



PREVIEW
—Chinese New Year

CNY big business in Malaysia

KUALA LUMPUR—Ebby Loo, managing director of pioneering Malaysian fruit importer Euro-Atlantic, explains the impact of Chinese New Year on Malaysia's fresh produce business.

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Does Chinese New Year have a significant impact on demand and sales of imported fruit in your country?

Ebby Loo: Yes, the demand and sales are high during this festive period. The Chinese population in Malaysia makes up about 20 per cent of the nation's total population, so the increase in Chinese New Year (CNY) seasonal fruit imports is in relation to the population.

Typically, by how much in percentage terms do import volumes increase in the weeks around Chinese New Year?

EL: There is a 25-30 per cent increase in total fruit imports of CNY related seasonal fruits, namely from Australia, Korea and Taiwan. This spike in import volumes continues from the Christmas month in mid-December through to CNY in mid-February.

How does this compare with other major festivals?

EL: Fruit sales over the Christmas and CNY periods are higher when compared to Muslim, Indian and other ethnic festive celebrations. CNY gift products typically begin being placed on display early, from mid-December onwards.

Which imported fruits are in greatest demand over the Chinese New Year period, and where from?

EL: Imports from mid-December to mid-February are mostly from Australia, Korea and Taiwan. They include Australian summerfruits, such as cherries, stonefruit, paradise pears and lychees, Korean Maehyang strawberries, and Taiwanese Ponkans (mandarins), custard apples and jujubes (Chinese dates).



How is this fruit import profile changing?

EL: It is somewhat similar [year on year], but heavily based on seasonality and availability. We do take advantage of the increased demand to introduce new products into the Malaysian market. Some of the newer fruits are Taiwanese custard apples and Taiwanese liu ding (sweet orange). Festive gift box packaging is one thing that has to constantly evolve. Aside from the produce itself, consumers look to the quality and style of the gift box. We stay on-trend by coming up with creative packaging.

How do you see the timing for this year's Chinese New Year (5 February) in terms of the main fruit import products coming into your country and their seasons? Is the timing good or bad? Which products/suppliers will be the winners and losers, and why?

EL: January is the best timing in terms of seasonality, as fruits across all origins are at their very best, with good consistent supply. Australian cherries, being the most popular, may potentially be affected this coming CNY as the season ends in January. Korea is at the peak of winter, so the colder weather is perfect for the crowd favourite, Maehyang strawberries. Taiwan recovers from wet weather in early January, therefore the Ponkans are matured, stable and of high quality come mid-January.

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ABOVE—Euro-Atlantic managing director Ebby Loo



LEFT—Honey Murcott is one of several mandarin varieties imported from Taiwan though a different cultivar is brought in for CNY
BELOW—Euro-Atlantic's new gift packaging for Taiwanese sweet oranges (liu ding)

Do you expect strong demand for imported fruits this Chinese New Year? Or are there any issues that might affect demand?

EL: Due to the political tension leading up to the general election, year 2018 sales suffered a small dip. So 2019 looks more promising. With CNY 2019 being at the very start of the month and most companies providing bonuses during the first quarter, this may encourage a stronger spending power. However, the replacement of GST (goods and service tax) and implementation of SST (sales and sales tax) may be a minor setback to certain products. More specifically, packaged goods or fruit packaging.

Is your organisation planning to roll out any particular fruit promotions in the run-up and during Chinese New Year? If so, can you tell us a bit about them?

EL: We are focused on creative packaging and value-added elements for the coming festive season. Some of our ongoing creative projects include, unveiling a new creative packaging for Taiwan Ponkan, a change from the traditional square box; as well as exclusive in-house designed and customised single-packed Taiwan custard apples in premium carry boxes.

We'll also offer in-house designed modern festive gift boxes for Taiwan liu ding; and in-house labelled fruit boxes with an assortment of premium fruits, such as Korean Singo pears, Korean persimmons, Australian grapes and Indian pomegranates.

Fruit promotions during CNY are more focused towards marketing mechanisms and not so much on pricing, as spending power generally increases over the festive period.

Could you explain why all of these details are so important during the Chinese New Year period?

EL: The Chinese love fruit, they prefer them bright-coloured, large in size and most importantly, fresh. Fresh fruit at the New Year symbolises life and a new beginning. Traditionally, round-shaped fruits, in particular mandarins, are temple offerings and used for religious purposes in prayers.

The Chinese are accustomed to the culture of fruit gifting. So, during special occasions, fruits are common gifts or offerings. Fruit gifting begins ten days before and carries on throughout the 15 days of CNY celebrations. There is also an increased household consumption as family gatherings call for more dine-ins at home. 

