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THE FRESH, THE SAFE AND THE BRANDED
BACKGROUND: URBAN CONSUMER SEGMENTS

The most important type of meat in China
Used in many different types of dishes
Use of many different cuts and parts of the animal (e.g., ears, tails, trotters)
As with all food, freshness is traditionally the most important buying criteria
- Slaughtered the same morning – ‘warm’ meat
Which cuts of pork do you buy nowadays?

- Minced: 20%
- Pork chops: 62%
- Pork slices: 36%
- Pork loin: 24%
- Ribs: 44%
- Tenderloin: 53%
- Gammon: 47%
- Belly: 64%
- Leg joint: 24%
- Hip point: 15%
- Kidney: 15%
- Liver: 24%
- Intestine: 12%
- Ham: 21%
- Pancetta: 6%
- Bacon: 20%
- Feet: 29%
- Head: 8%
- Tail: 9%
- Lard: 5%
- Blood: 11%
- Tongue: 8%
- Ears: 15%
- Sausage: 17%
- Seasoned cuts: 3%
- Brain: 3%
- Whole slab: 16%
- Other: 0%
ROLE OF FOOD SAFETY

Concerns about food safety and lack of trust in food chain

- Concern about hormons
- Concern about antibiotics residues
- Concern about paylean
- Concern about use of GMO
WHAT IS IMPORTANT FOR YOU WHEN SELECTING PORK?
CHANNELS OF DISTRIBUTION
A BIT OF MARKETING THEORY

**Freshness**: can be seen, felt, smelled when buying – *a search quality*

**Safety**: cannot be seen, felt or smelled – is a question of credibility – *a credence quality*

**Who creates credibility?**
- Certification by independent bodies?
- Branding?

A credible brand is a classical risk reliever – it reduces uncertainty for the consumer in a situation where the desired quality is unknown.
DIFFERENT WAYS OF SELECTING PORK

- Looks, brand and safety: Chinese brand, green product
- Danish is best
- Only fat matters
- See and touch: fat, colour, not pre-packed

BRANDS AS RISK REDUCERS

Perceived risk

- Prefers unbranded pork
- Prefers branded pork

Perceived risk

- Favourite brand not so positive
- Favourite brand very positive
BRANDING ACTIVITIES

In-store displays
TV commercials
Outdoor advertising
Online advertising on own and retail sites
Own stores
Farm visits
Events and festivals
Partnership restaurants
‘Sleep with the pigs’
‘Annual pig project’
BRAND IMAGES

![Graph showing brand images across various factors such as safety, taste, price, quality, healthy, trust, and consistency. The graph compares top brands and unbranded products.](image)

- [Top brand](#)
- [Unbranded](#)

Safety | Taste | Price | Quality | Healthy | Trust | Consistency
---|---|---|---|---|---|---

1.00 | 2.00 | 3.00 | 4.00 | 5.00 | 6.00 | 7.00

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FIRST CONCLUSIONS

Many Chinese consumers are very quality conscious; they demand fresh, safe, healthy and tasty pork.
Safety is a credence characteristic that the buyer evaluates based on a credible source.
Changing distribution channels from wet markets via supermarkets to specialised stores and online retailers mean that trust in the seller via face-to-face communication is being replaced by trust in brands.
Branded pork now plays a major role on the Chinese market and all classical branding instruments are being used.
POSSIBLE BRANDING STRATEGIES FOR IMPORTED PORK

- Producer branding
- Origin branding
- Co-branding with a Chinese intermediary
- Local branding

![Graph showing possible branding strategies for imported pork]

- China
- Denmark
- USA
- Germany

[Graph legend: Unsafe, Bad quality, Unhealthy, Tough, Bad taste]
BRANDING REQUIRES DIRECT COMMUNICATION WITH THE CONSUMER

Danish producer -> Importer -> Wholesaler

- Wet marked
- Retail
- Online
- Food service

Chinese consumer
MULTI-CHANNEL BRANDING IS A CHALLENGE

Danish producer

Importer

Wholesaler

Wet marked

Retail

Online

Food service

Chinese consumer
MARKETING IMPLICATIONS

Competing on the market for pork in China requires...

...branding competences
...direct communication with Chinese consumers
...mastering the challenge of multi-channel branding
...a brand image with focus on origin and safety
...overcoming the perception of lack of freshness when pork is imported
...a high degree of credibility achieved by a consistent brand image built over time and across channels
Thank you for your attention!