



Vietnam Food Industry Overview

Vietnamese consumers are increasingly demanding imported food products. Several factors inside Vietnam are creating possibilities for Wisconsin food exporters including strong population growth, strong economic growth, increasing average disposable income, expansion in food retail, processing and food service and a large young population that is accepting of Western culture and food.

There are 90 million Vietnamese consumers. The country is one of the fastest growing markets in Asia and has seen growth in retail expenditures and tourism. The market for high-value food products is growing. US food imports are preferred for their high quality, safety, consistency and innovation. The growth in food imports support this preference. Food imports have increased from \$20 million in the early 2000's to \$525 million in 2010.

Vietnamese consumers are shifting their shopping from traditional 'wet' markets to supermarkets, especially in urban areas. Retail markets have been growing at an annual rate of 20%. That being said, wet markets should still not be overlooked. Despite their growth retail markets still only account for 15% of food sales to Vietnamese consumers. According to major importers of U.S. food, sales volumes to supermarkets are increasing, but are still under 50 percent of their total sales.

Export Opportunities

Wisconsin is well placed to increase food exports to Vietnam. Products that have particularly strong potential include:

- Dairy products
- chilled and frozen beef, pork and poultry
- fresh and dried fruits
- snack foods and nuts
- condiments
- Juices and alcoholic drinks.

Doing Business in Vietnam

Vietnam is an overwhelmingly optimistic country. They have seen growth elsewhere in Asia, and they want to be part of it. The country is making progress in reducing import tariffs per its WTO obligations and adopting more business-friendly practices. While getting started in Vietnam may present challenges, getting established in the market is sure to bring future sales and growth.

Exporting Food Products to Vietnam: Answers to your questions

Challenge: While regulations are changing, exporting food to Vietnam can be difficult. Registering imported products and obtaining the correct paperwork can be cumbersome.

Solution: Work with an importer or distributor that you trust and understands requirements. Travel to the market is encouraged.

For more guidance on export requirements, the USDA FAIRS Export Certificate report explains requirements. Contact the Wisconsin International Trade Team to assist you in navigating this new market.

Challenge: The Vietnamese cold chain, while improving, has its weak points.

Solution: Establish contact with an importer who understands the challenges of importing perishable



products. Once again, travel to the market may be required.

Challenge: You don't know what types of buyers you should look for—'wet' market distributors, retail chains, food service?

Solution: The Wisconsin International Trade Team can contact market experts and help you get the market analysis and buyer contacts you need to export your food products to Vietnam.

Business Tips:

- Use local importers and distributors that understand the market
- Face-to-face interactions are preferred for initial business contact
- Vietnamese importers are not always aware of changes in regulations. Always contact a FAS office to verify you've obtained the correct export documents.

International Services from the State of Wisconsin

For more information on Vietnam call the Wisconsin International Trade Team at 800-462-5237 or email: international@wi.gov.

Staff at the Wisconsin Department of Agriculture, Trade and Consumer Protection can assist you in exporting your company's products by providing:

- Market research
- Guidance on export documentation
- Buyers Missions

FOR ADDITIONAL INFORMATION CONTACT:

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