



SOUTH ASIAN AND CHINESE CANADIANS ACCOUNT FOR 29% OF GROCERY SPEND IN TORONTO AND VANCOUVER

TORONTO (May 20, 2008)—Two of the fastest-growing Canadian population segments are also above average in their grocery spending and now account for nearly 1-in-3 dollars spent on groceries in Toronto and Vancouver according to a new study by Solutions Research Group (SRG), a Toronto-based market research firm. The estimated total size of the grocery category in Toronto and Vancouver is \$17 billion dollars annually.

The 2006 Census enumerated nearly 2.5 million (2,479,500) individuals who identified themselves as South Asian or Chinese, representing a growth rate of 27% over 2001. This rate of growth was *five times faster* than the 5.4% increase for the Canadian population as a whole in the same period.

Chinese Canadian shoppers reported spending \$136 on groceries weekly on average, 9% higher than the benchmark for all residents of Toronto and Vancouver. Top destinations for Chinese Canadians for groceries in Toronto were **No Frills** (mentioned first by 26%) followed closely by **T&T Supermarket** (23%), with **Loblaws** third at 8%. In Vancouver, **T&T Supermarket** accounted for a remarkable 53%, with **Real Canadian Superstore** second at 17%.

South Asian Canadians spend even more on groceries, indexing 23% higher than an average household in Toronto and Vancouver. **No Frills** is the leading banner in Toronto among South Asians (42%), followed by **Food Basics** and **Wal-Mart**. In Vancouver, **Real Canadian Superstore** (27%) is the top destination, followed by **Save-on-Foods** and **Wal-Mart**. The overall market leader in Vancouver, **Safeway**, does not make it to the top 5 list for South Asians.

Both South Asian and Chinese Canadians are savvy shoppers. 61% of South Asians say they read or look into the flyers delivered to their homes and 53% of Chinese Canadians say the same, compared to a overall market average of 47% for *all* shoppers in Toronto and Vancouver.



COMMENTS

With an average of nearly 4 people in the household—compared to the Canadian average of 2.6—it is perhaps not surprising to observe higher spending levels among Chinese and South Asian Canadian households. Clearly, grocery shoppers in these households optimize their spend as much as possible by researching prices and picking destinations that offer superior value for money and the type of fresh produce, meat, fish and bakery assortment they are looking for. **T&T Supermarket**'s success in the Chinese community—and apparent cross-over to the South Asian community in Vancouver with significant share—offers lessons for companies looking to attract these fast growing populations.

With a projected combined population growth of 47% between 2006 and 2017, South Asian and Chinese consumer segments will clearly continue to increase in importance at the cash register.

ABOUT **diversity** IN CANADA

The information in this document comes from the *Grocery Shopping* section of Diversity in Canada 2, an independent syndicated research study first launched in 2006. Diversity in Canada 2 study is not affiliated with a media company or outlet. To maintain an unbiased perspective, Solutions Research Group funds its own ongoing syndicated research studies which are subsequently made available on a subscription basis.

A total of 1,609 telephone interviews (age 15+) were conducted in the CMAs of Toronto and Vancouver in November and December 2007, with Canadian Chinese (808 interviews, accurate to ± 3.45 percentage points) and South Asian segments (801 interviews, accurate to ± 3.46 percentage points). The interviews captured new immigrants, those who have lived in Canada for a while, as well as Canadian-born Chinese and South Asian consumers. An additional 651 interviews were conducted with shoppers of all backgrounds in Toronto and Vancouver (accurate to ± 3.84 percentage points) to establish grocery market benchmarks against which the segment results are compared.

To reach respondents who are not captured by traditional market research studies, interviews were conducted in the following languages: South Asian languages (Punjabi, Urdu, and Hindi), Chinese (Cantonese and Mandarin), and English.

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