

SUSTA Goes Virtual

SUSTA staff returned to the office in a limited capacity June 15, 2020 after working from home for 13 weeks.

The last Global Event that physically took place was the SUSTA pavilion at Gulfood in Dubai at the end of February. Never in SUSTA's history have we gone months with no physical events taking place. This unprecedented time called for creativity and hard work. SUSTA staff, our member states and our in-country consultants showed up to answer the call.

Every week, we launch more virtual opportunities. So far, these are our virtual events:

- The option to exhibit your products at SIAL China and SIAL Paris without traveling to the show.

- SUSTA's first-ever Virtual Trade Missions with Canada, Mexico, India, Europe and Colombia quickly sold out.

- Over 110 free consultations with in-country consultants in Canada, China, Hong Kong, Europe, India and Mexico.

- More than 430 companies registered for SUSTA's weekly webinars.

- SUSTA's first-ever Virtual Trade Missions with Canada, Mexico and India quickly sold out and will serve over 30 companies.

These numbers are as of July 1, 2020

Ready for 2021? We are too!

When you log into your MySUSTA account starting August 1st, 2020, you will be prompted to re-certify your account details for 2021.

Global Events

50% CostShare

Check off the program(s) you are interested in for 2021 so that you are reviewed appropriately.

- Companies approved for 2021 Global Events will be able to start registering for 2021 events on August 17, 2020. Events are first-come, first-served, so make sure your account is reviewed and approved early.

- Companies can start their 2021 CostShare application after August 1st, once given access by the CostShare Director. New companies must have a consultation prior to starting their application. Returning companies are welcome to schedule a consultation as well.

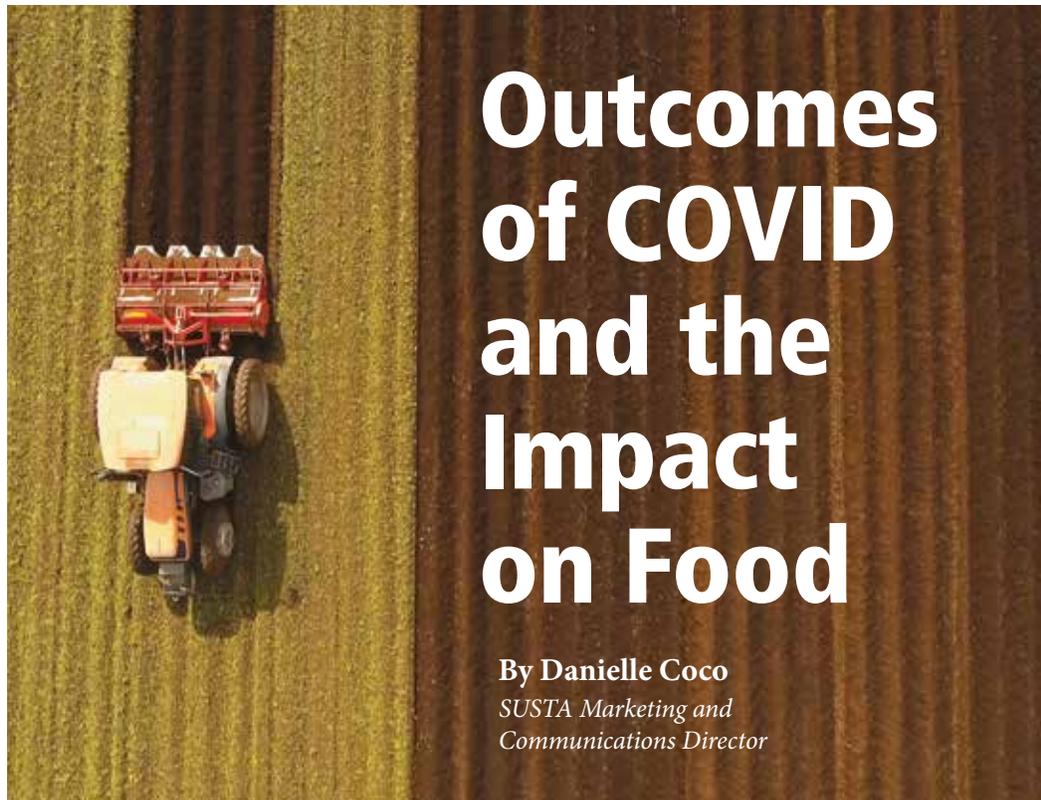
InSight

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Outcomes of COVID and the Impact on Food

By Danielle Coco
SUSTA Marketing and
Communications Director

As markets around the globe return to various stages of normal life, consumer buying habits will shift – again. According to Nielsen, there are three critical accelerators that will fast track long-term behavioral shifts: Increased health and safety concerns, transparency of product origin and an inclination to use technology-enabled solutions, particularly when it comes to shopping. If you have tuned into SUSTA's webinars over the last few months, you will have heard many of our featured speakers touch on these same themes.

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Outcomes of COVID and the Impact on Food

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Health & Safety

During a pandemic, individuals feel there is much they cannot control when it comes to their personal health and safety. Therefore, consumers cling to the things within their control, like what they eat. It is not surprising that the pandemic is reinforcing the trend of healthy, clean products. In a report published by Euro-monitor International, health and safety are the leading purchase drivers. “Whenever there is a health scare, consumers seek to improve their nutrition for disease prevention,” stated the report. It also concluded that consumers are demanding simpler, familiar foods perceived as natural and nutritious, as well as affordable.

According to Imalinx, SUSTA’s consultant based in Mexico, Mexican consumers are prioritizing healthy living and “show a greater interest in those products that allow them to strengthen the immune system.” This was a trend before the pandemic, resulting in new labeling regulations published this year by the Mexican government, such as required warnings on the front of label if a product exceeds a certain amount of sugar, fat or sodium.

In a presentation given by SUSTA’s consultants in India, i2i Consulting, health and food safety is the foremost trend in India. Like in Mexico, this trend started pre-COVID19. In 2018, the Indian government created an awareness campaign called Eat Right India to provide education around healthy eating since non-communicable lifestyle related diseases have increased dramatically over the last few years. Now, nearly 90% of those surveyed in India said they will be more cautious about issues of cleanliness, health and safety post Covid-19 - a trend that is already prompting packaged goods companies to launch healthier, safer products.

In China and Hong Kong, SUSTA’s consultants SMH International reported that food purchase preferences are also shifting from convenient, fast, often unhealthy options towards fresh meat and produce for home cooking.

What can brands do now to meet the demand and ride this trend? Communicate health benefits with science-backed information. Unsubstantiated health claims do not hold up, and are even prohibited in many countries. Be up front about who your company is, what is in your products and why it is healthy.

Transparency of Product Origin

Unfortunately for exporters, “local” is emerging as a key trend. The reason is two-fold: consumers want to support their local economy, and there is a natural association between health and known, trusted brands. Leger Research and the Association for Canadian Studies surveyed Canadians and Americans to gauge their intentions to buy ‘local’ in various consumer goods categories, including dairy, meat, produce and alcoholic beverage. When asked how often they are deliberately purchasing products or services that originate from their country of origin, 74% of Canadians and 68% of Americans responded either somewhat often or very often. 56% of Canadian and 43% of American respondents indicated that in the future they will try to buy more goods and services from their country of origin.

There is a bigger issue at play, however. According to Nielsen, “More than ever, shoppers want to understand the supply chain, with complete transparency from farm to factory to distribution, and they want details of the measures being taken to assure their safety.”

The takeaway? A U.S. origin statement on your domestic products is a great idea! When building your brand internationally, be transparent about where you source your ingredients and how the finished product is made.





Inclination to use Technology-enabled Solutions

The rise of e-commerce is ubiquitous. It was happening pre-pandemic, but if COVID-19 has affected one major change, it is catapulting online shopping, particularly for groceries, into the mainstream.

Take a look at SUSTA's key markets.

According to Argyle Public Relationships, SUSTA's Canadian consultants, prior to COVID-19, fewer than 3 percent of Canadians purchased groceries online, lagging behind most countries (e.g. 7% in the United States). Research conducted by Angus Reid and PayPal in April show that now, nearly one in three Canadians are grocery shopping online. This trend is expected to continue, and grocery retailers are responding by accelerating plans to improve their e-commerce options.

Besides the increase in sales in physical stores, European supermarket chains saw their online sales burgeon, reported Phaff Export Marketing, SUSTA's European consultants. As an example, compared to the same period a year earlier, online sales increased by 41% in the Netherlands this spring. This increase in online sales will have a long-term effect on the shopping behavior of European consumers.

The Peterson Institute for International Economics

reported: "In China, online sales of grocery and foodstuffs grew by 33 percent during the outbreak while their overall sales grew at only one-third of that rate. Customers new to buying fresh produce online have warmed to the idea, while existing customers are now spending more time shopping and browsing."

E-commerce has grown 73.3% reaching a total of 20% of retail sales in Mexico, of which 57% corresponds to food (mainly alcoholic beverages, snacks and bakery products), according to Imalinx.

As per a recent survey conducted by McKinsey & Company, Indian consumers are spending more often on groceries during COVID-19. They found that Indian consumers are shopping online at a frequency of 40% more during COVID-19 than before, and 38% intend to shop online after the pandemic.

Companies that leverage technology to meet their customers' needs right now will enjoy consumer loyalty after the pandemic is behind us. Consumers will have more confidence in those brands, and perhaps even gratitude to companies that were available online during a difficult time.

Use CostShare to Respond to New Trends

SUSTA's 50% CostShare participants can address these consumer shifts and stay competitive in the international marketplace using program funding. Tell your company's story and deliver important information about the products – including health benefits and provenance – via advertisements on search engines, social media and other online retail and e-commerce sites. Your website is also a great warehouse of company and product information. Expenses tied to website translation to a foreign language are also eligible for 50% reimbursement. Investment in your international identity and brand will build more than consumer awareness in B-to-C channels; it will also show commitment to the market and have a B-to-B impact. ■

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InSight is a publication of the Southern United States Trade Association. SUSTA is headquartered in New Orleans and works to promote the export of agricultural and food products from 14 southern states and Puerto Rico. The organization helps food and agricultural producers and distributors target potential overseas markets and assists their marketing efforts by administering federal funds for international market development.

SUSTA Member States

Alabama • Arkansas • Florida • Georgia • Kentucky • Louisiana • Maryland • Mississippi • North Carolina • Puerto Rico • South Carolina • Tennessee • Texas • Virginia • West Virginia

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Do you have a success story to share? Contact Danielle@susta.org

2019 SUSTA Participants Reported



For every \$1 in SUSTA programs, more than \$41 in export sales were generated.