



# SNAPSHOT of OPPORTUNITIES in CHINA'S DRIED PEAS SECTOR



**CHINA IS CANADA SECOND-LARGEST PULSE EXPORT MARKET AFTER INDIA**

- Pulses are a primary source of protein and are widely used in daily cooking.
- Pulse ingredients especially pea protein and pea starch are increasingly used in packaged foods and animal feed.

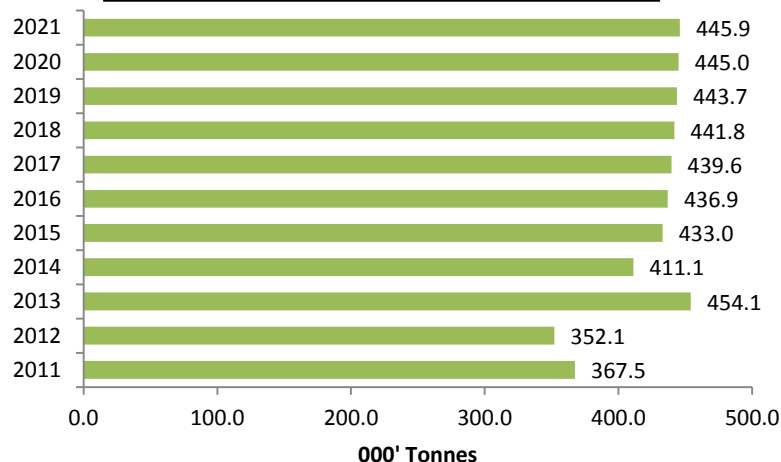
**CANADA IS THE #1 SUPPLIER OF DRIED PEAS TO CHINA**

- Canada accounted for 89% market share of China's dried peas imports, worth **C\$427 million**.
- China's import of dried peas from Canada had an average annual growth of **12%** from 2012 to 2016.

Source: Global Trade Tracker (GTT), 2017

## DRIED PEAS IN BULK

Volume Sales



**TOTAL VOLUME SALES ARE STABLE**

- Dried peas were widely sold unpackaged in China
- Traditional retailers accounted for **42.6%** of the total volume sales, while foodservices accounted for **30.2%** and institutional **27.1%**.

**DRIED PEA SALES ARE EXPECTED TO GROW BY 2.1% FROM 2016 TO 2021**

- Overall pulses are expected to perform well with volume sales forecasted to grow at an average rate of 2.5% from 2016 to 2021.

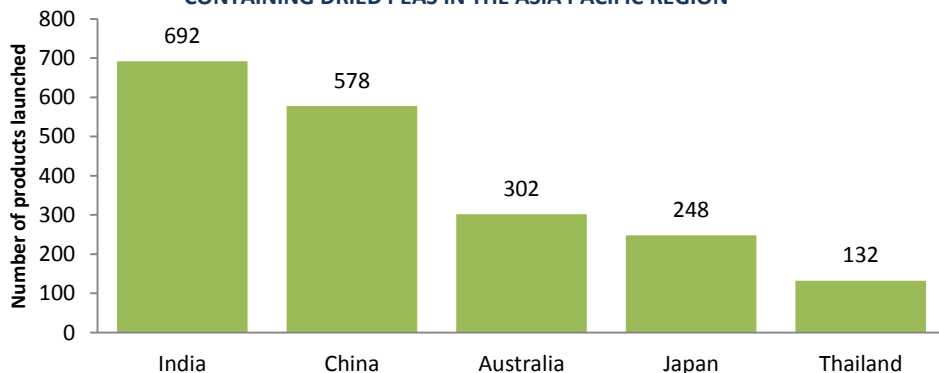
**CANADA ACCOUNTED FOR 91% OF CHINA'S TOTAL VOLUME IMPORTS**

- China imported 912,928 tonnes of dried peas from Canada.

Source: Euromonitor International, 2017

## DRIED PEAS AS AN INGREDIENT

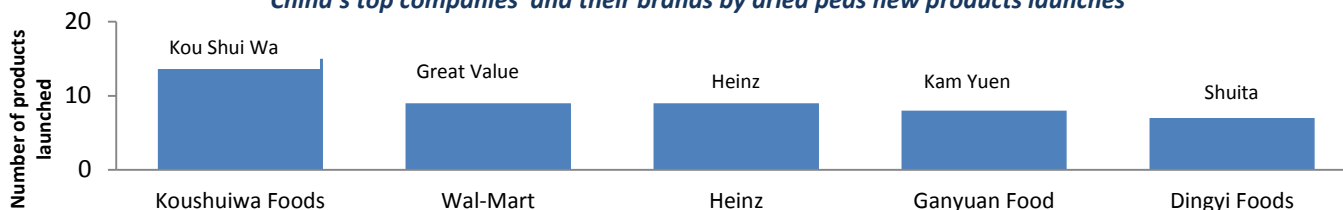
**CHINA RANKED SECOND THE NUMBER OF NEW PRODUCT LAUNCHES CONTAINING DRIED PEAS IN THE ASIA PACIFIC REGION**



Source: Mintel, 2017

- China accounted for 21% of the Asia Pacific dried peas product launches.
- From 2012 to 2016, 578 products using dried peas as ingredient were launched in China.
- Launched the most pulse products in 12 different product lines.
- Top product launch categories were in snacks, sauces & seasoning, meals & meal centres.

*China's top companies and their brands by dried peas new products launches*





# SNAPSHOT of OPPORTUNITIES in CHINA'S DRIED PEAS SECTOR



## HEALTH AND WELLNESS CLAIMS ARE GROWING FOR NEW PRODUCTS CONTAINING DRIED PEAS

### TOP CLAIMS

1. No additives/preservatives
2. Time/speed
3. Microwavable
4. Halal
5. Economy

### TOP 5 GROWING CLAIMS

1. Social media
2. Low/no/reduced Fat
3. Convenient packaging
4. Low/no/reduced calorie
5. Premium

### DECLINING CLAIMS

1. Convenient packaging
2. Pet – adult
3. No animal ingredients
4. Ease of use
5. Babies & toddlers (0-4)

## FLEXIBLE PACKAGES ARE THE LEADING PACKAGING TYPE FOR PRODUCTS CONTAINING DRIED PEAS AS AN INGREDIENT

### TOP PACKAGING TYPES

1. Flexible
2. Flexible sachet
3. Flexible stand-up pouch

### TOP PACKAGING MATERIALS

1. Plastic unspecified
2. Metallised film
3. Multi laminate

### TOP PACKAGING COMBINATIONS

1. Flexible, plastic unspecified
2. Flexible, metallised film
3. Flexible sachet, plastic unspecified

## CHINA IS RATED EXCELLENT IN INNOVATIVE PRODUCTS

- Asia-Pacific is the leader for dried peas innovation in new product launches, re-launches, and in product line diversity

### TOP INNOVATIVE PULSE MARKETS

Innovation Criteria	India	China	South Korea	Thailand	Japan	Malaysia	Vietnam	Singapore	Philippines
	Relaunch	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
New Product	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
Product Line Diveristy	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue
Health & Wellness Claims	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue	Blue

Source: Global New product Database (GNPD), 2017

Product Innovation Rating Scale	
Rating	Colour
Superior	Dark Blue
Excellent	Blue
Very Good	Light Blue
Good	Very Light Blue
Satisfactory	White
Low	White

### FACTORS FOR CONSIDERATION

- Bulk trade is the norm
- Food safety regulations
- Mature dried peas market
- Chinese consumers are willing to pay higher prices for premium products
- Chinese customers welcome Canadian products in general

### RECOMMENDATIONS FOR ENTRY

- Understand the industry and players
- Personal relationships (guanxi in Chinese) in business are critical
- Participate in Trade Shows
- Find a trading company
- E-commerce could be a viable entry strategy

### HOW WE CAN HELP

We offer multiple [programs and services](#) to help you achieve your international business goals, such as the Agri-Food Trade Service, AgriMarketing Program, and Canada Brand.

[International Trade Commissioners](#) are also an excellent point of contact for export advice and can provide Canadian industry with on-the-ground expertise regarding market potential, current conditions, and local business contacts.

### HAVE WE PIQUED YOUR INTEREST?

For more information on opportunities in China or to register to our distribution list, make suggestions, or request a report, contact Single Window at [MAS-SAM@agr.gc.ca](mailto:MAS-SAM@agr.gc.ca).



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