

Interview

Senator Richard Colbeck, Australia

Page 16

Supplier

Helen Blackburn, Daioni Milk

Page 36

Technology

A Digital Journey

Page 70

PROGRESSIVE GROCER

February 2015 · Volume 9 Number 2 · Rs 100 · www.indiaretailing.com

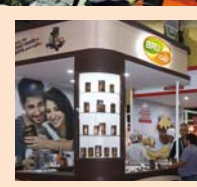
INDIA EDITION



Page 20

The Business of Food

DECIPHERED

Editor in Chief: **Amitabh Taneja**
 Editorial Director: **RS Roy**
 Publisher: **S P Taneja**
 Chief Operating Officer: **Bhavesh H Pitroda**

Editorial

Head, Knowledge & Editorial Alliances: **Rajan Varma**

Managing Editor: **Nupur Chakraborty**
 Correspondents: **Roshna Chandran**
Angel Kashyap

Conference Content: **Nakul Jain**
Mohua Roy

Contributing Editor: **Namita Bhagat**

Creatives

Art Director: **Pawan Kumar Verma**
 Dy. Art Director: **Deepak Verma**
 Sr. Layout Designer: **Naresh Kumar**
 Sr. Photographer: **Vipin Kardam**

Production

General Manager: **Manish Kadam**
 Sr. Executive: **Ramesh Gupta**

Support

General Manager - Administration: **Rajeev Mehandru**

Subscription

Asst. Manager-Subscriptions: **Kiran Rawat**

ADVERTISING

Business Head

Rakesh Gambhir, Vice President
 E: rakeshgambhir@imagesgroup.in M: +91 9910001375

DELHI

Ekta Roy, Manager
Devpriya, Asst. Manager

MUMBAI

Waseem Ahmad, VP & Branch Head
Akanksha Tawade, Sr. Executive

BENGALURU

Suvir Jaggi, Assoc. VP & Branch Head

KOLKATA

Piyali Oberoi, Assoc. VP & Branch Head
Arijit Dey, Executive

FOR ADVERTISING QUERIES, PLEASE WRITE TO salesfood@imagesgroup.in

PRIVILEGE MEMBERSHIP/CONSUMER CONNECT

Anil Nagar, Assoc. VP
 anilnagar@imagesgroup.in
 Mob.: +91 9811333099

Hemant Wadhawan, General Manager
 hemantwadhawan@imagesgroup.in
 Mob.: +91 9810424668

Membership Team: Misba Naushad
Priti Kapil

Sarika Gautam
Rajiv Kumar Palta

PROGRESSIVE
GROCCER
 AHEAD OF WHAT'S NEXT

VP/Group Publisher: **Jeffrey Friedman**
 Editor-in-Chief: **Meg Major**
 Senior Editor: **James Dudlicek**
 Managing Editor: **Bridget Goldschmidt**
 Director of Integrated Content/
 Technology Editor: **Joseph Tarnowski**
 Creative Director: **Theodore Hahn**
 Contributing Editors: **David Diamond, Bob Gatty,**
Bob Ingram, David Litwak, Tammy
Mastroberte and Jennifer Strailey

Stagnito
 BUSINESS INFORMATION

President & CEO: **Harry Stagnito**
 Chief Operating Officer: **Kollin Stagnito**
 Vice President & CFO: **Kyle Stagnito**
 Senior Vice President, Partner: **Ned Bardic**
 Vice President/Custom Media Division: **Pierce Hollingsworth**
 HR/Production Manager: **Anngail Norris**
 Corporate Marketing Director: **Robert Kuwada**
 Promotion and Marketing Manager: **Ashley Cristman**
 Director, Conferences & eLearning: **Amy Walsh**
 Manager, eMedia Strategy & Development: **Mehgan Recker**
 Audience Development Director: **Cindy Cardinal**

Processed foods' consumption is growing as fast as the interest in organic produce in India. Now to some that would seem conflicting; either you eat healthy or not, right? And the latter is certainly positioned as being healthier. So which way will Indian consumers go?

I believe both paths will become full-blown trends in India. And that is the incredible complexity -- and opportunity -- of this marketplace. To some foreign food brands, deciphering these seemingly contrasting trends is confusing. But there is a logic to the confusion: there are simultaneous consumer lifestyle trends are happening. On one side is the rising need to look and feel healthier; on the other side in an increasing shortage of time, especially among the urban working class and youth. The former is getting consumer to gravitate toward natural, organic foods, while the latter is generating demand for pre-made, convenience foods. The optimal outcome would obviously be a merger of the two -- healthy, value-added convenience foods. Can our processed food industry get to this next, higher level?

The example of Amul is of course the stuff of legend in India. And in some ways, it also showcases what I say above. Over the years, Amul has innovated cleverly to introduce several value-added dairy products, which remaining true to image as a healthy food brand. At India Food Forum last month, we were honoured to host RS Sodhi, the brand's managing director, in a special chat with Sadashiv Nayak of Future Group. Read some excerpts from that riveting conversation inside, to discover how enduring food brands are created and nurtured.


Amitabh Taneja
 Editor-in-Chief

All feedback welcome at editorpgindia@imagesgroup.in

All material printed in this publication is the sole property of Stagnito Media, 111 Town Square Place, Suite 400 Jersey City, or Images Multimedia Pvt. Ltd. or both, and each of them have copyrights on their respective materials. All printed matter contained in the magazine is based on information provided by the writers/authors. The views, ideas, comments and opinions expressed are solely of the writers/authors or those featured in the articles and the Editor and Printer & Publisher do not necessarily subscribe to the same.

Printed & published by S P Taneja on behalf of Images Multimedia Pvt. Ltd. Printed at Aarvee Printers Pvt. Ltd., B-235, Naraina Industrial Area, Phase -1, New Delhi 110028 and published by S P Taneja from S-21 Okhla Industrial Area Phase - 2, New Delhi. 110020 Editor : Amitabh Taneja

In relation to any advertisements appearing in this publication, readers are recommended to make appropriate enquiries before entering into any commitments. Images Multimedia Pvt. Ltd. does not vouch for any claims made by the advertisers of products and services. The Printer, Publisher and Editor-in-Chief of the publication shall not be held for any consequences in the event of such claims not being honored by the advertisers.

All rights reserved. Reproduction in any manner is prohibited. All disputes are subject to the jurisdiction of competent courts and forums in Delhi/New Delhi only. Progressive Grocer does not accept responsibility for returning unsolicited manuscripts and photographs.

For subscription related queries, email to: **subscription@imagesgroup.in**
 For feedback/editorial queries, email to: **letterzeditor@imagesgroup.in**
 visit us at **www.imagesgroup.in**

Images Multimedia Pvt. Ltd. (CIN:- U22122DL2003PTC120097)

Registered Office: S 21, Okhla Industrial Area, Phase II, New Delhi 110020,
Ph: +91-11-40525000, **Fax:** +91-11-40525001
Email: info@imagesgroup.in, **Web:** www.imagesgroup.in

Mumbai: 1st Floor, Panchal Iron Works, Plot No. 111 / 3, Marol Co-Operative Industrial Estate, Marol, Andheri (East), Mumbai - 400 059,
Ph: +91-22-28508070 / 71, **Fax:** +91-22-28508072

Bengaluru: 523, 7th Cross, 10th Main, (Jeevanbhima Nagar Main Road), HAL 3rd Stage, Bengaluru 560 075, **Ph:** +91-80-41255172/41750595/96, **Fax:** +91-80-41255182

Kolkata: 30-B, Anil Roy Road, Ground Floor, Kolkata 700 029, **Ph:** +91-33-40080480, **Fax:** +91-33-40080440

Special Report



20

THE BIG TAKES: TECHNOLOGY, TRANSFORMATION AND TRENDS

India Food Forum 2015 offered wide ranging but equally applicable market intelligence to drive the future of food consumption in India

26

COCA-COLA GOLDEN SPOON AWARDS-2015

The eighth edition of the Annual Coca Cola Golden Spoon Awards recognised excellence in food retailing and foodservice in India, through the presentation of multiple honours



16

INTERVIEW: AN AUSTRALIAN SERIES

Senator Richard Colbeck, represented Australian agriculture as part of the Australian Business Week in India (ABWI) in January. Speaking at India Food Forum in Mumbai, he outlined the possible routes to lucrative partnerships between Indian and Australian food businesses

34

RETAILER: FRESH APPROACH

Anant Fresh, which began operations in January 2014, is making waves in Haryana with a three-way retailing business model



36

FRESH FOOD: MARKET PROTOCOL

Foreign food brands must be prepared to sift through the noise to make sense of India's massive opportunities

Focus on East India



40

CATEGORY LEADER: TEA

What's next in India's largest tea production zone

46

TRADING PLACES

Regional brands and national retailers are influencing grocery shopping patterns



54

**FRESH FOOD:
CUSTOM COFFEE, ANYONE?**

Even as global icons join a ubiquitous cafe brigade in India, new concepts are furthering the coffee cause in unconventional ways

58

**FRESH FOOD:
THINKING LIKE A RESTAURANT**

Opportunities abound as consumers continue to look at grocery stores as a dining option



60

GROCERY: PRICELESS PRODUCE

Ecuador is preparing to unleash a very different kettle of cocoa beans in India

62

**GROCERY:
FROM GRAINS TO GRAPES**

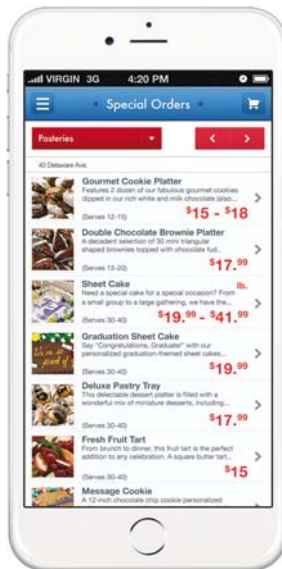
Cross-merchandising, assortment optimisation and trendy formats guide beer and wine category management in the U.S.



66

**INDUSTRY EVENTS:
MANAGERS TAKE ACTION**

Industry Professional Store Manager Leadership Forum demonstrates the power of sharing



70

**TECHNOLOGY: ONE RETAILER'S
DIGITAL JOURNEY**

Price Chopper evolves from value-driven to experience-driven grocer, thanks to a new digital strategy

Progressive Views

12

GLOBAL PERSPECTIVE

Nutrition is just one consideration in forging strong connections between consumers and the foods they eat

14

**SALUTING THE HEROES BEHIND
EVERY WONDER WOMAN**

The support of men is essential to women's leadership



8

MARKET UPDATE

What's new in the food business



74

WHAT'S NEXT

New products on the shelves

76

BUSINESS OPPORTUNITIES

Fresh avenues to expand and grow with suppliers and retailers

An Australian Series

Senator Richard Colbeck, Parliamentary Secretary to the Minister for Agriculture, represented Australian agriculture as part of the Australian Business Week in India (ABWI) in January. Speaking to Nupur Chakraborty on the sidelines of a stopover at India Food Forum in Mumbai, he outlined the possible routes to lucrative partnerships between Indian and Australian food businesses



Senator Richard Colbeck

What range of partnerships is your delegation scouting for in India?

We are looking at a broader level of engagement with specific responsibilities around agriculture and food. We are also looking at different elements of agriculture and as to how we might build relationships. Dairy is one category we are focusing more intensely on. We visited the Amul factory in New Delhi and also met an innovative dairy farmer who is providing organic products in the market as a niche producer with around 50 cows of his own.

We've also had conversations around productivity and what services and opportunities there might be for Australia to offer information around logistics, cold chain, systems and animal husbandry, to lift the productivity of the dairy industry in India. We have a team of about 60 delegates from the agricultural and food sectors with us who all are either already conducting business here or have an interest in beginning some form of partnerships with India – from lamb to wine. For some, it is a first visit and is all about how they might grow as the market enlarges.

India has a strong Make in India campaign. Are you looking at both knowledge and financial investments?

Yes, absolutely. Australia has, for instance, a very robust system of research and development.

There is a lot of knowledge that can be used as part of the relationship. We had conversations with your government here on wool and cotton, for instance. So, the use of Australian products here as input for the textile industry is very much part of the thought. We've had talks on how the two countries can work together, how reducing barriers to the entry of our products as input for your manufacturing sector, actually makes your end products more competitive in the global market. Both Prime Ministers Modi and Abbott have said they'd like to develop a free trade agreement between our countries by the end of this year. And I have to say that the influence of Prime Minister Modi is evident in how Indian businesses are now viewing investment from other countries.

How does Australia gain from such partnerships?

Well, any genuine relationship has to deliver benefits for both parties. Australia too gains as a result of this association, with Indian businesses also investing in Australia. We'd like to see two-way investments. This could take the form of Indian businesses investing in Australia and bringing products back to India. Or could be by way of Australian businesses coming here to partner with Indian companies and developing two-way trading relationships. The responsibility of governments is to make the frameworks for these things to happen. I know that Prime Minister Modi's vision is to lift Indians into a higher standard of living; a strong and open trading relationship is part of lifting the affluence of an entire country, by creating products that are more affordable. I think that the percentage of income that an Indian on average spends on food is much higher than in other countries like the United States. As opposed to about 20 per cent in the latter, in India that figure is approaching 30 per cent.

What is your initial impression of food retail in India?

Well, I've been to Foodhall at Palladium Mall and Nature's Basket so far. On first impression, of course, they were very impressive businesses; both had a significant proportion of imported foods in

The Big Takes: **Technology, Transformation and Trends**



In signature fashion, India Food Forum 2015 threw up wide ranging but equally applicable market intelligence to drive the future of food consumption in India.

India Food Forum 2015, the premier knowledge and networking platform of Indian food retail and foodservice sectors, highlighted unique concepts and business modules to boost the scale and quality of food branding, marketing and retailing in India in January. Comprising a major exhibition, conference, panel discussions and an awards ceremony, the three-day event was attended by business heads and leading professionals from food manufacturing, retailing and foodservice sectors.

The theme for this year's edition – eighth in the series – was to harness the future of food retail through ground-breaking concepts, powered by knowledge and insights into consumption drivers, technology innovations and best-practices sharing, for profitably growing the food businesses to reach their true potential of serving a billion-plus consumer market.

Unlike China, which underwent a dramatic diet change, Indian food habits are seen changing gradually with proportional increase seen in both fresh dairy products as well as protein foods. Food expenditure is perceived only second to health expenditure in India.

Speaking at the conference, BCG Principal, Rohit Ramesh said, "Market size for food in India currently at Rs 22-23 trillion in 2014 is set to reach Rs 40-42 trillion by 2020 coupled with three time increase in average household income from 2010-2020. Premium chocolates are gaining share just like premium biscuits, as structural income is supporting the consumption."

With the rising urbanisation, the Indian food market constitutes 41 per cent of fresh perishable dairy, 34 per cent staples and 15 per cent from beverages and foods. Participating in a panel discussion, Devendra Chawla, Group President, Food and FMCG, Future Group, noted: "Customer is evolving faster than ever before as he continues to innovate with his food with multi-grain, multi-vitamin and low-diet foods, much beyond to merely satisfy his hunger."

While supermarkets have come to the aid of the Indian housewife, retail trends indicate that convenience is gaining momentum while health and hygiene has gained prominence in the food segment.

Among the emerging trends, Chawla pointed out while the nuclear family has boosted food retail, the rising singles' population has also, interestingly enhanced the pet-keeping culture and thereby increased consumption of pet food.

“
The customer is evolving faster than ever before as he continues to innovate with multi-grain, multi-vitamin and low-diet foods, much beyond to merely satisfy his hunger

– Devendra Chawla, Group President, Food and FMCG, Future Group



Coca-Cola Golden Spoon Awards-2015

The eighth edition of the Annual Coca Cola Golden Spoon Awards recognised excellence in food retailing and foodservice in India, through the presentation of multiple honours for the country's most progressive and innovative companies, brands and professionals associated in these fields.

The Coca Cola Golden Spoon Awards 2015 selection process involved inviting entries from the nation's leading foodservice and food & grocery retailers across multiple categories.

During the nomination process, contenders were asked to provide data relating to their performance for the calendar year 2014 across three main Parameters – retail expansion, business performance and the same store sale growth percentage. All submissions for Coca Cola Golden Spoon Awards 2015 were independently judged by a jury comprising, Amit Lohani, MD, Max Foods, Anuj Puri, Chairman & Country Head, JLL, Harish Bijoor, CEO, Harish Bijoor Consults Inc, Seema Chandra, Editor-Food, NDTV, Jyoti Bhasin, Country Manager, NFS and Amitabh Taneja, Chief Convenor, India Food Forum



Market Protocol

Foreign food brands must be prepared to sift through the noise to make sense of India's massive opportunities

By Helen Blackburn



Helen Blackburn
Manager, Daioni

I am the export manager for Daioni organic milk from Wales in the UK, and we are in the early stages of our planned entry into India. After gaining positive feedback from our market research we decided to take a stand – literally! – at the India Food Forum last month. This proved to be the perfect networking event for us to meet with key retailers and distributors, and to confirm their interest.

We are proud of our products and committed to promoting organic milk and organic farming. As an independent family-run business, based at our 2,000 acre organic dairy farm in Pembrokeshire, our approach to export is a personal one, so I appreciate the warmth and enthusiasm I have received on my visits and look forward to developing long term partnerships.

We have been growing and selling organic milk since 2001, certified by the Soil Association, the

biggest organic certifiers in the UK, equivalent with Ecocert. Once our fresh milk achieved national distribution, we developed a flavoured organic milk using all natural ingredients, and the recipe has won many awards. Moreover, this drink puts the fun into organic, steering children away from unhealthy fizzy drinks. This, coupled with friendly bright packaging are two positive ways to connect with consumers in India.

Daioni drinks (meaning 'goodness' in the Welsh language) are packed in 250ml sterile Tetra Paks, with a shelf life of 14 months, so they can travel far afield. So began our export story, continuing further with our UHT 1ltr whole and semi skimmed milk. After two years of initiating distribution, Daioni is increasingly popular in Hong Kong China and Dubai, where we are the first UK company to supply organic milk.

One Retailer's Digital Journey

Price Chopper evolves from value-driven to experience-driven grocer, thanks to a new digital strategy

By Lynn Petrak

Ironically enough, the impetus for one retailer's innovative deployment of a new digital strategy to more directly and effectively connect with customers came after a simple but serendipitous conversation.

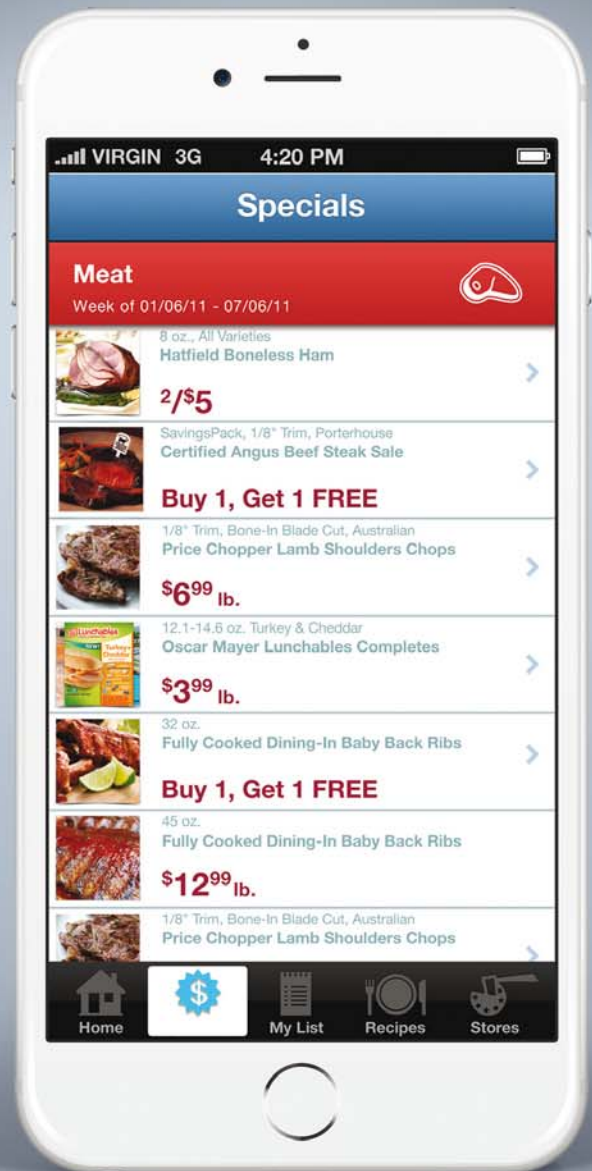
"I was on my way to meet with Glen Bradley, of Price Chopper, who I went to interview for a blog post I was writing on Big Data," recalls Sylvain Perrier, president and CEO of Mercatus Technologies Inc., a Toronto-based organisation that helps North American grocers integrate with multiple technology patterns to improve shoppers' in-store and online-shopping experiences. "I had shared my thoughts on personalisation and Big Data, and how personalisation can drive a retailer to operate well against existing parties in the market. We were going back and forth on a whiteboard with ideas, and he said, 'Have you ever met the guys at Datalogix? Let me introduce you.'"

From there, the group went to a brainstorm dinner and came away with even more ideas. "It was very organic," Perrier remembers. "At no point did we ever say, 'Can we do this?' It was more like, 'How do we do this and make it measureable?'"

Over the next several months, Price Chopper Supermarkets, a chain of 130-plus stores in the Northeast that is a subsidiary of the Schenectady, New York-based Golub Corp., and Mercatus, along with Price Chopper's analytics partner, Datalogix; digital coupon partner, Inmar; and e-mail management partner, Informz, embarked on a collaborative process that led to a new digital strategy for the grocery chain. The strategy included a digital platform that would allow for new mobile applications and a new website, among other elements.

Moving to digital in a different way wasn't done just for the sake of using advanced technologies, but to better connect with shoppers to deliver what they want, fitting Price Chopper's stated intent to move from being primarily a value-driven grocer to an experience-driven one.

"Price Chopper knows that the digital space is where our customers are trending towards for convenience and value. Therefore, we are working to transform our commerce, merchandising and advertising platforms to support a ubiquitous digital experience for our customers," remarks Thom Riley, senior applications architect and digital strategist for Golub Corp./Price Chopper. "It's no longer a



INSPIRING A NEW MENU OF TASTY POSSIBILITIES



Aurica is an amazing new range of ingredients created especially for HORECA (Hotels, Restaurants and Catering Businesses). These premium, ready-to-use **Premixes & Seasonings, Spices, Dehydrated Vegetables and Herbs**, give you the freedom to create the most authentic and innovative delicacies, easily and in quick time. It is therefore, a chef's best friend, and also, a one-stop solution for QSRs and the food service industry. So get a taste of Aurica and give life to taste!



Dips



BBQ Seasonings & Marinades



Rice & Pasta



Sauces

Our Other Range of Products

- Dip's Premixes • Grilled and Tikka Bases • Coating Solutions
- Gravy Bases • Marinades & Breading Mixes • Soup's Premixes
- Sprinklers • Bakery Solutions



Paras Spices Private Limited

Regd. Office & Works: V.P.O., Khosa Pando, Zira Road, Moga-142001, Punjab, India. Ph.: +91 1636 237177
Corp. Office: 205 (2nd Floor), Bhikaji Cama Bhawan, Bhikaji Cama Place, New Delhi-110066, India. Ph.: +91 11 26162177
E-mail: welcome@parasspices.com • Web: www.parasspices.com



...nourishing the nation.

- Dairy & Ice Cream • Table Eggs • Processed Food • Chilled & Frozen Range
- SMART RETAIL • CASUAL DINING

easypick

Fresco Pollo
RESTAURANTE

