

## In Focus

# Healthier Products for a New Age

THE FOOD INDUSTRY HAS NOT CHANGED, ADAPTED AND INNOVATED AT SUCH A PACE SINCE THE INVENTION OF CANNED FOOD AROUND 200 YEARS AGO. THESE CHANGES ARE BEING DRIVEN BY RISING CONSUMER DEMAND FOR HEALTHIER, MORE ETHICAL AND MORE SUSTAINABLE PRODUCTS, WHICH THE FOOD INDUSTRY IS BEING PRESSURED TO RESPOND TO WITH IMPROVED RESEARCH, TECHNOLOGY AND INGREDIENTS. FOOD SPECIALITIES LIMITED (FSL) IS AT THE FOREFRONT OF THIS TREND, DEVELOPING ENTIRELY NEW PRODUCTS SUCH AS PLANT-BASED MEATS, AND DAIRY AND EGGS FROM NUTS, PULSES AND BEANS, ALL DESIGNED TO SIMULATE THEIR ANIMAL COUNTERPARTS. THESE ARE ENTIRELY NEW FOOD CATEGORIES.

Meanwhile, India, Russia, the USA and China are investing heavily in lab grown meat – a concept which sounds like science-fiction today but which is only five years away from coming to market. Creativity within the food industry today is a mandate, not an option.

### CREATIVITY AND INNOVATION

FSL has a diverse and ever-evolving portfolio, supplying food and beverage ingredient solutions to manufacturers; agro and dairy commodities to traders; and premium hospitality products to the HORECA industry. "Within the company's ingredients business, we offer formulations that help customers to improve the nutritional and taste profile of their products, reduce manufacturing costs, and develop innovative products to grow their market share in new categories," explains Dhruv Dhawan, Head of Innovation & Marketing.

"The Covid-19 pandemic has, of course, placed immense financial stress on the industry and individuals," he continues, "resulting in the need for manufacturers to reduce costs and for consumers to be more cautious with their spending. As the mantra to 'stay healthy and stay safe' became a mainstream meme, a new wave of consumer demand for healthy and immunity boosting products was ushered in overnight."

FSL has responded to this demand in ever more creative and innovative ways, focusing entirely on healthier solutions, immunity boosting products, and more efficient production methods across all food and beverage categories. Offering healthier solutions and cost-engineering has always



been at the core of its business but this time the demands upon the company were much greater due to the financial squeeze the industry and consumers were experiencing. This is where some of its plant-based solutions really began to show the value they can add from a health and cost perspective.

Moreover, as consumers stock-piled in Q2 of 2020, the demand for products with longer shelf-life also came to the fore. FSL, of course, has been offering shelf-life extension solutions for decades. However, this time it had to push the boundary even further for juice, bakery, snack and dairy products.

### JUST FOR THE HEALTH OF IT

"Covid-19 has simply accelerated the demand for healthier products and cleaner labels," says Dhruv, "but

what has been interesting to see is the rise of the flexitarian diet trend (where consumers are reducing their consumption of animal products) and the corresponding spike in demand for plant-based meat alternatives in the region. This is likely to be attributed to the association that consumers are now making between diseases such as Bird Flu, Swine Flu, Mad Cow Disease, SARS and Covid-19, which originated from the meat industry in certain countries.

"Another interesting trend is the increasing preference for consumers to buy locally as opposed to imported products due to the greater trust consumers have in local supply chains during a pandemic."



# the zone

THE PUBLICATION FOR JEBEL ALI FREE ZONE | ISSUE 60 - FEBRUARY 2021



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### HEALTHIER PRODUCTS, HIGHER NUTRITIONAL VALUES

Creating healthy products goes hand-in-hand with reducing sugar content, a trend that is being driven not only by health-conscious consumers but also from the governments of the UAE, Saudi Arabia and, recently, Oman, which have imposed taxes on various food and beverage products which contain added sugar. Heart disease, obesity and diabetes are pressing issues in the GCC (with rates of 33%, 32% and 16% of the total population respectively) and these regulations have been a proactive step to improve the health of the local population.

FSL has been responding to this shift with a wide range of healthy and natural fruit sugar based solutions, which are much healthier for the body than processed sugar due to their lower glycaemic index (a number which dictates how much a food increases blood sugar levels). The company is also using fibres and proteins to replace the body and mouth feel that sugars provide, which reduce the net glycaemic index too, while improving its nutritional profile.

However, replacing sugar is not a simple solution and one that requires a multitude of functional ingredients to offer consumers the indulgence they seek while ensuring their health is not being compromised.

Dhruv takes up the story: "Navigating the new sugar regulations and developing no-added-sugar solutions in certain categories will be FSL's greatest challenge for two key reasons: The first is due to the fact that the Arab and South-Asian consumer palate (which makes up approximately 95% of the GCC population), have a strong preference for sweet tasting profiles. Meanwhile, much of the blue-collar workforce in the region wants to consume sugary drinks for energy and are not so concerned with their sugar content. The second is due to the fact that sugar is not only used to sweeten a product but also to provide texture, structure, colour and shelf-life. Sugar browns baked goods and helps remove water. It lightly coats the tongue. It provides body and mouth feel to juices, and it helps keep ice creams soft."

Reducing sugar is, therefore, a multipronged challenge, especially in products where consumers are used to it.

Today's consumers know what items made with sugar look, smell, feel and taste like. Products which use less sugar or sweeteners also need to feel, behave, taste, look and smell the same.

"We occasionally advise our customers who are looking to reduce the sugar content in their products to create a separate 'healthier' version, says Dhruv. "This allows for more flexibility to play with the formulation and creatively develop something that meets the sugar reduction goals without necessarily having to look and taste identical to the product with sugar.

"We are also helping our customers develop healthier products with sweet, but more sophisticated and interesting taste profiles which tantalize the taste buds beyond the satiation of sugar."



### JAFZA - CONSTANTLY INNOVATING

FSL has been operating from Jafza since 1987 because of the 100% ownership that it allows and the business-friendly environment it facilitates. "As a free zone it enables us to trade in goods without having to pay VAT and duties on re-exports, which then have to be recouped," says Dhruv. "This greatly improves the speed at which we can do business and deliver products to customers. It also makes the process of moving goods from seaport to airport port (such as Dubai World Trade Central Airport)

much simpler. The port facilities themselves are exceptionally efficient, with some of the fastest container offloading times in the world, which allow us to receive, process and deliver goods to a customer within a 24-hour window.

**"Jafza also has its own regulations, independent from that of the rest of the country, which offer us many advantages in terms of business compliance, real estate rules and the speed at which we can process labour requirements such as work visas. Furthermore, Jafza is an internationally recognised and well reputed trading hub in the Middle East where many MNC's and large regional businesses operate."**

**"In addition, Jafza provides FSL with a dedicated service manager to support the company with its business requirements. And most importantly, Jafza is also constantly innovating with its technologies, processes and facilities, which are truly world-class. It is the perfect business location for a company like FSL."**

### LOOKING TO THE FUTURE

Over the next five years, healthier solutions, clean-label and plant-based foods are going to be the key growth areas across the bakery, confectionery, beverage, dairy, snack, meat and flavour businesses. Health is going to be the main factor driving consumer purchasing, while reducing costs and improving profitability will be the key drivers for FSL's manufacturing customers.

In terms of geographical growth, FSL is expanding into the North African and Nigerian markets, which are ripe with opportunity due to their large growing populations and relatively under-developed food and beverage market. **"We can offer a wide variety of sophisticated solutions that have already been tried and tested in the GCC and have proven successful," Dhruv concludes.**