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Credit: Fumari, Inc.

Happy local staff posing at Fumari's booth at ShishaFair Frankfurt 2019.

Shisha Tobacco Trends

With shisha smoking increasingly popular in Europe and North America, Tobacco Asia talked to three major brands about prevailing and emerging flavor trends.

By Thomas Schmid

Over the past decade or so shisha culture has fanned out far beyond its original regions in MENA (Middle East/North Africa) and Asia, having risen to particular popularity across Europe and North America. The reasons for this development may lie in massive immigration from these areas but also in the fact that locals likewise have warmed to a new, exciting way of enjoying a smoke socially. Although traditional shisha tobacco brands such as *Al Fakher* (from the UAE), *Nakbla* (Egypt), or *Mazaya* (Jordan) continue to reign supreme internationally, the trend has also given birth to a sea of local companies. In the US, home-grown brands like *Starbuzz* and *Fumari* have garnered considerable market shares. *Starbuzz* likewise tops the bestseller list in the UK together with *Al Fakher* and *Afzal*, but local brands such as *Savacco* are catching up fast. Meanwhile, Germany with its large population of Turks and Middle Easterners has become a veritable hotchpot of local and imported brands, spoiling consumers for choice.

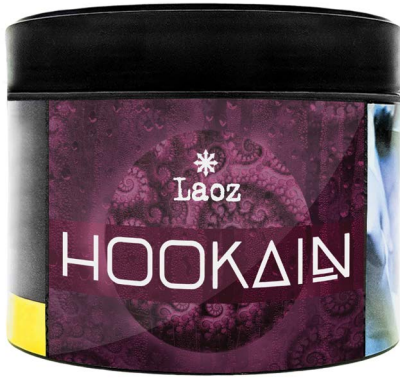
Germany: Hookain

One of the up-and-coming stars of Germany's shisha tobacco scene is *Hookain* (pronounced *boo-kayn*), manufactured and distributed by a Cologne-based company going by the same moniker. "Hookain" is of course a somewhat risqué – but fully intentional - amalgamation of the word "hookah" and the name of a certain recreational narcotic. "Our flavors are addictive like... uhm... breakfast cereal," said key account manager, Murat Babayiğit, "hence, 'Hookain'." Alright, we get it!

Breathing new life in a stagnant industry

According to Babayiğit, who prefers to be addressed by his nickname, Muro ("We like to present ourselves in a fresher and more relaxed way."), Germany's shisha tobacco industry was in a deep slumber at the time his company entered the market towards the end of 2018. "There were no new products, no new flavor creations that could surprise and tickle the taste buds," he recalled. So his company took up the cue and resolved to change that situation, bringing in flavorings from small factories and labs in Spain, Poland, the United States, but also Germany.

Credit: Hookain



Hookain "Laoz", 200g jar.



"ZentaShox Saur Splash", Hookain's 'latest baby', only rolled out in July 2020.

"We are talking about aromas no one had ever used before, flavor blends that surely everyone would remember," said Muro. A carefully devised manufacturing process coupled with stringent quality control transforms this array of unusual flavors into the ever expanding range of Hookain shisha tobaccos. "Moreover, our closely guarded manufacturing technology lends our products more flavor intensity but also makes them more heat-consistent than others."

Favorable consumer demographic

Germany certainly is the right market for an innovative brand such as Hookain, too. "After all, every fourth person in the country has a migration background, most of them hailing from Turkey, Syria, Afghanistan, Iraq, Iran, Eastern Europe, and so forth," Muro explained. He added that this demographic make-up provided a huge pool of shisha aficionados. But, Hookain has in the meantime also made inroads in a handful of neighboring countries, being distributed in Spain, Austria, Switzerland, and even as far as Bulgaria and Cyprus.

The brand portfolio currently comprises in the vicinity of 30 different flavor profiles, the majority of them being indeed rather innovative, if not to say unusual. How about a taste of cheesecake with a splash of lemon, as in Hookain's "White Cake" concoction, for example? But, then again, for a fruitier and fresher note, one might just as well go for "Kaoz" with its intense cherry, blueberry and menthol blend. "Of course we are constantly working on yet more new flavors," Muro asserted. "Our latest baby was 'Zenta Shox Saur Splash', which was only launched on July 15."

Steam stones up and coming

Apart from traditional shisha tobacco, Hookain has also begun marketing non-nicotine steam stones. Made from natural soap stone soaked in molasses until saturated, they receive "an additional 30% of flavoring to compensate for the lack of nicotine while simultaneously ensuring an explosion of pure taste," according to Muro, who also explained that athletes often substitute them for conventional tobacco products. At least as far as the German market is concerned, nicotine-free alternatives like steam stones are going to be the main trend of the future, driving the evolution of shisha smoking, Muro predicted. "I have observed it on the ground: Sales of steam stones are skyrocketing even now and they will continue to rise."

HOOKAIN: Top 5 Flavors

#	Name	Flavor Profile
1	White Caek	cheesecake with a splash of lemon
2	Big Black Berries	black grape with blueberry, mint and menthol
3	Green Lean	4 lime aromas with a splash of mint
4	Bublenciaga	pink chewing gum
5	Laoz	cherry and blueberry with a splash of menthol

Source: Hookain Tobacco Co.

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Credit: Hookain



Credit: Hookain



Hookain's key account manager, Murat Babayiğit, a.k.a. "Muro".

Hookain's booth attracted plenty of visitors at last year's ShishaFair Frankfurt.



Credit: Ghost Distribution Ltd. / Afzal UK

Ghost Distribution's co-owners, Mohammed Sheikh (left) and Faizan Aatif (right) at last year's InterTabac in Dortmund, Germany.

United Kingdom: Afzal

One of India's most high-profile shisha tobacco brands, Afzal only launched in the United Kingdom in January 2019. It has since rapidly climbed the popularity ladder, giving the two top bestsellers, Starbuzz and Al Fakher, a serious run for their money – and respective market shares. One reason for this might be the UK's rather large demographic of South Asians, who seemingly were all too eager to finally get "a taste of home". Yet the phenomenal ascent certainly also has something to do with a clever positioning move by Ghost Distribution Ltd., Afzal's London-based sole distributor.

"Rather than simply retailing flavors that are favorites in India or the United Arab Emirates, we instead developed a flavor portfolio exclusively for the UK market," explained Mohammed Sheikh, one of the two co-owners. "And we are also very excited to be bringing to the UK a new range of dark leaf tobacco called 'Afzal Strong' by the end of the year." For the foreseeable future at least, Afzal is going to remain the sole brand carried by the company. "Our current priority is to further increase brand awareness for Afzal," Sheikh said, but also pointed out that "other brands currently not available in the UK" might well find their way into the company's product portfolio at a later stage.

Stay cool, my friend!

Flavors imparting an "extra cooling effect" have become the predominant choice amongst UK shisha fans in recent years, usually identified with the prefix "Frozen" in the product name (e.g. "Frozen Apple", "Frozen Grapefruit", etc.). Their cooling ingredients – mint, menthol, and similar additions – also provide for a softer, smoother smoking sensation that is easier on the palate when compared with more traditional flavors, according to Sheikh. But, the trend also has been moving towards more complex profiles, uniting several fruit flavors in one harmonious blend. "A good example for such a multi-layered flavor would be our '1001 Nights' product," Sheikh pointed out.

AFZAL: Top 5 Bestselling Flavors in the UK

#	Name	Flavor Profile
1	Bombay Nights	spicy betel leaf with menthol undertone
2	Deepest Blue	intensely fruity blueberry
3	Paradicy	super-sweet grapefruit with cooling citrus notes
4	Alphonso Charm	Indian "Alphonso" mango
5	1001 Nights	fruity punch blend of honeymelon, watermelon and passion fruit with cooling spearmint

Source: Ghost Distribution Ltd.



Credit: Ghost Distribution Ltd. / Afzal UK

Afzal "Goa Dreams" (pan apple splash flavor).

Unsurprisingly, the popularity increase of more complex profiles coincides with diminishing sales of traditional "single flavor" products such as Apple or Lemon. "As consumers' preferences and their shisha smoking expertise evolve, they are demanding more interesting and unique flavors from tobacco manufacturers," Sheikh has observed. It is exactly this trend that Ghost Distribution is addressing with its UK-exclusive product range (see table). The firm's success with that strategy also is reflected in a whopping 160% year-on-year sales increase projected for 2020.

Back in business after Covid delay

Not resting on its laurels, Ghost Distribution is of course already brainstorming about new blends to launch, according to the firm's other co-owner, Faizan Aatif. But, he also admitted that the SARS-

CoV2 pandemic had stalled proceedings by a good six months. “Our products are manufactured in India, and the factory was forced to close down for three months as part of [that country’s] lockdown,” Aatif explained. However, the company luckily had taken delivery of a large shipment just prior to the UK-wide shut-down and “was spared from suffering stock outages.” As per the latest Afzal flavor creations, Aatif promised that they are going to be the highlight at the Afzal booth at next year’s InterTabac show in Dortmund, Germany. “If you are a shisha enthusiast, you’ll be in for some most pleasant surprises!”

United States: Fumari

American shisha tobacco company Fumari, Inc. was established in 1997, making it one of the oldest in the country. Tradition goes a long way, of course, and today Fumari is the second best-selling brand in the country, only trailing behind the UAE’s Al Fakher and coming in just ahead of US competitor, Starbuzz. Based out of San Diego, Fumari currently offers 36 different flavor concoctions, according to the firm’s marketing manager, Sam Hanhan.

“Generally speaking, the main flavor trend we see is mint. Almost anyone you speak with has some variety of mint flavor at the top of their favorites list,” Hanhan said, adding that it “either sells as a straight profile – as in ‘peppermint’ or ‘spearmint’ - or it’s a defining ingredient in one of a myriad of blends available and in virtually any flavor combination from fruity to floral.” The main reason for minty flavors’ popularity was the cooling and relaxing sensation gained. But, mint simply also was a “very versatile ingredient, marrying well with pretty much any other flavor combination.”

Mint, minty, minter

But then again, mint’s current popularity doesn’t mean that American shisha lovers forego everything else. Fruit flavors remain perennial favorites, including citrus notes. “Apple, grape, lemon... we not only love to consume them in beverages but also in our hookahs,” Hanhan asserted. However, he drew the line at bacon, garlic, and peanut. “I don’t think they are ever going to be enjoyed in a hookah.” Weird profiles aside, floral notes tend to be the least widely used in mainstream shisha tobacco blends, though. According to Hanhan they are “more of an acquired taste for the serious hookah enthusiast.”

Fumari’s portfolio was originally formulated for a smooth smoking experience, and one that could be enjoyed by a wider range of hookah smokers. “We started off as a hookah lounge in the late 1990s and wanted every customer to have an unforgettable experience, with no nauseating buzz and irritability when inhaling,” Hanhan elaborated. For that reason, the company exclusively used bright leaf virginia leaf tobacco in its blends, which are produced at the company’s own factory in San Diego.

FUMARI: Top 5 Flavors

#	Name	Flavor Profile
1	WGB	pineapple and orange blend
2	Lemon Mint	lemon and mint blend
3	RGB	wild cherry and raspberry blend
4	Ambrosia	melon, reminiscent of a cantaloupe
5	Spiced Chai	vanilla, cinnamon, nutmeg and cardamom blend

Source: Fumari Inc.



Credit: Fumari, Inc.

Fumari “Lemon Mint”, 100g pack.

Strong and dark prospects

While bright leaf reigns supreme in Fumari products to this day, a new trend apparently is already well underway that will probably see the company expand its portfolio: dark leaf. “There is a current trend for stronger hookah tobacco based on dark leaf,” Hanhan said. “People have smoked the standard bright leaf for multiple years, and a rising number want to graduate to stronger tobacco with its more robust flavor and higher nicotine content.” Hanhan compared that to the development that occurred in the US craft beer scene, where beer drinkers “who are serious about their favorite beverage seek out brews with a strong hoppy flavor and more alcohol content.” On the other hand, tobacco-free hookah smoking and CBD-infused shisha tobacco are not significant trends in the United States at this time, Hanhan asserted. “But we’ll just have to wait and see where that goes.” ➡

Tobacco Tax on Sugar

Conventional shisha tobacco – often also referred to as shisha molasses – contains very little actual tobacco and is mostly comprised of sugar, glycerin, and other carrier substances. But, in the UK it nevertheless still falls under the taxation code category of “other smoking tobacco”. It is, therefore, subject to tobacco duty applicable at the rate of £130.16 (US\$164.14) per kilogram of final product. That effectively means that importers and manufacturers are paying tobacco tax on a product primarily composed of sugars. Yet sugar is taxed at a much lower rate in the UK, of course.

“A kilogram of conventional shisha tobacco typically only contains around 150 grams of actual tobacco, the rest is made up of molasses, glycerin, and flavorings,” explained Ghost Distribution’s Mohammed Sheikh. “Hence, 85% of the applicable duty for shisha tobacco is levied not on tobacco but in fact on sugar.” This tax structure results in an average retail price of over £240 for one kilogram of product. “We feel strongly that [the British revenue service] has to revisit the tax category shisha tobacco falls into and apply a fairer duty rate,” Sheikh said. He pointed out that such a tax rate adjustment had already occurred in other countries after a dialogue between the revenue authorities and major shisha tobacco companies. Sheikh also argued that a tax revision only could “change things for the better.”

The majority of UK shisha lounges use illicit (i.e. untaxed) and often substandard tobacco in order to maximize their profits. A fairer tax rate not only could entice shisha lounge operators to adopt legitimate product, but the much better quality also would benefit customers.