Trends in Business-to-Business E-Commerce

GLOBAL OUTLOOK FOR AQUACULTURE LEADERSHIP
GUANGZHOU, CHINA | DAY 2
HEALTHY FISH | HEALTHY PEOPLE | HEALTHY PLANET
Helen Gao (He Fang)

- Helen is the head of Gfresh international business development team.
- Her major focus is to develop partnerships with producers, exporters, certification associations and stake-holders in the supply chain of seafood resources from around the world, and contribute to expand Gfresh online B2B marketplace to include China mainland, Hong Kong, and other global markets.
- Prior to joining Gfresh in 2015, Helen had spent over 12 years in the branding and marketing field in greater China and Southeastern Asian countries to serve multi-national FMCG and food service brands.
How to succeed in China's online B2B market

Helen Gao (He Fang)
Why sell online?

Gfresh data and trends for B2B sales

7 key insights to give you an unfair advantage
Slow, Difficult, Risky
Fast, Simple, Secure
Marketplace
The great B2B divide
MOQ
30 boxes
MOQ
1 Box

Seller

Your buyer

Your buyer

Your buyer

Your buyer

Your buyer
Eliminating risk: payment and inspections
Buyer

Seller

Payment

Goods

Buyer
Logistics

- Customs agents
- Delivery team
- Cold chain solution
- End-to-end tracking
1 billion total transaction value (RMB)
Quarter-on-quarter transaction value growth

- Q1 2015: 0%
- Q2: 13%
- Q3: 36%
- Q4: 116%
crab 49.39%
lobster 43.97%
geoduck 5.06%
others 1.58%
Dungeness crab avg price

CNY225.00
CNY200.00
CNY175.00
CNY150.00
CNY125.00
CNY100.00

2015 05 06 07 08 09 10 11 12 2016 01 02 03 04 05

149 128 122 169 154 126 161 180 137 180 183 164 197
Salmon transaction value growth

CNY100.00

CNY1,500,080.00

CNY3,000,060.00

CNY4,500,040.00

CNY6,000,020.00
Key insights
Secret #1

Marketing and branding (finally) matter for wholesale trade
Traditional vs. Gfresh Live Lobsters

Traditional

Perishable
Secret #2

No one knows you in this new market.

That's a good thing.
Secret #3

Transparency is coming. Embrace it.
“We have the world's best seafood
- Said every single company
### 商品详情

<table>
<thead>
<tr>
<th>累计评价 1193</th>
<th>总成交 41626 箱</th>
</tr>
</thead>
</table>

#### 与描述相符

<table>
<thead>
<tr>
<th>分数</th>
<th>评价数</th>
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<tr>
<td>5</td>
<td>47</td>
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<td>2</td>
<td>3</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
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</tbody>
</table>

非常不满意 | 不满意 | 一般 | 满意 | 非常满意

#### 动态参考指标

<table>
<thead>
<tr>
<th>指标</th>
<th>15.00%</th>
<th>28.00%</th>
<th>6.00%</th>
<th>7.00%</th>
<th>1.00%</th>
<th>1.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfilled Order</td>
<td>This product</td>
<td>Market average for this product</td>
<td>This product</td>
<td>Market average for this product</td>
<td>This product</td>
<td>Market average for this product</td>
</tr>
<tr>
<td>Average Mortality</td>
<td>This product</td>
<td>Market average for this product</td>
<td>This product</td>
<td>Market average for this product</td>
<td>This product</td>
<td>Market average for this product</td>
</tr>
<tr>
<td>Average Shrinkage</td>
<td>This product</td>
<td>Market average for this product</td>
<td>This product</td>
<td>Market average for this product</td>
<td>This product</td>
<td>Market average for this product</td>
</tr>
</tbody>
</table>
Secret #4

E-commerce scales infinitely faster than traditional sales
Markets

Shanghai
Beijing
Guangzhou
Hong Kong (beta)
+20 other cities
Secret #5

The top 20% will control 80% of the market
<table>
<thead>
<tr>
<th>Lobster Type</th>
<th>Price</th>
<th>Weight (lbs)</th>
<th>Sold (Box)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lobster Canada wild Lobst</td>
<td>¥78.08</td>
<td>33.00</td>
<td>42064</td>
</tr>
<tr>
<td>Ready United States wild Lobst</td>
<td>¥73.09</td>
<td>32.00</td>
<td>33751</td>
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<tr>
<td>Island Seafood United States Wild Lobst</td>
<td>¥81.89</td>
<td>33.00</td>
<td>11759</td>
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<tr>
<td>Fisherman’s Market Canada Lobst</td>
<td>¥77.76</td>
<td>22.00</td>
<td>11546</td>
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</tbody>
</table>
Secret #6

People pay more for products from higher-rated sellers
This trend will become even more apparent in the future.
Secret #7

Food safety will be a key differentiator
We Support Safe Sustainable Aquaculture

我们支持安全放心可持续发展的水产品
耕海 智利 养殖 大西洋鲑鱼
24/千克/泡沫箱
￥41.10起/500克
￥2054.74 /箱 已售8823箱

卡曼查卡 智利 养殖 大西洋鲑鱼
24/千克/泡沫箱
￥40.01起/500克
￥2000.83 /箱 已售22箱
Change is coming faster than anticipated. Take action.
2 years ago...

0 crab sold online.

Today, over 70% of Canada's crabs are sold via Gfresh.