the growers and information about the farms, and some displays having QR codes with information about the produce or recipes.

UK supermarket group Waitrose also have a couple of stores in Dubai, as well as a number of other brands, but we didn't have the opportunity to visit all the outlets.



The extensive fresh produce section of a Spinney's supermarket in Dubai



Tomato snack pack tubs are very popular and point of sale is used to showcase the grower



**Different strawberry packaging in Spinney's; Annabel's from the UK and Driscoll's from the USA**

**Pure Harvest glasshouse grown strawberries**

## Opportunities

- From our tours of retail outlets and the wholesale markets, it is obvious that quality is the most important factor for growers wishing to access these Asian markets and the UAE. The only barrier to exporting into these markets for Australian growers is competition, so quality and to some extent price will be important. Australian produce still has a reputation for being high-quality, and 'clean and green', which can be used to an exporters advantage.
- All three markets import the vast majority of their fresh produce (Hong Kong 95%, Singapore 90% and UAE 80%). In Singapore and Dubai there is limited local production in vertical farms and glasshouse systems.
- There is also an opportunity for value-added products in these markets, such as freeze-dried and other fruit snacks, and condiments, for example. Supermarkets have a large range of snack and convenience foods. Singapore in particular has

outlets dedicated to Australian produce and grocery items, such as Little Farms, which deal directly with growers here.

- Provenance is important for the smaller and more high-end outlets who showcase the growers in their displays.
- Speaking with importers in the wholesale markets, direct relationships with growers is often the way they operate, so building relationships is important.
- The cold chain is generally good, and the in-country distribution networks are also good as they are not shipping produce large distances.

From the meetings we had with Austrade in Singapore, there is help available for growers interested in exploring opportunities in these markets, and they are keen to work with growers to assist.

All photos provided with thanks to Angela Atkinson and Jen Rowling



**To watch a 5 minute video of more photos from this market tour scan this QR code or visit [bit.ly/BA-EXP-Sep23](https://bit.ly/BA-EXP-Sep23)**

**If you are interested in finding out more about exporting into these markets, please sign up to the Berries Australia Export Group to access the Export Hub for up-to-date information and support at [bit.ly/BA-Export](https://bit.ly/BA-Export)**

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