

Target, Taste, Trap and Thrive

A Singapore Go-to-Market Strategy



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Issue

TINE is facing **declining growth** given its domestic struggles and intends to **expand into Asia** to resurrect its growth by **selling Brown Cheese**



Questions

Following its success in South Korea, **where** should it expand to next?

Who is the target customer it should sell **Ski Queen, the brown cheese**, to?



Strategy

A Go-To Market Strategy in Singapore, targeting young-to-middle aged adults

TASTE: Gaining traction in Singapore

TRAP: Sustaining the growth



Impact



5Y Revenue CAGR
140%



EBIT Margin (FY26E)
6%



SG Cheese Market Share
14% by FY26E

TARGET

TASTE

TRAP

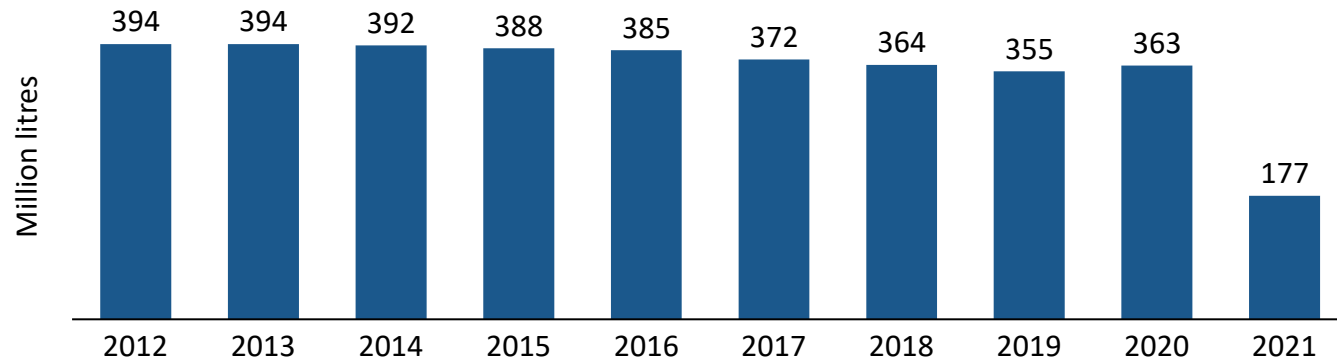
THRIVE

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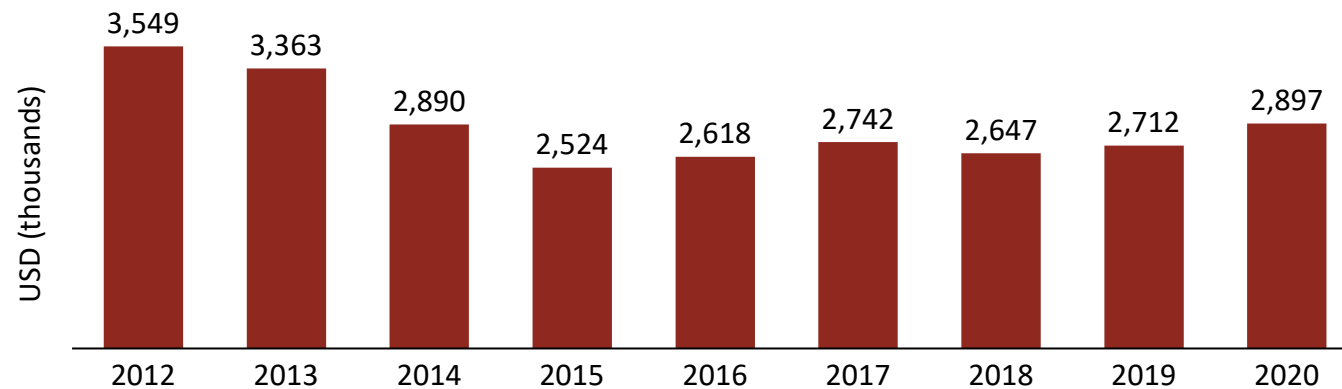


TINE faces an urgent need to resurrect its growth through market expansion

Milk consumption has **fallen domestically in Norway...**



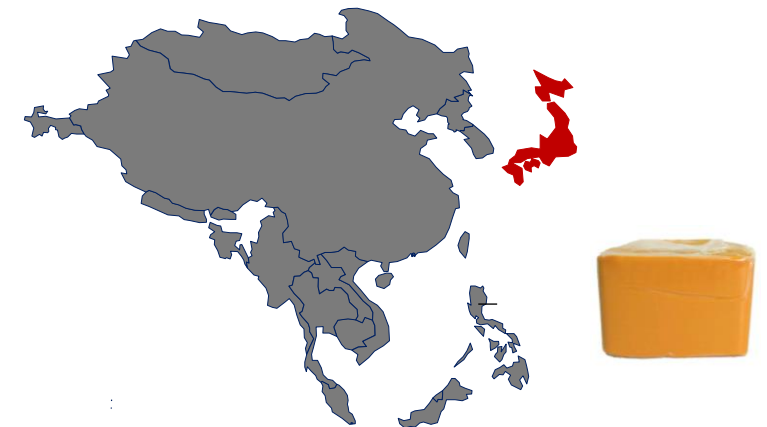
...leading to a **stagnation in revenue** for TINE



Sources: Statista, Orbis, Case Material

It intends to **expand into Asia** with Brown Cheese

It has successfully done so in South Korea



Having established itself in South Korea,
where should it expand next in East Asia?

TINE should consider the market attractiveness and its ability to win

Criteria	Sub-criteria	Justification
Market attractiveness	Market size for dairy products	Strong indicator for demand for cheese and dairy products TINE would want to launch in the future
	Estimated 5Y CAGR	Strong indicator for future growth in profits
	Income per capita	Cheese is a discretionary food item that is consumed by the middle-to-high income
Ability to win	Competitive landscape	A more fragmented landscape would be easier for TINE to establish its presence
	Presence of Western dairy brands	Lower market share held by Western brands makes it even easier for TINE to establish itself
	Logistics performance index	Determines ease of moving TINE's products into and within the country
	Import tax	Determines proportion of profits TINE can retain
	Ease of doing business	Determines ease of navigating business regulations in the country

Singapore is the best immediate market to grow TINE

Top 3 countries out of 12 East Asia and Southeast Asia nations

Sub-criteria	Singapore	Japan	China
Market size for dairy products	3	11	12
Estimated 5Y CAGR	2	1	4
Income per capita	12	10	8
Competitive landscape	11	7	12
Presence of Western dairy brands	8	11	12
Logistics performance index	11	12	9
Import tax	12	7	6
Ease of doing business	12	10	6
Total	71	69	69

While Singapore has a small market, it acts as a gateway to the rest of Asia



Singapore is an established consumer insights hub that provides **a rich ecosystem of professional services firms and research houses** worth **USD\$57 million**



Singapore is a renowned global innovation hub, **ranked 2nd in Asia in the Innovation Index** (behind S. Korea). **Industry leaders like Nestle** set up **Asian Innovation Centres** here



Singapore is the top choice for **consolidating key business functions** among **industry behemoths like Unilever and Coca-Cola** with its large pool of professional talent and world-class connectivity

TINE can use Singapore as **a launchpad** to **grow its presence in Asia** in the long-term to **generate sustainable growth**

Sources: Economic Development Board

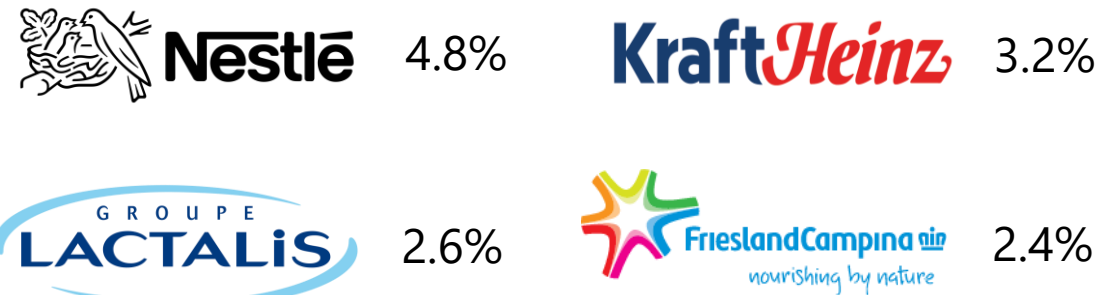
The competitive landscape for dairy products in Singapore is also favourable for TINE

Semi-Fragmented landscape

Malaysia Dairy	14.8%
Meiji Holdings	13.1%
Thai Beverage	11.4%
Yakult Honsha	10.4%
Other players	50.3%

Weak presence of other Western brands

Major brands have **less than 5% market share**, representing an **opportunity for TINE**






In the absence of strong competition, it is relatively easy for TINE to **capture market share in Singapore**

Sources: Euromonitor

Nonetheless, TINE faces two major challenges to establish its presence in Singapore

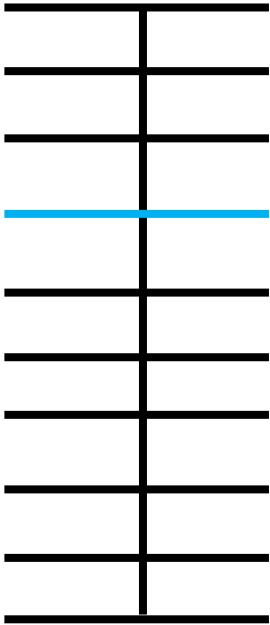
Unfamiliarity with brown cheese

None of the major retailers in Singapore sell brown cheese

Retailer	Types of cheese sold
 Cold Storage <small>The fresh food people</small>	Mascarpone, Ricotta, Cottage, Blue, Feta, Goat, Gourmet, Brie, Camembert
 FairPrice	Cheddar, Mozzarella, Emmental, Parmesan, Gouda, Swiss, Cottage, Havarti
 SHENG SIONG	Gouda, Cheddar, Mozzarella, Parmesan

Relatively higher price vs. other cheese

Benchmarking other types of Cheese sold by these retailers against blue cheese sold in Norway



Price per 100g (SGD)

- Ricotta cheese: \$5.15
- Brie cheese: \$4.60
- Brown cheese: \$4.25**
- Gouda cheese: \$3.30
- Mozzarella cheese: \$2.80
- Mascarpone cheese: \$2.60
- Cottage cheese: \$2.15
- Cheddar cheese: \$2.00

To overcome these challenges, TINE needs to identify an **appropriate target customer** to sell to

We identified a customer profile which TINE can target in Singapore



How can TINE target such consumers and enable its brown cheese to gain traction in Singapore?

TARGET

TASTE

TRAP

THRIVE

VINNE 
Consulting

 **TINE**

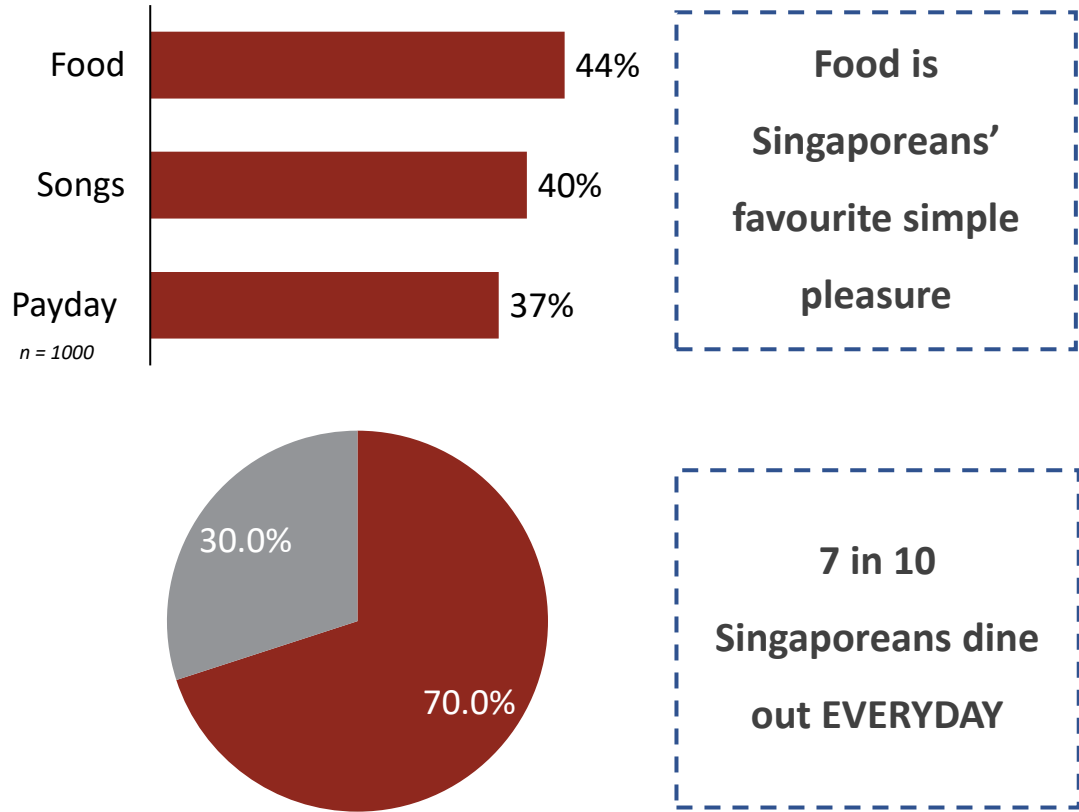


Recommendation 1

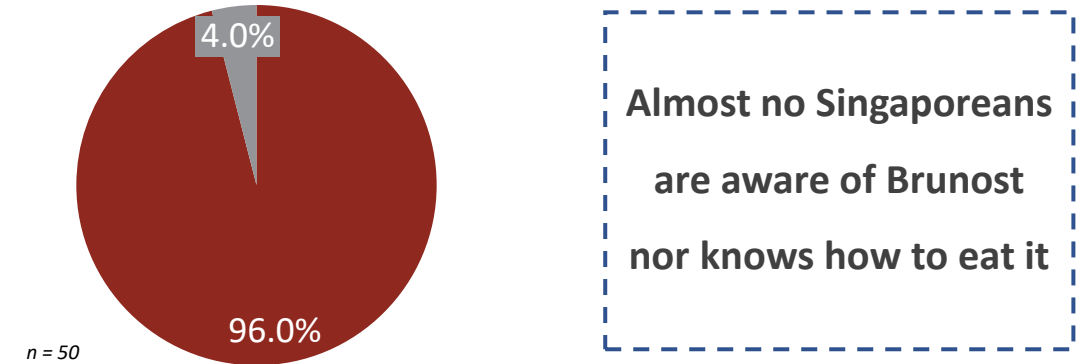


Brunost is a hidden gem that Singaporean consumers have yet to discover

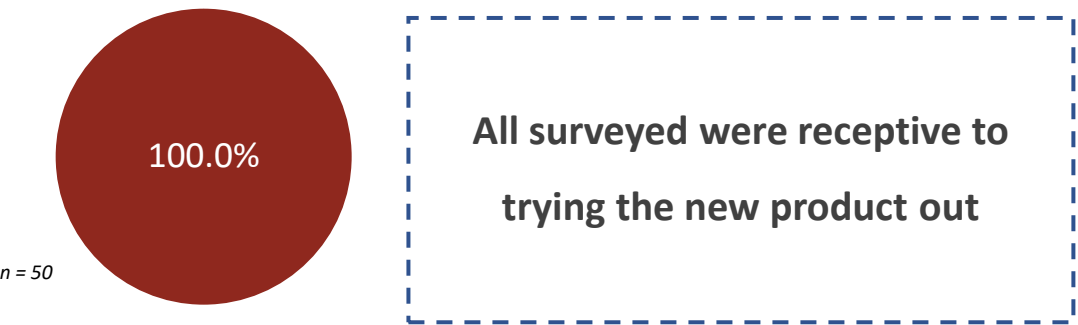
Singaporeans are huge foodies...



...But hardly any are aware of Brunost



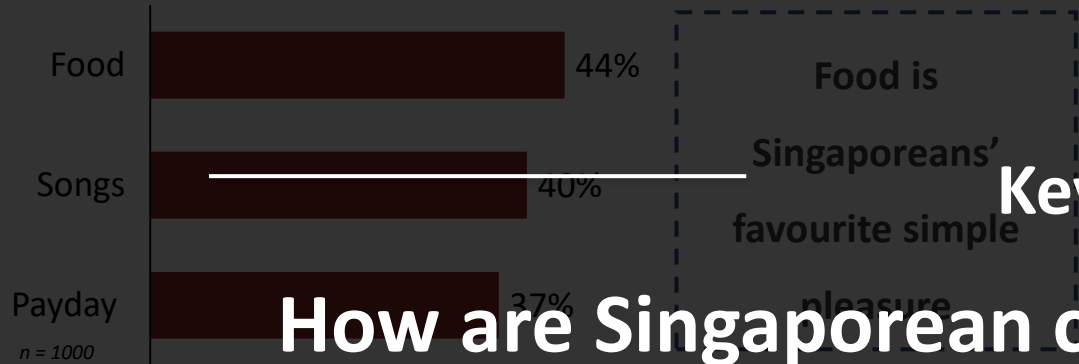
Nevertheless, most are receptive to trying it out



Source: Singapore Business Review, Small Luxury Hotels of the World organization

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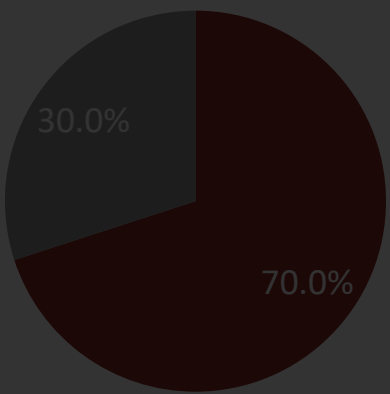


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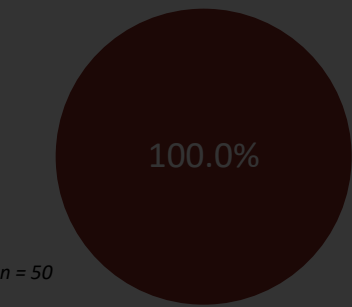


Key Question
How are Singaporean consumers going to discover this gem?

Nevertheless, most are receptive to trying it out



7 in 10
Singaporeans dine
out EVERYDAY



All surveyed were receptive to
trying the new product out

Source: Singapore Business Review, Small Luxury Hotels of the World organization

Recommendation 1

Introducing Ski Queen x KOI Cheesy Bubble Tea



Bubble Tea infused with Ski Queen to give off a cheesy, smooth and addictively sweet taste; topped off with soft, chewy pearls cooked soaked in Ski Queen

Bubble Tea



Ski Queen



A synergistic marriage

Desired State

Creates tremendous awareness for Ski Queen and Tine in preparation for further market penetration

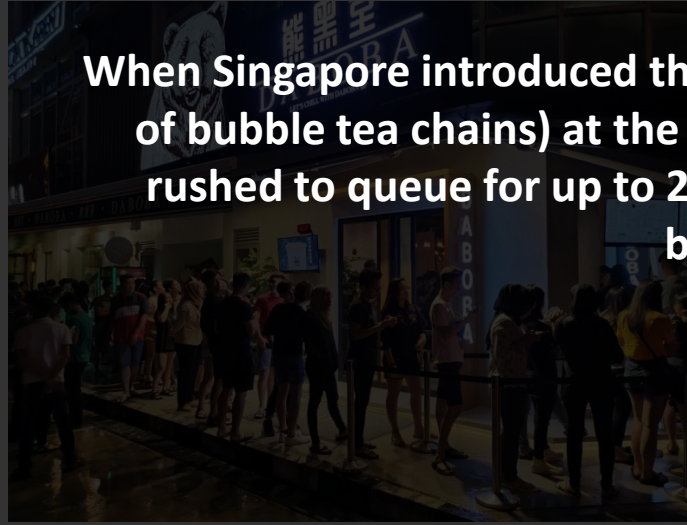
Recommendation 1

Why Bubble Tea? – Bubble Tea is immensely popular in Singapore

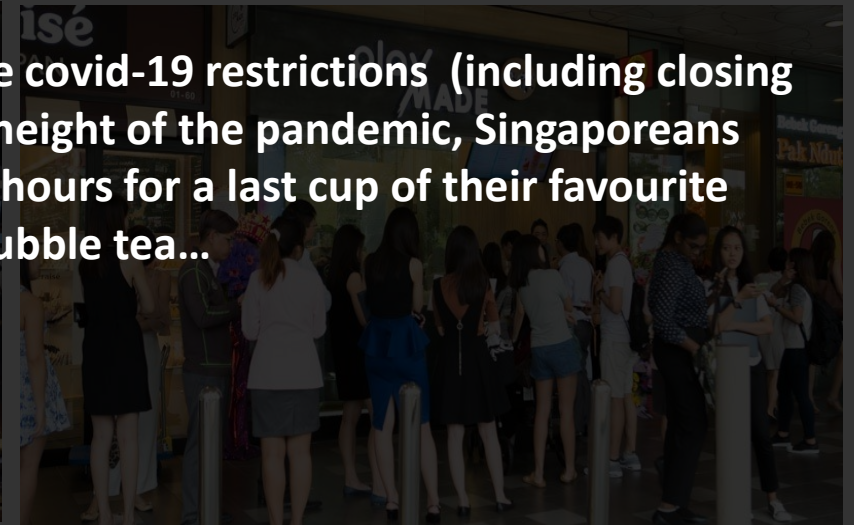


Recommendation 1

Why Bubble Tea? – Bubble Tea is immensely popular in Singapore



When Singapore introduced the covid-19 restrictions (including closing of bubble tea chains) at the height of the pandemic, Singaporeans rushed to queue for up to 2 hours for a last cup of their favourite bubble tea...



Why Bubble Tea? – Bubble Tea is immensely popular in Singapore



People even queued over night for the reopening of Gong Cha, a popular Bubble Tea chain that exited just 6 months earlier



Recommendation 1

Bubble Tea is immensely popular in Singapore



At least 62
different
bubble tea
brands in a city
c. half the size
of London

Recommendation 1

Cheese and Bubble Tea have proven to be well received and TINE will be able to elevate cheese and Bubble Tea to a whole new level



Cheese Foam Bubble Tea



Became a global phenomenon with 2-3 hour lines after pioneering the use of real cream cheese with bubble tea



Our product's key differentiation



Authentic, truly and uniquely Norwegian Taste, with ingredients sourced from Norway



Exotic flavour, first of a kind flavour that has not been heard of



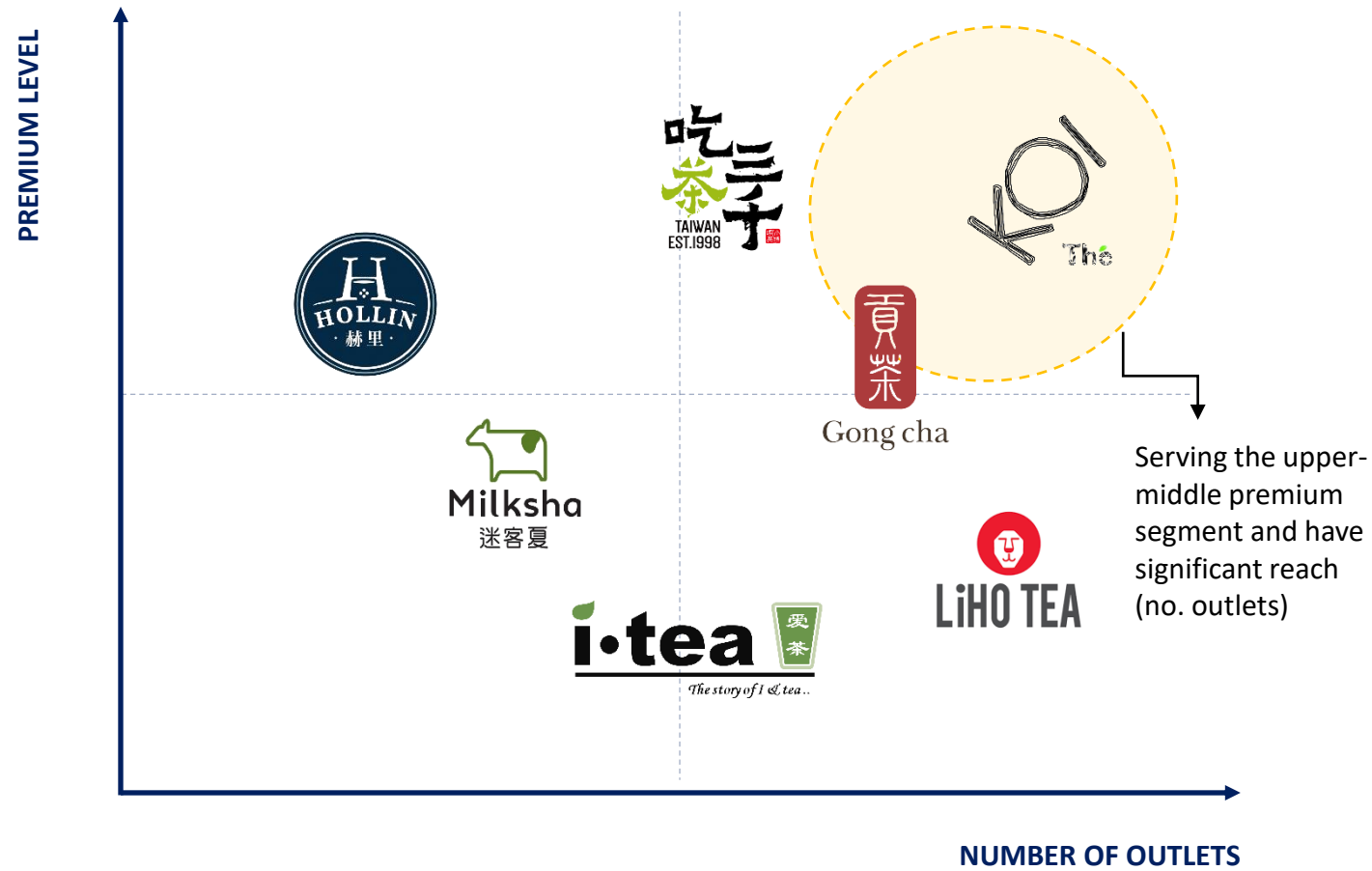
Unique, sweet, caramel-like flavour adds depth to the bubble tea

Recommendation 1

TINE should ideally try to partner with KOI, a upper-middle premium leader in the bubble tea scene in Singapore



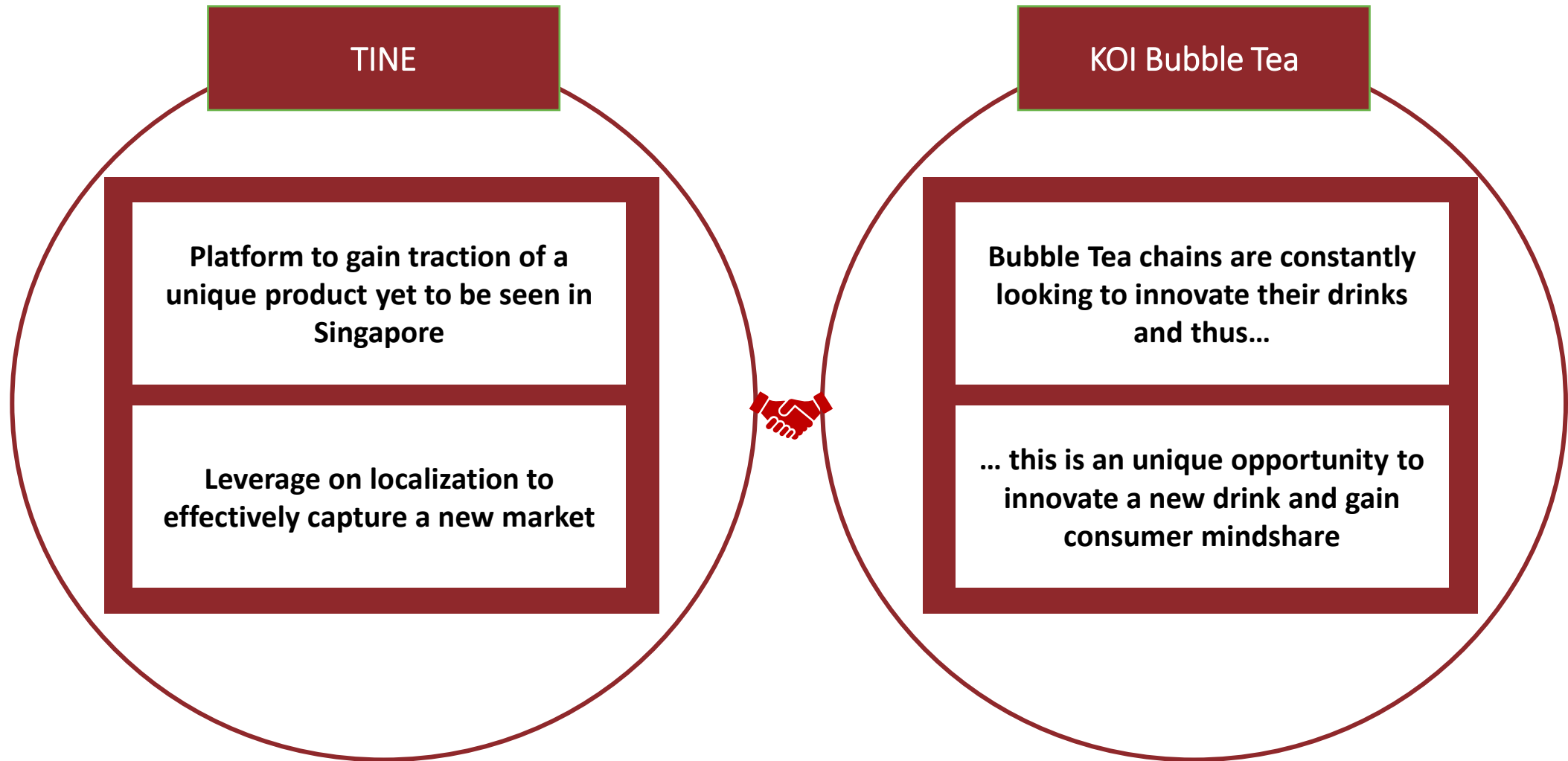
POSITIONING MAP



- Market Leader:** 63 outlets across all major areas of Singapore
- Pioneer:** One of the earlier brands to enter Singapore (2007)
- Innovation:** Coming up with new innovative drinks a top priority

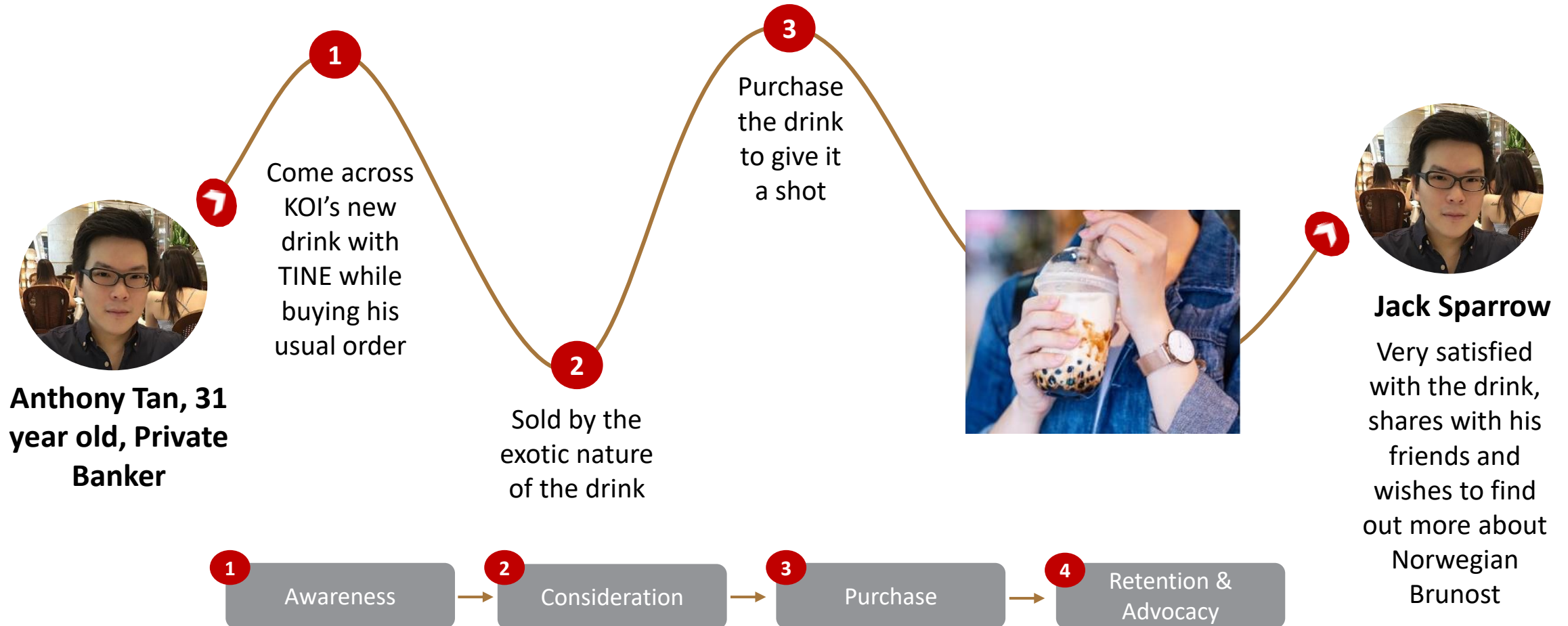
Recommendation 1

A partnership with a local bubble tea chain is a win-win scenario for both



Recommendation 1

The consumer becomes a Brunost fan after its first taste



TARGET

TASTE

TRAP

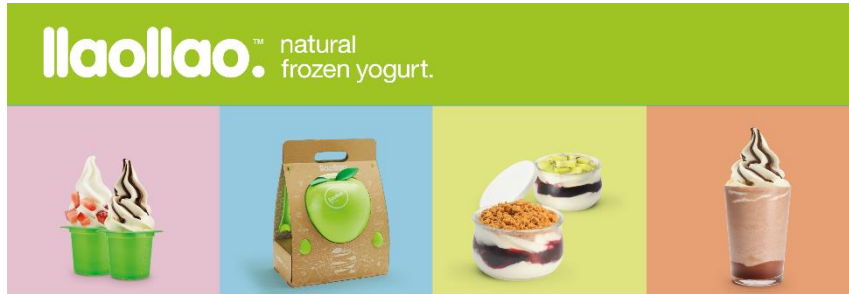
THRIVE

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Even with initial popularity, tastes can fall out of favor, ending up as a mere fad

Case study: The success of Ilaollao in Singapore...



- A Spanish based company offering natural frozen yoghurt desserts in brick-and-mortar stores
- First launched in Singapore in 2013, with highly positive reception



... and its downfall

- In **2017, Ilaollao abruptly withdrew** from Singapore, bringing an end to the ‘froyo’ trend
- Due to the local franchisee feeling that the **menu was “exhausted after three years” of being in the business**, but having suggestions rejected by the franchisor in Spain
- Attempt to relaunch as Yole – a new brand with same products and new flavours
- But change came too late – **frozen yoghurt brands** such as Sogurt, Frozilicious, and Yoguru also **scaled back rapidly or exited completely**

A cautionary tale –

Even after successful market penetration, we must ensure continuous effort and innovation to make brown cheese an essential product locally

Recommendation 2

Hence to address the 2 key issues, we propose TINE launch an experiential concept cafe

Hence, we identify 2 key issues even following initial introduction into the Singapore Market

1



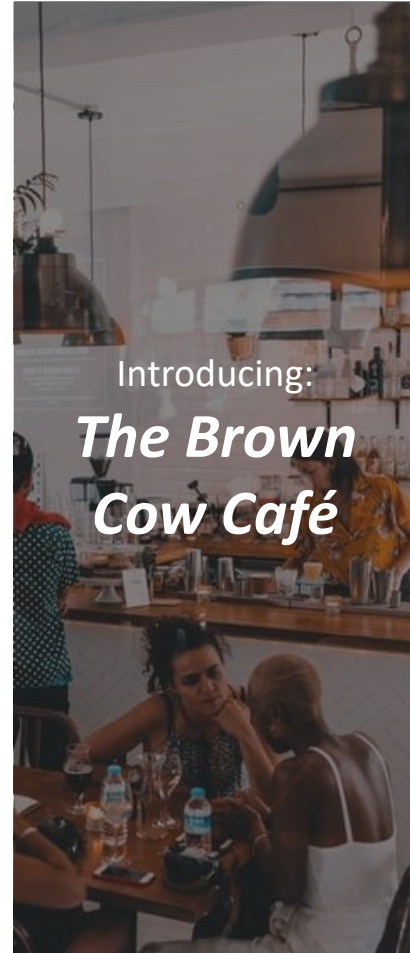
Lack of knowledge on incorporating brown cheese into meals

2



Potential stagnation in consumers' tastes

How can we **educate** and cultivate a **love for brown cheese** in Singaporeans in a **sustainable** manner for **long-term growth and success**?



An experiential concept store serving premium food and beverages that incorporate **Ski Queen brown cheese**



To be located in Orchard Road, an internationally-renowned shopping district

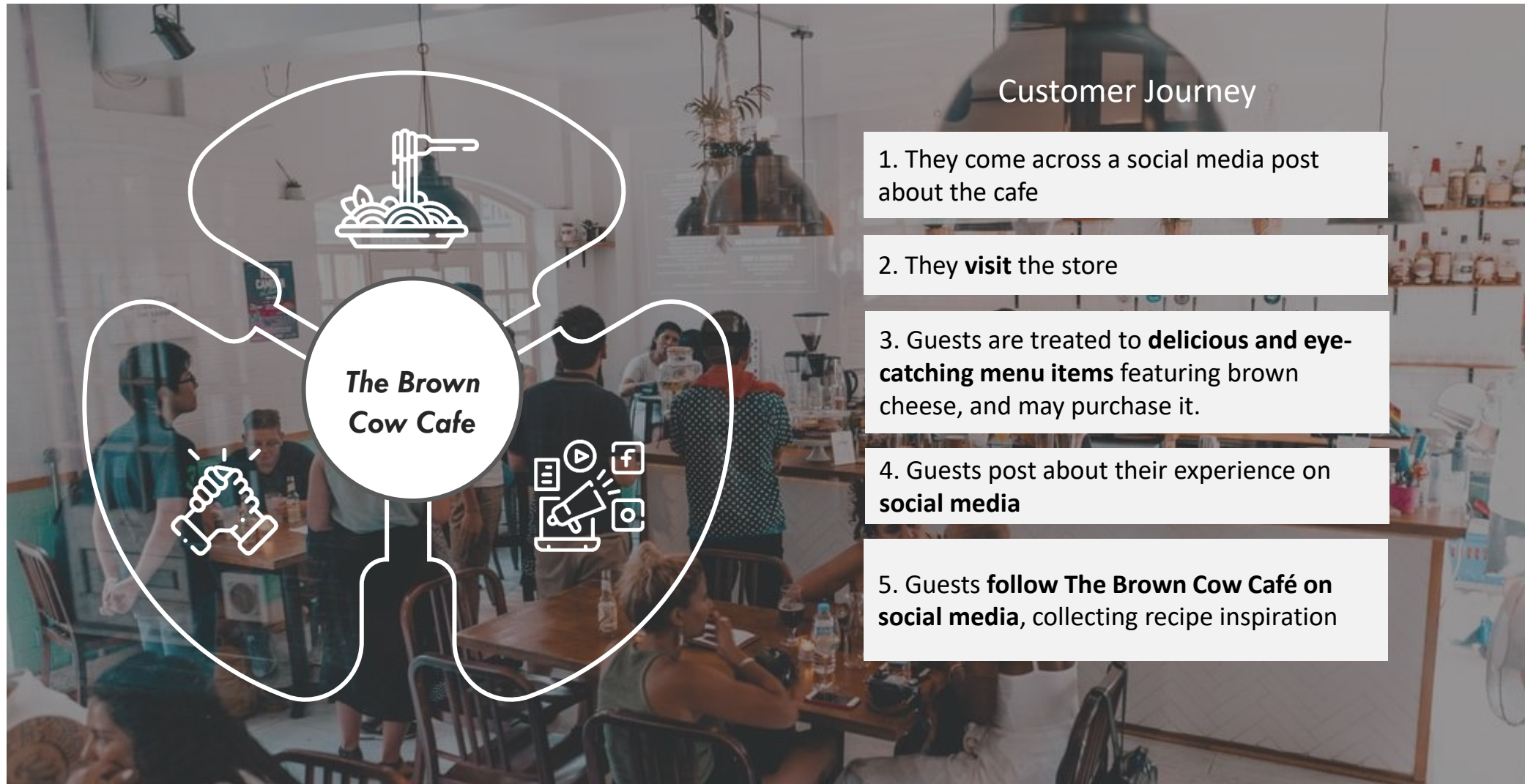


- Customers aged 20-35 years old
- Medium to high disposable income
- Seeking unique and premium experiences

An innovative on-the-ground strategy that brings brown cheese to the forefront of Singaporean's minds

Recommendation 2

The café will center around 3 main aspects to maximize guest satisfaction and product favorability in the long-term



Recommendation 2

The Brown Cow will offer a traditional Norwegian cheese catered to the modern Singaporean palette, with fare and decor merging the best of Norway and Singapore

Incredible food and environment



Case study: Starbucks' success in international expansion



- The company hired local designers in order to create the right atmosphere in participating stores.
- Looks like a local craft store, with the style of a traditional Japanese teahouse.
- Store offers **localized food and drinks**, such as the matcha (green tea) frappucinos

2 aspects of the café will ensure success: **Décor and food**

Décor:

Recruit **local interior designers** to create a **modern yet European setting** that appeals to the target segment



Food:

Facilitate a **collaboration between Norwegian and Singaporean chefs** to develop a unique yet appealing menu

Recommendation 2

The menu will strategically offer food and beverage options for all times of the day, as well as introducing innovative uses for Ski Queen brown cheese

Incredible food and environment



Breakfast/Brunch



Traditional brunost breakfast



Brown cheese with waffles

Dinner



Spicy brown cheese pasta



Nasi Lemak with brown cheese sauce

Dessert



Brown cheese and apple pie

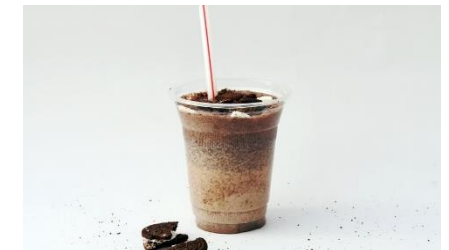


Brown cheesecake

Beverages



Kopi with brown cheese biscuits



Brown sugar and cheese milkshake

The menu will introduce Singaporeans to brown cheese in a positive and interesting way, opening up possibilities for future patronization and even exploration at home, if they purchased Ski Queen brown cheese in-store

Recommendation 2

The Brown Cow must embrace local culture and continuous innovation to prevent stagnation

Collaboration & innovation



To avoid succumbing to Ilaollao's fate, TINE must enable continuous innovation



Case Study: McDonalds x Ben Yeo

- Collaboration between actor Ben Yeo and McDonalds to create the Hainanese Chicken Burger for National Day
- Adaptation of a classic Singaporean dish
- Highly positive reception, including much publicity from local news outlets

Organize collaborations with local talent to intrigue locals while developing creative and fresh F&B offerings ...

Collaboration with MasterChef S2 winner Derek Cheong



Invite Cheong to develop a menu item for The Brown Cow Cafe



Offer the item for a limited time only to drum up hype



Entice in new consumers while exciting existing ones



Recommendation 2

A strong digital presence will drive awareness and consumer growth in the target segment



Strong Social Media



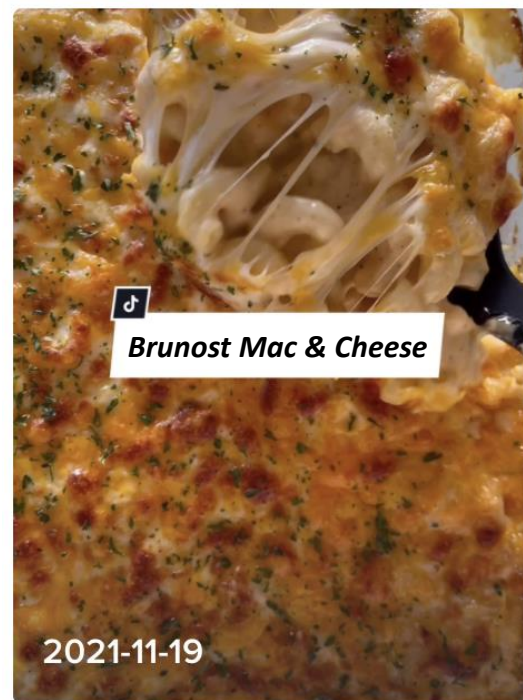
Social media is a highly effective, low-cost tool that should be leveraged

72%

Of customers have used Facebook to make restaurant or retail decisions, based on comments and images shared

79%

Social media penetration in Singapore (4.6 million active users) of which a majority are 25-34 years old



This Mac n Cheese.... Holy moly
#learnontiktok #tiktokpartner



spicednice

▶ 22.2M

1

Set up *The Brown Cow Café* social media accounts

2

Create engaging content – how brown cheese is made, recipes made in-store and at home

3

Cultivate loyal following while familiarizing Singaporean audience to brown cheese and TINE brand

4

Leverage following for awareness and promotion, for example offering discounts or when launching new Café or TINE products

Strong digital presence in addition to **attractive F&B offerings** will facilitate strong and sustainable growth of brown cheese sales in Singapore

Source(s): ReviewTrackers, cloudrook, Tiktok

Recommendation 2

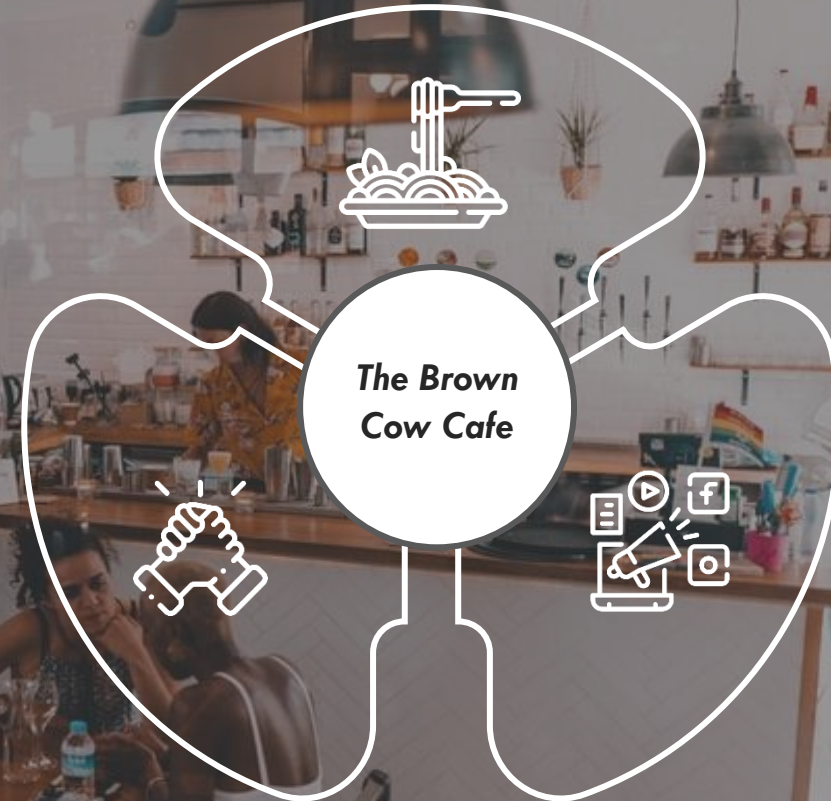
Hence, The Brown Cow Café will effectively address the 2 key issues while maximizing guest satisfaction and product favorability in the long-term

2 Key Issues

1. Lack of knowledge
2. Potential Stagnation

Forecast Impact

- **Increased awareness** of TINE brand and Ski Queen brown cheese
- Instill a **love for brown cheese** in local consumers
- **Cultivate consumer loyalty** to TINE brand
- Ensure **sustainable growth and long-term interest** in Singapore



TARGET
TASTE
TRAP

THRIVE

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TINE should ensure a wide ranging distribution channel to enhance sales

	B2B				B2C		
Channel	Bakeries	Drink Stores	Dessert Shops	Restaurants	Supermarkets	Convenience Stores	E-commerce
Analysis	<ul style="list-style-type: none">Getting the buy in of corporates who would then use brown cheese on their own productsThis enhances visibility and potential use cases of brown case – inspiring consumersCase Study: Impossible Foods which largely focused on B2B before solidifying a strong consumer buy-in and then going into B2C				Starting with higher end supermarkets that sell imported goods; enhances accessibility to the masses	Less reliance on convenience stores given nature of product; but good for pushing impulse buys especially in city areas	Singaporeans are shifting to getting grocery online; thus there should be a gradual shift towards e-commerce



Pricing Strategy

Tine is employing a semi-premium pricing strategy, given their focus on middle-to-high income population



The economy segment is relatively more crowded

Pricing Strategy Matrix



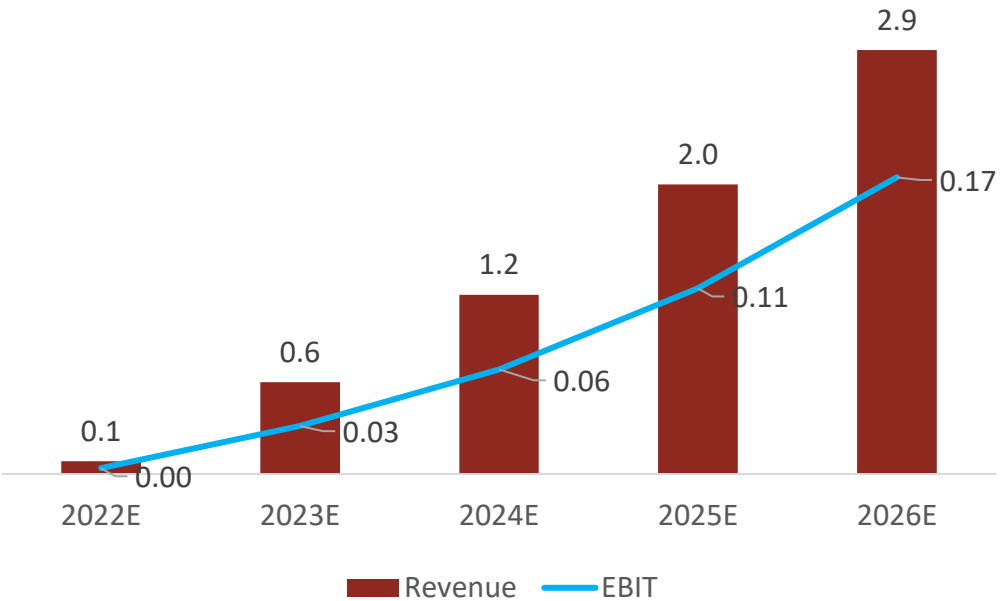
Semi-premium pricing is the most apt for Tine

- ✓ *Semi-Premium* allows Tine to be affordable to the mass premium, while still maintaining the
- ✗ *Penetration* can often lead to customers permanently expecting low prices, and may trigger price war in the future
- ✗ *Skimming* can cause Tine to have difficulty gaining market shares since price is too high
- ✗ *Economy* will damage Tine's brand image as high-quality cheese manufacturer, and this segment is relatively more crowded

Tine’s entry into the Singapore market will bring about NOK 2.9m of revenue by FY26E

Revenue and EBIT Forecast

In NOKm



5Y Revenue CAGR
140%



EBIT Margin (FY26E)
6%

Key Assumptions



Price per 250g of cheese
SGD12



Annual frequency of purchase/person
5 by FY26E



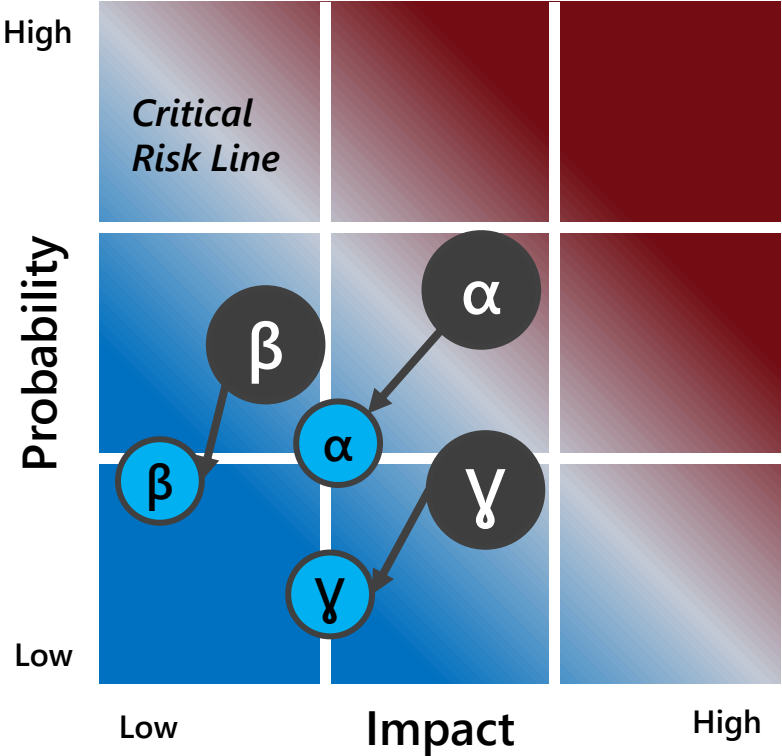
SG Cheese Market Share
14% by FY26E



Return on Marketing Spend
80%

With proper mitigations, Tine can keep risks in check to achieve long-term success

Critical Risk Matrix



	Risk	Mitigation
α	<u>New Entrants:</u> Other players might introduce their own brown cheese	Continuously position Tine in a unique way and engage in other marketing campaign
β	<u>Marketing Risk:</u> Low take-up rate from marketing campaign	Explore other marketing channel (or new collaboration), with the worst case being moving to new geographic market
γ	<u>Declining Popularity .:</u> Possible data breach	Hire cybersecurity consultant to ensure that the security framework is robust

Our strategies are highly feasible, and can be rapidly rolled out for immediate implementation

	1Q2021	2Q2021	3Q2021	4Q2021	2022	2023
Partnership with Koi						
Engage with Koi Management Team						
Evaluate menu options and locations						
Manage logistics						
Launch of event						
Continuous feedback and development						
The Brown Cow Café						
Engage with design contractor						
Evaluate menu options and locations						
Preparation for marketing campaigns						
Launch of Cafe						
Continuous feedback and development						



for



Appendices after this page



Cheese Type	Brands	Unit	Weight (g)	Price	Price (scaled for 250g)
Mascarpone	Polenghi	SGD	250	9	9
Mascarpone	Mauri	SGD	250	13	13
Mascarpone	Galbani	SGD	500	20	10
Brie	Montsalvy	SGD	250	13	13
Brie	Mon Pere	SGD	200	12	15
Brie	Courtenay	SGD	200	11	14
Brie	Isigny	SGD	200	13	16
Ricotta	Organic Valley	SGD	425	17	10
Ricotta	Galbani	SGD	250	13	13
Median					13

SG Population By Household Income

In %

Monthly Household Income from Work (Excluding Employer CPF Contributions)	2020
Total	100
No Working Person	13.3
Solely Non-Working Persons Aged 65 Years & Over	7.5
Below \$1,000	2.1
\$1,000 - \$1,999	5.9
\$2,000 - \$2,999	6
\$3,000 - \$3,999	6.1
\$4,000 - \$4,999	6.1
\$5,000 - \$5,999	6
\$6,000 - \$6,999	5.5
\$7,000 - \$7,999	5.1
\$8,000 - \$8,999	4.8
\$9,000 - \$9,999	4.2
\$10,000 - \$10,999	4
\$11,000 - \$11,999	3.4
\$12,000 - \$12,999	3.1
\$13,000 - \$13,999	2.7
\$14,000 - \$14,999	2.4
\$15,000 - \$17,499	4.7
\$17,500 - \$19,999	3.3
\$20,000 & Over	11.3
	<u>39.1</u>

Source: Singstat

Income Statement

Brown Cheese - Financial Contribution Analysis		USD SGD 1.35				
	Unit	2022E	2023E	2024E	2025E	2026E
Revenue Drivers						
1 SG Cheese Market Size	SGDm	16.3	17.2	18.3	19.4	20.7
Market Growth	%	6%	6%	6%	6%	6%
Market Share	%	1%	5%	9%	12%	14%
Revenue	SGDm	0.2	0.9	1.6	2.3	2.9
2 SG Population (Middle to High Income)	m	2.2	2.2	2.2	2.3	2.3
Middle to High Income Ratio	%	39%				
Population Growth	%	0.5%	0.5%	0.5%	0.5%	0.5%
Market Share	%	0.1%	0.6%	1.0%	1.4%	2.0%
Annual frequency of purchase /person	#	3	4	4.0	4.5	5
Price per 250g	SGD	13	13	14	14	14
Inflation	%	2%	2%	2%	2%	2%
Revenue	SGDm	0.1	0.6	1.2	2.0	2.9
Incremental Cost from concept store	SGDm	0.09	0.09	0.09	0.09	0.09
EBIT	SGDm	0.00	0.03	0.06	0.11	0.17
EBIT Margin	%	4.0%	4.5%	5.0%	5.5%	6.0%

Concept Store Cost

Cost of developing store

Store remodelling

Plumbing	SGD	5,000
Electrical	SGD	500
Cooling	SGD	5,000

Interior and Exterior design

Custom store designs	SGD	10,000
Chairs	SGD	3,000
Tables	SGD	2,000
Custom flooring	SGD	3,000
Trash receptacles	SGD	250
Phone installation	SGD	300
Outdoor chairs, table and umbrella	SGD	1,000
Lighting fixtures	SGD	2,000

Equipment

Refrigerators	SGD	1,400
Coffee making machine	SGD	2,000
Toaster and microwave	SGD	300
Storage equipment	SGD	2,000
Other	SGD	2,000

Rent, insurance and miscellaneous costs	SGD	50,000
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Total development cost/store (5 years useful life)	SGD	89,750
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Additional employees required per store	#	3
Salary per employee	SGD	25,000