

World beaters

The ethnic food market is bigger than ever. The good news is that much of the current growth is coming from a growing demand for healthy and natural options, writes Jim Manson.



According to the dictionary, any ethnic food is food and drink that is "culturally distinctive to a particular region or population group." This prompts the highly surreal thoughts that, somewhere in the world, fish chips, London Pride and shepherd's pie might be sitting on the 'ethnic fixture'. It also makes you wonder how useful it is, especially given our culturally diverse eating habits and growing fondness for fustastastes and cooking styles. Charlie Booth of Brighton-based wholesaler and retailer Community Foods is doubtful: "I'm not sure it's a particularly helpful handle. We generally integrate specialist regional world foods into the over-mix. The exception is Japanese food, which seems to be a special case."

But the ethnic food is still very big news for the supermarkets and analysts are in no doubt that there is a very definite market for ethnic or world foods. In 2006 Key Note estimated the UK ethnic food market to be worth £1.38 billion. It splits the market into five main sectors: Indian, Chinese, Mexican/Tex Mex, Thai and Caribbean. But it notes that the fastest growth in the mainstream market is in the Malaysian, Japanese and Indonesian categories. There is the growing popularity of eastern European foods. The leading supermarket has introduced its speciality Polish food offer as the fastest-growing ethnic food range it has ever launched in Britain.

The market for ethnic foods is forecast to show further growth between 2007 and 2011. Key growth drivers are likely to be strong NPD, continuing demand for convenience products, and, significantly for the natural and organic sector, a growing demand for more healthy and authentic ethnic meal options. One independent that has definitely positioned itself as an ethnic food retailer is Taj Natural Foods, also in Brighton. With two large food stores in the city — one at 30 sq ft — Taj offers a very wide range of middle eastern and far eastern foods, as well as both organic and natural products. The bigger shop also has its own in-store Halal and organic butcher. It's a well thought through product mix

that appeals to Brighton's middle eastern and asian communities, but also to the more adventurous food shopper.

Long tradition

Of course, a lot of ethnic specialties that are gaining popularity in the mainstream retailers have been wholefood and health food staples for years. Comments Charlie Booth: "A lot of these products were there at the beginning for us. Take something like tahini. If you wanted natural alternative to butter then tahini was a really good option."

The regional specialties that tend to dominate in wholefood and health food stores are those styles of food and cuisine that are inherently healthy — so, Mediterranean, Middle-Eastern, Japanese and South-East Asian styles feature strongly.

“The lure of spicy, tasty ethnic food is as strong as ever, resulting in high demand for authentic sauces.”



But whilst wholefood and health food shoppers have a better awareness of ethnic speciality foods, the independent trade has benefited just like the multiples from a flourishing restaurant trade catering for everything from sushi to Middle Eastern, African to Vietnamese. Increasingly adventurous diners are resulting in better-informed food shoppers.

Sushi power

It's the pre-pack sushi phenomenon, coupled with chains like Yo! Sushi, that has been the trigger for the recent surge of interest in Japanese foods, says Robin Barlow of traditional Japanese food specialist Clearspring. But this is not necessarily all good news, he says: "A lot of mainstream brands are full of nasties and e-numbers. So that's the next stage of the education process — getting consumers to understand and appreciate the benefits of

traditional and organic ingredients. Take soy sauce, for example, it's pretty much a staple. Yet most consumers know very little about tamari or organic."

Despite a strong presence in the supermarkets — the company has 17 products in the Japanese feature in Sainsbury's — Clearspring is also strong in independent natural food trade. "We're natural, additive-free, vegan, healthy and organic, so we tick all the right boxes," says Barlow.

Spice of life

According to Mike Batten, founder of Venture Foods, the combination of consumer enthusiasm for ethnic foods and rising awareness of organic, natural and fair trade values is a great opportunity for the health food trade. He says: "The lure of spicy, tasty ethnic food is as strong as ever resulting in high demand for authentic sauces, pastes and accompanying chutneys. Many people are keen to recreate authentic dishes at home and will look to combine pre-prepared sauces with fresh vegetables, pulses, meat and fish."

"Health food retailers have a reputation for stocking the more unusual spices and ingredients so they're in a good position to make the most of the ethnic foods."

Specialist loose and pre-packed spices are also an important area where independent retailers can score over their supermarket rivals. North London-based retailer Earth Natural offers some 130 specialist herbs. "We sell them loose from as little as 5 grams, which makes it easy for customers to experiment," says store owner, John Grayson.

Continually evolving

Grayson believes the ethnic food market is constantly evolving. "In one sense the term is pretty much obsolete in a place like London. A lot of foods that might have been seen as ethnic specialties are now just food staples. But we do have Japanese people who live in the area coming in for Japanese foods, and it's the same with local residents originally from Africa or the Caribbean. Now our indigenous wholefood customers are getting interested, so you are getting this nice cross-pollination across different communities. I think it's great!"