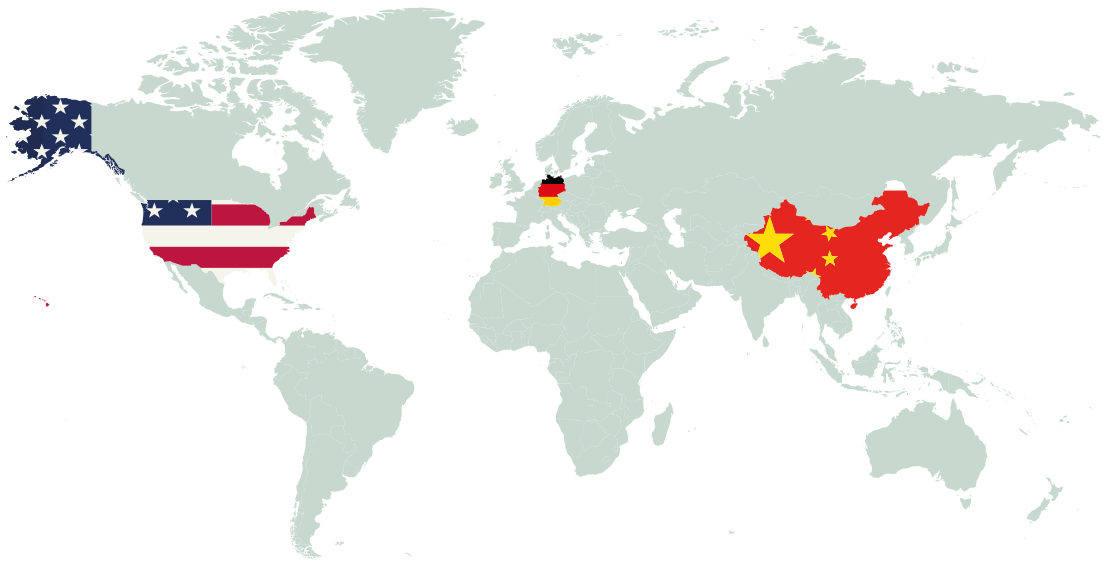


# MARKET DEEP DIVES

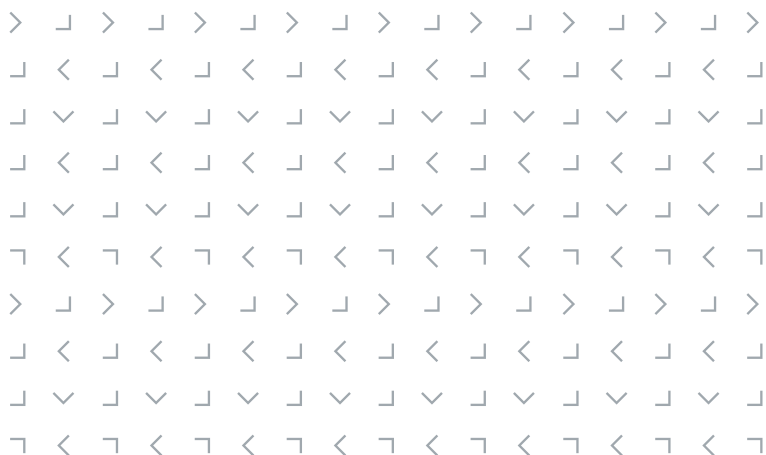
Decision-makers in China, Germany and the US have a range of beliefs and perceptions about Denmark as a food and agricultural nation. This chapter provides a country-by-country overview of key survey findings and export development figures.

Four top business opportunities have been identified for companies to strengthen their sales dialogue and Denmark's overall position in each market.



## Note on export development figures

The Danish Agricultural and Food Council has adjusted selected product groups in the export development figures for 2020. As a result, fish oil for fish feed is no longer included in the fish and shellfish product group, while the enzymes group now only includes enzymes that are directly or indirectly used in agriculture, biomass handling or food products.





## Key findings and business opportunities

### 1. Drive awareness of Denmark as a food and agricultural nation

Denmark is top of mind for 5% of Chinese decision-makers when asked to mention food nations – an awareness level that roughly corresponds with the trade flow. Danish food and agricultural companies should use the Danish strongholds to build awareness of Denmark as a leading nation for food and agricultural products and solutions.

### 2. Leverage Denmark’s position as a sustainability frontrunner

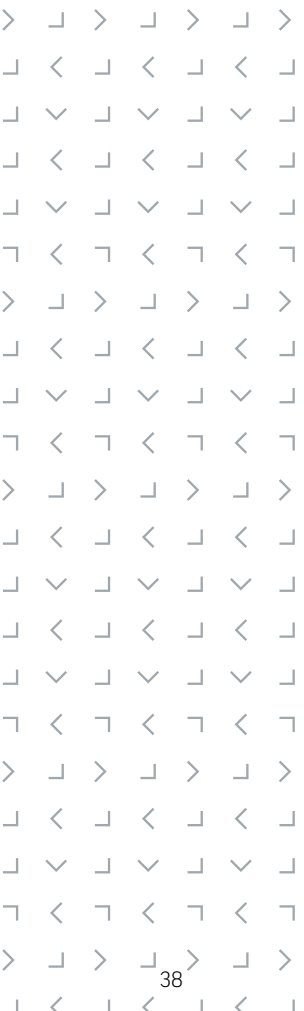
Chinese decision-makers generally rate Danish products and solutions more positively than domestic products and solutions, highlighting low environmental impact, sustainability, animal welfare and cooperation. Companies could benefit from leveraging this frontrunner position in China.

### 3. Emphasise technological capabilities within sustainable development

54% of Chinese decision-makers regard Denmark as a source of technological products and solutions that support resource optimisation and a green transition. More communication about these strengths would build recognition of Danish food and agricultural companies as relevant technology partners for driving sustainable development.

### 4. Leverage Denmark’s position as a country with high food safety standards

For 72% of Chinese decision-makers, food safety is by far the most important indicator of food quality. For 49%, products and solutions from Danish food and agricultural companies represent the highest food safety standards in the world. So, companies have much to gain from communicating about their commitment to food safety, for example through their quality assurance and hygiene programmes.



### Brand awareness

When asked which countries are top of mind as suppliers of relevant food and agricultural products and solutions, just 5% of Chinese decision-makers mention Denmark. The countries they name most often are the US (22%), Japan (19%), Germany (17%), South Korea (16%) and France (11%). However, 57% agree that Denmark is a leading food and agricultural nation, and only 25% state that they have little knowledge of Danish food and agricultural products and solutions.

In China, the unaided awareness level roughly corresponds with the trade flow.

### Attributes associated with Denmark

Chinese decision-makers primarily associate Danish food and agricultural products and solutions with food safety and sustainability.

### Top 5 attributes associated with Danish food and agricultural products and solutions



### Country of origin

Country of origin is important to 70% of Chinese decision-makers. In general, they rate Danish products and solutions higher than those from their own country, favouring low environmental impact, sustainability, animal welfare and cooperation. On the other hand, they primarily rank their own products and solutions significantly higher for affordability and good taste. Although Danish products and solutions are not considered affordable, 56% of Chinese decision-makers find they are still good value for money.



## Food safety and technology

Most Chinese decision-makers state that a high level of food safety is an increasingly important trade parameter and that Covid-19 has increased the food safety concerns of their customers. They seek technological solutions to secure food safety and quality and minimise resource consumption.

In this light, it is positive that 49% of decision-makers recognise Danish food and agricultural products and solutions for having the world's highest food safety standards. As many as 54% agree that Danish companies offer technological products and solutions that can support resource optimisation and the green transition.

### What Chinese decision-makers say about food safety and technology

% who agree or strongly agree with the following statements

**80%** A proven high level of food safety and quality is an increasingly important trade parameter

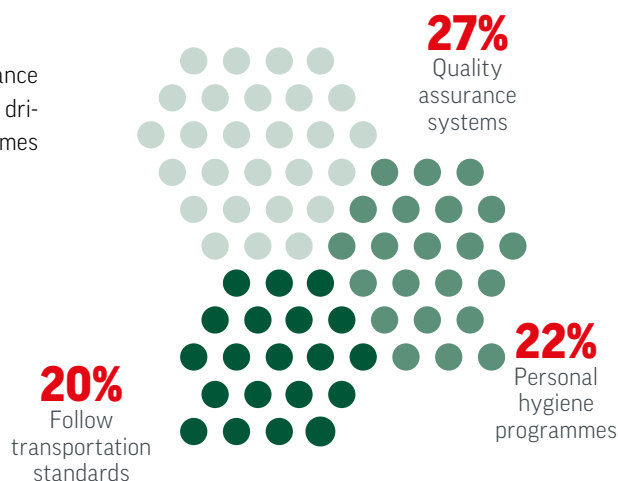
**77%** Partners and suppliers must exceed the food safety standards set by local authorities

**71%** Technological solutions are essential to minimise resource consumption in the value chain

**70%** Investment in technology that supports food safety and quality and optimises resources is necessary for long-term growth

### Top 3 drivers of high food safety

For Chinese decision-makers, quality assurance systems are the most important food safety drivers, followed by personal hygiene programmes and adherence to transportation standards.



## Trading with China

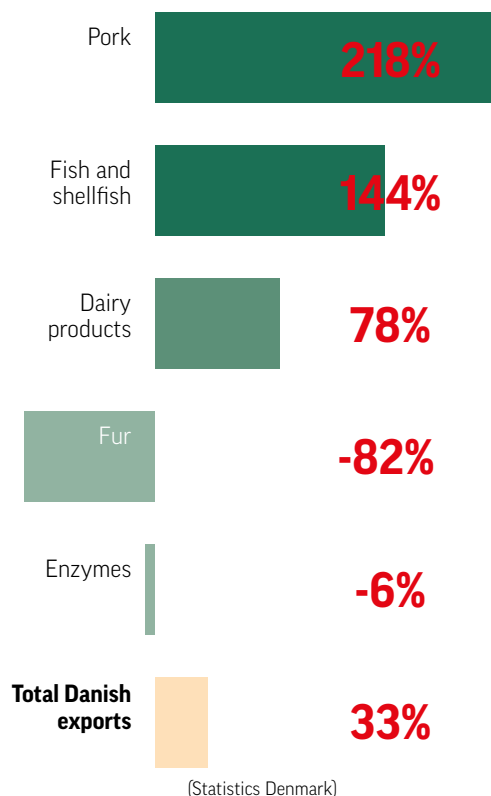
Denmark is a small trading partner for China, exporting goods totalling DKK 31.9 billion in 2020. However, exports to China continue to rise. In the food and agricultural goods sector, which includes bio-based products and machinery, China accounted for 47.4% of total Danish exports in 2020.

Among the top five export categories, pork exports have undergone the most dramatic increase since 2015. This is partly due to swine fever in China.

Other food products like fish and shellfish and dairy products have also attracted growing interest from the Chinese market from 2015 to 2020. Although still in the top five, fur exports have fallen 82% since 2015 (and 29% since last year).

Compared to other categories, exports of food and agricultural machinery to China remain small (DKK 356 million in 2020) but have increased by 55% over the past five years.

## Export development in top 5 categories, 2015-2020



## GDP per capita

GDP per capita is a prosperity measure that indicates the value of a country's economic output per citizen. In 2020, GDP per capita in China was USD 9,422, which is 16.6% higher than in 2015. By comparison, GDP per capita in Denmark was nearly six times higher (USD 54,684) in 2020 and has grown 7.8% since 2015.

## Export of food and agricultural goods, 2020

Exports in top 5 export categories:

