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A flurry of policy decisions in recent days has made the industry reverberate – both in anticipation as well as trepidation. The decision allowing 100 per cent FDI in online retail of goods and services under the 'marketplace model' has been generally acclaimed, while rules prohibiting marketplaces from offering discounts, and capping total sales originating from a group company or one vendor at 25%, have led to much heartburn. The reactions have been along predictable lines though, depending on which side of the fence one is sitting on. However, the notification is in itself a cataclysmic move with the potential to shift the tectonic plates of the e-commerce industry.

Following the announcement, the industry is abuzz that global online megaliths such as China's Alibaba and Japan's Rakuten are giving final touches to their plans to make a splash in the Indian market. For these global biggies, India is definitely the destination of choice and a huge market to grow their business. Industry estimates show that e-commerce sales in India are expected to grow from \$14 billion in 2015 to \$55 billion in 2018.

Though a degree of turbulence and 'creative destruction' might be the logical deneoument in the wake of the new rules coming into force, I share an implicit trust in the genius of our young entrepreneurs. So despite the parsing and combing for nuances in the thicket of new rules, I hope the industry will not break its stride and continue to find innovative ways to unleash and harness its potential.

> Amitabh Taneja Editor-in-Chief

# All feedback welcome at editorpgindia@imagesgroup.in

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**COLUMN:** Shaking up the atta market

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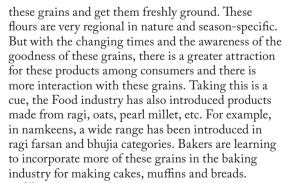
# Shaking up the atta market

How Desi Atta Company, an FMCG brand of Future Consumer Enterprise Limited, is celebrating the diversity of the Indian palate and atta-based cuisines by introducing new and exciting flours in the widest range of products

By Ritika Baheti



But whereas wheat flour has moved to the more value-added packaged category of branded foods, very less attention has been paid to the other flours category - pearl millet, maize, amaranth, sorghum, rice, buckwheat, etc. Consumers still mostly buy



The consumer of today wants more than just refined flour. At Future Consumer Enterprise Limited, the FMCG arm of Future Group, we have introduced a brand called Desi Atta Company. It is a first food collective in the country to introduce such a wide range of flours including maize atta, pearl millet atta, amaranth atta, moong dal atta, urad dal atta, buckwheat atta, water-chestnut atta, multigrain dosa atta, multigrain bhatura atta, oats atta, besan laddoo atta etc.



The brand has been conceptualized after finding a bigger business opportunity, which is about atta being center of the plate. It is positioned as a leader in atta and atta-based cuisines and has the widest range of products. The brand draws on the diverse atta palate of the nation and caters to every community, life-stage, lifestyle and health needs. Going further, the brand wants to celebrate the diversity of our Indian society and become its partner on the road to prosperity.

The products sold by Desi Atta Company go through extensive research and development and quality check parameters before they are launched in the market. When the brand was launched in November last year, it sold about 10,000 packets. In less than six months of the launch, we have seen a quantum jump in sales – more than 60,000 packets were sold in the last month alone. Consumers are coming to buy the products again and again for the freshness quotient they have to offer. We were surprised to find the number of people picking up these products for alternative recipes other than those mentioned on the pack. As an example, a product like maize flour is picked up by the younger generation to make tortillas wraps and tacos. The consumer has not only been using and enjoying the product for making traditional recipes such as makai roti and sarson ka saag but extending its usage beyond just making rotis. On the other hand, besan laddoo atta is gaining extreme popularity for the taste and convenience it offers. All you need to do is add the melted ghee in the premix- and experience the most fulfilling besan laddoos within two minutes. Even a four-year-old can make laddoos now, which, once was a sweet that needed great expertise.

Quite clearly, flours are not used in the same way like they were in the older times. And there is a value addition being done at home through the addition of vegetables, dals or other ingredients.

Our aim is to minimize the huge amount of chores that were earlier required to feed one's family to its favorite atta-based cuisines. We want to simplify and deliver the recipes that are known to be time taking. Our products ensure that they can still be enjoyed without the strain of putting any extra effort. Today when consumers enjoy higher disposable incomes but have less time to spare, the atta opportunity is a potential need gap that we at Future Consumer Enterprise Ltd are best poised to leverage.

A company is as good as its people and we are fortunate to have an amazing and committed team, which is passionate about taking the brand to greater glory. We expect the brand to grow more than 10 times over the next year. In pursuit of this goal, we will be introducing many more new product ranges that will not just be exciting but will also titillate and soothe your culinary senses. **PG** 





dal atta.

**atta, etc**—**Ritika Baheti**Brand EntrepreneurDesi Atta Company

urad dal atta.

buckwheat









# From France, with love?

Brand building exercises, ad campaigns, raising consumer awareness and employee training have been the high points of Dabon's multi-pronged initiatives in recent months

By Nirmal Anshu Ranjan

abon is a French group that set up base in India in 1996 and has been involved in B2B ventures. It was in 2009 that they started importing their products to India. Most brands they represent in India are owned by the French group and are big brands, but "we do other brands, too, to fulfil the range and provide solutions to the people," says Sanjay Tandon, President, Dabon International Pvt. Ltd.

In dairy products, Dabon doesn't have much competition. "Our forte is dairy products, as Dabon is a French dairy food group. We, however, want to diversify and become a food company in the long run," he added.

# Food platforms

The company is a regular at food shows and events. "They are good platforms for showcasing our products and they help our products to grow and allow us to support the food business. At many such platforms that we participate in, we have had an excellent response from the people, says Tandon."

Food shows and events have also been a suitable launch pad for the company. This year, at a prominent food and hospitality event, the company launched products like chocolates for the retail sector, apart from canned vegetables, flavoured milk from Ala Foods, Tea from Signature Estate and a range of jams and juices from France.

# Revenue generation mix

Talking about Dabon's revenue generation mix, Tandon explained that the company is more cued in to HoReCa, which contributes a larger share to its pie. But the company is also looking to grow its retail contribution and "we feel this is the right time to look at retail more seriously, observed Tandon.

## The differentiator

In import business, the primary factor is consistency of supply; after introducing the products, they should be in regular supply, timely and of good quality so that consumers are satisfied. Dabon has been ensuring that it meets those benchmarks to the hilt.

With a large product range under the French umbrella, Tandon pointed out, "We are responsible for the brand more than any other importer – that is the difference. There's a fine line between other importers and us. We are building our brand in a big way."

# **Expansion plans**

Picture the current scenario – scattered markets, pockets of markets doing well and just nine cities contributing to 40% of consumption. The distances are daunting, and connecting from Mumbai to Delhi or Delhi to Kolkata is difficult.



"The challenge in India is the logistics, whether it's for products that require frozen or ambient temperature," laments Tandon. To strengthen the presence of its products in the marketplace, the company is looking closely at expansion plans and investing in partnerships. The government is also being supportive in terms of temperature-control logistics, giving subsidies, etc. "It is a positive environment.

How quickly this will happen is the question" was his assessment.

Putting in their best, the company promises to keep on bringing easy-touse, good quality products, which are closer to the Indian palate.

Marketing Strategy: Top Priority

As an importer, it has invested in marketing and other initiatives over the years. "We have been investing in brand building exercises, investing in ads, building consumer awareness and training people abroad," he informed.

In the last five years (2010 -2015), Dabon have grown five times, and intends to maintain the pace. PG

We are trying to fulfil the aspirations of the younger generations of **Indians** 





# 'Sweet' Success Story

Started as a sweets shop by late Baldev Raj Mittal in 1961, Lovely Group today has a presence in several sectors, spanning from sweets to auto dealership and education

By Nirmal Anshu Ranjan





The technology we use is international. We have imported machines for manufacturing cookies. 70% of operations is automated and 30% is handmade

> -Shaishay Mittal Founder & CEO, Lovely Bakes Studio

or brand Lovely, it's a tale of three generations. It was flagged off in 1961 by his grandfather, according to Shaishav Mittal, Founder & CEO, Lovely Bakes Studio. Ever since, the journey of the Lovely Group has traversed various paths. They diversified from sweets to auto dealership, and are now into education - Lovely Professional University.

"Originally keeping a domestic profile in Punjab, the company ventured into packed cookies and sweets. The journey has been interesting and we have learnt a lot," said Mittal, recalling his grandfather late Baldev Raj Mittal, who was behind the laying of foundation for brand Lovely in its original avatar in the sweets category, i.e. Lovely Sweets House (P) Ltd.

# The growth story

Firmly established for the last 65 years, Lovely Sweets has a very good standing in the market, enjoying consumer acceptance. They launched Lovely Baked Sweets and Cookies last year, which got a good response. "We are trying to position our Cookies as a premium brand and we have 10 varieties today," he revealed.

As far as distribution goes, currently their strength is 10 distributors in India and they supply to 500 retail stores. But, there is an expansion plan in place. "We plan to add 300 (stores) in Delhi in one year and about 700 more in north India in the next financial year," said Mittal. Currently, an extensive search is on for distributors and stockists over a wide terrain, which spans from J&K to Mumbai.

Talking of the strategy for this year, Mittal stated that in this industry, "you come up with innovations, so there is no competition! You are in an interesting space, above competition, doing your own thing!" The product range is unique and if you look at competition, it's brands like Britannia's Chunkies, who are doing premium markets."

## What sets brand Lovely apart?

Customers recognise the variety that the brand offers, and the popularity that this sweets house enjoys. They know that it ensures best taste that combines traditional quality with a suitable price.

Committed to quality, what sets brand Lovely apart is the fact that "it is No. 1 as far as product quality goes, and our baked range is completely eggless and totally handmade," says Mittal. Secondly, they have attractive packaging that appeals to both youth and adults. "At present, we have two packages – bands of cookies available in 75 gram and in 200 gram packs, which suits homes when guests arrive."

An undisputed leader in Indian sweets – 'Mithai', the company is present in Punjab in both Tier II and III cities, and now it is trying to enter markets in other parts of North India. Acknowledging that trade shows and fairs give them a good exposure, Mittal revealed that they are looking for links in the industry as well as talents. "Basically, we are looking to promote our brand in a vigorous way," he noted.

# **Future plans**

The road ahead is clear. "We know that we are a good premium product. So, we would like to tie up with a few retail stores like Nature's Basket, Big Bazaar, etc.," he signed off. PG



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# LOVELY BAKE STUDIO



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# Tangy Sauces that Tingle Taste Buds

Specialising in specialty foods, with a unique legacy of eggless mayonnaise having 1/3 the fat available in normal mayonnaise. Veeba Foods has successfully carved its own niche in the market

By Nirmal Anshu Ranjan



As for the price factor, India is said to be quite pricesensitive. But at the same time, this is an over-stated fact. To me, quality is the actual story of India

—Viraj Bahl Founder & CEO. Veeba Foods Services Pvt. Ltd.

or speciality food venture Veeba Foods, a three-year-old company — the largest sauce company in the B2B space, the journey has been good. "We entered the Retail space a year back and we are the largest suppliers to all brands," according to Viraj Bahl, Founder & CEO, Veeba Foods Services Pvt. Ltd.

The company claims presence in almost every state, every city and every town in the country, literally. "If you stay in Mumbai or Delhi, chances are that the bakery near you will be using our product to make burgers, pizzas or smoothies!" he sounded confident. The company also has big brands. And, that's how the operations have been divided.

### HoReCa vs Retail

If one compares the growth of HoReCa and Retail, they are totally different; they are separate businesses altogether. Retail sales cannot be found in the domain of HoReCa as the former involves marketing, while the other revolves around technical sales. Separate divisions handle these verticals in the company.

"Talking of genuine Retail products in our basket, it is obviously mayonnaise and tomato ketchup, apart from our unique legacy of eggless mayonnaise, invented by my father," he said.



# The USP

The distinct factor that brings in differentiation, is their eggless mayonnaise, which has 22% fat only (while normally, mayonnaise has 65% fat). Plus, it uses pure olive oil, making it a lot healthier than normal Mayonnaise. "It's not only the first of its kind in the country, but in the whole world! As an Indian, I'm proud of this achievement of ours!" he said with pride, and added, "We have competition, and without competition there's no fun! There's no bad competition, it's all good competition!"

### Market scenario

Veeba is available in Tier II and III markets, and the product range is available in every nook and corner. As a Retail house, they are available in 'A Plus' stores, even in Tier II and III markets.

As for revenue generation, both HoReCa and Retail play a part. "Today everyone is eating out. We (India) have a billion-plus people and even 10 per cent is big, and that is our target market. For us, Retail is the new story. It's too early to talk of retail as a revenue generator," stated Viraj Bahl.

At 'Aahar 2016', they have launched two new ranges of retail products – a tomato ketchup, chilli oregano sauce, garlic chilli sauce and Tangy Tamarind Sauce. "As far as our tomato ketchup is concerned, we have the largest tomato content in India. Our range is innovative, different and we have quality. In fact, we are more India-centric," he explained.

### **Outreach programme**

As part of their Outreach Programme, they have chefs who work for the company 365 days a year to teach the local bakeries, thus introducing them to what is happening all over the world. In short, it's educating the customer.

Saying that it's too early to talk of fiscal plans, he repeated, "The journey has been awesome, the industry has been kind."

And his parting shot? This year is going to be the most exciting year in Veeba's history! PG



Get a stock of Mother's Recipe, today!



# Brand Promise: Customer Delight

Launched three months ago, Marya Day Retail is a unique brand promoted by Marya Day Agro Foods, having a presence both within and outside the country's boundaries

By Nirmal Anshu Ranjan

'arya Day Agro Foods recently hit a milestone with the launch of start-up Marya Day Retail three months back. With this, they have forayed into the Retail segment. "We have three formats today - General Distribution, Retail and e-Commerce," said a proud Er. Talha Chishti, Director, Marya Day Agro Foods.

"We are looking to generate new business leads and get closer to customers. And, so far, the response has been mind-blowing".

Marya Day's biggest plus point is its state-ofthe-art production facility, backed by innovations. This combined with the customer service they offer highlights their goal - to provide customers high quality and service to delight them.

We are opening retail outlets and at present have four outlets in Bareilly. Plans are also in place for opening 250 outlets in the coming financial year

—Er. Talha Chishti Director, Marya Day Agro Foods



# **New products**

The Marya Day Agro Foods brand has presence in India and across the globe. The activities of the company would broadly cover production, processing and preservation of meat, fish, fruits, vegetables, oils and fats.

"We have launched two products in two segments. We launched pickles and the USP is it is chemical-free, and that is the differentiator. And we launched mustard oil, which is 100% pure," pointed out Er.Chishti.

As far as non-food products go, they are into cosmetics, "which do not harm the skin, as we do not use chemicals". They look forward to good response here.

Therefore, it is no surprise that their brand philosophy rests on authentic quality, competitive customer service and affordable cost: all pointing to the fact that it's safe to make this company a preferred choice for health and wellness.

# **Target markets**

As for exports, the company has covered around 60 countries in the last 10 years. However, being an export house, right now they face a little challenge in the Indian market. Chishti indicated that they plan to target Africa. "So, you could say, our focus is both India and Africa," he says.

### **Brand strategy**

The company is targeting to establish itself firmly in the country - something that it is working on. "In a short span of time, we already have a presence in 17 states, which is quite a good response. We are giving value for money to customers - the best quality at best prices. If you say 'pure', it has be pure. Our manufacturing facility boasts of high quality, and we maintain global standards," Chishti points out.

# **Expansion plans**

Currently, the company has eight factories with 1,500 employees. It is planning to generate employment opportunities for another 5,000 hands in the current financial year. "2017 is our target to imbibe the Make in India concept, with an aim to increase employment and expand, too," says Chishti. This plan is in keeping with the spirit of the Prime Minister's Make in India policy.

As part of its expansion plan, the company is also looking at entering the Pharma sector. Revealing more about the impending plans, he said, "We will be launching an e-Commerce portal in a month's time." PG

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# **Get More for Less**

The differentiator for brand Abbies remains its flexibility to bring to market what the customer wants, along with a promise of quality and price

By Nirmal Anshu Ranjan





Suresh K Asrani Owner, Suresh Kumar & Co. (Impex) Pvt. Ltd.

rand Abbies, launched one and a half years ago, made its presence felt at 'Aahar 2016', which opened up a window to the dynamic, growing food market. The primary strength of this brand lies in its 24 years of quality experience put into it. The brand is on an upswing, as all products belong to the top-selling category. Of course, they started off as an American brand, but later ventured into Thai, Spanish, Portuguese and Italian. Today their product range includes Pasta Sauce, which is for the retail market, and Peanut Butter, which is American and targeted at both Retail and Foodservice.

# **Bestselling products**

"If you talk of the bestsellers, the biggest potential we see in Apple Cider Vinegar, which has health benefits and is growing fast. Then we have the amazing American Mustard," pointed out Suresh K Asrani, Owner, Suresh Kumar & Co. (Impex) Pvt. Ltd, which operates the Abbies brand.

Sharing an insight, he said it is faster to get into HoReCa, once the chefs like it, but Retail takes time, for it has to reach the customer, who, in turn, has to like it and come back for the product.

Their Barbeque Sauce caters 90 per cent to Foodservice, while its Pasta Sauce is 90 per cent Retail. Revealing that there's more hard work in Retail than in Food Service, he seemed positive that the products would fare well in both the markets

# The differentiator

The main strength of Brand Abbies is the pricing - it is cheaper, and the clear differentiator is that they have good quality at a good price, and that's important. "We have the flexibility of choosing what the market wants. In short, we bring what the customer wants," said Asrani.

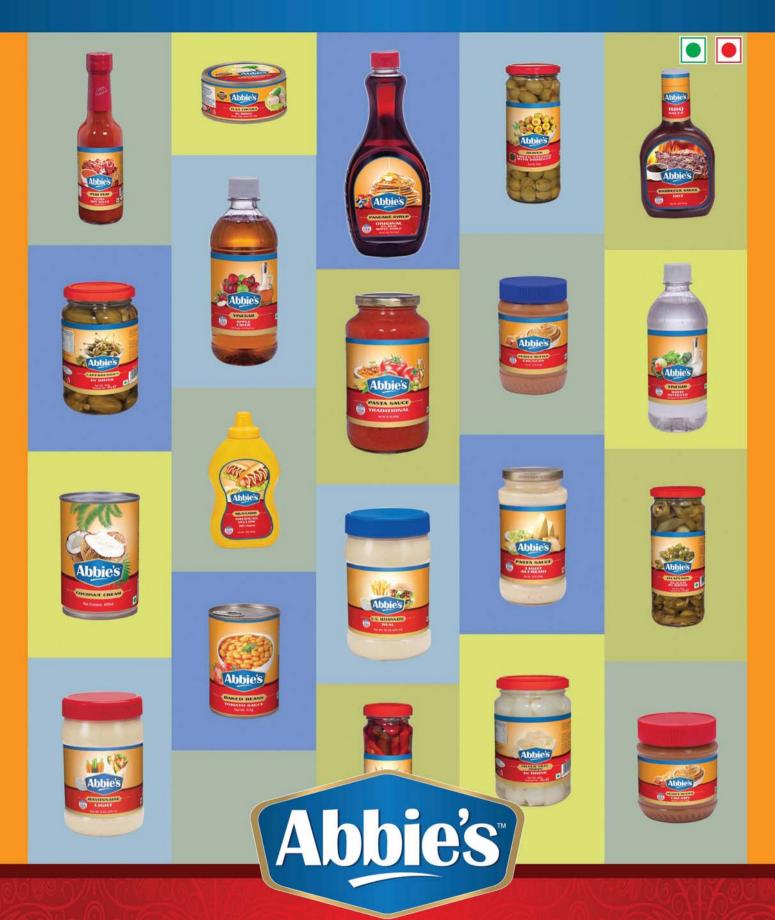
# Overall growth

Abbies has been on a roll. They have just finalised the assortment of products they want to introduce in the market. The packaging has been revamped and new products have been launched. The base was originally small, but now it's bigger. "What we sold last year, we have already done in the first three months this year," he shared.

As a brand set to roll, their expansion plans are clear. "We are targeting 300 per cent rise in sales this year, and then hope to maintain the momentum at 60 per cent every year. We anticipate growing on both Foodservice and Retail fronts equally, every year," disclosed Asrani.

The company's future plan includes moving to Tier II and Tier III cities as well. "As a company, we are the oldest food exporters in the country and definitely know the pricing structure. As is the case, most products are competitive in terms of retail prices and are already market leaders. We hope to keep ahead in the race in the days ahead, said an optimistic Asrani. PG

It was exciting and difficult to put all our experience of 24 years into the launch of ABBIES, and it happened! Today, we are happy with the outcome



# **America's Favourite Food Brand**

# Pepping up the spice industry!

With North India's first cryogenic grinding technology plant, Rakesh Group is all set to sizzle the Indian spice industry

By Nibedita Roy



We started with a very small and conservative approach and we have grown consistently over the years

—Vivek Pathak CEO, Rakesh Masalas Pvt.Ltd

or Rakesh Group, a prominent player in spice Industry, the journey has been very exciting and with this they plan to strengthen their roots in the northern region of the country.

"Rakesh Group has been in the industry since 1975 and it has been a long journey. We started with a very small and conservative approach and we have grown consistently over the years. Besides, we are very proud owners of the first Cryogenic Grinding technology plant in north India. We are the highest selling spice brand in Bihar, Jharkhand and all our spices are made using the latest technology," said Vivek Pathak, CEO, Rakesh Masalas Pvt.Ltd

# **New products launches**

The company has recently launched its exclusive range of La Indian premium spices like Shahi Paneer masala, Butter chicken masala, Turmeric, etc.

Talking about the market reception to the new products, Pathak says the response has been terrific. "We are overwhelmed with the response to our newly launched range of premium subcontinental spices," says Pathak.

# **Customer segmentation & pricing**

"Spice industry is a very tricky industry, every brand has its own region like we are coming from the eastern part of the country like Bihar, Jharkhand, West Bengal; and as far as foraying in north India is concerned, we are very new and we are very eager to try our luck in these markets. Apart from that





we have our plant established at Kanpur, so we are aggressively targeting North India and we have Delhi, Haryana, Uttar Pradesh on our radar for expanding our reach. Further, we have priced our spices keeping in mind the industry standards and our products are very affordable, but in terms of our premium spices its 20% -30% higher than the existing products of Rakesh Masalas," said Pathak.

# **Growth & expansion plans**

"We don't have any plans to tie-up with other brands and grow inorganically. But when it comes to growing organically, we are growing pretty aggressively. Every year we are establishing a new plant and as I mentioned we have plans to expand our presence across the northern part of the country. Apart from that, we are also planning to expand our product portfolio by adding sauces and condiments very soon," stated Pathak. PG



# How about some healthy snacking!

A rise in the demand for healthy food products and an overwhelming response from the market has encouraged Vezlay Foods to strengthen its roots in the country as well as abroad

By Nibedita Roy

With people becoming more and more health conscious, our products are perfect for those looking for healthy snacking without compromising on taste

—Amit Bajaj Bajaj, Director, Vezlay Foods Pvt Ltd.



eading Delhi-based soya food product manufacturer, Vezlay Foods Pvt Ltd has high aspirations for the brand with its increasing popularity in the Horeca and retail industry.

"Our idea was to offer something healthy and nutritious to the customers and keeping this in mind we started Vezlay. In a small span of time we have received a wonderful response from the industry and our products have actually emerged as a healthy substitute of meat products," said Amit Bajaj, Director, Vezlay Foods Pvt Ltd.

# **New product launches**

"We are very happy with the response we have received from the market. Besides, this time we



have introduced a whole new range of soya products, which I believe would give a tough competition to non-veg food products. Some of our new offerings are soya seek kababs, soya sami kababs, soyaindi fries, soya rogan josh, etc. Apart from that we have come up with some products for children like soya noodles, soya burger patty," said Bajaj.

# **Differentiator**

"I feel what differentiates our products is the texture of sova in our products which is undoubtedly a healthy substitute of meat. With people becoming more and more health conscious, our products are perfect for those who are looking for healthy snacking options without compromising on the taste. All our mock meat soya products are lowcholesterol, low-fat, rich dietary fiber, good source of calcium, etc,"added Bajaj.

# Revenue generation

Vezlay has a strong retail presence across north India and their products are available in all prestigious retail chains and super markets like Big Bazaar, Modern Bazzar, Walmart, Sabka Bazaar, Spencer's, 24x7, etc. Apart from that, they are also exporting theses products to USA.

In terms of revenue generation, Amit said: "We have received a very good response from both retail as well as Horeca but if I have to compare then undoubtedly we are generating more revenue from Horeca."

# **Expansion**

Presently, the brand is focusing on expanding its reach across north India through various retail channels. Eventually, they have plans to foray in south India as well as in other regions. "We are already exporting to USA and we are planning to export it to other countries as well," added Bajaj. PG









TUNA iakes in sunflower oil



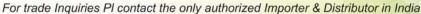








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# Italian legacy to woo Indian palates!

With a good demand and response from the industry, Heracles is betting big on the Indian market with its plan to open 100 franchise outlets in the years to come

By Nibedita Roy



We don't want to be the brand for rich people, we want to be the brand for common people

-Shradhanand Sital Chairman & MD, KSMD Impex (India) Pvt. Ltd.

eracles from the house of leading food products importer, KSMD Impex (India)Pvt. Ltd, has not only brought the Italian legacy to Indian palates but has also sustained it; and they have some major plans for the Indian market.

"Heracles has been participating in trade events like Aahar to forge good connections and meet local users of our products, find good distributors and super stockists and also to get the feedback from people who are using our products. Also, we are inviting people to visit us, so that they know more about our products and how they will benefit if they tie-up with us, as we are planning to open 100 Heracles franchise outlets in the country," said Shradhanand Sital, Chairman & Managing Director, KSMD Impex (India) Pvt. Ltd, which operates the Heracles brand.

KSMD Impex has launched new products like Peeled Tomato (pomodoro from Italy), Olive Oil Tapenade, almond spread with olive oil extra virgin, five kinds of tomato pasta sauces, Mediterranean spices and two kinds of pastas.

### Playing with pricing

Expressing his views about the pricing and market competition, Shradhanand Sital added: "When

it comes to pricing, I feel the olive oil prices are ridiculously high. Many companies play with pricing and are keeping the price margins very high. We have priced our products in such a way that they are not pocket-pinching. We don't want to be the brand for rich people, we want to be the brand for common people."

# Retail presence & overall growth:

"We have a strong retail presence in India and we are present in all five big retail chains like Bharti Retail, Big Bazaar, Reliance, Metro Cash & Carry, Hypercity. Apart from this, we are into institutional supplies to hotel chains like Shangri-La, The Leela, JW Marriott and Hard Rock cafe to name some of the bigger hotels to whom we are supplying our products to," pointed out Shradhanand Sital. Apart from that, the company is planning to open 100 franchise stores of Heracles in the near future. Currently, it is expanding its presence in the northern part of the country as north is a major user of oil. Heracles is expecting about 50 per cent growth from this geographical segment. Then gradually it plans to move towards the south, a region which holds good promise for Heracles. PG



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I feel we are helping the overall spices and condiments category to grow rapidly

-Akshay Bector Chairman & MD, Cremica Food Industries Ltd.



ver the years Cremica has made its mark in the specialty foods, sauces & condiments industry. "Following the vision of Mrs Rajni Bector, Cremica's foundation was laid in 1979, and since then the brand's journey has been phenomenal," said Akshay Bector, Chairman & Managing Director, Cremica Food Industries Ltd.

He further added, "Cremica as a business has been very talked about in the last 20 years and our product launches in new territories have received quick acceptance in the market because of our product quality and variety. Besides, I feel we are helping the overall spices and condiments category to grow rapidly."

### **New product launches**

The brand has been reinforcing its presence in the market with every passing year. The company



expects its products will be well received this year as well. In fact, the optimism is more this year as the company has launched a whole new range of products catering to both retail and Horeca industry.

"We experiment a lot with menu innovation and various food service activities. This year too, we have organised live kitchen concept on various platforms, wherein we demonstrate all our new products for cooking, and the response has been wonderful and encouraging. From the retail standpoint we have launched many new products such as French fries with ketchup, premium condiments and various assortments of opera chips. Also, we are showcasing our upcoming range of Indian cooking sauces known as Desi Express, which include sauces such as rogan josh masala, dal makhni masala, etc."

# **Brand story**

Traditionally Cremica was a hospitality oriented business but over the years there has been a slight shift in its approach. Talking about the brand's approach, Bector explained: "We started as a supplier to a big restaurant chains and we focused on Horeca and now we are gradually becoming a retail oriented brand."

The brand has a presence across the country and is now focusing on establishing its retail footprint. Expressing his views about the same, Bector said: "We are growing dramatically and Cremica is very popular as a brand. Besides, the ground work has already been done and very soon we are planning to come up with exclusive products for retail." PG



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# Taking a swing at the breakfast market

With technology, quality and innovation in its arsenal, Aussee Oats is gearing up to make its mark in the breakfast cereal category

By Nibedita Roy

I see a lot of new trends and innovations coming in. People want to add quinoa to their breakfast cereals

-Raghav Gupta MD, Aussee Oats Milling Pvt. Ltd.



eading manufacturer & supplier of healthy breakfast cereals, Aussee Oats Milling Pvt. Ltd claims to be the largest South Asian integrated Oat Mill facility.

"We believe that food is becoming more and more critical and people are becoming more health & hygiene conscious about their food. Today you will not like if anyone is touching your food with their hands and keeping that it mind everything in our facility is automated and PLC controlled and there is no place for contamination," said Raghav Gupta, Managing Director, Aussee Oats Milling Pvt. Ltd.

# New innovations in breakfast segment

Despite being a new brand, for Aussee Oats innovation and quality has been the key to success. And with their optimistic approach they plan to expand their reach in industry.

"Talking about our product line, we are introducing a different variety of oats. We are coming up with a whole new range of Steel Cut Oat Groats, Large Flake Rolled Oats, Oat Flakes, Oat Flour and Oat Bran, etc. Moreover, the response has been very good from India, a lot of players want to buy these things from us and so we are going to supply all this in bulk to them as we are into contract selling," explained Gupta.

He further added: "I believe, in India, the breakfast category is different. Internationally people have their breakfast with cold milk. India is the only country where people have it with hot milk - whether it is porridge, oats, or muesli. If we keep two bottles - one with cold milk and another with hot milk – the Indian consumer will pick the hot milk bottle whereas the international customer will pick the cold one. That's how the trend is in India. However, I think that cold milk will open up more possibilities for the Indian market. Also, I see a lot of new trends and innovations coming in – people want to add quinoa to their breakfast and many people are coming to us with the demand of adding quinoa and muesli."

# Challenges

Expressing his views about challenges in the industry, Gupta added: "The first important thing is pricing, especially in view of the unorganised sector. There are players who prefer lower pricing over the quality of products and I feel that is a big challenge for us. On the contrary, there are people who really feel quality is more important than pricing."

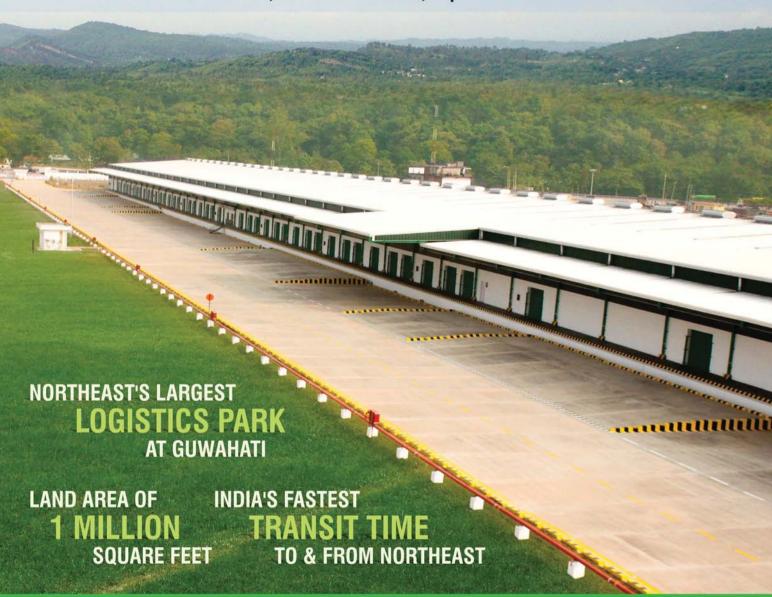
# Overall growth plans

In a few months itself, Aussee Oats as a brand has made its mark in the industry. But Gupta feels that they have a long way to go as they have only recently launched their new facility.

"We are a young brand and we are trying to reach out to the right customers. We are looking for brands who have a similar thought process like ours and who are more concerned about the quality of the products and that's how we would want to expand our reach. Apart from this we are planning to expand our product portfolio and so we will be doing a lot of innovation in healthy foods and specially in breakfast and grains category," he added. PG

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# Supermarket of the Future

Kroger is bringing grocery retailing into the 21st century

By John Karolefski



**CUTTING EDGE** Tags blend

neatly into the shelf edge and clearly display prices. A store clerk scans the bar code ID to to adjust product facings if planogram changes are needed

he outside of the 55,000-square-foot Kroger store in Cold Spring, Ky., looks like a regular large supermarket. A quick glance inside finds the expected departments: produce, dairy, meat, center store and so on. Shoppers push their carts up and down aisles and around the perimeter in search of bargains and their favorite brands.

But this store, 10 miles southeast of Kroger's hometown of Cincinnati, serves as a laboratory to deploy and study the latest in-store technologies. The country's largest traditional grocer has digitized this supermarket and is setting the standard for how food retailing will be conducted in the 21st century.

Welcome to the Supermarket of the Future. "We are interested in creating a better shopping experience," Brett Bonner, the chain's VP of research and development, says emphatically.

To achieve that goal, Kroger has put together an ecosystem that blends shopper-facing hardware with sophisticated technology behind the scenes. The company introduced the foundational technology

for this ecosystem 18 months ago. This enterprise IT architecture, called Retail Site Intelligence, is designed for stores of the 21st century. It relies on ZigBee wireless mesh networks to integrate long-life battery sensors, hand-held scanners, point-of-sale devices and video management software into a nextgeneration platform for retail applications such as loss prevention, store automation and analytics.

At the time of the launch, Chris Hjelm, Kroger's SVP and CIO, noted: "Retail Site Intelligence is, above all, about 'Customer First' innovation. We are leveraging technology to help customers have the best possible shopping experience in retail stores, whether by more easily finding the products they want or saving time at checkout. We expect Retail Site Intelligence to be the cornerstone of the technology infrastructure for Kroger stores in the future."

That would mean some changes will be on tap for the 2,640 supermarkets and multidepartment stores that Kroger operates in 34 states and the District of Columbia under two dozen local banners, among them Kroger, City Market, Dillons, Food 4 Less, Fred Meyer, Fry's, Harris Teeter, Jay C, King Soopers, QFC, Ralphs and Smith's (not including the merger with Milwaukee-based Roundy's, announced shortly before this issue went to press).

Kroger officials gave Progressive Grocer a tour of the Cold Spring store to see the new technology in place.

# Scan, bag, go

At the entrance of the store, customers are greeted by a Scan, Bag, Go kiosk loaded with hand-held scanners to use while shopping. After swiping a Kroger Plus loyalty card for identity purposes and to load previously selected coupons into the scanner, a shopper picks up a large plastic bag to fill with groceries. When shopping, she can scan and bag products taken off the shelf, including fruits and vegetables in the produce department. When finished, she scans a special bar code on a terminal at the front of the store that transfers her order to







**CHECKING IN** Customers swipe a Kroger Plus loyalty card to identify themselves and load previously selected coupons onto a hand-held scanner they use while shopping. Kroger's Keith Daly demonstrates how

the checkout. The process saves time and reduces checkout lines.

"It's all about making the customer experience the best possible," explains Dion Perkins, Kroger's project lead for ZigBee networking. "The primary users of Scan, Bag, Go are the savvy budget customers. When they come to the store, they know how much [money] they have set aside for groceries," he says, explaining that the scanner keeps a running tally of the order, displaying the grocery bill while the customer shops. Checking out is a seamless experience."

Kroger officials were surprised that seniors have been the most frequent users of the system, first installed a few years ago and monitored ever since.

"A lot of seniors are going online for coupons," affirms Perkins. "There is information on Kroger. com for those customers who shop in a Scan, Bag, Go store. If they know something about

the system before they get there, there is a lot less anxiety. Once in the store, there is a TV monitor that walks through several of the steps. There are directions on the produce scales. If shoppers are not using the scanner properly, a popup screen asks if they need assistance," which is provided by a nearby store associate who's alerted by the technology.

And are they alerted at checkout if a shopper attempts to leave the store with some items in the bag that haven't been scanned?

The hand-held scanner monitors such possible incidents — whether intentional or by mistake with a validation system that detects behavior that doesn't match up with past shopping trips. Spot checks are also performed randomly at checkout.

Scan, Bag, Go is installed in 15 Kroger supermarkets in the greater Cincinnati area. Last month, shoppers could begin using their



Kroger's intent is to provide the best digital experience and best in-store experience for our shoppers

-Brett Bonner Kroger





**TEAM PLAYERS** Kroger execs Dion Perkins, **Brett Bonner**, **Doug Meiser** and Titus Jones, and Cold Spring **Store Manager** Tom Armbruster (from left, in ties) pose with ZigBee Alliance Chairman John Osborne II (far right) and store associates

smartphones, instead of the hand-held scanner, by downloading a newly developed mobile app.

Kroger has been focused on reducing long lines at checkout for several years, ever since the company introduced QueVision, a system that combines infrared sensors over entrance doors and at the front of each checkout line to monitor store traffic. When the store is crowded and long lines are possible, the store manager is alerted and can open more registers. Average wait time at checkout is now less than 30 seconds.

"Once we were able to measure our shopping queue time, we were able to reduce the average wait time of the shopper by nearly four minutes," says Bonner. The system was piloted in the Cold Spring unit and now is deployed at all Kroger stores.

# Shelf edge

Center store is outfitted with "smart shelves" in the form of small rectangular tags that show digital prices and ads. Some 2,000 Edge tags have replaced paper tags and the need for store associates to spend time changing them periodically by hand.

"The shelf itself is fully digitized; it is part of the store's ecosystem," explains Titus Jones,





### PRODUCE PRICES Kroger's Dion Perkins uses the Scan, Bag, Go hand-held device to scan the bar code on tomatoes, and then weighs them to determine

the price

# What is ZigBee?

Retail Site Intelligence, the enterprise IT architecture behind Kroger's supermarket in Cold Spring, Ky., represents the next generation of retail technology. The Cincinnati-based grocery giant partnered with two technology providers of retail site intelligence: eInfochips and Wincor Nixdorf.

The platform is designed to handle retail applications such as store automation, loss prevention and analytics. In stores, it uses ZigBee wireless mesh networks to integrate long-life battery sensors, hand-held and point-of-sale scanners, and video management software.

But what exactly is ZigBee?

ZigBee — more specifically, Zigbee Retail Services — is an open, global standard that connects devices in stores to enhance the shopping experience and help make retailers more efficient. It's the only global wireless networking standard focused on device-to-device communication, the foundation of the Internet of Things.

John Osborne II, chairman of the ZigBee Alliance, a Davis, Calif.-based global ecosystem of organizations developing smart and innovative wireless standards, says: "Here is the way that I try to explain it to folks. Everyone understands WiFi and Bluetooth. ZigBee is the third leg in that RF [radio frequency] spectrum. It is machine-to-machine communication. It is how devices talk together."

For the Kroger supermarket in Cold Spring, that means the hand-held scanners, shelf-edge tags, temperature sensors, security cameras, scales and other devices.

"ZigBee Retail Services is not creating a product that goes on the shelf and a consumer buys it," Osborne notes. "It's an infrastructure that allows us to plug in devices very inexpensively. It builds a mesh network. If a component or access point goes down, you're not on the phone to Support to fix it right away. It's a self-healing network."

He lists three ways that the network provides value for retail: It saves money, keeps people safe and reduces costs.

"We can pass the savings on to the consumer," he enthuses. "We've done that. We've set that standard."

Osborne stresses that the platform simplifies the store environment and makes it more efficient and more-cost effective for Kroger.

"Now we go fix things when we want to fix things on a regular schedule," he explains. "It's secure right out of the box. For example, temperature tags have a 10-year life expectancy. That allows us to do things like seal the cases and make them food-safety ready. We can basically throw the battery in a recycling bin when it dies, because we don't want to spend time, money and effort sending people out to replace batteries. Then it does not become cost-effective for that particular device. We are economizing the environment."

The ZigBee Alliance consists of 450 member companies from around the world: one-third in North America, one-third in Europe and one-third in Asia. According to Osborne, the focus in China is on home automation, while it's on commercial buildings in North America and Europe.

-John Karolefski

Kroger's project lead for the digital shelf Edge project, who since 2011 has been researching and working on prototypes of the tags developed by Kroger. "Customers like it. The prices are bigger and brighter, and it's easier to read. We've had customers say they hadn't even noticed it, which in our mind is good, because then it looks like what they are used to."

Indeed, the tags blend neatly into the edge of the shelf so they don't give a bulky or awkward appearance. What shoppers don't see are planogram changes sent directly to the shelf. When store clerks scan a product and then scan the shelf's bar code ID, changes to the shelf set are downloaded and space can be adjusted if needed.

In the future, the tags may be able to provide nutritional information and motion video, and even be able to communicate with a shopper's smartphone.

"But we're still in the test-and-learn phase," cautions Bonner. "We don't want to make a commitment beyond this store. There's a lot we learned in this store, and we are still learning. Kroger's intent is to provide the best digital experience and best in-store experience for our shoppers. The shelf Edge blends both of those technologies into a seamless experience."

# **Temperature-monitoring system**

Like all grocers, Kroger wants to ensure the safety of food displayed in the refrigerated and frozen food cases. Nobody wants to sell or buy ice cream that's been thawed and refrozen, or risk illness by eating food that's gone bad as a result of a malfunctioning cooling system.

Kroger has been aggressive in preventing such incidents by installing temperature sensors every 4 feet in its display cases. The Cold Spring store has up to 250 small-sized sensors installed as part of the FAST Alert system (the acronym stands for Food at Safe Temperature). All of the company's stores are scheduled to be equipped with the system by the end of this year. The sensors check temperatures every 30 minutes, instead of having store clerks manually check thermometers and alert the manager if there's a problem. The system reduces the chance of spoiled food, reduces labor and saves energy.

"Who is not interested in safe food?" Bonner asks. "Everybody wants safe food. Our preferred approach is to monitor everything through the Internet of Things. We developed it and deployed it, and are very pleased with the results."

Perkins, an R&D engineer, is also pleased with how Kroger is digitizing the store for internal reasons. "We think we are operating efficiently," he says, "but now we can measure it and prove it. Every time we think there's nothing else to improve, there is additional data from digitizing the store."





**COLD ENOUGH** A meat department associate stocks the shelf beneath a temperaturemonitoring sensor, which immediately detects any cooling system malfunctions

Nobody knows that better than Bonner, who has orchestrated the technology implementations at this smart store. But he's quick to share the credit.

"Innovation is broadly based in the company," he says. "The value that R&D adds is, we can put on the wheels and build the cars they envision, if you will. That's a unique paradigm in retail.

"R&D typically invents systems that have promised value," he continues, "but before the enterprise realizes that value, there are many talented people involved. That talent is chiefly in Kroger technology and operations, and key retailing areas. Once they have the basic tools that we can provide and some of the inventions we can provide, they start adding value that is incalculable. That's when you see things like QueVision; Edge; Scan, Bag, Go; and things we have coming up, like how associates interact with their hand-held devices. We have so many innovative ideas coming from the Kroger organization that we are going to have several years of game-changing retail in front of us." PG



**Every time** we think there's nothing else to improve, there is additional data from digitizing the store

-Dion Perkins Kroger



AskMe Grocery might be a johnny-come-lately in online grocery but the company has thrust ahead of its competitors like a turbocharged rocket. In barely a year of blasting off the blocks, it has ignited an impressive blaze on the grocery e-tailing firmament, establishing a presence in 38 cities so far with plans to streak across some 40 newer cities in the next six months.

"Our core strength is to give consumers a regional flavour, a bouquet of local brands and popular products for a particular locality. The local offering is bundled with the trust of quality and lowest pricing. These, along with efficiency, will give us the value proposition that will ensure we stay ahead of the competition," says Ankit Jain, Co-Founder, AskMe Grocery, while discussing about how his company is powering ahead in the marketplace by playing to its strengths: asset-light model, zero inventory, no warehousing and riding on the crest of technology to make use of smart analytics, demand forecast and consumer behaviour to juice more business

# What led to AskMe Grocery and what is its business model?

Grocery is one of the fastest growing segments in Indian Retail. The Indian food and grocery market is the world's sixth-largest today and is projected to grow at the rate of 104% to touch \$482 billion by 2020, as per India Brand Equity Foundation.

The huge opportunity offered by the grocery segment led to the AskMe Group acqui-hiring 'Best at Lowest' and rebranding it as AskMe Grocery. Based on a hyperlocal model, the brand provides an online platform for local kirana stores to sell groceries to the untapped households, in their vicinity. Over the past 6-8 months, the brand has scaled to 38 cities across the country and is aiming to be operational in 40 more cities in the next 3-6 months.

# How is the management structured?

The management is structured in a way that both the founders complement each other. While Amit Nigam is responsible for the end to end management of the seller relationship, I lead Brand Onboarding and operations for AskMe Grocery.

# What are the reasons for choosing the marketplace over the inventory model?

I believe that venturing into the inventory-based model will imply compromising on scalability and speed. Further, in decentralised operations, it is very difficult to manage inventory efficiently, which leads to losses, pilferage and dump.

An inventory based model in online grocery space is not doing well due to the high costs involved in stock keeping and warehousing whereas a marketplace model does not require us to maintain stock. We let the stocks rest with the brick and mortar retailers with whom we have tied up with for a particular locality. Once the customer places the order online, our runners visit the retailer with orders in bulk. The runner then takes these goods to the hub where they are screened using the three step quality check. Then they are processed for delivery once they pass the test. The runner then delivers the orders to their specific location.

The hyperlocal model will work better in the online grocery business as it is asset light. It plugs the offline sellers to the online business model and helps them with an alternative avenue for business.

# Tell us about AskMe Grocery's current range of operations and its progress.

AskMe Grocery is currently active in 38 cities across 18 states and we plan to scale it up to 40 new cities within the next three to six months. The cities include Vishakhapatnam, Delhi-NCR, Ahmedabad, Surat, Vadodara, Panchkula, Ranchi, Bengaluru, Mangalore, Kochi, Bhopal, Indore, Mumbai, Nagpur, Nasik, Pune, Navi Mumbai, Thane, Bhubaneswar, Chandigarh, Ludhiana, Mohali, Zirakpur, Udaipur, Jodhpur, Jaipur, Chennai, Coimbatore, Hyderabad, Secunderabad, Dehradun and Kolkata.

Currently, we are looking to add to the kitty of tier-II cities. These include Agra, Lucknow, Kanpur and cities in the Northeast such as Guwahati.

# What is your marketing positioning and the differentiators?

We are the largest online grocery player in the country today, with a presence in 38 cities. Some of our differentiators include:

- Most competitive pricing
- Extensive reach
- Delivery in 4-6 hours

One of the key value additions by our brand is the three-point quality check before delivery of any order. We are committed to delivering a high quality customer experience to all our shoppers.

# What is your core strategy for creating and building market advantage?

I believe that the market and opportunities are so huge that a single business model or player cannot be the winner. AskMe Grocery's core strength is to give consumers a regional flavour, a bouquet of local brands and popular products for a particular locality. The local offering is bundled At AskMe

we venture

**Grocery, when** 

out to launch

a typical SKU

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much lesser

(on an average

3,000-5,000).

However, as

we increase

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partner with

more offline

grocers, this

assortment

increases to

a locality

8,000 SKUs for

would be

of around

our services in a new city,

with the trust of quality and lowest pricing. These, along with efficiency, will give us the value proposition to stay ahead of the competition.

# Tell us about your product basket and how much of the sales contribution comes from each of these categories.

We have over 2.5 lakh unique SKUs pan India. Around 1.25 lakh SKUs are listed in the city of Delhi. We have close to 7-10K SKUs for East Delhi alone. The monthly product basket comprises edible goods such as rice/atta/oil/ghee and products from Patanjali as well, with an average cost of Rs. 1,500.

# What are you doing about optimising assortments, building customer loyalty, creating business efficiencies, and differentiating the brand?

At AskMe Grocery, when we venture out to launch our services in a new city, a typical SKU assortment being offered would be much lesser (on an average of around 3,000-5,000). However, as we increase our footprints and integrate/ partner with more offline grocers, this assortment increases to 8,000 SKUs for a locality. To give an example, for Delhi we have more than 1.25 lakh unique SKUs, which is biggest in its segment by variety.

We understand that customer loyalty doesn't get built overnight. We are constantly working towards providing the best consumer experience and have a high repeat buying rate.

We also have one of the highest per order value in our segment, which in turn is testimony to the increased customer loyalty towards our brand and the competitive pricing we offer.





# What is the typical customer profile? What kind of people frequent your site, and what is the dominant age group?

Typically, we have more than 60 per cent males in the age group of 25-45 years, as our customers. We accept orders on web, mobile and even on call. We are targeting customers across all age groups, irrespective of their gender, profession, location, income, etc.

# What is the customer buying pattern at AskMe Grocery?

In grocery, the customer buying pattern is regionspecific. The consumption patterns vary from locality to locality within a specific city. For example, a customer from south Delhi will prefer olive oil, while a customer from north Delhi would prefer the conventional refined oil.

We focus on monthly grocery list rather than impulsive buying as it gives us a higher AOV in the range of Rs. 1,800-2,000. With our regional/ local product offerings, coupled with competitive pricing and deals/ combos, we provide the consumers the range and options to cater to their requirements. Our repeat purchases are quite high, in excess of 60 per cent, due to our strategy of focusing on the monthly grocery list. On an average, a customer buys three times in two months from our platform. About 95 per cent of our transactions are through COD, which is also preferred by us, given the charges applied in online payments.

# How many orders a day are you getting currently? What is your fill rate currently?

The number of orders that we are clocking on the same day is over 20,000. As of March 2016, the highest number of orders came from Delhi, followed by Hyderabad and Bengaluru. We are also seeing good traction in both tier-1 and tier-II cities. In tier II cities, good traction is seen from Jaipur, Coimbatore and Indore. Our fulfilment rate is close to 99 per cent. We see less than 1 per cent cancellations on our orders. Also fill rates are more than 98 per cent due to our unique business model.

We are expecting multi-fold growth rate in next few months. We are growing at a rate of 70 per cent month on month as of now (due to a smaller base) and shall continue to grow at more than 50 per cent in next few months.

## What is your sourcing strategy, especially for fresh produce, organics, etc.?

For sourcing we rely on our kirana store partners. We believe that kirana store owners have ample SKUs to cater to the requests of customers in the locality, since they are well versed with the demands/ consumption pattern of the local buyers. We have back-end tie-ups with kirana store owners that help us in ensuring lowest prices across competition.

We have piloted the fresh/perishable category in Delhi and are seeing good response. We are

supreme and never think of bypassing them. So, we are providing impetus to some of the biggest retailers of the country, which are the traditional "kiraanawalas". We understand that logistics and supply chain is a critical component of this business, and hence, we handle it on our own and do not rely on any other third party logistics firm.

## What are you doing for the local brands?

We want to be the 'messiahs' or 'angel in disguise' for the local brands. We work with them to get their products on the shelf and at par with the biggies. We strive to provide a level playing field to the local brands in every region. Currently we have over 300 local brands on board on a pan India level. We are targeting to increase this by 10x and get over 3,000 brands by the end of 2016.



minimising the returns and dump in this category and shall start this pan-India soon. Organic, health food, etc. are already there in our kitty. We ensure quality/value/price for consumers via a three step check process.

## What is the number of retailers and kirana stores for your marketplace and what are your targets for increasing the numbers?

Over 1,000+ grocery retailers and kirana stores have partnered for our online grocery marketplace. As we foray into new cities, we would also look at partnering with kirana store owners in each of these cities. Further as we add on more categories, these numbers will increase further.

## How important it is for retailers and suppliers to share a common view, and a common set of performance measures?

Our objective is to build an ecosystem to help offline sellers with an alternative avenue of business, through the online mode. We partner with sellers and will always keep their business interest

## What are the steps you have taken to bolster your back-end and supply chains?

We have an extensive back-end team that is responsible for collecting the products from kirana store owners, do the three-step quality check and then manage deliveries. We believe that delivery is a very critical element of our business. Hence, we manage the deliveries ourselves. We have deployed a fleet of over 2,500 runners across India) to ensure last mile delight. These delivery boys are well trained to ensure a great consumer experience. We have a completely automated system for tagging procurement boys to our empaneled sellers and also further tagging delivery boys for each delivery.

### How do you ensure quality in service?

We have built this business from the scratch. We are very hands on with our business. We are in constant touch with our sellers to ensure that their requirements are taken care of. There are occasions when Amit and I accompany our delivery boys for surprise deliveries to get a first-hand view of the customer experiences. I randomly visit the hubs and check the orders to ensure all is on track. I also directly monitor the delivery boys.

We understand that logistics and supply chain is a critical component of this business, and hence, we handle it on our own and do not rely on any other third party logistics firm

We have **built this business from** the scratch. We are very hands on with our business. We are in constant touch with our sellers to ensure that their requirements are taken care of

## How are you using technology to enable cutting-edge operations?

Maintaining real time inventory, assortment and pricing are challenging tasks, especially with the 'kiraana' stores who typically are unorganised and not that tech savvy. We are constantly working towards solutions customised to each kiraana store. We strive to partner and work towards the common goal of providing best assortment at lowest pricing to the consumer.

## What is your strategy for engaging with shoppers on social media platforms?

At AskMe Grocery, we are very active on all major social media platforms to acquire and engage customers. We also run contests from time to time to keep the engagement going and reward our customers. We are quite strong in offline BTL activities involving engagements at the local RWA/Market level where our marketing team interacts with consumers, on ground, and explains them the value proposition of shopping with us.

## How do you use analytics to better understand the customers and deliver more personalised shopping experiences.

We use analytics to understand what is working and what is not when it comes to the customer's shopping habits. We are able to get a clear understanding of the shopping/ product preferences for customers in a specific area in any part of the country (where we are operational). Not only are we able to ascertain what products our customers are buying in a particular locality, but also learn about the exact areas from where the customers are exiting from the shopping funnel. We also use analytics to understand the impact of promotions on the overall health of the business.

There are occasions when Amit and I accompany our delivery boys for surprise deliveries to get a firsthand view of the customer experiences. I randomly visit the hubs and check the orders to ensure all is on track





## Is the use of analytics helping you to garner more business and loyal customers?

Our team of analysts and data miners has always focused on adding more retailers and their stocks to the database. By ensuring that we have a large number of retailers and products present with us, we are able to offer more and more choices to the customer at an optimum cost. By optimum cost we mean the cost that is lower but the quality has not been sub standardised. Analytics also helps us to better understand the consumption patterns of customers in a particular locality. This helps us to structure the SKUs better.

## Any innovations in offer structures, crossmerchandising, discount levels and so on?

We try and add intelligence and innovation to ensure that the customers have a smooth shopping experience. However, we do not believe in deep discounting since that does not help in creating a sustainable business. We follow a simple strategy-"Provide maximum assortment of best and tested quality at the lowest price".

## What are the challenges prevailing in the online grocery market?

One of the biggest challenges in the industry lies in creating an unmatched value proposition for the online grocery shopper who is continuously looking for better deals than the neighborhood kirana store or large retail outlets. Delivering a sustained customer experience to ensure brand allegiance will be a constant challenge. Logistics is another area that constantly needs to be improved on to generate higher customer expectations. Today's customers want products delivered to their doorstep as quickly as possible and creating a robust logistics infrastructure is one challenge every company in the online grocery segment will have to consistently work upon.



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## Margins, range of products, consistency of product availability and freshness remain a challenge for online players. How are you dealing with them?

We plan to overcome each of these issues by fostering an ecosystem of as many local stores as possible to cater to the dynamic needs of our customers. We have an aggressive campaign of onboarding such local stores pan India to ensure anyone shopping on our platform gets nothing but a quality experience, each and every time.

## What are you doing to improve your unit economics and increase profitability?

We believe that business efficiency can be the key differentiator. At AskMe Grocery, we aim at hub wise profitability. We are looking forward to tying up

At AskMe Grocery, we use analytics to help understand what is working and what is not when it comes to the customer's shopping habits. We also use analytics to understand the impact of promotions on the overall health of the **business** 





with more and more retailers and strive to get a wider range of SKUs and best prices for the customers. While we believe in profitability, it is not possible for a business to turn profitable in six months. There is investment that needs to be done for an initial time period to build the business. We work on low investments (we have a capital-light model) and module business that can provide profitability once it is scaled up.

## Is it possible to compress costs even while maintaining quality and increasing sales?

We have multiple deals running on our website, which are funded by the company or by the grocer. It is the customer acquisition cost which I am investing in my business. This investment cannot be accounted as expenditure. My customer acquisition cost is actually investment into the business. It can be in the form of an ad or in the form of direct discounts to the consumer. We hope to be innovative and create a brand recall amongst our customers. Discounts will not stay forever. Instead, it is the product offering and the funded deals/ combos which will be the mainstay and help the brand carve a differentiated positioning for itself. We believe that more the number of sellers empanelled with us, more will be the business generated for them. This will, in turn, enable us to get the best pricing and deals, which will benefit the consumers and us.

## Do you think that government initiatives like Make in India, Skill India, Start-up India, Digital India, etc., will in some ways help to mitigate the challenges faced by online players?

We are building an ecosystem of kiraana stores that is in line with government campaigns like Make in India, Skill India, etc. We are a relatively young company wanting to improve the quality of life of our customers through our service offerings. We are all for nation building and a business like ours can tremendously help the economy through job creation. Campaigns like Start-up India will definitely help us focus on our core competency without having to worry too much about issues like regulatory compliance, finance challenges and taxation issues.

## Going forward, as you attempt to scale and compete for greater customer attention, which will be the tools you will depend on?

As we attempt to scale up, we will focus on providing the best regional product portfolio and options to our customers across cities. We will also work towards offering best deals and combos to the consumers, ensure multi-level quality check points to ensure that the best quality and lowest prices are passed on to the consumers. We strive to offer the best-in-class consumer experience to all our shoppers. **PG** 



## Packed With Power

Grocers should capitalise on the growing sports nutrition category

### By Barbara Sax

onsumers are increasingly embracing sports nutrition products for fitness as well as weight-loss aids. Global market intelligence firm Euromonitor expects sports nutrition products, which include protein powders, ready-to-drink supplements and hydration products, and bars, to reach \$8.8 million in sales in 2019.

"Retailers are showing robust growth in the sports nutrition category, especially in the liquid segment," says Kurt Jetta, president and founder of TABS Group, a Shelton, Conn.-based technologyenabled analytics firm. According to Jetta, the charge was led by Cytosport's Muscle Milk, which was recently purchased by Austin, Minn.-based Hormel. "Pure Protein, Premier Protein and EAS have all done well, and Muscle Milk continues to show double-digit growth," he adds.

A recent survey from TABS Group revealed that 37 percent of adults 18 years of age and older have purchased sports nutrition products in the past year. Adults in the 25-to-29-yearold age group account for the highest category penetration rate, at 63 percent, with a sharp drop off of heavy buyers at age 40. Fifty percent of all purchases occur in mass-market outlets.

"The results from the survey highlight that sports nutrition is a category deserving of more space and support in massmarket outlets," notes Jetta. "With half of all sales already occurring there, that number has considerable upside, particularly given retailers' focus on Millennials." Jetta continues that sports nutrition products also represent an efficient way for retailers to appeal to Hispanic consumers, since Hispanics are two times more likely to be

heavy buyers of sports nutrition

products than non-Hispanics. Among adults in the core 18-44 -year-old age group, 74 percent of Hispanics have purchased a sports nutrition product in the past year, compared with 50 percent of non-Hispanics.

Manufacturers and retailers are seeing big growth potential in the category. "We're listening to what our consumers want," affirms Pam Nisevich Bede, manager of professional partnerships and education for Abbott's EAS Sports Nutrition brand. High-quality protein sources and electrolyteheavy flavored hydrating drinks are two segments garnering attention.

### Not just for kids

"Drinks, which are a nice blend of electrolytes but don't have a lot of calories, are playing well in that space," adds Bede. Cleveland-based

Abbott has seen a big spike in adult use of its Pedialyte electrolyte drink, which fits the high-electrolyte, low-calorie profile. Adult usage of the brand has grown by almost 60 percent since 2012, according to the company, and adults now make up more than one-third of Pedialyte's sales, up from a historical average of 10 percent to 15 percent. Social media coverage of the brand, as well as its use by celebrities such as Pharrell Williams, has contributed to the brand's increased popularity with adults.

Protein supplements are also a

growth area in the sports nutrition category. "Public perceptions of sports nutrition products vary by niche," observes Ashley Sellers, a spokeswoman for Euromonitor, "but the average American views protein products more favorably today than a

decade ago."

Nikki Brown, chief marketing officer for CytoSport Inc., maker of Muscle Milk, agrees. "Sports nutrition and protein products have gained mainstream popularity as consumers have begun to understand the benefits these products can have as part of their everyday lifestyle," she says. "We help provide as much information as possible on the benefits of protein for recovery, lean muscle growth, and to support a healthy, active lifestyle." One tool the Benicia, Calif.-based company uses to communicate this message is its Protein Calculator, which shows how much protein a person's body needs every day.

### Take a powder

TABS Group's Jetta notes that protein powders and liquids are reaching a much broader audience and that, while sales of powders remain strong, readyto-drink liquids are showing consistent growth and could outpace powders as consumers migrate to the more convenient form.

"Brand assortment is really what's driving the powder segment; it's not really based on brand depth," says Jetta. "Powder sales are growing at 10 percent to 15 percent, but the item count has grown by 50 percent."

Liquid's dollar sales are up 20 percent, while SKU count in the segment is up only 10 percent, according to Jetta. "The average item is selling better, suggesting that the products are gaining a wider audience. Powders are never going to generate mass appeal, because they're just not convenient enough," he says.

Euromonitor's Sellers notes that ready-to-drink protein allows consumers to dabble in protein products without fully committing themselves to a tub of powder. "They are a convenient, on-the-go protein option," she points out.

Muscle Milk experienced a 4 percent jump in dollar sales to \$52 million in the supermarket channel for the 52-week period ending April 19,

2015, according to Chicago-based IRI. The brand began as a protein powder and has since expanded into other categories, among them protein bars, oatmeal and ready-to-drink products.

Brown says that Cytosport has increased resources to the Muscle Milk brand, which will get a refresh this year focused on product innovation. "Our team is finalizing exciting programming ideas, with limited-edition bottles to highlight and activate our partnerships with elite athletes, college athletic departments

and local communities," she notes. "Innovation will also allow us to expand our bar business and enter new categories like smoothies in 2015."

Abbott's EAS carb-control product saw a 5 percent increase to \$15 million in the supermarket channel, while its weight-control product jumped nearly 30 percent to \$11 million, according to IRI. To make powder products more convenient for users, Abbott has introduced a circular tub for its EAS powders. "The scoop is built into the lid so it's easy to open the lid and find the scoop with a sweaty hand," savs Bede.

The EAS brand, she adds, is growing "by leaps and bounds," noting, "Across the aisle, everything seems to have a little more protein.'

In fact, Abbott recently launched a Do More With Protein program with Minneapolis-based Target, which "includes recipes that give consumers new ways to use protein beyond a protein shake made with milk and protein powder," notes Bede, adding that Abbott is working with other retail partners on value-added programs.



In-store merchandising hasn't helped the category gain traction, however. This might have something to do with their typical placement in stores. Bede notes, "It can be hard for consumers to find protein powder next to the pharmacy, since people who are healthy aren't always shopping there." Also, since endurance athletes tend to have a high economic profile, she continues, stores that aren't courting this consumer's needs could be missing a key opportunity.

Abbott is developing displays with an educational

component that explain what specific products are for and when they should be used. "Kroger is using the new

display," says Bede. "It can be used near the pharmacy, in the dairy aisle where users are also buying milk to make protein shakes, or in the hydration aisle, near water and sports drinks."

TABS Group research, meanwhile, showed a strong correlation between purchases of sports nutrition products and men's shaving and grooming. "Proximity to men's grooming," Jetta suggests, "might facilitate a boost in sales." PG





**Sports** nutrition and protein products have gained mainstream popularity as consumers have begun to understand the benefits these products can have as part of their everyday lifestyle

-Nikki Brown Cytosport

## <sup>66</sup>Hot cereals will drive growth of breakfast category

Naresh Pagariya, MD, and Dheeraj Jain, Director, Pagariya Food Products, speak to Progressive Grocer about the company's range of products in the breakfast category and on market trends





Naresh Pagariya MD, Pagariya Food Products Pvt. Ltd

## Tell us of your company and its product range in the breakfast category?

Naresh Pagariya: Pagariya Food Products Pvt. Ltd. is one of the leading foods manufacturing company in the country, marketing its products under the Kwality brand. The company is based out of Bangalore and has three categories of products - breakfast cereals, masalas and instant mixes. Our products are marketed in India and exported to over 12 countries now.

We have won 'Emerging SME of the Year' award in 2013 from Dun & Bradstreet, 'Best 100 SME' award by India SME Forum and have also been nominated for 'Leaders of Tomorrow' by IndiaMART- ET Now.

Today, the company has one of the biggest range of breakfast cereals across India, which includes corn flakes, choco flakes, fruitoooos (fruit flavoured rings), oats, ragi flakes, range of muesli, flavoured cornflakes and wheat flakes.

## Which consumer segments are your products targeted at?

Dheeraj Jain: Our products' targeted demographics are:

- Cornflakes All age groups
- Chocoflakes & Fruitoos Kids



- Wheat & Ragi flakes Women
- Oats Men/ Adults

### What has been the growth rate of your product offerings?

DJ: We have been growing in this category for over 50 per cent plus year-on-year for the last 3-4 years and we expect to continue to grow at the same pace.

### In your opinion, which are the factors driving the growth for your products?

DJ: The key factors pushing the growth of our products are:

- Good taste and good quality
- Pricing / MRP value for money
- All variants available under one umbrella
- Small packs where children eat as snacks and trials for new consumers

## What is your strategy for taking your products to newer markets?

NP: The major bulk of consumption of breakfast cereals happens in Tier-1 and Tier-II cities because of the long working hours and the increased share of working women.

Affluent consumers are available in all Modern Trade and A class outlets, which will be our target customers, so these will be our key markets. Providing good quality products at the right price points and offering good value for money will remain our strategy.

## With the emerging trend for health-positive products, what have been your initiatives and interventions on this front?

NP: Our R&D is constantly working towards developing new products, keeping in line with our health and nutritional perspective. We are one of the first few companies in India to come out with products like ragi flakes and fruitooos. We have plans to bring 3-4 newer products in the cereals range this year, which are quiet innovative and different than what competition is offering.

## What is the contribution from Modern Trade and General Trade to the overall sales?

DJ: Seventy per cent of the sales comes from Modern Trade and the remaining from General Trade.

## What is your marketing and branding strategy?

DJ: Our marketing and branding strategy is in coordination with a leading advertising company. Our focus would be more on below-the-line activities including sampling, displays, etc, along with social media marketing as well.







Our R&D is constantly working towards developing new products, keeping in line with our health

and nutritional perspective. We are one of the first few companies in India to come out with

**fruitooos —Dheeraj Jain**Director, Pagariya Food

Products Pvt. Ltd

products like

ragi flakes and

## What is the market growth for breakfast cereals in particular? What is the projected growth rate for the future?

DJ: The growing awareness of the health benefits associated with breakfast cereals is driving the sales of breakfast cereals. The breakfast cereals industry grew by 13% to 15% at constant 2015 prices. The growth of breakfast cereals will be mainly driven by hot cereals, which is expected to grow at 20% at constant 2015 prices. Hot cereals, including oats, are considered to be more nutritious compared to flakes, which have sugar content.





## Why is it that breakfast cereals is a huge category in many parts of the world, but not so in India?

NP: India is a country known for its tradition. This tradition has its imprints on the eating habits of the people. And people here are accustomed to having idlis and dosas in the south and paronthas and poha in north and west. Because of this strong tradition of eating habits, we cannot expect to have a hundred per cent traction for our breakfast products. Nevertheless, this category will grow gradually but it cannot be compared with the success it has attracted in other parts of the world. The new generation is however junking many of the traditional eating habits and embracing healthy Western concepts. So health and convenience will keep driving growth in this category.

## Of all the product range in your portfolio, which product is recording maximum growth and why?

DJ: Choco flakes is the fastest growing because the kid demographics is also growing fast and they like the chocolate flavor. Corn flakes and muesli are gradually coming up the ladder spurred by the increasing number of working couples and young professionals who have health and convenience on their mind.

## What is the scope for greater value-addition in your product range?

NP: Yes, we are planning innovation in packaging and adding health-based nutrients and minerals. These will add more value to breakfast cereals besides nailing the use of such ingredients on the "health concept" as these days consumers are deprived of many essential nutrients and minerals due to the hybrid varieties of food in the market.

## Which new trends and developments will shape and influence the consumption of breakfast cereals going forward?

NP: To influence consumers, we need to train them accordingly. We need to start with younger consumers like children. Parents and teachers can be encouraged to deliver the message of healthy eating as children are more receptive of their recommendations. Also, product have to be developed as per the likings of Indian consumers.

## How do you look at the market potential for products such as a whole host of protein, energy, fiber and other nutrition bars in India?

NP: They will grow very slowly as they cannot become a daily consumption food. The use of such products in India will be occasional, and limited to restricted use such as when travelling. **PG** 



MOST AUTHORITATIVE GUIDE TO FOOD RETAIL MARKET IN INDIA

India Food Report 2016 was released on January 19th by General (retd.) V.K. Singh, Union Minister State for Statistics and Programme Implementation (independent charge), Minister of State for External Affairs & Minister of Sate for Overseas Indian Affairs.

"Indian Retail Food Market has the potential to not only double but triple in the next 4-5 years by 2020, aided by the government's initiative to bring in systemic change, despite resistance, said the Minister at the launch of the Report.

The Report has been compiled with inputs from some of the world's most respected consulting and/or market study organisations, retail business heads, brand analysts and consumer research companies, among others.

Organisations/industry experts who have contributed to the making of the Report include Nielsen, A T Kearney, Accenture, PWC, Technopak, IMRB, GS1, Institute for Competitiveness, IFC, Troika, PRICE, Wazir, Maple Capital Advisors, D'Essence Hospitality Advisory, IBEF, NRAI, IMT, IIM, Rama Bijapurkar, Dr. Rajesh Shukla, and Harish Bijoor to name a few.

# INDIA FOOD REPORT 2016

## THE INDIA FOOD REPORT 2016 - HIGHLIGHTS

- ► Food & Grocery Sector-Market ► Fresh Produce Sizing, Overview, Trends, Opportunities, Profiling Key Players
- ► Food Service Sector- Market Sizing, Overview, Trends, Opportunities, Profiling Key Players
- Retail Formats & Emerging **Retail Formats**
- Non Store Retail Channels

- Processed Foods
- Safety, Health, Convenience, Sustainability
- Food Supply Chain in India
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- ► Key Regulatory Issues
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## "We are the leader in the Indian breakfast market with a 33% share'

Prerna Tiku, Category Manager - Breakfast Mixes, MTR Foods, speaks to Progressive Grocer about its varied offerings and the company's leadership role in the Indian breakfast market

## Tell us about your company and its product range in the breakfast category.

MTR Foods has a 90-year-old history of serving authentic Indian food. With a diverse portfolio including breakfast, lunch and dinner, snacks, beverages and desserts, MTR Foods is known as a brand that makes the homemaker the 'hero'. Breakfast mixes is one of our key growth categories with a deep national presence. As leaders in the Indian breakfast segment, we offer the widest range of products and strongly believe in innovation as being one of the drivers of growth. We have come out with innovative products like rava idli and the multigrain breakfast range among others over the years. We rolled out our first communication for breakfast mixes five years ago, which played a significant role in uncapping the potential of the category for us. Since then, the category has grown five times and today we have 21 different breakfast mixes offerings.

## Which consumer segments are your products targeted at?

Our core target group is the Indian homemaker, both working and stay-at-home, who use our mixes to create a wide variety of wholesome breakfasts. Based on our internal estimates, the packaged branded breakfast food market is about INR 1,400 crore within which the Indian breakfast mixes add up to about INR 200 crore. MTR Foods is the leader in the Indian breakfast space market with a 33 per cent share, according to our internal estimates.

## What has been the growth rate of your product offerings and what is the projected growth rate?

We continue to have a strong double digit growth (25-30%) over the last three years, and expect it to only get better! Advertising has been the biggest contributor to growth for us, supported by a 360 degree activation which includes digital and on ground. We also believe that innovation - both in the food as well as in packaging formats - plays a big part in getting new consumers to the category.

## Which are the key markets for your products? What is your strategy for taking your products to newer markets?

We started from our home base of Karnataka and grew over the years to become the leading player

not just in south India but also in other parts of the country. In markets like Delhi, we have over 70 per cent market share.

One of our key strategies to increase our reach is to include popular breakfasts from other parts of India in our portfolio - though we started out with popular south Indian breakfasts like idli and dosa, we recently introduced much-loved variants from other parts of India like poha, which have gained quite a bit of traction in the market. Another important strategy to induct more consumers is to include newer packaging formats that reduce the time required to prepare and consume breakfasts. Breakfast in a cup range is our newest launch, which offers breakfast that can be ready in just three minutes and gives the consumer the option to consume breakfast on-the-go.

## With the emerging trend in favour of more health-positive products, what have been your initiatives on this front?

Our products are made of grains like wheat, ragi, oats, etc, so they inherently carry the nutrition and wholesome goodness of grains. We introduced our multigrain range a few years ago, which is an amalgamation of various grains in formats that can be consumed easily like our ragi rava idli. We continue to innovate on new formats and ingredients to give our consumers unique yet familiar experiences.

## What is the contribution from Modern Trade and General Trade to your overall sales?

Last year, General Trade (GT) was the biggest contributor to breakfast mixes with almost 70 per cent coming in from this channel and a little more than 30 per cent coming in from Modern Trade (MT). While GT is a bigger contributor to business, we feel that MT is a great place to find experimentative consumers and engage with them.

## What is the market growth for breakfast mixes in particular? What is the projected growth rate for the future?

Indian breakfast mixes category has been consistently growing at a healthy pace and MTR breakfast mixes is growing faster than the category (25-30%). However, we feel that we have only scratched the surface. There is huge potential for the category to grow further – more and more people are open to experimentation and have lesser time than ever before.

## What is your marketing strategy for promoting your breakfast mixes?

Research shows that while homemakers generally spend less than an hour planning and making breakfast on a weekday due to paucity of time, it

extends up to 1-3 hours on a weekend with taste and variety taking center stage. We believe that MTR's wide range of breakfast mixes is a great fit for weekend consumption and a natural choice for families to come together and enjoy a delectable breakfast spread. We launched a new campaign last year with this thought, celebrating our iconic sixarm woman in a whole new avatar, bonding with her family over a weekend, while making breakfast.

## Which are the ingredients whose use in breakfast mixes is on the rise?

Ingredients like ragi, wheat, oats, mix of grains (multigrain), etc., are increasingly being adopted by the consumer. Consumers, on the one hand, are recognising the goodness of traditional Indian wonder ingredients like ragi as well as catching on to upcoming trends like quinoa and oats.

## What is the scope for greater valueaddition in your product range?

Our endeavour is to enable the consumers to make their favourite Indian breakfast in easy-to-make formats so that they can enjoy a great variety of home-cooked breakfast. We innovate both in terms of ingredients – for example oats upma, multigrain dosa, vermicelli, upma, etc. - as well as formats like Breakfast in a Cup.

## How do you look at the market potential for whole host of protein, energy, fiber and other nutrition bars in India?

Our newest innovation – Breakfast in a Cup – is an on-the-go product that helps the time-pressed consumer to carry their favourite wholesome Indian breakfast wherever they go. There is no cooking needed and just by adding hot water consumers can enjoy hot Indian breakfast in popular variants such as poha and upma just about anywhere! This product has shown great traction in the market since its launch and we will continue to innovate on the on-the-go and nutritious concepts. PG



Our core target group is the Indian homemaker. both working and stay-athome, who use our mixes to create a wide variety of wholesome and delicious breakfasts

—Prerna Tiku Category Manager -Breakfast Mixes, MTR Foods



## <sup>66</sup>Our founder is known as Father of Ready-to-Eat Food in India<sup>99</sup>

Sudarshan Maiya, Executive Director, Maiyas Beverages & Foods Pvt. Ltd., speaks to Progressive Grocer about his company range of south Indian breakfast foods, their unique selling points and market performance, and his plans to extend the product line by introducing new variants



We are one of the leading manufacturers and exporters of a wide variety of Indian food items. We manufacture products across seven categories: savouries, sweets, instant mixes, masala & spices, readyto-eat (now available in bowl form), frozen foods, and beverages

> —Sudarshan Maiya Executive Director, Maiyas Beverages & Foods Pvt. Ltd.

## Give us a brief description of your company and its product range in the breakfast

We are a four-year-old company founded by Dr. P. Sadananda Maiya who was also the founder and managing director of MTR Foods Limited. He sold MTR to Orkla, a Norwegian conglomerate in 2007. Since then, he has spent the past few years in researching new techniques in food processing and cooking. The result is Maiyas Beverages & Foods Pvt. Ltd. We are one of the leading manufacturers and exporters of a wide variety of Indian food items. We have been dealing in these items for the last eight decades and exporting a variety of items to other countries.

We manufacture products across seven categories: savouries, sweets, instant mixes, masala & spices, ready-to-eat (now available in bowl form), frozen foods, and beverages. Our products are available throughout south India and other parts of India. We are also known as the inventor of the Rava Idli recipe. Our current turnover is US \$ 12 million.

## Which consumer segments are your products targeted at?

Today, food lovers from all over the globe are benefitting from the family's relentless passion for incredible tasting food. Dr. Sadananda Maiyas' son,

P. Sudarshan Maiya is now following his father's trail. Their personal involvement in every aspect right from sourcing to cooking it according to the traditional recipes makes us stand out from our competitors. Our category and range today is targeted at anyone above five years. However, we proudly say that we have our loyal food lovers in snacks, instant mixes, beverages, and new innovative products like bhel bar and Rasam Xpress, which is a new innovation of its

## In your opinion, which are the factors driving the growth for your products?

The most important factor for claiming our loval customers is innovation along with the promise of quality. We are of the view that making any food involves infinitely more than combining ingredients. Dr. Sadananda Maiya asserts that one must know the exact proportion, quality and purity of each ingredient and adjust these proportions accordingly so as to ensure consistent quality. Even the preparation of the ingredients makes a difference. Dr. Maiya attributes his success with packaged foods to the unique combination of technical knowhow from his engineering background and his profound knowledge of food and food-making processes, that's why people knows him as Father of ready-to-eat food in India.

## Which are the key markets for your products? What is your strategy for taking your products to newer markets and demographics?

We consider all our products to be innovative, new and introduced for the first time ever in the market. Some of our regular signature products in the readyto-eat category are: curd vada, curd rice, sambar vada, sambar idli, mudde saru, rasmalai (in ambient) bhel bar, fruit and nut bar, badam burst (drink),

mango lassi, banana milk shake, cold filter coffee, and Rasam Xpress.

> We are currently growing in the domestic market; however many of these products have a huge demand in the overseas

> > market as well. Our

products are already approved for Indian Railways' supply as one of the preferred vendors. We supply regularly to IRCTC, many reputed airlines and corporates.

kind anywhere in the world.





## With the emerging trend in favour of more health-positive products, what have been your initiatives and interventions on this front?

All of our products are free from any artificial colour, chemicals, preservative or harmful substances. When Dr. Sadananda Maiya started Maiyas, he delved deep into every aspect of gastronomy. His objective was to revive traditional food, which he believed to be healthier and tastier. His strengths of being a cook and an engineer helped him in his quest to rediscover and recreate traditional food relevant for today's fast paced world. His commitment towards food is apparent from the fact that he uses nanotechnology to produce these products. For the first time in India.

## What is the contribution from Modern Trade and General Trade to the overall sales of your products?

Modern Trade by virtue of effective merchandise display has spurred sales of certain FMCG categories. This is particularly true for impulse purchases made by shoppers. Food categories such as salty snacks, cheese, biscuits, noodles, breakfast cereals and chocolate perform better in MT. In our business, Modern Trade contributes 28 per cent of the overall sales whereas 72 per cent is the contribution from General Trade. However, the contribution from Modern Trade is growing day by day.

## What is your marketing and branding strategy for promoting your line of breakfast products?

Since there are many brands with similar products, it's always difficult to stand out in the crowd. However, we have our loyal customers. Besides, we pursue a very effective strategy for ATL and BTL activities. We also do a lot of events where we do live sampling of our products, which helps the customer to judge and decide on the product s/he wants to buy. As an example, through such events we show that our rava idli mix remains fluffy and soft even after 10 hours, our gulab jamun mix will not stick in your hands even when rolling the balls, our badam drink mix has more badam flakes, and that you will get real authentic dosa from our dosa mix. These are the messages we keep conveying from time to time.

## Compared to other food categories and products, what is the market growth for breakfast foods in particular? What is the projected growth rate for the future?

In recent days, growth of the breakfast mix – particularly of south Indian style mix - has remained steady and we don't see any significant forward push. However, due to today's generation special preferences and customer demand for convenience, quick and healthy instant food is witnessing appreciable growth. This explains why our ready-toeat food products in bowl category like curd vada, curd rice, sambar vada, sambar idly, upma, sooji halwa, bhel bar, bar fruit and nut bar, and ragi bar are all getting a lot of momentum in the market.

## Which new product lines can become hot contenders of choice for the breakfast category in the future?

Ragi (finger millet), broken wheat (dalia), rice flakes (poha), jowar and bajra are the new product lines, which are emerging as alternative choices.



## What is the scope for greater value-addition in your product range and are there any such innovations being done or planned by your company?

Our one minute rasam (Rasam Xpress) is a new and great innovative product where you can get authentic rasam in less than one minute by just adding it to 250 ml boiling water, for just Rs. 10.

We are also soon launching many other variants of rasam, dal tadaka, curry gravy, kashaya, masala chaas, etc, where you can consume the authentic food by just adding hot or cold water to the mix, and no cooking is required. Most important, these products are free from any preservatives, additives, and artificial flavours. They will have a longer shelf life and will sell at a reasonable price. PG





Sadananda Maiya Founder & MD. Maiyas Beverages & Foods Pvt. Ltd.

Ragi (finger millet). broken wheat (dalia), rice flakes (poha), jowar and bajra are the new product lines, which are emerging as alternative choices

## "Our Frish fries, masala wedges and Kawan parathas are bestsellers"

Shivam Gupta, Director, WestCoast Group, speaks to Progressive Grocer about the growing consumer traction for its breakfast brands and the factors driving their growth



WestCoast Group is among India's leading frozen food manufacturers and distributors. With stateof-the-art manufacturing and processing facilities, authentic recipes and competent marketing and distribution strategies, we cater to a massive consumer demand for frozen food in India and abroad.

Frish and Kawan are the leading breakfast and snack brands marketed by WestCoast in the country. While Frish is an in-house brand, Kawan is the world's largest Paratha brand. Kawan Parathas are enjoyed in more than 25 countries around the world. Frish has a mix of raw (vegetables, filo pastry and berries) and ready-to-cook range of potato-based fries, masala wedges and alphabites and Indian snacks samosas, rotis and spring rolls.

Kawan specialises in ready-to-cook parathas, including tawa, Malabar, onion, multi-grain and whole-wheat parathas. Frish and Kawan brands have a presence in over 1,000 stores in the country, including Big Bazaar, Hypercity Mall, Godrej Nature's Basket, Food Hall and Star Bazaar, in over 50 cities.

## Which are your best-selling products and their major markets?

Ready-to-cook range of products such as Frish range of fries, masala wedges and Kawan range of parathas are our best selling products. Our corn

> balls and boiled green peas are also becoming popular breakfast supplements.

Mumbai, Delhi and Bengaluru are our key markets.

What is the consumption pattern and growth rate of your products. Please explain how the market size for your line of

products has been expanding?

Both our Frish and Kawan brand of products are growing at a CAGR of 20 per cent. We introduce products based on consumer needs. Most of our consumers are busy couples in cities whose culinary skills often lag behind their mother or grandmother. So there is a constant demand for ready-to-cook range of Parathas, nans, puran poli, rotis, kulchas, and spring rolls from this segment. The growing demand for ready-to-cook frozen products is resulting in more retailers allotting more freezer space. Thus we expand. Also, we get to enter new cities as and when our retail partners expand to these cities.

## Which are the factors driving the demand and growth for your products?

Superior cold chain technology, need for convenience and freshness, downgrading of culinary skill sets, busy urban living, increased awareness about the health benefits of frozen foods - which are free from preservatives, and global culinary influence are the factors mainly responsible for the growth of Frish and Kawan brands in the country. With the cold chain technology and infrastructure becoming robust, the demand for fresh and frozen products today is increasing more than ever.

## How would you describe the competitive USP and differentiators for your products vis-avis the competition?

Our international tie-ups are our USP. Malaysiabased Kawan is the world's number one in Parathas. The paratha consumers worldwide swear by its quality, which only use the high quality Australian wheat. Since the parathas are made with vegetable oil, no extra oil is required while cooking. Also, as against the pre-cooked parathas available, Kawan is a raw paratha and gives that special home-made taste when cooked. Similarly, we source all our potato-based finished products including fries, masala wedges, and alphabites from Belgium, which is known for producing the best quality potatoes in the world. Some of the other key differentiators for our products and services include our highly efficient cold chain infrastructure, the convenience and consistency that our ready-to-cook range of products bring in, and our highly diversified product range.

## Who are your competitors and what are you doing to stay ahead of the competition?

McCain and Sumeru are our main competitors. Earlier we used to distribute products on our own. Now we are increasingly outsourcing our distribution to strengthen our market position and reach.

## How important is it for your kind of products to have superior packaging and labeling and what steps have you taken on these fronts?

As our kind of products have a delicate shelf life, the quality of packaging is highly crucial. I think, we are among the very few frozen food companies in the country using Modified Atmosphere Packaging (MAP), where a finely adjusted and carefully controlled gas blend is developed to meet the specific respiration needs for each packaged food product. This is far more advanced for preserving the quality of a food as compared to vacuum packing. It helps in keeping the products absolutely fresh with zero wastage. We always believe in easy to use packaging and we pack our products taking into account convenient portion sizing. We have plans to introduce zip locks to all our products in future. We also provide information about the product, where it is sourced from (for example Belgium for potatobased products) and benefits to the customers.



## What are you doing to make your products more appealing to consumers?

Innovative and eye-catching packaging, creating awareness about the product and its quality with detailed information, attractive storage in the shops, tapping of consumer moments, increasing product accessibility to the consumer with home delivery, e-commerce, customer engagement concepts such as offers and miscall recipe, are some of the value-added features that we have introduced to make the products more appealing. We are keeping our own freezers at all modern retail shops for better temperature management.

## How do you see the growth opportunities in the future? How do you see the demand for your products growing in the future?

Today, the young population is increasingly attracted to healthy ready-to-cook foods. Our focus will be to tap this segment of market. The new markets we wish to tap in future include the East and North-east, specifically places such as Bengal and Assam.

## What is your strategy for retail outreach and who are your top retailers?

The quality of the products that we bring forth and a good revenue sharing model would be the value propositions we adopt in our retail outreach. Big Bazaar, HyperCITY Mall, Nature's Basket, Foodhall and Star Bazaar are our top retailers.

## Which are the ways you collaborate with retailers (both online and offline) to drive product sales?

We participate in below-the-line activities such as in-shop product sampling, festival discounts and recipe booklets, and consumer connect and loyalty programmes. We have regular retail connect programmes, tie-ups with online retailers such as Grofers, Foodesto, Bigbasket.com. We regularly take our retail partners to our farms, to give them an experience of our quality.

## How has the growth and development of retail industry helped in the rising popularity of your kind of products? How much of retail space, on average, is being given to your product category and what you doing to increase the shelf space for your products?

As and when our retail partners expand their network to other cities and tier-1 and 2 towns, we too expand with them. With us having our own freezers in most of the modern retail shops, we tend to get more space for our products. In the past 4-5 years, we have been able to increase our space in retail shops by four times. **PG** 





I think, we are among the very few frozen food companies in the country using Modified **Atmosphere Packaging** (MAP), where a finely adjusted and carefully controlled gas blend is developed to meet the specific respiration needs for each packaged food product

—**Shivam Gupta**Director, Westcoast
Group



## "Our products cater to the luxury dietary-restricted segment"

Vidur Gupta, Managing Director of Artisanal Gouri's, which has been producing and selling nutrition bars and breakfast cereals on a customised service basis to a select clientele, talks about his products' imminent foray in the retail trade and the markets where they will make an impact

## Which are your products in the breakfast category?

The journey of our company – Artisanal Gouri's – started over 10 years ago. In all these years we have been producing and selling nutrition bars and breakfast cereals solely through word of mouth. Since we have been providing a customised service to the HNI clientele of Mumbai, Delhi, Hyderabad and Pune for over 10 years and have always had nutritionists and food consultants in the mix, we are confident about our products' reception in the market. Not only are the products healthy, they are also delicious. Hence, our brand motto is "Honestly, delicious".

Currently, we service 3,000 homes across India and now our products are finally ready to hit the shop shelves. We will be launching five products in the breakfast cereal category. They are:

- Mighty Oats wheat-free oats mixed with almonds/raisins and seeds
- Ragi Rhythm wheat-free ragi flakes with oats/ almonds/ dried dates and black raisins
- Rice Power gluten-free rice puffs/poha flakes/ flaxseeds and raisins

- Happy Millet gluten-free with organic Amaranth/ragi/almonds/dried apricot/flaxseeds
- Magic Millet sugar free with organic Amaranth/apricot/almond/flax and cinnamon

All the products are naturally sweetened with organic honey or palm jaggery. Although they are positioned as breakfast cereals, one can have these products as anytime snacks.

## Which consmer segments are your products targeted at?

Our products are primarily targeted toward health-conscious consumers among all age groups and for those who have to follow dietary restrictions. If you are above 40, there is a high chance that you have become more conscious about the food quality and about what you eat. Unlike muesli, which is a very Western concept (Swiss to be precise), the roots of our products' flavours (jaggery, honey, amaranth) are closer to the Indian palate than anything else.

## What are the competitive advantages of your products?

Our products are healthy and tasty, which gives them the winning edge. We are crazy about quality and we procure the highest quality ingredients. We use small batch production so that we give each product the same amount of love and attention. The products are gluten-free, wheat-free, lactose-free, sugar-free and also meet the requirements of even Jain and vegan markets. No preservatives, additives and emulsifiers are used in any of our products. Also, our packaging is very different from anything out there in the Indian market. We are catering to the luxury dietary restricted segment – one that has not got much attention in India.

## What has been the growth rate of your product offerings and what is the projected growth rate?

Since we moved out of in-home production in 2014, we have grown by 15 per cent taking into account the capital costs. We aim to grow by 100 per cent by end of this financial year.

## What do you expect to be the contribution from modern trade and general trade to the overall sales of your products?

Our modern trade effort will begin this month. Currently, we run our operations through personal/corporate orders and selective general trade stores in Mumbai.





Our products are gluten-free, wheat-free, lactose-free, sugar-free and also meet the requirements of even Jain and vegan markets

**—Vidur Gupta** MD, Artisanal Gouri's









## What will be your marketing and branding strategy for promoting your products?

We have some innovative sampling methods in the pipeline. We will also be promoting our products through comprehensive P.O.S materials, robust social media campaigns and PR campaigns.

Millets not only provide better nutritional value but also help in reducing the carbon footprint and give farmers a new stream of income

## Which new product lines can become hot contenders of choice for the breakfast category in the future?

Many people would have you believe that quinoa would find many takers. Quinoa is a millet that originates from south America and has become popular due to its vast use in north America. But I think Indians will finally understand that quinoa is an imported good that adds to our carbon footprint and is only now fashionable because of its use in the West. I believe that the use of Indian-based millets will see an upswing. Millets not only provide better nutritional value but also help in reducing the carbon footprint and give farmers a new stream of income.

## How do you assess the emerging new trends and developments that will shape the consumption of breakfast foods?

The key metrics for the market stay the same. Increased exposure and education, increase in expat communities, higher disposable incomes and a youth desperate to free themselves from what I call the snacking oligarchy of the organised sector in the nation (Frito Lay/Pepsico, ITC, Parle and Diamond Chips /Haldirams). As people want to be healthy and look for convenience, I see the consumption of breakfast foods rising with the times.

### How do you look at the market potential for products such as protein and energy bars, and fiber and other nutrition bars in India?

When I used to work in the UK in this segment for a MNC, we used to always talk about India being the next biggest market after everyone was done with Dubai. I mean if you see the shelves in Dubai, you can see the infiltration of healthy convenience foods everywhere.

Weather conditions, import laws, product sourcing (due to the many ingredients involved in products like ours), retail and transport infrastructure shortages and inability to read the innovation required to meet the Indian taste profiles makes India an extremely tough market for international manufacturers of healthy impulse foods. This, coupled with the huge amount of investments required in terms of marketing to educate the Indian market, makes almost every independent high quality cereal and cereal bar manufacturer in the West reluctant toward the Indian market. But that will change though it will take some time.

Modern and general trade is also opening up more avenues for impulse purchases by increasing the space for till-point purchases (where most of the impulse purchases take place in the West) and offering more space for better point-of-sale materials. Therefore, soon we hope that Indian consumers will prefer healthier snacking and go for impulse purchase options.

## Which are the ingredients whose use in breakfast cereals is on the rise?

Oats is the buzz word amongst older health enthusiasts. But because of the gluten-free trend coming in and also because of the difficulty in sourcing gluten-free oats in India at a competitive price, the use of oats will soon be on the decline. But for the moment, it is king.

The other ingredients that will see a rise in popularity and usage are flax seeds, almonds and chia seeds. Flax seeds have a high content of Omega 3 fatty acids and its use is on the rise and trending. Almonds are high in good fats with less allergen triggering content and it is a popular ingredient used in cereals worldwide. Chia seeds are high in protein content and therefore a popular natural substance for all the gym goers who need their protein fix. PG

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## Dry fruits specialist straddling both retail and wholesale

A & S Dry Fruits was among the winners this year at the India Food Forum's Coca-Cola Golden Spoon Awards and was awarded for being among the best traditional stores contributing to promote International F&B trade in the country. Progressive Grocer spoke to Harish Motiani, owner of A & S Dry Fruits, about his company's specialisation in dry fruits and imported items and how the market for these



We deal in all types of dry fruits, imported chocolates, chips & cookies, sauces & dressings, apart from a variety of tea & coffee, mocktails, squashes, herbs seasonings, condiments, health products and other items

> —Harish Motiani A & S Dry Fruits

product categories is growing in India Tell us about your company's business.

We, at A & S Dry Fruits, deal in dry fruits and condiments since 1983. We deal in retail, semiwholesale and wholesale business of dry fruits, spices and all types of Indian and imported food items and groceries. We don't import but we get the imported items from the importers directly. Apart from dry fruits and condiments, which we sell and promote, we have set up two retail outlets in Ahmedabad.

### Which are your products across categories?

We deal in all types of dry fruits, imported chocolates, chips & cookies, sauces & dressings, apart from a variety of tea & coffee, mock tails, squashes, herbs seasonings, condiments, health products and other items.

### What is the sourcing strategy for your products?

We source our products from reliable suppliers and our vast network of high-end importers from Mumbai, Delhi, etc.

What part of your business is retail trade and what is the share of your business as a supplier?

Sixty per cent of our business is retail and 40 per cent of our business is wholesale supply.

### Who are your major clients?

Our products are such that they attract varied age groups. Our retail client list includes children, teenagers, housewives, and people from all age groups. In wholesale our clients are leading bakeries, hotels, ice cream makers, cake & coffee shops, chocolate makers, sweets & namkeen retailers, and the corporate sector due to our niche in fancy packaging.

## What is the size of your stores and what shelf space do you allocate for your products?

The average size of our stores is 1,100 sq.ft. More than 50 per cent of our shelf space is allocated for our main product category.

## Which part of your business is more profitable - retail or supply? Retail.

## Which are the best-selling products in your portfolio?

The best selling are health products, chocolates, chips and sauces & dressings. These products contribute 50 per cent of the overall revenue.

## How has the company and its products grown and evolved over the years?

We started with the business of dry fruits. Owing to the growing awareness about health and gourmet foods, we diversified into the retail trade and as suppliers of imported food items, confectionery & condiments, which has helped us grow in a big manner.

## What have been the consumption trends for these products and what is driving their growth?

As people have become aware of the importance of dry fruits and other health products in their daily diet, their consumption has increased many folds. Also, an easy access to Internet and technology has put lots of information in the hands of customers, which has helped to boost our sales. We keep ourselves updated pertaining to the new trends and shifts in customer interest and hence keep ourselves ready to match the demand.

## Has the demand for your products changed beyond their once traditional offerings?

There has been a vast shift in customer interest for the products we sell largely due to the easy accessibility to vast information at the customer's fingertips. The rise of online retailing and selling has boosted the sales of such products tremendously as it has become easy for customers to order from the comfort of their homes. Online channels have created more interest in health food products and helped customers to access a variety of food groups from their comfort zones. Sauces, dressings and condiments are expected to see more exposure as manufacturers invest in offering healthier and more value-added alternatives.

### How do you compare the growth trends for your products in urban versus rural India?

Urban India is more tuned to market trends and more aware in terms of healthy eating, which is why the forces of demand-supply are more pronounced in the urban markets.

## What is your strategy for growing and expanding the market for your products?

We are continuously gauging consumer interest and latest trends for our products. We keep ourselves aware of the developments by constant analysis of

key supply-side and demand trends. Also, we do a detailed segmentation of international and local products, vis-a-vis their demand.

### What challenges do you face in opening new stores in cities and towns and in scaling your business?

The major challenge we face are high infrastructure



## What are your future plans for strengthening your retail and supply systems?

We are relying heavily on market surveys. Customer satisfaction is also very important. So we are always trying to update new products, new ranges and include them in our stock. Also, we have tied up with many online retail platforms and focusing on marketing to strengthen our brand equity.

## When it comes to end customers, what have been your significant learnings?

As mentioned earlier, technology has played a major role in changing or shifting customer interests. Health foods, which were never heard of earlier, have become best selling products. Today, products are not seen through the lens of price but in terms of their nutrient value. As such, healthy and nutritous products are more in demand. Also, consumers today like to buy and stock their homes with gourmet and luxury food items. Fancy gift packaging of such products is in demand all the year round. Traditional gift giving has undergone a sea change.

## Which are the issues that you would you like to highlight, which may be important for importers and retailers?

As such the major issue is of supply and demand. Many times imported food items are not readily available. The expiration of such products is also a hindrance, which results in losses. We have to depend on importers who also work according to seasonal demand and supply. PG

The best selling products in our portfolio are health products, chocolates, chips and sauces & dressings. **These** products contribute 50% of the overall revenue

## Food, Beverage & Non-food Products al

### Extra wavy and crispier corn flakes

Pagariya Food Products Pvt Ltd. has introduced Kwality corn flakes as a nutritious and delicious family breakast. The flakes have been made more curvy and wavy, they are crispier than ever, and innately appealing. The mild baking makes the corn flakes crispier and gives all the nutritional advantages of a cooked food. The texture and crispiness gives the desire to relish by adding milk to it. The crunchiness and mouth feel sustain so long till you



complete the last bite. Kwality corn flakes are available in an attractive pack, and come in 375 gm box at Rs. 99 and 100 gm box at Rs. 35. A 500 gm pouch is also available at Rs. 105. Kwality's other range of cereals include Choco flakes, Fruitoooos, Ragi Flakes, Oats, Muesli's, Corn Flakes Strawberry, Honey and Banana, Wheat flakes with many new products in the pipeline.

### Eggless cookies

Lovely Bake Studio, a premier European inspired bakery, has launched a new offering – a range of 100 per cent eggless delicacies. The company says it is a first-of-its-kind concept in North India. The eggless cookies come packed in boxes of 75 gm, 200 gm and 400 gm. The product



is distributed through the company's network of more than 500 premium retailers and more than 10 distributors in North India currently.







### New range of jams

With its sweet and tangy taste, the new Kissan Blast range of jams promises a one of its kind experience. The range includes exciting fruity flavours: Berry Blast, Strawberry Blast and Orange Blast.

Kissan Berry Blast is a combination of juicy black grapes and ripe, succulent strawberries - a perfect blend between sweet and tangy. The burst of blueberry flavour is a quirky taste, which you can enjoy along with muffins and pancakes. Kissan Strawberry Blast is made from lush, red strawberries, and you can enjoy it with ice-cream, milkshake and smoothies. Kissan Orange Blast tastes a little sweet and a little tangy. This jam gives a burst of the real fruit flavour and tastes heavenly with bread, chapati or parathas.

Says Abhiroop Chuckarbutty, GM, Foods, HUL, "We, at Kissan, continue to innovate and create new products and flavours to make the lives of mothers easy in keeping pace with the changing palate of today's children. Kissan Blast range of jams, is a healthy, wholesome and fruitful outcome of this continuous innovation. A mouthwatering combination of tangy and sweet taste, Kissan Blast is sure to bowl over the kids of today."

## Natural flavoured sweetcorns

Supa Star Foods, which sells sweet corn products under the brand Supacorn, has recently launched two new variants of sweet corn kernels with natural flavours - Achari and Italian Herb. The packaging technology, called Oxyfresh, allows the products to have nine months of shelf life at ambient temperature, while offering several benefits to the consumer. The products are ready to eat without the need to boil; they contain no preservatives, not even salt or sugar; there's no need wash and no need to drain as there is no brine; enjoys long shelf life at ambient temperature so there is no need to freeze - just keep it at cool and dry place until pack is opened.

Some of the products' popular applications are in salads, soups, corn tikki, corn samosa, pizza, cakes and various veg and non-veg dishes. Supacorn products are now available in more than 20 cities of India and can be bought from various supermarkets like More, Spar, Metro, Heritage, Smart Retail, Hypercity, Star Bazar, Needs, Le Marche, Modern Bazaar and many more.



## Indian Foodservice Industry

today is above Rs 2,50,000 crores & growing at a staggering rate of 25% every year!

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## **food**Service

A taste of things to come!

The FoodService India magazine is dedicated to the F&B and HoReCa industries. It offers well researched information on new consumption trends and world cuisines that are changing the dining experience of Indian consumers. It provides updates on international and regional cooking ingredients and kitchen equipments; and reports on new and upcoming restaurants, QSRs, casual and fine dine restaurants.

The publication combines international concepts with indigenous expertise to offer food for thought for the top executives and decision makers of the Indian foodservice business.





Key Associated Brands

































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As shared by many leading players, the success formula for this fast evolving sector revolves around key human resource parameters: rewards and recognition, employee engagement, training, alignment, motivation, individual growth, development plans and **leadership** 

rganized Retail today is one of the leading growth engines of the industry in the country. But in order to sustain the momentum of its growth, the sector needs special attention and the focus of all stakeholders. For one, while new retail or e-commerce is booming, traditional retail continues to be fraught with many challenges of vesteryears.

As shared by many leading players, the success formula for this fast evolving sector revolves around key human resource parameters: rewards and recognition, employee engagement, training, alignment, motivation, individual growth, development plans and leadership styles. Each of these tools has enriched and added tremendous value across the chain. Thanks to the successful deployment of these important metrics, the retail sector has been able to achieve its current status - of employing the largest work force in the country.

However, as mentioned earlier, challenges abound and keeps buffeting the sector. Today's challenge is around unlocking employees' potential and utilising their efforts for the betterment and enduring success of organisations. Initiatives expounded on the principle of 'putting people first' have worked wonders for those companies that have taken this approach to all their associates, and across geographies and roles. By emphasising the role and importance of the individual employee, many companies have found success in turning their employees' efforts towards a common goal and vision.

As retail companies are big users of manpower, they need to be particularly mindful of making the best possibler use of their human capital. In this context, the use of technology in HR can act as a valuable paradigm in the retail space. It could play a major role in view of the fast evolving changes in the retail sphere and become a bulwark of support for achieving the designated goals of enterprises, which is to meet the aspirations of consumers.

## HR productivity in the Retail sector

Interesting insights from different organisations need to be identified, discussed and evaluated to form a short term as well as long term strategy for the growth of retail industry. This will help to throw up interesting solutions for managing the issues of attrition, disruption caused by e-tailers and, of course, sharpen our approach to the importance of training, rewards, recognition and the right emphasis on human capital in a rapidly changing environment.

The need of the hour is the creation of a national talent pool for the sector, which would benefit the existing and emerging players and help to create a level playing field for all players. Modern Retail can overcome one of its biggest challenges if it can create the conditions for the recruitment of right talent and address the problem of this human capital. PG



The author has over 25 years of experience in FMCG and Modern Retail. He is on the selection panel of 'Hunar' skill centre (Retail and Hospitality), a collaboration between Delhi and Singapore governments. He can be reached at rakeshgambhir@imagesgroup.in

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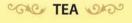
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