



MIL-OSI Australia: China's organic online demand

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People are fascinated by China's economic success. Many Chinese cities are bigger in population than all of Australia and for many, China has a magnetic energy. This was the case for Jessica Rudd, a lawyer, PR consultant, author of novels Campaign Ruby and Ruby Blues and daughter of former Australian Prime Minister Kevin Rudd.

Rudd lived in Beijing for five years, but in early 2014, the air pollution tipped her family's decision to return to Australia. Although she left China, she wanted to remain connected to her experiences there. When Chinese friends from her mothers' group regularly asked her to bring back Australian products like Blackmores and Swisse vitamins and non-chemical-based toothpaste; she knew there was a real grassroots level of demand for Australian goods.

"The Chinese look at Australia's farms, the Great Barrier Reef and the Outback. They see what has been made in Australia as green, clean and trustworthy," says Rudd.

Spotting a gap in the Chinese market for a wider range of organic Australian products, Rudd decided to launch an online Tmall Global store with her business partner Chantelle Ye. They called it Jessica's Suitcase, inspired by Rudd's trips of bringing Australian products in her suitcase back to her friends in China.

A part of Alibaba Group, Tmall Global is a platform for international sellers to access Chinese consumers. Shoppers interested in products from a specific country can go to an online country pavilion. Jessica's Suitcase is featured under the Australian pavilion.

Alibaba Group is China's definitive leader in web and mobile commerce. In March 2016, Alibaba announced it surpassed US\$476 billion in gross merchandise value, overtaking US retail chain Walmart to become the world's largest retailer.

Clean, green, trustworthy

Ken Ma, Operations Director for Tmall Global, Australia, New Zealand and Japan said, "Australian products are known for their quality. Products for mother and baby have been one of the top-selling categories on our cross-border platform Tmall Global and we have been working closely with Rudd and her team to curate the product selection on their store since it went online in May last year."

Jessica's Suitcase specialises in selling high-quality, Australian-made organic products. As a testament to her high standards, Rudd only sells products she would use on her own children. The store sells around 200 different items including baby, female hygiene and skincare products. Organic Paw Paw and Honey Balm and ethically sourced extra virgin coconut oil have been among the bestsellers, with 14,000 tubes and 8,000 jars sold respectively to date.

As an Ambassador for Australian Certified Organic, Rudd is also helping educate consumers in China on the difference between natural, organic and certified organic. "When we can say it's not just Australian but also certified organic, that boosts trust," Rudd says. "There is untapped potential for SMEs producing certified organic products."

Being certified organic means a producer has undergone a thorough audit process. But in the face of unscrupulous sellers misusing the certified organic logo, it has been important to Rudd to use her own brand

and face on Jessica's Suitcase to be as authentic as possible to her online customer base. "They know what I have to lose if I started selling fakes. It would be disastrous," she says.

Selling to China

Alibaba's largest sales event of the year is the Single's Day Global Shopping Festival, held annually on 11 November. In 2015 it broke its own world record of the previous year, selling US\$14.3 billion in gross merchandise value in just one day. Australia ranked as the fifth top-selling market on this day, with infant and adult milk formula products Australia's best performers.

Jessica's Suitcase also has an official store on JD.com, Alibaba's closest rival. WeChat, China's most popular chat and social media app and one of Rudd's most effective marketing channels, is integrated with JD.com, allowing users to shop directly within the WeChat app.

To elevate her personal brand and voice in China, Rudd created a micro-blog on WeChat. Every week, she publishes stories and thoughts in Chinese to discuss parenthood and healthy products for children. Her advice has resonated with Chinese consumers, attracting over 70,000 subscribers. With 600 million users worldwide, Rudd's presence on WeChat has been instrumental to the growing success of Jessica's Suitcase.

Alibaba's Tmall and JD.com have made selling to China a smooth process for Jessica's Suitcase and other businesses. The China-Australia Free Trade Agreement in particular has reduced the cost of exporting products to China for many Australian businesses.

Tmall's online shopping platform strives to give its sellers insight into China's complex consumer market. "With Alibaba's expertise and big data technology, we are offering invaluable insights on Chinese consumer preference and spending trends. We want to be their partner and enable the brands to achieve bigger success in the China market," says Ma.

After less than a year of operation, Jessica's Suitcase is hitting its stride. Appetite for Australian-made organic products is increasing, thanks in part to Rudd's education efforts around certified organic. Her ability to leverage her online brand and following on WeChat has translated to more sales.

Reflecting on her experience Rudd says "With the right amount of energy, drive and purpose we can make anything happen".

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