

An interesting development is taking place in the way institutions procure food. With the increasing popularity of Superstores, it was discovered that many institutions (particularly small to medium sized) are obtaining food and dry goods at new superstores such as Macro.

Opportunities

For the institutional like the retail market, Canadians should once again concentrate on niche opportunities. Reference is made in this report to the potential market for Canadian salmon and lobster, beer, as well as frozen french fries and other specialty frozen products. As many Thais in the higher income bracket look to the food and beverage outlets in hotels for culinary cues and future trends; it is advisable to target hotels during the introduction period of a particular food product. It is also not uncommon for hotels or up-market restaurants to run "theme" weeks or months when they feature the foods of a specific country. These promotions are often organized in conjunction with the Commercial Section of the Canadian Embassy in Bangkok, so it is advisable to contact them for information on upcoming events of this nature. However, depending on the situation, you may wish to approach a hotel independently, or through your distributor or agent in Bangkok. It is also not uncommon for a hotel to sponsor a special event for one specific product (ie Alberta beef).

Despite the opportunity of being able to sell directly to hotels and other institutions, if the institution does not normally buy directly from a manufacturer, it is advisable for Canadian exporters to establish a relationship with a distributor or agent in order to distribute their products to this sector of the market.

An additional area of opportunity for Canadians is the market for institutional food products to supply the rapidly growing western-style fast-food market. Fast food (ie McDonald's, Burger King, as well as several home-grown Thai fast food stores) have only been in existence since 1988. In the intervening 6 years, fast-food dining has exploded in popularity. This has created a tremendous demand for products such as frozen french fries, prepared entrees, pre-packaged condiments, controlled portion dairy products (ie creamers), as well as an array of cooked and semi-cooked products (ie soup stocks, prepared vegetables, etc.).

Meat is popular in Thailand and while there are periods where religious beliefs dictate a "meatless" diet, this does not dampen the demand for meat and meat products -- particularly in the institutional market. For Canadians, opportunities can exist in this area, but extensive promotional efforts (often in association with a Canadian based marketing board) are usually necessary for success. Lamb is popular, as is beef and to some extent, veal. Local chicken production is high and the quality is good, therefore imports would face very strong local competition. Pork is popular, although there is also substantial local production.

However, Canadian meat experiences an image problem. In an interview with one of the top importers of meat, it was discovered that the importers' customer base rarely, if ever, ask for Canadian meat. This is because most Thais are not aware of Canadian products. This stands in stark contrast to meat from the USA which enjoys a very good and wide-spread reputation. This reputation has come about through repeated promotions in restaurants, hotels, grocery stores and even department stores.