

Blueberry production is ramping up steadily, forcing growers to look past traditional markets like the U.S. to place their increasing harvests. China remains an elusive target with an immense potential, especially for growers in Chile and Peru.

Currently other fruit categories like cherries are far more popular among the Chinese than blueberries, but George Liu, founder of [FrutaCloud](#), an e-commerce subsidiary of fruit retailer Kingo Fruits sees a ripe opportunity in the Chinese market.

Liu presented his vision recently at the [South American Blueberry Convention](#), and we summarize some of his key points.

Even though China has agreements with many countries for blueberries, 99% of supply comes from Chile and Peru.

Over the past three years, Peru has grown and Chile has withdrawn as the primary supplier to the market, a short term effect of Covi and logistics effects, but also a long term impact of management from Peru to enter the country and gobble up market share.

Since it is more susceptible to cold chain, the fruit does not survive well in the traditional wholesale market, therefore over half of volumes are sold to retailers.

Also, as blueberries have always been packed, the transition to e-commerce is seamless, and can become one of the most important fruit categories for retailers, Liu said.

Earlier Peruvian blueberries can reach higher prices in July, August and September. Domestic production suffers from weather events so Peru can offer a better alternative.

Air blueberries from Chile have ceased to arrive due to Peru's shipments. It starts to arrive by sea in the cherry season. The end of the Chilean season for blueberries also tends to see a drop in quality.

The blueberry consumer

"Blueberries are recognized for their health benefits for their eyes. Parents will buy blueberries to alleviate the eyes of the children who study too much," Liu said.

Blueberry consumers buy about twice per week, with the 125g pack the most popular.

The Chinese eat blueberries by themselves not mixed with other food items, so sweetness is important, as is size, especially 16mm and up. A size of 20mm and up can fetch almost 400%

more in price than smaller fruit, he added.

Long distances from Peru or Chile is around 45 days including delays, creating inconsistency in arrival. There is an opportunity to use chartered vessels to overcome this situations, Liu said.

Chilean cherries captures most of the attention of importers, with promotions and repacking capacity for blueberry deprioritized next to the cherry upon its arrival.

There is also a premium market for bigger and better tasting genetics. OZblue, Mountain Blue and Sekoya are some of the varieties that Liu pointed out.

Building a sustainable demand is a task of all growing markets and a degree of coordination, as the Chinese tend to see South America as a single region.

Domestic Chinese blueberries

Domestic production enters in limited volumes in December, the volume ramps up in March which avoids direct competition, although there is investment to increase early production before March.

China's domestic blueberry supply comes from its south and north east. Yunnan province represents the future of domestic production, and Liu says the region grows the best blueberries around the world.

The evolution of farming blueberries has also expanded to other regions, giving a year round supply.

Fear of IP theft has prevented genetics owners from investing in China, and to do so requires participation across different sectors, including local governments and local farmers in particular.

China has a different ownership structure than the western world, and local governments are needed in order to work. Blueberry regions are located in low income areas, so it's an opportunity to create new jobs.

Driscoll is a great example, Liu said, by engaging local governments and farmers, it provides an economic opportunity for local authorities and helps urge them to enforce IP ownership.

A goal for the future could be one clamshell per year per person, but in order to do so, volume must increase three fold. It's an attractive but challenging market for growers, as Chinese consumers are demanding and picky, but will pay a high price.