

# The exporting potential of China

How food and drink brands can take advantage of this growing market.

Logistics doesn't have to be a maze.



# Why China?

China is an extremely exciting emerging market for UK food and drink brands. First and foremost, it represents a much bigger market than the UK. Meaning that successful market entry can have transformational consequences for any business.

**The size means that you don't need to target the whole country, only a specific region, to access a huge number of potential customers.**

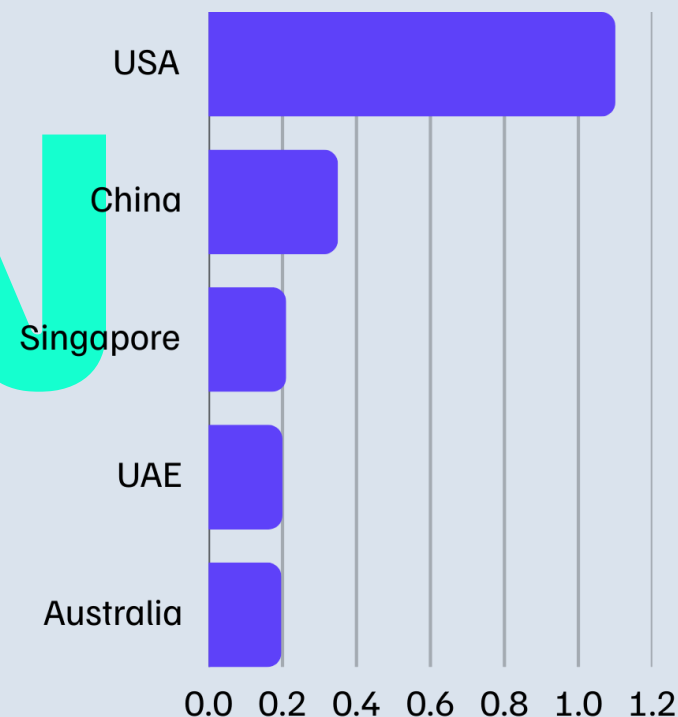
Despite the fact the market is considered in its infancy for UK exporters, in the first half of 2024, it was already 2<sup>nd</sup> highest non-EU export market for UK food and drink.

Now, as the data confirms, the USA dominates the non-EU food exporting scene for UK brands.

However, China is set to overtake USA as the world's largest grocery market in the next 5 years. The market will be worth £1.461 trillion, bigger than India, Japan, Indonesia and South Korea combined (Euromeat News). With that added context, you can see the potential for UK brands.

Overall, exports from the UK China have been growing for a number of years. Increasing 107% between 2014 and 2022. Although admittedly they dipped in 2023 as a result of economic headwinds globally.

## Top UK food and drink export destinations H1 2024 (excluding-EU) (£bn)



Source: FDF

# Understanding the Chinese consumer

In China, confidence in domestic food is low after several high-profile food scandals. UK food and drink also has a reputation for high-quality produce and stringent safety standards in China. Meaning exporters are well positioned to take advantage of this with the growing middle class consumer base.

Additionally, the Chinese consumer trend towards healthier products has accelerated after Covid-19. Free-from and plant-based options are also growing in popularity. UK brands are ahead of the competition on this selling point, leaving them well positioned.

Brands need to market their British authenticity and quality. Consumers feel connected to British culture through film, music and holidays. But be advised, you will need more selling points beyond British novelty items.



**MADE IN UK**



# Key challenges of the Chinese market

## Regulatory requirements

Negotiating China's challenging regulations is undoubtedly one of the most difficult aspects of exporting there. Food and drink must be compliant with China's General Food Safety Law (FSL). Labelling and packaging must be in Chinese.

Documents for all additives must be provided as part of with Chinese Standards for Food Additives. Then there's the State Administration for Commodity Inspection, responsible for inspecting goods on arrival. You must also register with the General Administration of Customs of China (GACC).

To negotiate these challenges, you need in-market expertise. Reach out to WTA today and our China office can support with compliance.

Get in touch

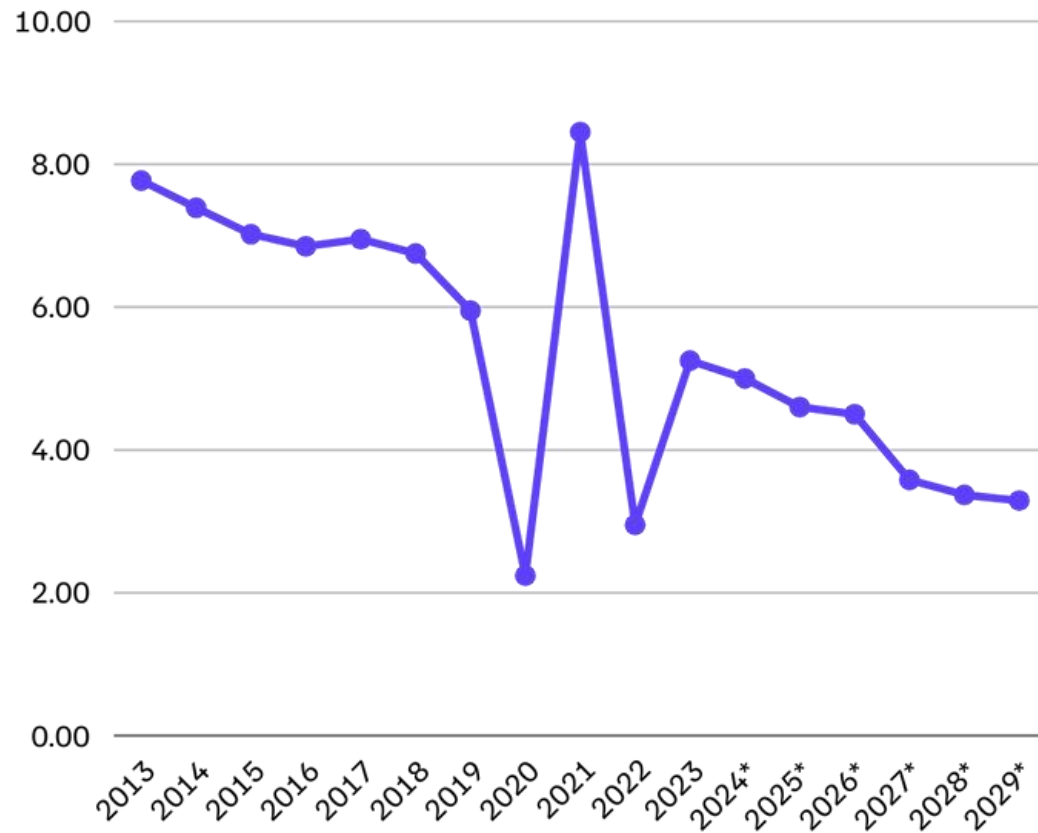
## Cultural differences

It's no secret that culturally tastes are very different in China, and Asia as a whole, compared to the UK. You need to invest in market research to ensure there is a viable market for your product.

You need to ensure the flavours, packaging and marketing matches local expectations for food and drink.



## China GDP growth 2013-2029



\* = forecast Source: Statista

### Slowing economy

Whilst the Chinese economy is still growing at a good rate by western standards, the rate of growth has slowed in recent years, and is forecast to continue to do so.

Whilst this doesn't take away from the size and dynamism of the market, it does highlight how China's economy is maturing. Moving from a developing economy of rapid growth to a market which is closer to the limit of its potential.

### Domestic competition

A trend to be wary of if competing in the Chinese market is guochao. This is the name given to the mindset from some Chinese consumers of preferring local brands.

However, the food and drink sector has shown more resilience to this trend than others, owing to the perceived quality of foreign foods.



# Distribution models

There are 2 major options available for distribution within China. Both have their advantages and drawbacks.

## Traditional distribution

This involves partnership with a local distributor who works to get your products into supermarkets, wholesalers and restaurants. These distributors should have local connections and in-market knowledge to assist heavily with market entry.

We would advise using a search engine for exploring the options available from distributors. A trade show is another good opportunity to build connections with important figures in the Chinese market. **SIAL China** takes place in Shanghai towards the end of May every year.

Be mindful of asking for a distributor to cover too large a region. The Chinese market is so large, you can afford to be highly-targeted by region and still have significant success.

## Direct-to-retail

It's possible to bypass distributors who will take a percentage of your margin and go direct to retailers. Whilst this approach is more time consuming and requires a deeper understanding of the Chinese market, as mentioned it could be more profitable.

Again, trade shows are the best option here to showcase products and speak directly to retailers or wholesalers.

## Ecommerce platforms

Listing products on Chinese ecommerce stores can be a cheaper route into the market. It can be a good way of testing new products and gathering local customer feedback, without huge market entry costs.

Some of the most popular ones for food and drink brands include [Tmall](#) and [JD Online](#).

# Logistical considerations

Logistically, China is set up perfectly to support UK food and drink exporters looking at the market.

China boasts some of the best sea freight infrastructure in the world. Boasting 7 of the top 10 busiest container ports in the world. Shanghai, the biggest, surpassed 50 million TEU in throughput in 2024. That's over 137,000 TEU per day.

UK to China is regarded as a backhaul route, meaning you get the advantage of much cheaper services than ships moving in the other direction, but a similar frequency of transits.

Furthermore, there are several daily flights between the UK and many regions of China. If speed is a requirement in the transportation for your food and drink.

International freight forwarders are all extremely familiar with the route between the UK and China, meaning there is tonnes of advice around for best practice.

**Logistically at least, China is one of the most accessible countries in the world.**

**~800,000**  
TEU moving from  
China to Europe  
each month

**24,000**  
TEU capacity of  
biggest vessels

**30-45**  
days of transit time

**4 million**  
containers  
processed by  
Felixstowe pa



# So, what are you waiting for?

There's simply no disputing the opportunities for UK exporters that China presents. With a population exceeding 1.4 billion and a growing middle class with increasing disposable income, the demand for premium, international products continues to soar

Chinese consumers value the quality, safety, and authenticity that UK brands are known for, making the "Made in Britain" label a significant selling point

Additionally, the rise of e-commerce platforms like Tmall Global and JD Worldwide makes it easier than ever for foreign brands to access this lucrative market without requiring a physical presence in China.

Delaying your entry into the Chinese market could mean missing out on a window of opportunity. Consumer preferences are rapidly evolving, with a growing emphasis on health-conscious, innovative, and sustainably sourced products—areas where many UK brands excel.

By acting now, your business can establish itself as a trusted brand in this competitive but rewarding market while capitalising on China's advanced logistics infrastructure and established distribution networks.

**Get started today...**

Reach out to **Jade Blackburn** for specialist guidance on the China market.

**Jade Blackburn, Head of Sales,  
WTA**

**Get in touch**





# Contact us.

Phone      [\(+44\) 0800 016 3933](tel:+4408000163933)  
Email      [hello@wtagroup.com](mailto:hello@wtagroup.com)  
Website    [www.wtagroup.com](http://www.wtagroup.com)