New technologies, New products and New trends in Chinese abalone processing industry

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Brief Introduction

**Speaker:** Irene ZHAI

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Xiamen University
Marine Biotechnology

**MBA**
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**Occupation**
CEO of Xiamen Qicheng marine bio-technology Co.,

**Focus**
Abalone product promotion and marketing
Abalone Catering Culture in China

- **Medicinal value and nutrition effect**
  - Goof for eyes
  - Rich nutrition

- **Social value and Class order**
  - Several Chinese emperors in ancient times were fond of abalone
Abalone Production in China

- Production grows rapidly in China and Fujian plays an important role
Abalone Import and Export Data in China
Product Forms

Abalone Production pie 2022

2 year aged
About 50g, fresh & frozen, USD13,700/T

2.5 year aged
About 80g, fresh & frozen, USD17,500-23,500/T

3.5 year aged
About 200g, dried, USD 47,000/T

Dried abalone
Fresh abalone
Frozen and processed abalone
Booming Prepared Dishes Industry

Abalone Features
• High value ➡️ Adds value to other ingredients
• Elastic texture but blend taste ➡️ Difficult to cook at home ➡️ 3R foods

Pooh chai
Budda Jumps Over the Wall
Candy-heart abalone
Booming Prepared Dishes Industry

Key words
- Unique Visitor
- UV Growth

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<th>Unique Visitor</th>
<th>UV Growth</th>
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<tbody>
<tr>
<td>Canned</td>
<td>1,314,595</td>
<td>5.76%</td>
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<tr>
<td>Semi-cooked</td>
<td>409,757</td>
<td>108.85%</td>
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<tr>
<td>RTH</td>
<td>213,859</td>
<td>96.01%</td>
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Flavor quantity distribution
- Garlic and savory is the most popular

Average consumer satisfaction
- High satisfaction in general
- Spicy and pepper flavor have the lowest satisfaction
Consumption Scenarios of abalone

1) Grand dinner
   a must-have dish for weddings and dinners

2) Business banquet
   Abalone is often used as a dish in banquets for leaders or VIPs.

3) Take-away Foods
   make people feel good about eating healthy and being good to themselves.

4) Gathering with friends
   Recent years, it is widely used in social dining, that’s the main source for increasing sales

5) Cooking at home
   Users purchase 3R dishes to enjoy at home, usually for important holidays
Impact of the Covid

On the abalone industry in China

**Negative and Positive**

**01**
Sharp decrease of abalone trade volume

**02**
Decreased demand and unchanged supply lead to price drop

**03**
Shutdown causes financial loss to processing enterprises, gives the move to process more valuable products

**04**
Consumers prefer safe and convenient products than never before
Purchasing channels for abalone products

Abalone product

Shopping platforms
Liveshow e-commerce
Group buying
Regional agent
Branch office
OEM

Customers

Online:
- product quantity distribution

Offline:
- Price discrimination
- Enough sufficient profit
- Great services

Online:
- 0.00%
- 5.00%
- 10.00%
- 15.00%
- 20.00%
- 25.00%
- 30.00%
- 35.00%

Offline:
- Black filled bars

US$
Challenges

No brands

There are categories of abalone but no brands. Consumers do not have a clear understanding of abalone brands, and they care more about which country's abalone or what species of abalone, and they do not have a high awareness of brands.

No clear positioning

It seems that many consumers view abalone only as an expensive and premium ingredient, but do not understand what food value it has.

Sea cucumber: improve immunity
Bird-nest: targeted at women who care about beauty or just given birth
Future Trends in China

Take-home messages

01  Industrial upgrading and transformation
   • transform from traditional aquaculture industry to commercial industry
   • With encouraging policies and consumption habits, the prepared dishes will develop more vigorously

02  More diversified and much younger
   • The consumption scenarios will be more diversified and much younger

03  More importance to food safety
   • The government will be more strict to environment protection and consumers will pay more attention to food safety, from sea to the table
THANK YOU

GATHER FOR ABALONE, HARMONY IN DIVERSITY

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