



CLIENT STORY | IDENTIFYING OPPORTUNITIES FOR ENTRY IN FOOD CHEMICALS IN THE ASEAN REGION

Region :

SOUTHEAST ASIA

Consulting Services :

MARKET ASSESSMENT, MARKET ENTRY STRATEGY

CLIENT SITUATION

- The client is a Thai chemical company with operations throughout the region
- Given the rise in processed food industry in ASEAN, the company was interested in getting a foot hold in the region
- The client invited Avalon to conduct a field assessment in five locations in the ASEAN region – Indonesia, Thailand, Malaysia, Philippines, Singapore

OUR APPROACH

- Through a combination of secondary research and field interviews across a cross-section of end-users, suppliers, industry experts, Avalon first estimated the market sizes for top 5 sectors in processed foods in each country
- Avalon then identified the top 5 food chemicals used in each sector by country, the reasons for their use and then estimated their market size and growth prospects
- Another critical aspect was understanding the competitive landscape. This was done by understanding the supply sources for these products, intensity of competition and linkages which could be barriers to entry
- Using all these inputs, the addressable opportunity in each country was estimated

OUR RECOMMENDATION/ IMPACT

- Avalon estimated the overall potential for the products in each of the target markets both at current levels and for the future
- Attractiveness for entry into each of the target markets in the formulations space was assessed based on business volumes, potential market shares and the level gross profit potential
- Avalon made high level recommendations on prioritization of entry into each of the target markets along with the potential mode for entry into each of the markets
- Avalon also conducted a preliminary partner search and the identified partners were evaluated by the client