



CBI Product Factsheet: Frozen Strawberries in the Netherlands

'Practical market insights for your product'

Being the third largest importer of frozen strawberries in Europe, the Netherlands plays an important role in the European trade of frozen strawberries. Not only is the Netherlands one of the main re-exporting countries to other European countries, strawberries are also a very popular product for Dutch consumption. This product fact sheet provides information on product specifications, statistics, trends, market channels and segments and competitiveness of frozen strawberries in the Dutch market.

Product description

Product definition

Freezing is a method of long-term preservation for fruits and vegetables. Quick frozen strawberries are prepared from fresh, clean, sound, ripe and stemmed strawberries of firm texture conforming to the characteristics of *Fragaria grandiflora* L. or *Fragaria vesca* L ("wild strawberries").¹ This product fact sheet covers general information regarding frozen strawberries in the Netherlands which is of interest to developing country producers². See Table 1 below for the corresponding product codes of frozen strawberries.

Table1: CN (Combined Nomenclature) codes for frozen strawberries

Number	Product
08111011	Strawberries, uncooked or cooked by steaming or boiling in water, sweetened, with sugar content of > 13 %, frozen
08111019	Strawberries, uncooked or cooked by steaming or boiling in water, sweetened, with sugar content of =< 13 %, frozen
08111090	Strawberries, uncooked or cooked by steaming or boiling in water, unsweetened, frozen

¹ Definition: [Codex Alimentarius](#)

² Developing countries are defined in this Product Fact Sheet as the countries mentioned on the OECD DAC list dated August 2009. For the list, see the OECD website: <http://www.oecd.org/investment/stats/43540882.pdf>

Product specification

Quality

Frozen strawberries can retain their quality over long storage periods. Frozen strawberries can be presented as whole, halved or sliced and as free-flowing (i.e. as individual berries not adhering to one another) or non free-flowing (i.e. as a solid block). Optional ingredients that can be added are sugars or other (artificial) sweeteners such as saccharin, aspartame or sucralose. As such, frozen strawberries can be prepared with either dry sugars or syrup.

According to the [Codex Alimentarius](#) ('Food code' of WHO and FAO), the following quality factors apply to quick frozen strawberries. They must be:

- of good colour;
- free from foreign flavour and odour;
- intact, if whole, and not materially disintegrated;
- intact, if halved, sliced or cut and not seriously affected by disintegrated fruit;
- clean, practically free from sand and grit and free from other foreign material;
- practically free from stalks, parts of stalks, calyces, leaves and other extraneous vegetable material;
- sound, practically free from mould, insect bites and other blemishes;
- normally developed;
- of similar varietal characteristics in each package;
- when presented as free-flowing, practically free from berries adhering to one another (whole, halved, sliced or cut), which cannot be easily separated by hand without damage when in a frozen state; not icy.



Source: all-free-download.com.

Notice that if the strawberries are intended to be eaten without any further processing after thawing, texture characteristics are more important when compared to use as a raw material for further processing. In addition, the product should be handled under such conditions as will maintain the quality during transportation, storage and distribution up to, and including the time of, final sale. More specific information on quality requirements for frozen strawberries can be found in the [Codex Alimentarius](#).

Labelling

In accordance with regulations regarding the provision of food information to consumers, food is to be labelled accordingly. EU [Directive 2000/13/EC](#) lays down the general rules on the labelling of pre-packaged food sold on the EU market. Notice that this regulation will be replaced by [Regulation \(EU\) No. 1169/2011](#) on the provision of food information to consumers, as of 13 December 2014. In addition to these regulations, the



Source: Innova database

[Codex Alimentarius](#) provides a voluntary standard and a reference for countries when they are developing food law. Several basic requirements are recommended for the labelling of frozen strawberries:

- The name of the food as declared on the label shall include "strawberries" or in the case of *Fragaria vesca L.*, "wild strawberries" or "alpine strawberries".
- Either the words "quick frozen" or "frozen" should be mentioned on the label (use of terminology differs between countries and depends on which term is customarily used for describing the product).
- The appropriate style of the strawberries, such as whole, slices, or halves.
- Liquid in which the strawberries are packaged must be listed near the name of the product. For example: "with (name of sweetener and whether in its natural form or in the form of syrup)".

For quick frozen strawberries that are sold in bulk, the above mentioned information must either be placed on the container or be given in accompanying documents, except that the name of the food accompanied by the words "(quick) frozen"³ and the name and address of the manufacturer or packer must appear on the container. Retail packs should provide instructions for storing and thawing the strawberries.

Size and packaging

Proper packaging of frozen strawberries is important to preserve the quality of the food and to protect the product from contamination and damage during transportation. According to the [Codex Alimentarius](#), packaging used for quick frozen strawberries must:

- protect the organoleptic and quality characteristics of the product;
- protect the product from bacteriological and other contamination (including contamination from the packaging material itself);
- protect the product from moisture loss, dehydration and, where appropriate, leakage as far as technologically practicable; and
- not pass on to the product any odour, taste, colour or other foreign characteristics.

Several types of (primary) packs can be used for frozen strawberries: 30% syrup pack (sugar with water), dry unsweetened pack or dry sugar (or sugar replacement) pack. The type of pack is usually selected according to the intended use for the strawberries. Syrup-packed fruits are generally used for cooking purposes, while dry-packed and tray-packed fruits are good for serving raw in salads and garnishes.

Marketing requirements for packaging differ widely among customers and market segments. Therefore, it is crucial that you discuss with your customers their preferred packaging requirements.



Source: Innova database and www.organicfinefood.com.au

³ Notice that there is a differentiation that can be made between quick frozen and IQF (individually quick frozen). With IQF each individual piece of fruit is frozen separately from all the others. Obviously, this makes IQF foods much easier to work with.

Processing

Generally, firm and fully ripe strawberries are selected, sorted, washed and drained. Subsequently, they are subjected to a freezing process in appropriate equipment. Strawberries are individually quick frozen (IQF). This involves sending the individual strawberries on a sort of conveyor belt into a blast-freezer that freezes the item very quickly. Because the food items are separate when they go in, they stay separate after they've been frozen. This freezing operation is to be carried out in such a way that the range of temperature of maximum crystallisation is passed quickly. The quick freezing process should not be regarded as complete unless and until the product temperature has reached -18°C at the thermal centre after thermal stabilisation. The recognised practice of repacking quick frozen products under controlled conditions is permitted.

Buyer requirements

Buyer requirements can be divided into (1) musts, requirements you must meet in order to enter the market, such as legal requirements, (2) common requirements, which are those most of your competitors have already implemented, in other words, the ones you need to comply with in order to keep up with the market, (3) niche market requirements for specific segments.

A general overview of the [EU buyer requirements for processed fruits and vegetables](#) you can find on the Market Intelligence Platform of CBI.



Requirements you must meet

Food safety: Traceability, hygiene and control

- Food safety is a key issue in EU food legislation. The [General Food Law](#) is the legislative framework regulation for food safety in the EU. To guarantee food safety and to allow appropriate action in cases of unsafe food, food products must be traceable throughout the entire supply chain and risks of contamination must be limited. An important aspect to control food safety hazards is defining critical control points ([HACCP](#)) by implementing food management principles. Another important aspect is subjecting food products to official controls. Products that are not considered safe will be denied access to the EU.
- [Directive 89/108/EEC](#) lays down the specific requirements for quick-frozen foods intended for human consumption marketed in the EU.

Control of food imported to the EU

In the event of repeated non-compliance of specific products originating from particular countries can only be imported under [stricter conditions](#) such as having to be accompanied with a health certificate and analytical test report. Products from countries that have shown repeated non-compliance are put on a list included in the Annex of [Regulation \(EC\) 669/2009](#). At the moment frozen strawberries (pesticide residues) from China are on the list.

Avoid contamination to ensure food safety

Contaminants are substances that may be present as a result of the various stages of its growing, processing, packaging, transport or storage. The different forms of contamination are:

- a) Heavy metals: there are restrictions for lead and cadmium (see section 3 of Annex of Regulation (EC) No 1881/2006)
- b) Pesticides: the EU has set maximum residue levels (MRLs) for pesticides in and on food products. Products containing more pesticides than allowed will be withdrawn from the EU market.
- c) Foreign matter: contamination by foreign matter like plastic and insects are a threat when food safety procedures are not carefully followed.

More specifically, when tested by appropriate methods of sampling and examination, frozen strawberries:

- shall not exceed the maximum level of residues of pesticides;
- shall be free from microorganisms in amounts which may represent a hazard to health;
- shall be free from parasites which may

Considerations for action

- Search in the [EU's Rapid Alert System for Food and Feed \(RASFF\) database](#) to see examples of withdrawals from the market and the reasons behind these withdrawals.
- EU buyers will often ask buyers to implement a food (safety) management system based on HACCP-principles (see under *Common requirements*).
- Read more about HACCP and health control in the [EU Export Helpdesk](#)

- To help you answer key questions about health control refer to the [guidance document](#) of the EU.
- Check if there are any increased levels of controls for your product and country. The list is updated regularly. Check the website of [EUR-Lex](#) for the most recent list (see under *Amended by*).
- Read more about [health control](#) in the EU Export Helpdesk.

- Check the European Commission's factsheet on food contaminants "[Managing food contaminants: how the EU ensures that our food is safe](#)"
- Read more about [contaminants in the EU Export Helpdesk](#)
- To find out the MRLs that are relevant for your products, you can use the [EU MRLdatabase](#) in which all harmonised MRLs can be found. You can search on your product or pesticide used and the database shows the list of the MRLs associated to your product or pesticide. Read more about [MRLs](#) in the EU Export Helpdesk.
- A good way to reduce the amount of pesticides, is applying integrated pest management (IPM) which is an agricultural pest control strategy that uses complementary strategies including growing practices and chemical management.

- represent a hazard to health; and
- shall not contain any substance originating from microorganisms in amounts which may represent a hazard to health.

Additives and flavourings

- Product can be rejected by buyers and EU custom authorities in case they have undeclared, unauthorised or too high limits of extraneous materials. There is specific legislation for [additives](#) (e.g. colours, thickeners) and [flavourings](#) that list what E-numbers and substances are allowed to be used. In case you want to add vitamins you will have to know which [vitamins](#) (see Annex I) and sources, vitamin formulations and mineral substances are allowed (see Annex II).
- No product specific legislation regarding composition applies to frozen strawberries.

Labelling

- In case you are supplying consumer labelled product (in for example cans, jars or boxes) you will have to take into account labelling requirements laid down in [Directive 2000/13/EC](#). This should inform consumers about composition, manufacturer, storage methods and preparation.
- For [quick frozen](#) food specific labeling and quality requirements apply.

Nutrition and health claims

Nutrition and health claims suggest or indicate that a food has a beneficial characteristic. They cannot be misleading. Therefore, only EU approved nutrition and health claims can be made. If new nutrition or health claims are made these have to be approved in advance by the [European Food Safety Agency](#) (EFSA).

Full overview of requirements for frozen strawberries:

For a list of requirements consult the [EU Export Helpdesk](#) where you can select your specific product code under chapter 08.

Common requirements

Food Safety Certification as a guarantee

As food safety is a top priority in all EU food sectors, you can expect many players to request extra guarantees from you in form of certification. Many EU buyers (e.g. traders, food processors, retailers) require the

- Refer to Buyer Requirement module on natural colour, thickeners and flavours for more information.
- E-numbers indicate approval by the EU. To obtain an E-number the additive must have been fully evaluated for safety by the competent food safety authorities in the EU (EFCH). For an overview of E-numbers refer to the Annex of [Regulation 1333/2008](#) (see under *Consolidated versions*).
- Read more about [legislation on authorised food additives and flavourings](#) under general conditions of preparation of foodstuffs.
- In December 2014 [EU Regulation 1169/2011](#) will go into effect. This new labelling legislation will considerably change current legislation. For example, allergens will have to be highlighted in the list of ingredients and requirements on information on allergens will also cover non pre-packed foods including those sold in restaurants and cafés. Read more on the [website](#) of the EU about the new labelling legislation.
- Read more about [food labeling](#) in the EU Export Helpdesk.
- For more information about [nutrition and health claims](#) refer to the website of the EU.

Considerations for action

- EU market entry preparation is more likely to include implementing a food safety management system than not, and it is therefore important to familiarise yourself with them.

implementation of a (HACCP-based) food safety management system. The most important food safety management system in the Netherlands are [IFS](#), [FSSC22000](#) and [SQF](#). Different buyers may have different preferences for a certain management system, so before considering certification against one of these standards, it is advised to check which one is preferred. All the mentioned management systems are recognised by the [Global Food Safety Initiative \(GFSI\)](#), which means that any of them should be accepted by several major retailers. However, in practice some buyers still have preferences for one specific management system.

Corporate responsibility

Buyers in the Netherlands pay more and more attention to their corporate responsibilities regarding the social and environmental impact of their business. This also affects you as a supplier. Common requirements are the signing of a suppliers' code of conduct in which you declare that you do your business in a responsible way, meaning that you (and your suppliers) respect local environmental and labour laws, stay away from corruption etc. Furthermore importers may also participate in initiatives such as the [Business Social Compliance Initiative](#). This initiative focuses on improving social conditions in their members' supply chains. This implies that you, as a supplier, are also required to act in compliance with their principles.

Niche market requirements

Fairtrade Certification

- Fairtrade products are produced with extra focus on the social conditions in the producing areas. An example is [Fair Trade](#). Having your products certified is the most far-going way to prove your business performance for social conditions in your supply chain. After certification by an independent third party, you may put the Fair Trade logo on your product. In general, premium prices are paid for fair trade products. Although growing, the market for Fair Trade certified products is still a niche market.

- When you plan to target one or more markets, check which specific food safety management systems are most commonly requested. In any case choose for a management system that is GFSI approved.
- Read more on the different Food Safety Management Systems at the [Standards Map](#).

- When targeting the Netherlands it might be interesting to assess your company's current performance by doing a self-assessment, which you can find on the [BSCI website](#).
- Be aware that many of the environmental and social sustainability issues take place at farm level. To test to what extent your farmers are sustainable you could ask them to fill in the [Farmer Self Assessment](#) by the Sustainable Agriculture Initiative.
- Consider defining and implementing your own code of conduct. This is not required by buyers, but may be a good way to show potential buyers your views on corporate responsibility. Refer to the [code of conduct](#) of the Fruit Juice Association (AIJN) for inspiration. The AIJN represents a large share of the European fruit juice producers.
- Implementing a management system such as [ISO14000](#) (environmental aspects), OHSAS 18001 (occupational health and safety) or [SA 8000](#) (social conditions) is away to address sustainability and possibly gain a competitive advantage. Research with your buyer whether this is appreciated.

Considerations for action

- Check the Fair Trade Standards for [small producer organisations](#).
- Consult the [Standards Map database](#) for more information on the Fair Trade label.

Organic, niche market

- Organic strawberries are produced and processed by natural techniques (e.g. crops rotation, biological crop protection, green manure, compost). Although growing, the size of the market is still relatively small. To market frozen strawberries in the Netherlands as organic, they must be grown using organic production methods which are laid down in [EU legislation](#) and growing and processing facilities must be audited by an accredited certifier, before you may put the EU organic logo on your products.
- Although there is an EU-wide system for the regulation of organic farming, well-established national and private logos can continue to be used on product labels. For example, companies and operators located outside the Netherlands who wish to market organic products in the Netherlands may use the [EKO Quality Mark](#).

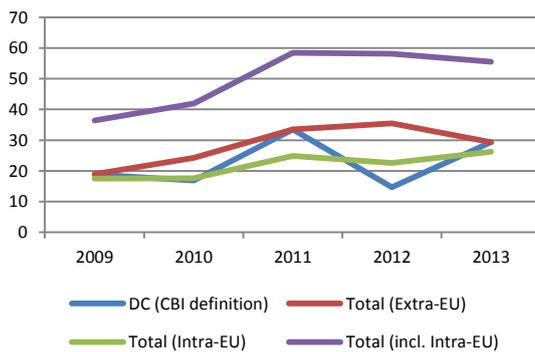
- Implementing organic production and becoming certified can be expensive. In the current market the return on investment may not be high. On the other hand it can increase yields and improve quality.
- Check the Soil Association standard for [Food and drink](#) to get an idea of the requirements of organic production.
- Consult the [Standards Map database](#) for the different organic labels and standards.
- Before applying for one of this certifications, we advise you to check your buyers' preferences for certain national labels.

Trade and Macro-Economic Statistics

General information and figures about production and trade developments for Processed Fruits and Vegetables in the EU market are provided in the [CBI Trade Watch](#). This section provides more detailed statistics on trade, production and consumption of frozen strawberries in the Netherlands.

Imports and exports

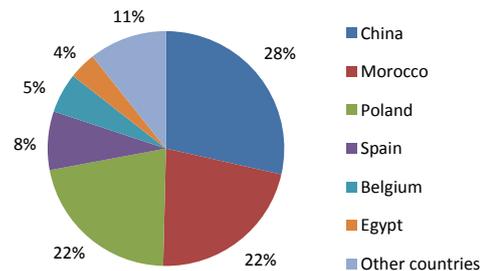
Figure 1: Dutch imports of frozen strawberries, in million euros



Data source: Eurostat database COMEXT. Figure compiled by LEI Wageningen UR.

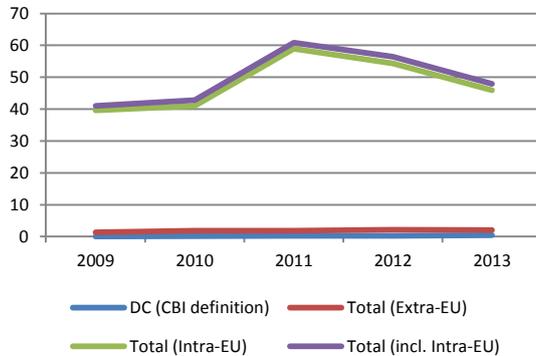
Figure 3: Dutch exports of frozen strawberries, in million euros

Figure 2: Dutch imports of frozen strawberries in 2013, by supplying country, in %

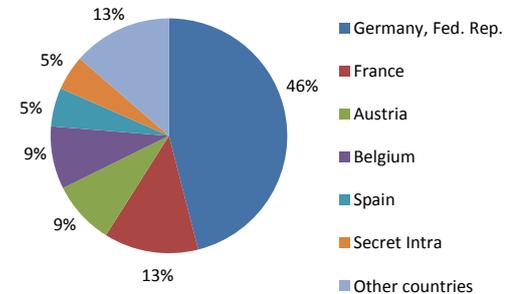


Data source: Eurostat database COMEXT. Figure compiled by LEI Wageningen UR.

Figure 4: Dutch exports of frozen strawberries in 2013, by country, in %



Data source: Eurostat database COMEXT. Figure compiled by LEI Wageningen UR.



Data source: Eurostat database COMEXT. Figure compiled by LEI Wageningen UR.

Analysis and interpretation

- In terms of value, Dutch imports of frozen strawberries grew from €36.4 million in 2009 to €55.5 million in 2013 (see Figure 1). In terms of quantity, growth was less pronounced, but it was still from 42,220 tonnes in 2009 to 47,923 tonnes in 2013. The fact that values grew faster than volumes may be because of price increases due to inflation, international price increases or fluctuations in exchange rates.
- The fact that imports (and exports) grew over the last few years can be at least partly explained by the fact that new players entered the market (i.e., countries like Morocco), whereas European players like Poland played a less prominent role. The Netherlands play a central role in this new trade, because of the harbour of Rotterdam, the multitude of trading companies in frozen fruit in the Netherlands and the knowledge that is present about this market.
- At the same time, growth in imports stagnated the last two years as can be seen in Figure 1. It is expected that future imports will be under pressure, since consumers from emerging economies like China (which is the main supplier of frozen strawberries to the Netherlands) are increasingly consuming strawberries themselves. This is a trend that is expected to continue in the future as middle classes are growing in these countries.
- Relative to other European countries, the Netherlands is the third largest importer of frozen strawberries in Europe. Germany is Europe's largest importer of frozen strawberries (€ 109 million in 2013), followed by France (€71 million in 2013).
- Around 40% of Dutch imports in 2013 are intra-EU imports. Main supplying countries from Europe are Poland, and to a lesser

Considerations for action

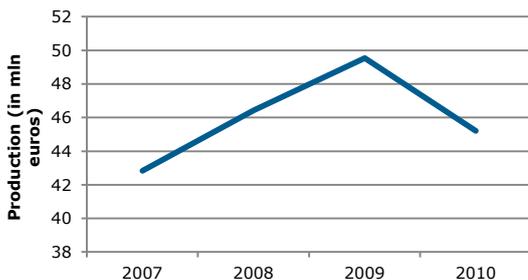
- Find a reliable intermediary or importer who can sell your products to the larger industries at a good price. In this context, it is worthwhile to explore the possibilities of long term contracts to secure your sales.
- Dutch importers do not only supply the Dutch market, but re-export to other countries in Europe as well (important point of entry for the European market). Hence, try to partner with Dutch importers to have the right equipment for processing and to meet the various requirements of the European buyers.
- Try to involve European experts in setting up your business. For example, [CBI](#), the [Development Cooperation Matchmaking Facility](#) or the Netherlands senior experts-network [PUM](#) could help with the implementation of many business aspects.
- Obtain information from your contact person in the Netherlands about quality standards, delivery schedules and logistics requirements. Evaluate whether working capital, processing technology, logistics and the skill level of your company's employees are able to keep up with these requirements.
- In Dutch business culture, straightforwardness, honesty, and punctuality are highly valued. Business discussions are formal, well-structured, and tend to adhere to the agenda.
- Communication: good English language skills are a must.

extent Spain and Belgium (see also Figure 2). Together, these countries account for more than one third of all Dutch imports of frozen strawberries.

- The major extra-EU imports are from China (28%), followed by Morocco (22%). Other countries are Egypt, Turkey, Chile and Peru, although their share in imports is much lower. Almost all imports from countries outside Europe are imports from developing countries, as can also be seen in Figure 1.
- Exports of frozen strawberries in the Netherlands grew from €41 million in 2009 to €47.9 million in 2013, although this was no steady growth since growth declined over the last two years (see Figure 3). This corresponds with the stagnation in imports over the last two years. In terms of quantity, growth stagnated: 37,419 tonnes in 2009 to 34,702 tonnes in 2013.
- As can be seen in Figure 3, almost all (96%) of Dutch exports of frozen strawberries go to other European countries. Figure 4 displays the main receiving countries. Germany is by far the largest receiving country for Dutch exports.
- Exports to developing countries are practically nil. Only China received some frozen strawberries from the Netherlands.

Production and consumption

Figure 5: Production value of frozen fruits and nuts (including frozen strawberries)^{a)}, in the Netherlands, 2007-2010, in million euros



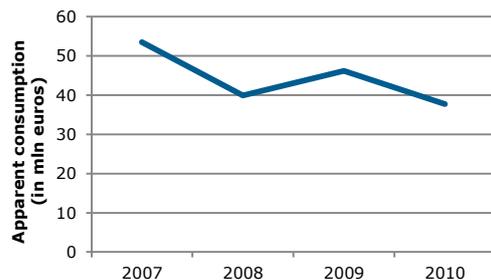
^{a)}The data is only available at this aggregate level (PRODCOM Rev. 2 NACE code 10392100). No data available for frozen strawberries only.

Data source: PRODCOM/Eurostat. Figure compiled by LEI Wageningen UR.

Analysis and interpretation

- Production data is only available at the aggregate level of frozen fruits and nuts until 2010. Looking at the data, production slightly increased from about €43 million in 2007 to €45 million in 2010 (and a peak of

Figure 6: Apparent consumption^{a)} of frozen fruits and nuts (including frozen strawberries)^{b)}, in the Netherlands, 2007-2010, in million euros.



^{a)} Apparent consumption is the sum of imports and production reduced by exports. Variations are not taken into account. Domestic supply reflects direct usage by consumers and the industry.

^{b)} The data is only available at this aggregation level (PRODCOM Rev. 2 NACE code 10392100). No data available for frozen strawberries only.

Data source: PRODCOM/Eurostat. Figure compiled by LEI Wageningen UR.

Considerations for action

- More information on the production of frozen strawberries in the Netherlands can be found on the website of [VIGEF](#).
- Try not to compete on price only, but also on added value and differentiated products.

€50 million in 2009). Production data from the past two years (2011 and 2012) is confidential and not available.

- Although no precise data can be given, production of frozen strawberries is probably very low. The Netherlands mainly produce cultivars for the market for fresh strawberries and does not have a tradition of freezing strawberries.
 - The Netherlands are a medium player in Europe regarding the production of frozen fruits; (much) smaller than countries such as Poland and Italy, but bigger than countries such as Belgium and Spain.
 - Production of fresh strawberries in the Netherlands increased from 42 million kg in 2008 to 49.7 million kg in 2012. This makes the Netherlands one of the fastest growing production countries in Europe.⁴ Through combining open cultivation and protected (greenhouse) cultivation it is possible to produce strawberries almost all year round.
 - About 74% of processed strawberries in the Netherlands is imported from abroad, mainly China, Poland and Morocco. The other 26% is national production.
 - Key players in the Dutch market for frozen strawberries include [Ardo](#), [Oerlemans Foods Nederland](#), and [SVZ International](#).
 - Apparent consumption of frozen strawberries for 2010 in the Netherlands was €38 million and has slightly decreased since 2007. No data is available for 2011 and 2012 (since production data is missing for these years).
 - Dutch people consumed on average 2.57 kg of fresh strawberries per capita in 2012 and spent about €11.00 per capita on fresh strawberries during that year, which is comparable to other North-west European countries.
 - Strawberries are especially popular among young people and women. While fresh strawberries are mainly eaten during the summer season (when supply is high), frozen strawberries are eaten all year round, usually as a snack or for dessert.
- Try to find matching market niches for your products.
 - Introduce new, innovative product formulas with frozen strawberries. With these products you can focus on a niche market and adhere to different consumer trends, such as health or convenience.
 - Introduce new combinations of flavours with strawberries and other fruits.
- Strawberries are very popular among Dutch consumers. In targeting the Netherlands with frozen strawberries you should take consumption differences and various consumption occasions (strawberries as a snack, strawberries for lunch or for dessert) into account. For example, by offering different packaging sizes or in your marketing communications.

Market Trends

[CBI Trend Mapping](#) provides general trends in the European market for processed fruits and vegetables. This section provides more details about specific trends in the market for frozen strawberries in the Netherlands.

⁴ See for example: <http://www.gfactueel.nl/Fruit/Nieuws/2013/5/Britse-productie-aardbeien-groeit-snelst-in-EU-1268651W/>

Economic market drivers:

- Frozen food in Belgium and The Netherlands is benefitting from the economic recession, as consumers search for a more affordable alternative, as do consumers in other European regions. Although still perceived as the lesser option in terms of perceived quality, compared to fresh food, the volume of sales increased in both countries and is expected to continue to grow in the near future.⁵
- Because of the economic crisis, and to ensure a healthy client portfolio, Dutch companies are increasingly trading only with companies that are credit insured. Payment must commonly be made within thirty days.
- Trade in frozen fruits (and strawberries) has changed considerably in recent years. Sales have become much more "just-in-time". Previously, buyers could buy products in advance when the price was low. Nowadays, this is much more difficult.⁶

Technological market drivers:

- Due to developments in information technology like the Internet, communication across the world has become much easier. This offers opportunities for connecting suppliers and customers. Also, the number of online trading companies that can offer products against a low price is increasing. For Dutch importers, it has, therefore, become increasingly difficult to find trustworthy partners when these new trading companies enter the market.

Environmental market drivers:

- Consumers are more aware of environmental issues, i.e. they require organic, pesticide free, or ecologically responsible products. More and more companies are looking for organic suppliers.

Considerations for action

- The economic recession, which is slowly recovering, offers opportunities for entering the Netherlands with your exports when you can offer good quality products against a relatively cheap price.
- Due to an increased focus by Dutch buyers on trustworthy trading partners, it is worthwhile to explore the possibilities of long term contracts to secure your sales. Open dialogue, trust and expertise by both parties, an appropriate contractual-farming model, and good contract design are crucial in the development of long term contracts. Moreover, involvement of third parties (such as governmental organisations, NGOs or producer organisations) may sometimes be desirable as it could help to guarantee the reliability of long-term arrangements.
- Make optimal use of the Internet and information technology. For example, by providing additional information or services through a website. Notice that although a website is relatively easy to establish, it could have an adverse effect on your image if you do not use this medium in a professional way. Do not use the Internet as a vehicle to camouflage your shortcomings!
- When starting to do business with small (online) trading firms, make contractual agreements regarding quality and delivery aspects.
- Consider certification and sustainability labelling of your products (see also the Consideration for actions under Non-legislative requirements).
- Cooperate with the food industry and retail.

Market Channels and Segments

With respect to frozen fruit and vegetables, a general market analysis of the European market is provided in [CBI Channels and Segments](#).

Market Competitiveness

With respect to processed fruit and vegetables, general information about market competitiveness in the EU market is provided in [CBI Market Competitiveness](#). This section provides more details about the market competitiveness of frozen strawberries in the Netherlands. Notice that the five forces are described from the perspective of the Dutch importer.

⁵ Source: <http://www.frozenfoodeurope.com/article/markets/belgium-netherlands-plenty-room-growth>

⁶ Source: <http://www.agf.nl/artikel/100504/SonderJansen-gespecialiseerd-in-diepgevroren-rood-fruit>

Analysis and interpretation

- **Buyer power:** Retail buying power increased during recent years. Retailers increasingly seek to enhance the range of products available to consumers, in order to drive revenue growth. In addition, the food processing industry (frozen food companies) is more demanding. For example, it is becoming a precondition that the product is provided with the final packaging in the country of origin.
- **Threat of new entrants:** In developing nations, the increasing availability of cold supply chains has facilitated increased production of frozen food products⁷. Export growth will stem from countries like Morocco.
- **Threat of substitute products:** Substitutes for frozen strawberries are most likely fresh strawberries. However, due to an increasing trend for more convenient food, the threat of substitutes taking over market share from processed fruits and vegetables is considered moderately low. Moreover, compared to fresh produce, frozen strawberries have a strong position because of year round availability.
- **Bargaining power of suppliers:** Shortage of raw materials will allow for more bargaining power among suppliers. This can be considered as an opportunity for exporters, but remember that the position of the supplier for the exporter will be stronger as well.
- **Degree of competition:** In general, the market for frozen fruits has a high degree of competition because it is a relatively mature market and there are a lot of (small) traders on the market. Also, the market for frozen strawberries in the Netherlands can be characterised as a dynamic and intensely competitive market environment.

Considerations for action

- Emphasise your ability to deliver. Supermarkets demand good quality and have strict delivery schedules as they want their shelves to be filled the whole year round.
- Emphasise your short term financial health. Supermarkets exert their bargaining power by paying late. Payment after 120 days or even 180 days is common (Source: FAO, 2009).
- Important indicators to enter a new market are buyer requirements, investment requirements, volume requirements and level of knowledge required. Also, certification systems can help you to enter and optimise your business for the European market.
- Use the unique characteristics of frozen strawberries (year round supply, lower food waste, greater sustainability because products can be harvested from seasonally produced, outdoor crops) to position them against fresh substitutes.
- Long term contracts, partnerships and joint ventures are all opportunities to obtain a better position in the European market, including among other exporters, your direct competitors.
- Try not to compete only on price, but also on added value and differentiated products. Try to find market niches which match the current sustainability and health trend.

Useful sources

Export and market entry support:

<http://www.cbi.eu/>

<http://exporthelp.europa.eu/thdapp/index.htm>

Certification schemes:

<http://www.isealalliance.org>

<http://www.standardsmap.org/identify.aspx>

Marketing and trade standards:

<http://www.codexalimentarius.org/codex-home/en/>

⁷ See: <http://www.prweb.com/releases/2012/6/prweb9633329.htm>

Statistics and sector information:

<http://www.profel-europe.eu/>

<http://faostat.fao.org/>

<http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

<http://comtrade.un.org/>

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