

# A World of Flavour

Ethnic foods have moved out of the specialty market and into the mainstream

BY VALERIE WARD



Twenty years ago, if you had looked for ethnic food at your local grocery store your choices would have been limited to frozen pizza and canned chow mein. Today, whether you want salsa or sushi, naan bread or takeout-style noodles, moussaka or frozen pad Thai, chances are you'll find it.

The market for ethnic foods has exploded, fuelled by changing immigration patterns and increased global travel. According to the 2001 census, immigrants make up 18 per cent of Canada's population. By 2017, Statistics Canada estimates this number will reach 22 per cent, with one of every five Canadians belonging to a visible minority. From 1991 to 2001, 1.8 million immigrants arrived in this country from around the globe, mostly from Asia, and settled in larger urban centres.

However, demand for ethnic foods isn't confined to immigrant communities: it's quickly crossing over to the mainstream. For example, a 2005 report from Agriculture and Agri-Food Canada shows that 75 per cent of ethnic foods in the U.S. are consumed by the mainstream population. Exotic – especially Indian – foods are a hit with U.K. consumers and they're catching on in Europe as well, with overall growth for the market of about 12 per cent.

While no comparable figures are available for Canada, industry observers note similar trends. "Many independent grocers who began by setting up stores to target people of like backgrounds now cater to the mainstream," says John Scott, president of the Canadian Federation of Independent Grocers. "This happened with Italian food decades ago, and you have the same trend today with Asian food." He points to T&T Supermarkets, which feature Chinese, Japanese, Korean and Thai products, and which attract both Asian and non-Asian consumers to its outlets in Vancouver, Calgary and

Toronto. "People are embracing new flavours more readily," he says.

Much of this openness to new flavours can be traced to the surge in international travel. The millions of Canadians who travel each year to destinations other than the U.S. have the chance to sample new foods and often want to duplicate their experiences back home. "Generally, baby boomers with disposable income are more likely to travel and experiment with food as a result," says Colin Glaysher, vice-president of Marketing and Sales at Mississauga, Ont.-based C.B. Powell Ltd., distributor of Patak's line of Indian food, as well as Hormel Foods and House of Tsang.

But the appeal of ethnic flavours transcends age groups. Glaysher believes Canada's cultural mosaic encourages young people to experiment with new flavours. "They socialize with kids from many cultural backgrounds at school and elsewhere, so they're familiar with different foods," he says. Al Greenlee, director of Marketing at Blue Diamond in Sacramento, Calif., agrees that younger consumers are more adventurous in their tastes. "For consumers in the 25- to 34-year-old age group, mainstream is boring," he says.

The food and beverage industry is pursuing a variety of strategies to make the most of this burgeoning market. For example, McCormick & Company recently acquired the Thai Kitchen and Simply Asia brands, while President's Choice continues to enhance the roster of ethnic-inspired sauces, marinades and frozen entrées it launched in the 1980s.

Other companies have opted to spice up products with exotic flavours. Blue Diamond has rounded out its profiles of smokehouse and roasted salted nuts with a new "bold" line of almonds that includes wasabi and soy sauce, Maui onion

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and garlic, jalapeño smokehouse, and lime-and-chili. "In the U.S., significant growth in the Hispanic population has increased demand for Latin foods and flavours such as jalapeño and lime-and-chili," explains Al Greenlee. "It's part of a whole trend toward bolder and spicier that's tied in with the aging population. As people get older, their tastebuds deteriorate. They need their food spicier in order to taste it." Greenlee says the bold line has performed "above expectations" in the U.S., and promises to be equally successful in Canada where it was introduced early this year.

In another example of product adaptation, Frito Lay Canada is testing spicy curry and wasabi-flavoured potato chips in Vancouver and Toronto. "We feel that these products will not only bring a taste of home to the many consumers of Asian descent in these cities, but will also have strong crossover appeal as Canadians continue to seek new flavour experiences," says company spokesperson Jared Dougherty. "Our efforts in ethnic product innovation are focused on developing snacks that build on existing food trends. The curry- and wasabi-flavoured chips, and our soon-to-be available Frito Lay shrimp chips and onion rings, are the result."


To succeed in the ethnic food market, producers, distributors and retailers require a firm handle on its dynamics. "Asian food is still growing, but certain segments of the category, in particular Indian and Thai, are now moving

ahead more quickly," says Leeola Zanetti, Marketing director, Grocery Specialty, for Tree of Life, a distributor of ethnic, natural, organic, specialty and gourmet foods, with offices in Coquitlam, B.C., Calgary, Alta., and Mississauga, Ont., as well as across the U.S. "In addition, purchases of value-added convenience items, such as ready-to-eat takeout kits and noodle bowls, are outstripping more expensive ingredients and sauces," she says. "As an example, last year the Indian food category grew four per cent overall, but Indian convenience foods grew 12 per cent. We're working with retailers to focus within the category and tweak their strategies and displays to put greater emphasis on value-added products." Zanetti also notes that Tree of Life's most successful items, such as the all-natural Thai Kitchen line, fill the demand for both wellness and convenience. "Research tells us that 68 per cent of consumers read food labels. Convenience is a big priority, but people are also prioritizing what they put into their bodies."


Whatever strategies industry players pursue, the consensus seems to be that ethnic foods are here to stay. Zanetti describes the Asian food category as "a significant one that has yet to peak." Glaysher agrees. "The future looks really good. When it comes to Indian food, we're just scratching the surface. Ten years ago, how often did you see basmati rice in the supermarket? Now it's everywhere, and the same is true of butter chicken and chutneys. Our goal is to have Indian food become mainstream in Canada in four to five years." [FC]

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