

PROGRESSIVE GROCER

July 2016 · Volume 10 Number 7 · Rs 100 · www.indiaretailing.com

INDIA EDITION

WORLD FORUM OF FOOD AND WINE
★ W.F.F.W. ★

Join Us (with arrow pointing up-left)

Dedicated B2B Contacts (with arrow pointing up-right)

Complimentary Membership (with arrow pointing down-left)

Newly Launched (with arrow pointing down-right)



The World Forum of Food & Wine is a trade promotion association, which has been instituted with the objective of promoting and driving long-term consumer demand for food and wine in India and abroad

SERVICES OFFERED BY WFFW

- » Complimentary B2B advice and partner search
- » Global network of experts
- » Setting up Business in India and overseas
- » Expertise in exports and imports
- » Connect Indian firms with overseas peers
- » Access to a varied and dedicated database of importers, suppliers and industry professionals
- » Access to classified information and trade statistics relating to F&B products and related market in India and South America
- » Access to various food and wine federations

Contact:

WORLD FORUM OF FOOD & WINE

Suite No. 9, 1st Floor, Le Meridian, Windsor Place, Janpath, New Delhi-110 001, India
 Ph.: +91 11 23460246 | Fax: +91 1123460246, email: info@wf-fw.org, web: www.wf-fw.org



Retail Insight

Why FMCG players and Modern Trade need each other and should bat together

Page 10

Category Watch

Organic: Product innovations, value additions and new offerings

Page 48

Marketing

How brands and retailers can make money from grocery promotions

Page 70

PROGRESSIVE GROCER

INDIA EDITION

July 2016 · Volume 10 Number 7 · Rs 100

www.indiaretailing.com



Page 34

FOCUS ON CUSTOMER & BRAND ENGAGEMENT



Nikunj Vora
Mapro Garden, Mahabaleshwar

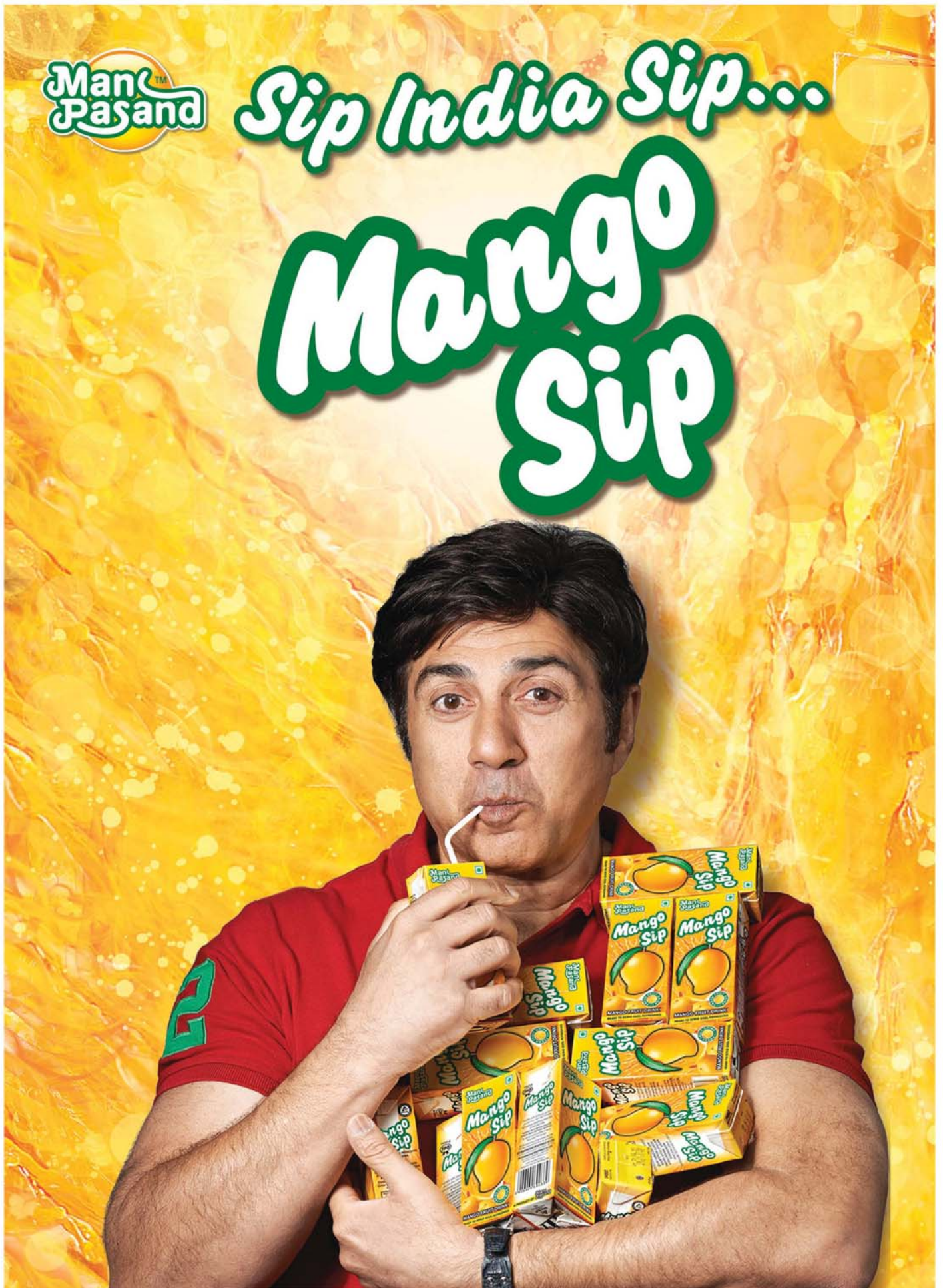


21-22 September 2016
Renaissance Hotel, Mumbai

Man Pasand

Sip India Sip...

Mango Sip



PUT MORE PUNCH ON YOUR BREADS WITH FOODCOAST RANGE OF DIPS & SAUCES



Across 20 States | 127 Toppings | Infinite Combinations



Foodcoast International

A-23/A, Focal Point Extension, Jalandhar, Punjab- 144004

Ph.: 0181-5077771/72 | Toll Free No. 1800 274 274 0 | Email: info@foodcoast.com

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

Editorial

Editor in charge: **Sanjay Kumar**
 Correspondent: **Nibedita Roy**
 Content Writer: **Ashutosh Kumar**

Conference Content: **Nakul Jain**
Mohua Roy

Contributing Editors: **Zainab S Kazi**
Namita Bhagat

Creatives

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

Production

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

Support

General Manager - Administration: **Rajeev Mehandru**

Subscription

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

ADVERTISING

Business Head

Rakesh Gambhir, Convenor, India Food Forum
 rakeshgambhir@imagesgroup.in
 Mob: +91 9910001375

Lokesh Arora, Vice President
 lokesharora@imagesgroup.in
 Mob: +91 9999033612

DELHI **Ekta Roy**, Manager

MUMBAI **Waseem Ahmad**, Vice President & Branch Head
Monark J. Barot, Sr. Executive

BENGALURU **Suvir Jaggi**, Vice President & Branch Head
Ashraf Alom, Dy. Manager

KOLKATA **Piyali Oberoi**, Vice President & Branch Head
Supratik Saha, General Manager

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

CONSUMER CONNECT

Anil Nagar, Vice President

anilnagar@imagesgroup.in, Mob.: +91 9811333099

Membership Team: **R. P. Singh** **Priti Kapil**
Sarika Gautam **Priyanka Sagar**

PROGRESSIVE GROCER

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

Stagnito

BUSINESS INFORMATION

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

Ever since the government disallowed deep discounts by online players such as Flipkart, Amazon, Snapdeal, Shopclues, Paytm and others, orders on these portals have dwindled from their earlier highs. It is not hard to fathom why. Deep discounts were the drawing card of these websites and now that they have been pulled back, customers have started flocking back to offline stores.

It appears that the government clampdown on discounts has created a level playing field for both online and offline retailers. On the face of it, the sobering down of online shoppers can be said to be a timely and welcome correction, and online retailers should not fret at this turn of development. They have much to look forward to and if they can put the pieces back together, they will be in the reckoning again.

A recent report on digital retail by AT Kearney & Google noted that people won't stop shopping if discounts were withdrawn. But the focus of e-commerce companies, the report said, should be on product assortment, convenience of ordering and differentiation. It should be noted that the primary value proposition of e-commerce – the ability to be anywhere anytime – still prompts most users to come online.

So e-tailers need to focus on making their platforms more appealing to attract old and new buyers. They need to look at creating value around factors such as choice, trust, convenience, assortment and shopping experience. By focusing on value-added services and customers, online players will be able to ensure that customers keep coming back for repeat purchases.



Amitabh Taneja
 Editor-in-Chief

All feedback welcome at editorpgindia@imagesgroup.in

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

Printed & published by S P Taneja on behalf of Images Multimedia Pvt. Ltd. Printed at Modest Print Pack (P) Ltd., C-52, DDA Sheds, Okhla Industrial Area, Phase 1, New Delhi – 110020 and published by S P Taneja from S-21 Okhla Industrial Area Phase – 2, New Delhi. 110020 Editor : Amitabh Taneja

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

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

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

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

Registered Office: S 21, Okhla Industrial Area, Phase II, New Delhi 110020,
Ph: +91-11-40525000, **Fax:** +91-11-40525001

Email: info@imagesgroup.in, **Web:** www.imagesgroup.in

Mumbai: 1st Floor, Plot No. 111/3, Marol Co-Operative Industrial Estate, Marol Andheri (East), Mumbai - 400 059,

Ph: +91-22-28508070 / 71, **Fax:** +91-22-28508072

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

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



Mexican Jalapeño Cheese Sauce



Spicy Spanish Omelette



Chicken Rolls with Red Paprika



Classic Egg Sandwich with Sandwich Stackers

For those with the all-new-taste-buds

Neo foods products are guaranteed to add a the whole different dimension to your food.

Our repertoire of products includes :

Processed Vegetables - Whole Gherkins, Cornichons / Baby Gherkins, Sandwich Stackers / Spears, Burger Chips, Red Paprika Jalapeno whole and sliced, Silver Skin Onions, Baby Corn whole and sliced, Cherry Tomato and Tomato Marinated, Red & Yellow Capsicum (Bell peppers-strips and quarters), Beetroot whole and sliced, Zucchini and Mixed Vegetables

Preserved Fruits - Pineapple Slices and Tidbits and Fruit Cocktail.

Pastes - Ginger, Garlic, Ginger-Garlic, Mint, Coriander, Red & Green Chilly

Relish Range - Sweet Relish, Dill Relish, Hot Dog Relish, Mustard Relish, Carrot Relish,

Jalapeno Relish and Onion Relish.

Dips - Salsa

Neo Foods Products Come in Glass Jars, Tins, Pouches and Barrels.

Neo Foods Products are available in most of Modern Trade, Premium

Neo Paste Range

PASTES GINGER

No Indian meal is complete without a generous flavor of ginger. This paste does the trick.



PASTES GARLIC

A basic but absolutely essential ingredient, garlic is the hero of any dish.



PASTES GINGER GARLIC

Garlic Ginger paste can be added with the Oil while cooking pasta and salads



PASTES CHILLY Red & Green

What would Eastern food be without the hero ingredient - chilly. Thank god there's plenty of it around.





- 10 **RETAIL INSIGHT**
FMCGs and modern trade need each other and should bat together
- 16 **E-COMMERCE**
How brands will win in grocery's e-commerce boom
- 18 **SUSTAINABLE RETAIL**
What's in a package?
- 20 **EXPERTSPEAK/MARKETING**
How to make money from grocery promotions



- 26 **FRESH FOOD**
They're Good for You



Cover Story



- 34 **Hitting the sweet spot in confectionery retail**



- 30 **RETAILER/ MARYA DAY**
Merry days ahead!
- 40 **ENTREPRENEURSHIP**
Online purveyors of regional, gourmet delicacies
- 46 **WINE**
Creating a win-win for wine producers and retailers



- 48 **CATEGORY WATCH**
The Age of Organics
- 64 **FOOD SAFETY**
Are ice-cream manufacturers aware of regulatory requirements?



- 66 **DAIRY**
Cheese and spreadable fats to record highest growth in processed dairy
- 68 **TECHNOLOGY**
Holdup at Checkout
- 70 **GROCERY APPS**
How can retailers remain relevant in the mobile world



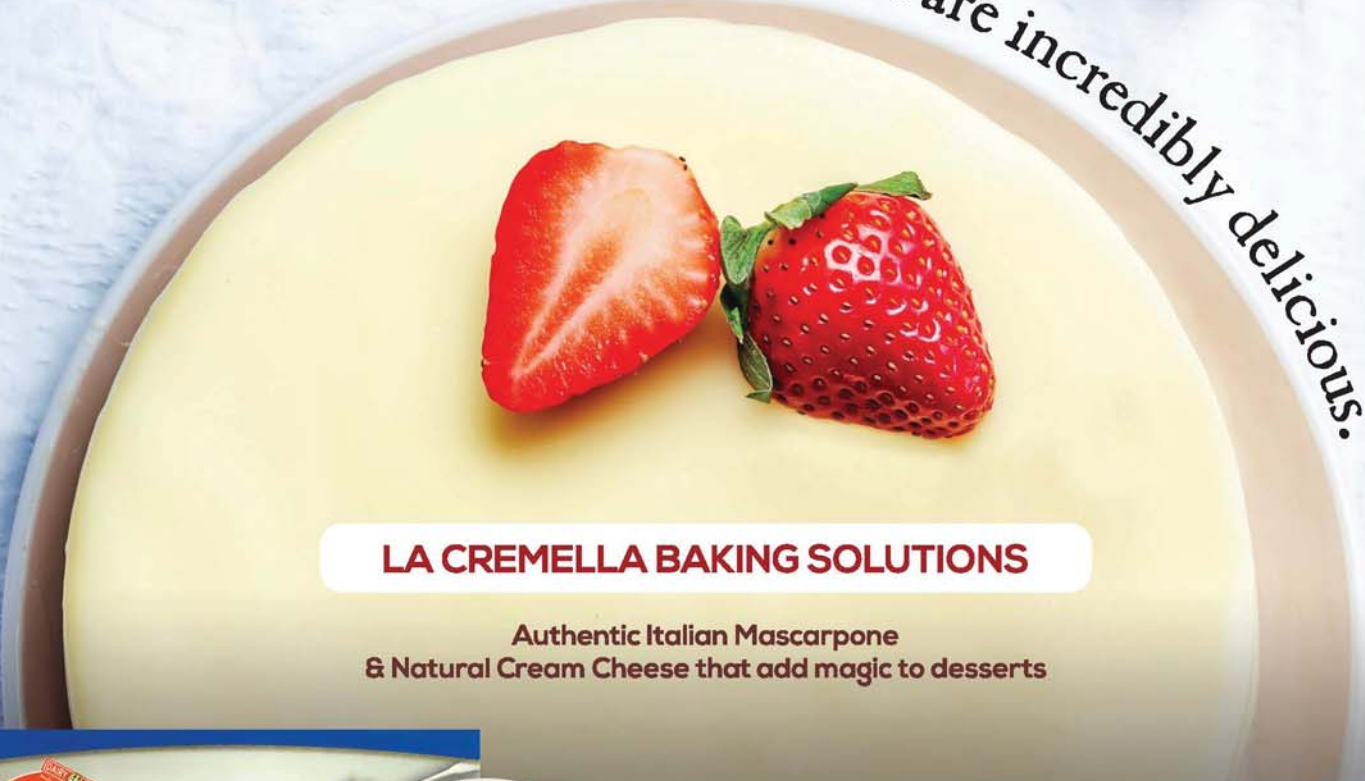
IN EVERY ISSUE

- 72 **COLUMN**
- 74 **WHAT'S NEXT**
New products on the shelves



You need magical ingredients

for desserts that are incredibly delicious.



LA CREMELLA BAKING SOLUTIONS

Authentic Italian Mascarpone
& Natural Cream Cheese that add magic to desserts



Dairy Craft offers 35 variants of gourmet cheeses, crafted especially to add authentic flavour and wholesomeness to your dishes, using only the purest ingredients and hygienic processes.

Available across modern retail and online portals



For trade inquiries : Email info@dairycraft.com, Call +91-9310667889



FMCGs and modern trade need each other and should to bat together

In this concluding piece on the two part series on how FMCG companies should go about cracking the challenge of 'selling' in a complex retail market like India, **Rajendra K. Aneja** – a retail veteran, who has worked for 28 years with Unilever in Asia, Latin America and Africa – shares his views on how the few home-grown supermarkets and hypermarkets that have commenced operations in India during the last decade can rev up their hitherto tardy pace of growth and pull ahead.



The organised sector contributes a mere four per cent of India's retail market, estimated at 400 billion USD. In contrast, the organised sector comprises 20 per cent in China, 30 per cent in Indonesia, 40 per cent in Thailand and 55 per cent in Malaysia. During the last decade, only a few home-grown supermarkets and hypermarkets have commenced operations in India. Their growth has been slow due to the high real estate prices and political volatility.

The opposition to Foreign Direct Investment (FDI) in the retail business by some political parties is utterly regressive, even though there have been subtle moves to liberalise the norms so as to allow higher foreign investment to flow in the food retail and marketing sector. FDI in retail will enable massive investments in the India's trade and supply chain structures, reduce and stabilise prices, ensure improved training and development of staff and hygienic work environments. Hypermarkets will provide consumers with better and fresher choices in all product categories. The entry of new

operators like IKEA and Tesco and the enalrging of operations by the likes of Walmart and Metro will revolutionise shopping experiences and patterns.

Many state political leaders are taking positions on FDI in retail without a lucid appreciation of the advantages to consumers and suppliers. A few leaders are indulging in rhetoric, drum-beating and emotional outbursts. Many of the antagonists of modern trade may not even have visited a hypermarket. They would benefit by a visit to a supermarket in Dubai, Thailand or even Oman to understand how hypermarkets serve consumers and producers.

The advocates of small grocery shops in India should realise that many street-side “kirana” or grocery shops are absolute health hazards. The hygiene levels of small shops in India is the poorest that I have seen amongst the many countries I have visited on work, across continents. Indian shops are poorly maintained and ventilated. Many abound in rats, insects and ants. Some shopkeepers do not even undertake basic pest control, just to scrounge on some money. Municipal authorities regularly visit shops in many countries to ensure adherence to hygiene standards. Such quality enforcement is not undertaken in India.

I have seen open and festering sewage lines, below and around many retail grocery shops. Many of these outlets sell foods, vegetables, and fruits to consumers. No wonder, large numbers of Indians are always suffering from stomach-related ailments. Many small shops sell date-expired stocks by deleting or smudging the information printed by the manufacturers on the packs. Some small grocery stores do not pass on the free gifts (consumer offers), which are given by the manufacturers of consumer product companies. Professionally managed hypermarkets do not indulge in such malpractices.

Hypermarkets co-exist with small shops in most countries in the world - in large, small, rich and poor nations, in all corners of the world. In Brazil, Colombia and Venezuela, 50 per cent of the trade is through hypermarkets and the balance 50 per cent is through small shops. It is time India removed it blinkers. The modern trade in India is miniscule in size and impact. It has many miles to cross before it can be a significant contributor to the economy or the shoppers' pleasure.

Many FMCG are unhappy with the expansion of modern trade. Hypermarkets buy large quantities in bulk. Hence, they are able to dictate terms to companies. However, modern trade is set to grow substantially due to liberal FDI norms, now kicking in. Smart companies know that they have to serve both segments, i.e. small shops and hypermarkets.

Reverse your field force

“Take away my factories, my plants, take away my railroads, my ships, my transportation; take away my money, strip me of all these, but leave me my men and in two or three years, I will have them all again,” asserted Andrew Carnegie, the Scottish-American industrialist who led the enormous expansion of the American steel industry in the late 19th century. He was also one of the most important philanthropists of his era.

He was the first entrepreneur to realise the importance of a great sales force. Many Indian companies take their field force, i.e. sales representatives for granted. Since fresh candidates are easily available, they think their field force members are dispensable. Such thinking is very short-sighted. When you lose your field force, you lose years of training and experience. More important, you lose the relationships, which the field force has with shopkeepers. The salespersons of any company are its pillars. Tinker around with the pillars and the building starts wobbling.

The salesmen of the company are the first point of contact between the company and the customers, be they supermarkets, wholesalers, small shop-keepers. The relationship between the salesman and the trade is glued by mutual trust. Without this basic faith on

Hypermarkets co-exist with small shops in most countries in the world - in large, small, rich and poor nations, in all corners of the world. In Brazil, Colombia and Venezuela, 50 per cent of the trade is through hypermarkets and the balance 50 per cent is through small shops. It is time India removed it blinkers





Point of sale materials and merchandising are key elements in making sales. However, Indian shops are amongst the most cluttered in the world. Over the decades the numbers of products and pack sizes have grown

the ground, the company would find it difficult to make any sale.

Selling is a lonely process. Most salesmen travel and stay away from the headquarters and their families, for three to four weeks. Whilst they have official contacts with the distributors and retailers, they may not have any personal friends or relations in these towns. So, Salespersons lead tough lives, with exacting schedules. Thus, it becomes important for the company to provide them with strong support through frequent communications and contact programmes. Sales managers should try to meet as many salesmen as possible in the field, every month. During these visits, they should spend quality time with the salesmen in the evenings, understand and also resolve any personal problems that they face.

Some companies have turnovers of 35 to 50 per cent of their field force on an annual basis. Surprisingly, their board members sleep peacefully at nights! Such atrocious levels of turnover are an unpardonable sin. The top management needs to understand the reasons for high turnover and stop the haemorrhage of talent.

Pick me up!! Merchandise with might!

Point of sale materials and merchandising are key elements in making sales. However, Indian shops are amongst the most cluttered in the world. Over the decades the numbers of products and pack sizes have grown. However, the sizes of shops have not grown proportionately due to the escalating prices of real estate and the rising rentals. Stocks are piled haphazardly with soap next to tea and pickles or wheat flour next to pesticides or toothpastes.

Shopkeepers in India are also reluctant to spend moneys to modernise their shops through better shelves, show windows etc. Therefore, it is a major challenge to make your brand stand out boldly, in the midst of the entire muddle. Smart companies try to ensure that their brands are well merchandised and shelved in the shop, however crowded it may be. The goal is simple: to rivet the attention of the shopper and sell the product.

Companies use a wide array of techniques to ensure high visibility in retail shops. Normally, company salesmen merchandise the stocks after delivering them to the shop. However, as company salesmen have come under pressure to sell, the merchandising function is being increasingly delegated to an auxiliary force of merchandisers, whose sole task is to ensure shelving and high visibility of the stocks in the retail shops. Display contests amongst shopkeepers are also deployed to ensure high visibility of selected products. Merchandising and visibility of stocks require distinct skills. Staff engaged in these activities need to be trained appropriately through practical exercises.

Swathe the slums

Danny Boyle in his iconic movie, “Slumdog Millionaire” highlighted the lamentable plight of slum dwellers in Dharavi. About 20 to 30 per cent of the population of many urban townships in large towns like Mumbai, Delhi, Calcutta, Madras live in slums, or “jhuggis jhopdis”. They too are customers.

Finding and appointing the right type of distributors is crucial in servicing slum markets. Identifying the products, packs that will sell in these markets, building a cost effective distribution system, ensuring collections of payments are challenges confronting the slum-marketer.

In the epic battle between Wheel detergent powder and Nirma powder in the late 1980s, we had identified the Dharavi slum, as a key “Must Win” market. We launched a range of special initiatives viz: regular weekly coverage, bicycle distribution, wall paintings, shop paintings, discounts on the sachet packs, field force incentives, shopkeeper contests to gain shares, under the leadership of an experienced Mumbai Sales Manager Mr. Dhond. We literally took a colossal tin of green paint and poured it all over Dharawi turning it green, with



The home of
Eggless
baking



*“Inviting Super Stockists,
Distributors, Modern Retail Store Chains, Institutional
Stockist to Join the winning Team.”*



— Cookies available in —
75g, 200g & 400g Packs



Over 600 retailers selling premium cookies in North India
Our product are placed at supermarkets



Lovely Bake Studio, Opp. Lovely Sweets, Nakodar Road, Jalandhar 144001, Punjab, India.

098766-44001, 070870-10061, 085568-22222

info@lovelybakestudio.com | www.lovelybakestudio.com



that brand building is a pure marketing endeavour. In a vast country like India, the sales team play a significant role in building and establishing brands in millions of small outlets. Brands are built by great advertising; but brands are also built every time a salesman merchandises a tube of tooth paste or conducts a live washing or frying demonstration in the village square.

Reward and celebrate

Indians love celebrations – whether it is a wedding or a festival. We have about the highest number of holidays for various ceremonies, amongst many nations. Indians love to party and dance. Therefore, to build a strong sales team, it is important to provide adequate opportunities to the field force, the distributors and the distributor field force to intermingle, dance, enjoy and celebrate every success.

It is important to pay the field force well and provide them with regular increments and incentives. If field force members are not rewarded adequately and appropriately, they get dispirited. A demoralised field force is like locust eating away the framework of a building, slowly and silently.

Honour your top achievers with money, glory, medals, certificates, awards. Then, see your sales graphs climb north. Many India companies have started giving share options to their board members. Take share options down to the field force and see the sales gallop.

Adam and Eve

Selling is as old as the hills. It started with Eve persuading Adam to eat the forbidden apple. So selling is an ancient art. Selling in a complex country like India is also a science, requiring a deep understanding trade dynamics, consumer behaviour, retailer psychology, and markets. Selling is a very challenging profession in India, where millions of consumers enter the market daily. **PG**

The author is the Managing Director of a Consulting Group. He was Managing Director of a Unilever business and specialises in distribution, rural marketing and retailing. He was also a Sir Dorabji Tata Special Scholar throughout his education and a Government of India merit scholar.

It is provident to recruit Sales and Operations staff from the slums, to service these markets. They know the buying habits of consumers, the routes and the traders. Their local knowledge is immensely useful

massive displays of the green coloured packs, wall and shop paintings. Wheel’s market shares blossomed. Wheel was unstoppable.

It is provident to recruit Sales and Operations staff from the slums, to service these markets. They know the buying habits of consumers, the routes and the traders. Their local knowledge is immensely useful.

Focus on productivity

“India is no longer a low cost producer,” opined Professor Michael Porter, the strategy guru from Harvard Business School, at the AMP programme in 2008, which I was attending. Over the last four years, I have found ample justification for his opinion, considering the persistent inflation of about six to nine per cent per annum in the Indian economy. Now, high inflation fuels demands for higher wages, which further exacerbates to all-round cost escalations. Therefore, companies constantly evaluate how much the field force and distribution apparatus costs and what value they add. High levels of inflation in the Indian economy have led to a rise in wages.

Field force numbers and costs can be reined, by augmenting productivities. Sales staff should be encouraged to meet their daily callage norms, and sales productivity norms by making successful calls. This simply means making the scheduled number of calls daily and ensuring at least 75 to 80 per cent successful calls. Ensuring high productivities in callage, success rates and lines per call will maximise field force contributions.

Brand-building

Indian companies need to realise that brand building is a multi functional task. Some companies believe

American Garden®

let's savor life.



Lite Blue

Savor authentic American flavor in every bite.

How brands will win in grocery's e-commerce boom

The next explosion in e-commerce growth will come from groceries and other FMCG categories. When spending on those items shifts online at scale, it will add up to the biggest disruption yet driven by digital shopping – and one for which many brands are less prepared than they would like to be.

By Lee Smith



Up till now, the categories dominating e-commerce have involved consumers actively investing effort in journeys towards purchases that are either expensive, important or personal.

Think of someone booking a holiday, seeking out a drop-dead new handbag, hearing about a book they want to buy there and then, or evaluating the newest mobile phones. In each case, these consumer journeys enable brands to map, identify and directly influence 'moments of truth'. As marketers, we can identify when people are likely to be inspired to buy, we can detect when they seem to be researching items, and we have lots of options for how we reach and engage them during these moments before the decision is made.

Shopper marketing has largely cracked the e-commerce purchase journey in these high-involvement categories.

FMCG is different – because the key moments of truth along the path to purchase are often very subtle and can't easily be separated from other choices a shopper is making. In FMCG, the choice of retailer channel often takes priority, immediately

defining the mission and context in which shoppers choose the categories and products to fit their needs. And within retailer websites, brands have limited freedom in how they can engage and influence consumers. In that sense, things aren't so different from offline shopper marketing.

Shopper marketing's digital blind spot

In the offline environment, successful FMCG brands have highly effective shopper marketing strategies that help retailers speed up shopping and avoid shopper frustration, encouraging shoppers to spend more. Helping shoppers find what they are looking for and make intuitive choices within bricks and mortar stores produces a win-win of increased category sales for the retailer and the opportunity to grow brands' own market share. However, even brands that excel at this in the offline space are struggling to apply the same principles to online retail.

Up to now, this hasn't been too damaging. After all, even in the UK, one of the world's leading e-commerce markets, only 7.1% of grocery purchases take place online according to Kantar Worldpanel research. However, when FMCG spending shifts to digital platforms, the capability gap between offline and online shopper marketing could quickly overturn the established brand order.

A warning for established FMCG brands

In China, established multinational brands were able to lean on their experience and knowledge of merchandising and shopper behaviour to build their brands and claim market share in offline retail channels. Over the last few years however, they've seen that share rapidly eroded by small, upstart brands that play the online merchandising game better, and leverage branding opportunities such as those within Alibaba's T-Mall storefront to level the playing field. Warnings such as this signal to smart FMCG marketers that, in order to protect share, they need to find a strategy for online shopping that is as effective as their offline approaches have been in the past. But where do they look?

Can you reinvent the shopper journey?

It's tempting to try to circumvent the online retailer environment altogether and seek to construct an alternative shopper journey similar to those of high-involvement e-commerce purchases: build a compelling e-commerce site for your FMCG brand, target the moments when a shopper might be thinking of your category and claim the touchpoints on those shopper journeys as your own. There's only one problem with this approach: it doesn't reflect the way online FMCG shoppers actually shop. When was the last time you searched for kitchen foil on Google – or spent time exploring the unique qualities of different yogurts on their brand websites? Purchase decisions for these items are made in very different ways. Working with shopper behaviour, rather than fighting it, is a much better digital shopper strategy.

Shoppers will be shoppers

Our research shows that online grocery shoppers share the same fundamental motivations as their offline counterparts. They are, consciously and unconsciously, interested in saving time, money and energy. The way they balance these different shopper currencies varies according to the type of shopping mission they are on and the occasion they are buying for. What's the best way to save time, money and energy when you need to buy a lot of different groceries? Going to a store that lets you to make all of those choices in one place.

Buying FMCG categories independently, by searching for and interacting with each individual brand online, rarely fits this shopper agenda. Rather, shoppers first choose a retailer they like, where they can choose according to their priorities. The more that online shopping environment divorces the pleasant experiences of finding and choosing from the frustrating ones of searching for items, the more shoppers will spend. That's the real opportunity for both retailers and FMCG brands.

Making e-commerce touchpoints work

According to e-commerce consultancy Salmon, there are at least eight specific ways a brand can

speak to shoppers on a retailer website – and the way shoppers respond to these depends on their priorities for the category and their trip mission. We know, for instance, that the offers page is the first destination of shoppers focused on saving money, while time-conscious shoppers browse it only sometimes. Favourites lists are used in very different ways by shoppers: those prioritising energy tend to consult it at the end of their shop, just to check they haven't missed anything; those with no time to spare use it rigorously to guide their shopping experience from the start. And of course a touchpoint such as the search functionality is used very differently for each brand and category. Add in ratings and reviews, product detail pages,



Helping shoppers find what they are looking for and make intuitive choices within bricks and mortar stores produces a win-win of increased category sales for the retailer and the opportunity to grow brands' own market share. However, even brands that excel at this in the offline space are struggling to apply the same principles to online retail

checkout summaries and more – and brands have a wealth of different touchpoints to play with to curate a more satisfying shopper experience while achieving brand and category growth. Tim Rey, Head of Online Grocery at Salmon, says: "Manufacturers must take advantage of every touchpoint with the customer, deepening their relationships and maximising digital revenues. It's not about innovation for innovation's sake but rather creating the perfect blend to facilitate an excellent customer experience."

The time to build a better online shopping experience is now. We are already at the start of the next big opportunity in e-commerce. Many things will change when grocery shopping moves online – but the fundamentals of how shoppers behave will remain the same. To navigate an online future for FMCG, brands must find a way to strike the right balance between the essential shopper currencies of time, money and energy. The most effective way to do so is to work product by product, category by category, retailer by retailer – just as shopper marketing has always done. Whether online or offline, the brands that make it easy for shoppers to buy will be the brands that prosper.

Lee Smith is the Global Head of Shopper at TNS and has been studying shoppers since 1994. She works with a range of clients across global FMCG organisations and her past experience includes apparel, accessories, luxury, food and furniture retailers. **PG**





What's in a package?

There are numerous trends around sustainability in packaging globally. Reusability, eco-labels, recycled material, alternative fibre are some of them. This article highlights sustainable sourcing of the fibre, which can help retailers with their business, ensure long-term availability of material and prevent adverse environmental impact.

Packaging is becoming an increasingly important element in the sustainability quotient of a consumer product. As a result, globally, companies are increasingly looking to demonstrate the highest environmental credentials through their consumer-facing packaging to show that their products are 'responsible'. In particular, recognising the importance of raw material sourcing that is both sustainable and traceable, over the last few years McDonald'sⁱ, Dunkin' Donutsⁱⁱ and Yum! Brandsⁱⁱⁱ have all committed to zero deforestation across their global supply chains, including packaging. Similarly, major global retailers like Whole Foods and M&S Foods have made commitments to 'sustainable packaging' in their food retail segments.

Market trends reflect an increasing consumer inclination towards sustainable packaging as well. According to a recent report by Viewpoint on Future Packaging for Millennials, a majority of 'millennials' in the EU region prefer fibre-based packaging as opposed to other types of packaging and consider it to be the sustainable choice. The report further states that, in addition to enabling a retailer to keep up with evolving consumer preferences, fibre-based packaging can also facilitate rationalized in-store handling, higher shelf-space utilization, efficient recycling and opens up new pricing opportunities for a retailer's business.^{iv} This is important for Indian retailers to consider because, according to a study titled 'Engaging Tomorrow's Consumers' by the World Economic Forum, the rising urban, Asian, middle class 'millennials' (like those in India



Clothing retailers like H&M, Zara and Mango have FSC certified paper bags globally, including in India

and China) present a particularly strong business opportunity because of their wealth, attitudes and behavior. Of the 1.7 billion millennials globally, 61% live in Asia and 37% live in either India or China.^v There is a clear case for retailers to use sustainable packaging as a means to differentiate their products and engage this growing consumer segment around responsible consumption.

There is also a strong environmental and social case - irresponsible sourcing of forest-based fibre used in the manufacture of packaging can have particularly adverse impacts on ecologically significant areas, not just domestically, but particularly in the tropical forests of South East Asia. One way for companies to mitigate these supply chain impacts is by choosing to source packaging materials derived from sustainably managed forests. It is here that Forest Stewardship Council (FSC), the leading forestry and supply chain certification, through its high standards of responsible forestry, ensures environmentally appropriate, economically viable and socially beneficial solutions for packaging supplies. The FSC system ensures that wood and paper products come from, and are traceable to, responsibly managed forests and verified recycled sources. Furthermore, it offers the advantage of using the FSC logo to enhance one's brand, avoid reputational risks and differentiate one's products. It can also be a vital key to long term business success, because it ensures - legal supply of material sourced in an environmentally and socially responsible manner at the plantation level.



FSC certified packaging in retail

How to get started

For Indian brands and retailers, developing responsible sourcing practices in packaging can be achieved through a progressive, step-wise approach:

- Developing a publicly available responsible sourcing policy linked to FSC
- Implementing processes to ensure the implementation of a responsible packaging policy
- Publicly disclosing targets and annual third-party verified progress

In addition to improving their own business, companies can also act as change agents and engage customers to raise awareness through new avenues of managing the re-use and recycling of packaging. Such initiatives can also increase a retailer's access to 'ethical' consumer segments, and can also result in savings for the retailer. For instance, IKEA encourages customers to recycle and reuse products when they are no longer wanted. Many of their stores offer opportunities for customers to return and sort waste for recycling. They have also started investigating the opportunities for full recyclability of different materials used in IKEA products, and how cyclic systems can save scarce natural resources and reduce waste to landfill.^{vi} The relaxing of Foreign Direct Investment in single brand retail by the Indian Government^{vii} and stricter solid waste management regulations might see more of these innovations taking hold locally. Certainly, there are advantages to be gained in terms of cost reduction, risk mitigation, customer engagement and brand enhancement from taking a responsible approach to packaging. **PG**

Companies can also act as change agents and engage customers to raise awareness through new avenues of managing the re-use and recycling of packaging. Such initiatives can also increase a retailer's access to 'ethical' consumer segments, and can also result in savings for the retailer

Rebecca Aranha and Ann Elizabeth Jose Sustainable Business at WWF-India raaranha@wwfindia.net

ⁱ <http://www.aboutmcdonalds.com/mcd/sustainability/sourcing/priority-products.html>

ⁱⁱ <http://www.dunkinbrands.com/responsibility/our-planet>

ⁱⁱⁱ <http://www.yumcsr.com/environment/sustainable-packaging.asp>

^{iv} Future packaging for millennials, Viewpoint, http://assets.storaenso.com/se/renewablepackaging/Documents/Viewpoint_Future%20Packaging%20for%20the%20Millennials_EN_Low%20Res.pdf

^v http://www3.weforum.org/docs/WEF_RC_EngagingTomorrowsConsumer_Report_2013.pdf

^{vi} http://www.ikea.com/ms/en_KW/pdf/sustainability_report/group_approach_sustainability_fy11.pdf

^{vii} https://www.google.co.in/search?q=fdi+in+retail+india&ie=utf-8&oe=utf-8&client=firefox-b-ab&gfe_rd=cr&cei=hIxiV_7oMNGuWt455_IBA

How to make money from grocery promotions

Discounting and repeated promotion campaigns hurt the retailer as well as the manufacturer / service provider with uncertain outcomes around consumer loyalty. What can retailers do in order that they manage this difficult and oftentimes contradictory landscape?

By Sivaramakrishnan Narayanan



In India, we are witness to online marketplaces discounting and running sales promotion round the year. However, the competitive discounting and promotion cycles have taken the wind out of both the online marketplaces as well as offline retail stores.

Urban Indian consumers have voted with their feet and thronged online marketplaces while footfalls in offline retail outlets have shown a sharp decline especially during large festivals like Diwali. Some studies in the UK have shown that up to 58 per cent of UK grocery promotions – across 200 retail categories – are not making any money for FMCG brands as the supermarket price was continue to put pressure on suppliers to discount products. A recently leaked report puts Uber's

marketing expenses at \$541 million for an 18-month period starting in early 2014, with promotions and price rebates alone costing \$129 million.

Clearly, discounting and repeated promotion campaigns hurt the retailer as well as the manufacturer / service provider with uncertain outcomes around consumer loyalty. What can retailers do in order that they manage this difficult and oftentimes contradictory landscape?

Spark consumers' interest

The normally applied principle on promotions is that once the consumer has tried the product or service, she is inclined to continue using the same. It is important to provide her the best possible experience so that the buying behaviour is sustained.

Companies today use either discounts or philanthropic objectives as part of their short term promotion policies in order to spark the consumer's interest. Will she be interested in a discount on her next purchase or will the company automatically trigger a donation to her favourite charity on every purchase? These principles have been rarely, if ever, tested with rigorous experimentation and results.

A small field experiment conducted by INSEAD reveals some interesting insights.

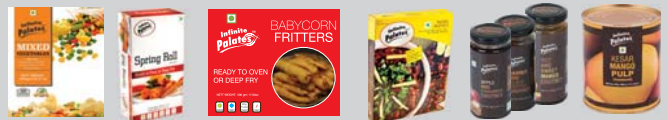
- INSEAD recently executed a “field experiment” to study promotion take-up and subsequent taxi booking behaviour among groups of randomly selected customers that were sent different kinds of promotions⁴. The findings suggest the need to temper the expectations regarding what short-term promotions can achieve.
- Customers within each “treated” group received a text message containing a promotional code, different for different groups and valid for five days in all cases.
- Some of the customer groups received promotions whose redemption triggered a donation from the taxi company (at no extra cost to the passenger) to a relief fund for the 2015 Nepal earthquake (a later round of promotional texts used Singapore Cancer Society as the recipient to see whether a local charity would draw more participation). Several versions of the text message were sent, each stating a different donation amount from SGD 1 to 10. All redeemed donations were indeed furnished to the charities.
- Other customer groups got text messages with promotion codes good for a discount of up to SGD 10 off their next ride. INSEAD tracked not only how many customers took advantage of the promotions but also whether there was any discernible change in their purchases compared to their prior booking history, as well as those of a “control group” not receiving any promotions.
- On the whole, only about one per cent of the entire sample group took up any of the offers - not too unusual for take-up rates of SMS-based promotions.



OUR FRESH IDEAS WITH GREAT TASTE FOR YOUR SUPER CONVENIENCE

Infinite TM Palates

Ready to Eat | Frozen Veg. Snacks
IQF Vegetables | Mini Meals
Cooking Bases and Gravies
Exotic Jams and Chutneys
Mango Pulp | Jain Food



www.infinitepalates.com

[/infinitepalates](https://www.facebook.com/infinitepalates)

For trade enquiries [t +91 9821894303](tel:+919821894303)

[e info@infinitepalates.com](mailto:info@infinitepalates.com)

Available across modern retail and online portals



INFINITE PALATES EXPORTS PVT LTD

Unit No 121, Bldg No 17, Samhita Complex, Saki Naka,
Andheri (E), Mumbai 400072. India



What can retailers do to improve the outcome of their promotions? Not unlike other aspects of retail planning, promotions should be demand-driven and an important part of a retailer's go-to-market strategy

What is perhaps more interesting is that the discount-linked promotions were redeemed at rates an order of magnitude greater than philanthropic ones of the corresponding amounts.

- When the INSEAD researchers compared promotional participation to the company's pre-existing purchase data, they found that the promotions typically spurred extra bookings over and above those that would have been placed anyway. However, this effect did not persist and there was little evidence of a net increase in non-promotional bookings following a promotion.
- Most intriguingly, the researchers found that participation in charity-linked promotions should be less sensitive to dollar amounts, compared to discount-linked promotions. The participation rate for the SGD10 donation was only double the SGD1 donation's rate, while the SGD10 discount had 3.6 times as many redemptions as the SGD1 discount.
- Surprisingly, they found that even charity-linked promotions did not lead to increased taxi booking frequency in the weeks immediately following the promotion. Instead, just as with the discounts, the only significant difference in activity between the groups receiving a promotion and the control group was in the promotional ride itself.

The takeaway from this and other similar experiments is that one of the objectives of the promotion campaign – spark the customer's interest – is met. Ad-hoc promotions – that don't correlate with the retailer's positioning and strategy don't deliver against customer loyalty. However, the larger objective of sustaining the consumer's interest is still not addressed adequately.

There is an abundance of literature available today on planning, timing, launch, duration, structuring and closure of promotion in the Indian retail industry. There is very little information available by way of correlating promotions and outcomes – which is a much more difficult problem to resolve. As in all other similar business problems, technology provides some direction.

Capturing consumers through technology

Until recently, most retailers were focused on bringing systems on board that could help them with more critical aspects of planning – such as merchandising and inventory management.

Spreadsheets still serve as the tool of choice to help retailers create and execute promotional events and campaigns. Planning promotions in this manner has always been complex and an inexact science, but adding new online and social selling channels – such as Facebook, Twitter, Groupon, Dealfind and many more – to the mix of more traditional methods like television and email has made this approach nearly impossible.

What can retailers do to improve the outcome of their promotions? Retailers today have the technology at their disposal to:

- Analyse how promotions performed in the past
- Take the cost of launching and sustaining promotions into consideration systematically
- Integrate promotional data into product assortments
- Identify customer demographics based on offtake



America's Favourite Food Brand

Imported By: Suresh Kumar & Co. (Impex) Pvt. Ltd. A-17, Mukherjee Nagar, Delhi - 110009, India . Customer Care # 01127004000 . Email : info@skco.in

Join Us : www.facebook.com/abbiesfood



One of the tried and tested techniques in the retail industry is to offer a loyalty programme based on a promotional launch

- Integrate technologies pertaining to Geo Location Identification into the promotion
- Make better pricing decisions
- Align supply chains and replenishment execution

Taken together, the above span the entire spectrum of the consumer purchase cycle – from interest to buying and post purchase to loyalty. While technology provides an end-to-end solution, such a choice is rarely correct. Managers in the retail industry need to identify the specific issues with respect to promotions, establish the business response that they would like to provide to their customers and act on this agenda.

Rewarding the consumer for her loyalty

One of the tried and tested techniques in the retail industry is to offer a loyalty programme based on a promotional launch. Credit card companies have perfected the art of offering a “zero subscription” credit card that accrues points at higher rates if the consumer uses their card. However, it is now widely accepted in the retail industry that the efficacy of such loyalty programmes are unclear.

Greater understanding of loyalty programme effectiveness demands a broader framework for analysing loyalty programme performance, along three key perspectives.

- a customer portfolio perspective can indicate the loyalty programme’s opposing effects on target versus bystander customers;
- a reward element perspective delineates the varying efficacy of its different reward benefits;
- a reward delivery perspective highlights how reward delivery either emphasises or diminishes the programme’s effects.

Typically the parameters that affect loyalty programme outcomes are:

- Customer gratitude, status, and unfairness represent positive and negative forces, mediating the loyalty programme’s impact on performance outcomes.

In three studies—two experimental and one field—the results provide important insights for managers of loyalty programmes.

- First, findings underscore the importance of a customer portfolio perspective. For example, in an airline context with free services granted to target customers, at a ratio of 13 or more bystanders to 1 target, the bystander losses outweigh the target customer’s profits.
- Second, findings demonstrate the importance of a reward element perspective. For example, in a typical airline loyalty programme, although free services exert a strong positive effect on target customers, they affect bystanders only slightly negatively. Priority boarding instead confronts managers with a tough trade-off: It positively affects targets but strongly negatively affects bystanders.



- Third, findings reinforce the importance of a reward delivery perspective. For example, clearly communicating the rules of a loyalty programme helps decrease bystander customer perceptions of unfairness, but at the same time, it reduces the level of target customer gratitude.

Get more from your promotions

While promotions and discounts are an integral part of life in the retail industry, sustainability over the longer term has been a matter of debate for several years. In the days ahead, a more systematic approach to create targeted promotions using consumer data, buying behaviour and aligned organisational infrastructure can create sustainable advantages for the retailers adopting these practices into their operations strategy.

Technology provides some levers to answer the age-old questions in retail – what does my customer want? However, the planning and usage of these tools is still in the hands of the managers in the industry. **PG**

The writer is Managing Principal – India Operations, CGN Global





ASSURING PURITY

NATUREWAY ORGANIC FRESH

Your farm to fork range of organic products



For further information please contact us at - 033-65457155, +91-9903024935
naturewayagro@gmail.com
34, Allenby Road, Kolkata - 700 020, West Bengal, India.

They're Good for You

At long last, avocados get the official nod for nutritional excellence

By Jennifer Strailey

Avocados made headlines last month, when the Food & Drug Administration (FDA) announced it would redefine “healthy” to include good-for-you foods such as avocados, salmon and almonds, which were previously considered too high in fat to meet its criteria.

“It’s huge – I think it will change the industry dramatically,” exclaims Rick Joyal, national sales manager for Calavo Salsa Lisa and specialty products, with regard to the FDA’s decision to update its guidelines for the first time since the 1990s. “I still have nutritionists approach me at trade shows and say that they try to keep their customers away from fats, including avocados.”

In fact, avocados contain “good” fats – both monounsaturated and polyunsaturated – which can lower “bad” cholesterol levels and have proved beneficial when consumed in moderation.

While Joyal notes that FDA’s redefinition will take several years to finalize, the message that avocados are part of a healthy diet is finally going mainstream.

Santa Paula, Calif.-based Calavo Growers Inc. offers a number of new products that play to the health message. It recently launched 2-ounce portion-controlled cups of 90-calorie guacamole. “Two ounces is really that sweet spot,” asserts Joyal. “It’s enough for a sandwich or a snack.”

“Labeling avocados as healthy is a very positive step,” affirms Robb Bertels, VP of marketing for Mission Produce Inc., in Oxnard, Calif. “The consumer perception and understanding of avocados is at a very high point right now, and this will help to maintain the momentum.”



‘Beyond guacamole’

In addition to the health message, Mission is equally invested in communicating the versatility of avocados.

“Core, heavy users of avocados know about the many uses of the product – from avocado toast for breakfast, to salads, to use on sandwiches, and, of course, as guacamole,” notes Bertels. “As the perception of avocados as a healthy fruit continues to grow, we feel that nonusers will try avocados, and light and medium users will move up the scale and expand their use beyond guacamole.”

At West Pak Avocado, in Murrieta, Calif., communicating versatility also means offering the consumer options. “We have made considerable investments in our bagging technology in the last several years,” says Marketing Manager George Henderson. “With this investment, it gives us a wide range of flexibility to be on the front end of emerging demographics and merchandising trends with our new product and consumer packaging offerings.”

Ripe and ready sell

“Ripeness is critical to winning over customers with avocados, from coast to coast,” observes Bertels.

To that end, Mission’s goal is to offer ripe and ready avocados to its retail partners and consumers on a year-round basis by sourcing from multiple

growing regions, including California, Mexico, Peru and Chile.

“We also recommend merchandising multicount bags in addition to bulk,” suggests Bertels. “This gives consumers a choice in sizing and level of ripeness. As long as the displays are well stocked and maintained, that choice always equals higher velocity through the department.”

California calling

About 90 percent of the nation’s avocado supply comes from California. This year’s crop is estimated at about 390 million pounds – about 40 percent larger than last year’s – with availability from March through September.

To strengthen the connection between avocados and the Golden State in this year of abundance, the California Avocado Commission (CAC) has launched a vibrant marketing campaign.

“It builds on the groundbreaking California avocado grower campaign, communicating that California avocados aren’t just made in California, but made of California,” says Jan DeLyser, VP marketing for CAC, in Irvine, Calif.

The campaign features a new theme, California by Nature, supported by consumer advertising, including traditional broadcast and in-store radio and print ads, as well as social media and digital marketing. CAC is also working with chefs, bloggers and dietitians to encourage consumption of California avocados.

On the retail front, CAC is providing display bins that complement the new advertising creative. DeLyser notes that the commission’s retail marketing directors are also working with retail partners on customized marketing programs featuring California avocados.

At this point, avocados have been a hot item in fresh produce for a number of years. Where does the industry go from here?

“There is absolutely room for continued growth in avocado consumption, both in the U.S. and worldwide,” asserts DeLyser, who points to a recent IRI FreshLook household panel data study indicating that only 42 percent of U.S. households outside of California purchase avocados from retailers.

“That leaves more than half of the potential audience untapped,” notes DeLyser. “In California,



Labeling avocados as healthy is a very positive step. The consumer perception and understanding of avocados is at a very high point right now, and this will help to maintain the momentum

— Robb Bertels
Mission Produce

INMOULDLABEL



INDUCTION SEALING WADS



HEAT TRANSFER LABEL



SHRINK SLEEVES



PLASTIC & PAPER LABELS



SECURITY HOLOGRAM



An ISO 9001:2008 Certified Company



PROTECTS THE VALUED

ASLO AVAILABLE: BARCODE LABELS, LIQUOR LABELS, BOPP TAPES, VARIABLE DATA QRLABELS, PROMOTIONAL FREEBIES & MANY MORE



PB Holotech

CB-1, Saltlake City, Kolkata - 700 064, India
P: + 91 33 2358 0400/0500, 3290 2654; F: + 91 83025 42633; Email : info@labelholograms.com / brijesh@labelholograms.com
Toll Free : 1800 120 2030

during California avocado season, retail household penetration is much higher (66 percent), but there's still room to convert more consumers here to become avocado lovers."

When it comes to merchandising that sells, DeLyser affirms that a dedicated ripe avocado program is of the utmost importance, but promoting origin also plays a role.

"Consumers look to retailers for information about the product seasonality and origin," she adds. "Signage that calls out locally grown, or the California origin in season, provides the information consumers are looking for."

In celebration of the California-grown avocado, Mission has created a California-specific bag strap. "Part of the initiative is to help highlight the California crop, and to also tie in with our California PLU labels," explains Bertels. "We have specific customers that want to call out California on the packaging, and even though we are a global supplier, this gives us the opportunity to promote the crop for our grower base and our home base in California."



California avocados aren't just made in California, but made of California

— Jan DeLyser
California Avocado Commission

Persuing Peru

Building on its campaign as the Summer Avocado, the Peruvian Avocado Commission (PAC), has planned an extensive menu of promotions for the season, which runs from June through September, featuring tagged radio and Pandora ads, and in-store demos.

PAC expects Peru to export approximately 100 million pounds of avocados to the United States in 2016, as it did last year. With sizzling summertime recipes, promotions and events, the fruit is sure to sell out.

"Walmart will be doing several radio-supported tasting events this summer," notes Xavier Equihua, president and CEO of Washington, D.C.-based PAC.

In one event, customers will taste an avocado smoothie made with Avocados From Peru.

Equihua sees continued growth in the avocado category. "In our opinion, the primary reason for the unprecedented growth is simple: Hass avocados taste great and are extremely versatile, as they can be used in all kinds of recipes," he says.

To promote this versatility, Avocados From Peru is once again offering its cookbook, "Cooking with Avocados From Peru," as a free download via its website www.avocadosfromperu.com. For more inspiration and retail support, grocers can visit the Retail Marketing Support section of its website.

To the Mex

Meanwhile, Dallas-based Avocados From Mexico (AFM) creates compelling campaigns that increase avocado consumption each year.

This past year, its promotions surrounding the Super Bowl and Cinco de Mayo both met with success. "The Big Game is the No. 1 occasion where avocados are served, and Avocados from Mexico's



goal is to own this occasion both in-store and out of store," asserts Stephanie Bazan, AFM market development director.

AFM is currently rolling out its Grills Gone Loco summer promotion in partnership with Heineken/Tecate in an effort to leverage the peak season for outdoor barbecues and picnics. The promotion includes cross-merchandising, a joint savings offer, and recipe inspiration on AFM social/digital platforms.

For the back-to-school occasion, AFM plans to introduce its first shopper marketing program. "This program will be focused on nutritious breakfasts, encouraging moms to add avocados to their children's morning-time meals," notes Bazan. AFM will team with the Produce Marketing Association's Eat Brighter! campaign, featuring "Sesame Street" characters, for this promotion, which will include displays and a money-savings offer.

Social media sensation

"We can say that, without a doubt, 'avocado' is a hot topic in the social media conversation right now, and that applies to all social platforms," says Iyonne Kinser, AFM director of digital marketing. "However, the style, tone and form of the avocado conversation vary from one platform to the other."

She points to Instagram as the preferred platform for foodies, health-and-wellness enthusiasts and food industry professionals. On the other hand, AFM's Facebook audience is hungry for avocado recipes. They're also more receptive to AFM's brand messages, such as origin, freshness and year-long availability.

"Twitter is the preferred platform to share quick avo tips, and to amplify all the campaigns we deploy in digital as well as offline," explains Kinser. "Pinterest is key to provide avocado lovers with a broad array of avocado recipes that they can easily add to their recipe collections." PG

BORN IN
SPAIN.
ADMIRED
ALL OVER
THE
WORLD.



*Look for
the logo!*



RAFAEL NADAL, SPANISH TENNIS PLAYER.



olivesfromspain.in

f olivesfromspainindia

ig olivesfromspainindia





Merry days ahead!

Bareilly-based retailer, Marya Day is not just another new arrival on the Indian food and grocery retail landscape. It is promoted by Marya Day Agro Foods, a leading producer, distributor and exporter of food, personal care and homecare products, with notable domestic and overseas presence. The chain has made its debut in June 2016, and opened four stores in Aligarh and Bareilly in quick succession. Stocking only its own brand, Marya Day is looking to have 100 stores by the end of next year.



Dr. Talha Chishti
Director, Marya Day
Agro Foods Pvt. Ltd.

By Namita Bhagat



Established in 2007 in Bareilly (Uttar Pradesh), Marya Frozen Agro Foods Pvt. Ltd. (MFAF) is a leading government-recognised export house specialising in processing, supplying, wholesaling retailing and exporting of frozen “halal” meat and other meat products. Its distribution network spans pan-India besides having an international footprint across the Middle East, Africa and European nations. The company forayed into the fast-moving consumer goods (FMCG) sector in 2015 by setting up its subsidiary, Marya Day Agro Foods Pvt. Ltd. (MDAF). In a short span of operations, MDAF has gained high reputation as a producer and exporter of a quality range of food, personal care and homecare products. Manufactured under the umbrella brand, ‘Marya Day’, it churns out almost 2,000 products from its own avant-garde production facilities located in Bareilly and Noida. Distributed in 19 states across India, these products have also made their mark in the overseas markets.

Dr. Talha Chishti, Director, Marya Day Agro Foods Pvt. Ltd, states, “We are inspired by the fact that being a developing country like India, all the citizens of our country have a right to consume pure products. So we were struck by the idea of making products which are pure, hygienic and un-adulterated. Hence, Marya Day Agro Foods was conceptualised. Marya Day as a brand is well-renowned in the international market for its varied range of products in the frozen food segment.” During the financial



year 2015-16, MDAF clocked a turnover of about Rs. 1,500 crore. Noticeably, food category represents the bulk share of its total revenues.

Stepping into retail

To capitalise on its success in FMCG manufacturing and exports, MDAF decided to enter the retail business as the next logical step. The idea finally culminated into 'Marya Day', its retail store chain, which has been launched recently. "Our first store was launched in Aligarh on 4th June, 2016. The second store was rolled out in Bareilly a day later on 5th June. Two other stores were opened on the same day in Bareilly. We are primarily targeting different cities of Uttar Pradesh and Uttarakhand. However, we will not limit ourselves to just these two states and will extend our presence in other business friendly states as well," Chishti informs.

All four stores vary in size and together they account for approximately 15,000 square feet of area. Importantly, the stores will stock the company's own brand products only. Says Chishti, "No, we would not be keeping other brand products in our company-owned outlets. We expect to cater to the Indian market through our own brand."



The strategy: 'test and thrive'

From among various modern retail formats such as multi-brand outlet (MBO), exclusive brand outlet (EBO) and shop-in-shop (SIS), Marya Day finds EBO the most suitable to its retail strategy. The format would ensure a greater control over product assortment, pricing, margins, etc., and above all will help the brand deliver its promise – 'quality products with best prices'. "We have analysed the market dynamics and will penetrate the traditional markets using orthodox methods to engage the end consumer. We are focusing on becoming the biggest single brand exclusive outlet for native products," avers Chishti.

Referring to the product SKUs on shelves at Marya Day stores, he clarifies that they want to test the markets first and then launch the SKUs accordingly to cater the live demands of the people. "However, in order to test the markets, we have used the commonly used SKUs such as dal (pulses), cooking oil, tea/coffee, snacks, bathing soap, dishwasher soap and phenyl and some other products," informs Chishti.

He further apprises that the store design and ambience has been kept simple and uncomplicated, "We believe in minimalistic designs and so the maximum space has been dedicated to get a simple layout for the stores." Talking about the store staff training, he shares that the company is fairly-focused on training its employees at every level – be it at the corporate level or at store level. They are also working towards strengthening their employee training programme by taking suggestions from technicians and experts from various consultant companies.

Operational nitty gritty

MDAF operations comprise three different verticals: general distribution, HoReCa and institutional supplies and now own retail stores, and therefore, the company has put together a robust supply chain and logistics mechanism for all the three verticals. As regards the back-end, Chishti notifies that

To capitalise on its success in FMCG manufacturing and exports, MDAF decided to enter the retail business as the next logical step. The idea finally culminated into 'Marya Day', its retail store chain, which has been launched recently. All four stores vary in size and together they account for approximately 15,000 square feet of area. Importantly, the stores will stock the company's own brand products only



below-the-line (BTL) to digital and social. “We are focusing equally on all of them and doing 360 degree marketing to reach out to our target customers,” shares Chishti. The brand has roped in Bollywood actor Neil Nitin Mukesh as its brand ambassador for its premium blended tea, green tea and coffee. As far as the BTL activities are concerned, the brand participates in various trade exhibitions to showcase its products to further expand its B2B network in India and abroad.

As per Chishti, “We have actively taken part in events like Mumbai food festival, Thailand food festival and Kumbh Mela in Haridwar and are looking forward to many more in the coming year. For customer engagement, in addition to various other initiatives, the company as well has plans to start a loyalty program in the near future.

The retailer is looking forward to expand its retail presence in different parts India. It plans to open 100 stores by the end of next year. Apart from own exclusive outlets, the company is also mulling to showcase its range of products in modern retail chains like Future Group-owned Big Bazaar and others



the company has implemented the supply chain solutions best suited to its retail model as of now and is focusing its energy into strengthening the core processes. “We do not believe in needlessly augmenting the processes and then streamlining them later. We also have a strategic alliance with marketing agencies to look after the retailing processes. It’s a 3rd party service, but we make sure that proper check and balances are maintained during the processes,” he elucidates.

Like any modern retail business, Marya Day is also leveraging the technology to enhance its operational efficiency. For instance, an ERP system has been implemented to take care of inventory management.

Marketing approach

The company’s marketing and promotion strategy involves everything, from above-the-line (ATL) and

Competitive approach

FMCG retail is a challenging sector and is fiercely competitive. Chishti acknowledges and elaborates on their strategy to endure the competition and flourish. “As far as modern and traditional players are concerned, we have a planned strategy to compete with them. Our high quality standards give us a certain edge in traditional market. Also, our state-of-the-art mother warehouse will ensure the quality standards. Moreover, as our primary focus is pure quality products, therefore, profit maximisation is obviously overruled that will also increase the overall customer satisfaction. For our modern retail division, our advantage is that unlike many other modern players, we have our own in-house products. Since, we do not stock any other brands but our own in our outlets; the customers will not get confused. This will also help us generate a strong brand recall among the target audience and maintain the standards.”

What lies ahead?

With plans to shore up its international distribution, Marya Day Agro Foods is as well looking to deepen its Indian distribution network in the times to come. The company is targeting a turnover of Rs. 100 crore by the end of 2017 from the home market.

Regarding Marya Day store expansion strategy, Chishti says, “We are looking forward to expand our retail presence in different parts India. We plan to open 100 stores by the end of next year.” Apart from own exclusive outlets, the company is also mulling to showcase its range of products in modern retail chains like Future Group-owned Big Bazaar and others.

On going the e-commerce way, he remarks, “Yes, we would like to explore the e-commerce route, but the plan is not so immediate! As of now, we are working on strengthening our supply chain and widening our customer base. **PG**



- Your naturally tasty -



CHEESE UP
YOUR DAY



Fortune
GOURMET SPECIALITIES PVT. LTD.
Mumbai | Delhi | Bangalore | Goa | Hyderabad | Pune | Kolkata | Jaipur | Chennai | Bhopal

HEAD OFFICE

MUMBAI: 107, Adhayaru Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai – 400013 ☎ +91 22 66669445 ✉ sales@fortunegourmet.com

BRANCH OFFICE

DELHI: ☎ +91 11 65642270 ✉ delhi@fortunegourmet.com

BANGALORE: ☎ +91 80 22716017 ✉ bangalore@fortunegourmet.com

GOA: ☎ +91 832 6483543 ✉ goa@fortunegourmet.com

PUNE: ☎ +91 20 26165383/85 ✉ jamesmith@vsnl.net

KOLKATA: ☎ +91 9830465492 ✉ kolkatta@fortunegourmet.com

HYDERABAD: ☎ +91 40 69994489 ✉ hyderabad@fortunegourmet.com

CHENNAI: ☎ +91 44 42041404 ✉ chennai@fortunegourmet.com

RAJASTHAN: ☎ +91 141 6410002 ✉ rajasthan@fortunegourmet.com

Fortune has an additional distributor network in multiple cities not mentioned above.

FortuneGourmet.com

Finding the sweet spot in confectionery retail

Progressive Grocer touches down on a store chain that follows a model of retail that is appropriately sui generis. Located near the hill towns of Mahabaleshwar and Panchgani in Maharashtra, Mapro Garden look at itself as a family destination store for holidaying visitors. It treats shoppers as family guests who should go back with happy memories associated with the place, and takes prides in its obsession with customer and brand engagement instead of sales.

By Sanjay Kumar



Nikunj Vora
Mapro Garden
Mahabaleshwar



If you are from north India, it is quite likely that you will raise a questioning eyebrow on hearing the name 'Mapro Garden'. But in the Western Ghats range of India and in and around the hill regions of Satara in Maharashtra, Mapro Garden is a familiar name and sight. Mapro is shorthand for Mahabaleshwar products, and the Mapro Garden park is nestled in the hill station of Panchgani and located close to Mahabaleshwar, which is famous for its strawberry produce as well as for being a popular tourist destination. Mahabaleshwar contributes 85 per cent of the total strawberry produce in India, of which about 80 per cent is consumed fresh. Once in Mahabaleshwar, you cannot afford to miss Mapro Garden where you can catch the strawberries in bloom during the season along with a variety of orchids. The Mapro Strawberry Festival, held every year in early April, has become a signature attraction of the region, attracting thousands of visitors from far and near.

Visitors to Mapro Garden do not tire of taking in the sights and sounds and feasting on strawberries. The campus is spread across two acres of picturesque land, lush with greenery, plants and flowers. The campus houses Mapro Foods, a chocolate factory, and an auditorium to showcase informative short films about fruits, chocolates and some other Mapro products. Mapro Foods makes fruit-based products, and was founded more than 50 years ago. The factory spans an area of nine lakh sq. ft. and produces a range of Mapro products: jams, jellies, squashes and crushes, apart from also manufacturing products for the likes of Café Coffee Day, Betty Crocker, General Mills, Walls, Pilsbury and Kissan. The campus also houses a few retail sales counters – Mapro Stores – and two snug and cosy restaurants. While the Mapro Stores sell best quality

and locally produced syrups and jams, jelly candy, juices and crushes, the restaurants too are a big draw and attract hordes of tourists to its lip-smacking, wood fire pizza and grilled veg. sandwich, which are made with organic ingredients freshly sourced from Mapro farms. Other than the healthy snacks, scrumptious ice-creams and cold drinks are also available at its dining outlets. Then there's a bakery, clean washrooms and plenty of greenery and flowers where guests can shoot the breeze and snap pictures. There's plenty of other activities to indulge in for kids and grown ups alike. Even the elderly and differently-abled can move around the garden campus easily, thanks to wheelchair access throughout the campus.

When Progressive Grocer caught up with Nikunj Vora, the grandson of Mapro Garden's owner Mayur Vora, the place looked like a postcard-perfect picture of a pastoral paradise teeming with happy people and radiant faces. An average 5,000 odd visitors come to Mapro Garden every day, and the number climbs upwards of 20,000 during the peak season from March to May. Amidst the cheerful atmosphere of the place, we sit down to talk about the uniqueness of Mapro Garden and its food production and retail business. "As a company based in the Mahabaleshwar region, Mapro products have been associated with strawberry, and all strawberry-related products are in high demand. Customers are also usually looking for 'what's new'. Since all our stores are single company outlets, and are the primary consumer touchpoint for our brands, we ensure priority service to all our stores. Our stores typically act as catalysts for expanding our trade presence in the surrounding areas as well," says Nikunj who believes that Mapro stores are places for guests to relax. "We do not push sales, instead we provide demand-based assistance in the form of sampling, advice on where and how to use products,

Mapro produces jams, jellies, squashes and crushes, apart from also manufacturing products for the likes of Café Coffee Day, Betty Crocker, General Mills, Walls, Pilsbury and Kissan

The primary aim of our stores is not sales but customer and brand engagement: Nikunj Vora

Please share the growth journey of Mapro Garden over the years?

Mapro Garden started in the 1980s as an extension of the Mapro Foods factory, where guests could come to see the production of jams and syrups. As a service to these guests, we started serving ice-cream, and realised that families had started to treasure the relaxed atmosphere that Mapro Garden had to offer. This led us to think about what we could do to enhance guests' experience, and we started serving freshly made sandwiches and pizzas with organic ingredients freshly sourced from our farms. We must have done something right, because over the years we have seen exponential growth in the number of visitors. Today, Mapro Garden has become an iconic holiday destination in this region.

Which are the differentiators for your stores that put you apart from the other retail players?

The primary aim of our stores is not sales but customer and brand engagement, which differentiates us from other retail destinations.

What is the typical customer profile at your Mapro Garden stores?

We are mostly a family destination. Mapro Garden attracts families on a holiday in Mahabaleshwar. Our average customers only return every 2-3 years or so. So more than looking at them as customers, we look at them as guests who should go back with happy memories associated with Mapro.

Which are the product categories available at your stores?

Our top categories are confectionery and liquid concentrates.

How do you ensure quality/value/price for consumers?

We strive to give our consumers only the quality that we would consume ourselves, and this core value ensures that we provide the right quality and value equation.

As a manufacturer and retailer, what has been your valuable learnings and experience?

Listen to your consumer – he/ she is always right. Don't compromise on quality or quantity.

Which can be the areas of collaboration between producers and retailers?

Food producers and brands have to partner with retailers and support them with promotions, sampling and displays, which in effect helps both to grow and service the customer better.

What is your roadmap for the future?

We are looking at growing our presence in holiday destinations through our own stores, and expanding to other areas through trade push.



etc. The consistent superior quality and value of our products leads to consumer loyalty.”

“Our aim is to make Mapro the most respected fruit brand in the country in the years ahead,” says Nikunj, adding that “we run on a very simple

philosophy that we want to make people happy – be it families who are visiting us or our suppliers or our employees.” This simple philosophy, followed in all earnestness and honesty by the promoters and employees of Mapro Garden has helped put together all elements of the ecosystem necessary to the smooth conduct and running of a well maintained production, point-of-sale, entertainment and retail hub. The Mapro management is constantly on the lookout for new ideas, new products, new experiences, which can enhance the visitor experience at Mapro Garden, and keep experimenting and implementing things that have proved successful at the other Mapro locations as well. Mapro currently has seven self-owned and 25 stores under management, all within western India, which is its biggest market. “Our other stores are in the high footfall pedestrian traffic areas, and they are our company managed retail outlets,” informs Nikunj. He adds: “We look at Mapro stores as a vehicle to create positive associations with our brands. We, therefore, look for locations where



" Proud to be a catalyst of change for today's generation and to encourage them to embrace natural and healthy food products"

- Ravichandran Ashwin
Global Brand Ambassador
Manna Foods India



ONLY PIONEERS CAN BRING DECADES OF TRUST



OLIVE OIL PICKLES



THE ALL NATURAL HEALTHMIX



PREMIUM DRY FRUITS



UNPOLISHED ETHNIC MILLETS

INTRODUCING **Smart Kitchen** RANGE FOR THE **smarter you!**

CUT PUT & ENJOY



AVAILABLE ON ALL STORES NEAR YOU

BUY OUR PRODUCTS ONLINE @ www.mannahealthstore.com

www.mannafoods.in | info@mannafoods.in | [www.fb.com / mannafoodsindia](http://www.fb.com/mannafoodsindia)



ASIA
FRUIT
LOGISTICA

together
with
同期举办

ASIAFRUIT
CONGRESS

Asia's fresh
produce
trading hub

AsiaWorld-
Expo,
Hong Kong

亚洲新鲜
果蔬行业
贸易中心

2016年9月
7-9日

中国香港
亚洲国际
博览馆

7-9 September 2016
**ASIA FRUIT
LOGISTICA**

www.asiafruitlogistica.com

SCS Agribusiness Consultants Pvt. Ltd.
651 Pace City-II · Sector 37 · 122004 Gurgaon · New Delhi
Tel +91 (124) 434 4500 · Fax +91 (124) 434 4501
flb@scs-group.com



families are relatively free and can spend a relaxed time without having any particular agenda.”

On the production front, Mapro has been steadily increasing the capacity over the years. Currently, it runs four plants located in Wai, Panchgani, Gureghar and Baramati with a combined capacity of 250 MT per day. The plants produce a range of products from liquid concentrates to jams to chocolates and confectionery, among others. “Our top categories are confectionery and liquid concentrates. As discretionary income in India continues to rise, and the emerging middle class aspires to consume more and different products, we see a good growth for all our product categories,” says Nikunj, mentioning that confectionery alone is a \$2 billion industry and growing rapidly in India, so there is enough room for everyone to grow. Ask him about the scope of the confectionery category from a retailer’s perspective and he replies: “Retailers are smart businessmen who run efficient businesses with limited space. They are very good at maximising their returns, and have a good handle on the consumer pulse. The fact that confectionery is growing faster than many other FMCG categories points to the fact that retailers are probably allocating more shelf space to it.”

With confectionery making for a good market play, Mapro is looking to expand its retail footprint at holiday destinations, where guests can engage with its brand more meaningfully. “As we are more of a destination store, we do not track or expect high repeat rates from the same consumer. Our stores are conduits for us to test launch new products, and showcase our entire range in one place. We offer unlimited sampling of all our products at all our locations to aid better choices,” says Nikunj, adding that Mapro is working to add up to 10-15 stores by end of this year, and will continue to focus on western India in the immediate future. **PG**

Adding New Flavours to Your Food Business

International Range of Food Products at your Door Step



About us:

European Foods is a sister concern of L-Comps. It is a joint effort of a group of highly professional qualified, experienced, young and dynamic professionals from the Engineering and Marketing stream, who have worked for leading Indian and multinational companies. L-Comps have been present in the Indian Market for last 20 years. A young group, waiting in the wings to take off, European Foods represents a highly professional and pragmatic approach to conducting trade with foreign companies and customers. Each area we deal in is individually strong because of its depth and the capabilities of our partners. Yet the group's overall strength comes from the collaboration among these individuals, uniting their energies and capabilities to solve complex problems.

- **Categories:** Cheese, Pasta, Peeled Tomatoes, Vinegar, Olives, Icecream, Gelato
- **Contact Person:** Mr. Puneet Gupta

European Foods India Pvt. Ltd.

Delhi Office: 809-A, International Trade Tower, Nehru Place New Delhi-110019

Tel.: +91-11-26287004, 26287003, 65153490, 26811108

Email: info@europeanfoods.in

Mumbai Office: 244-245, Mastermind -1, Royal Palms, Aarey Milk colony,

Goregaon (E), Mumbai – 400065 **Tel.:** +91-22-28792327, 28792329

Email: dir@europeanfoods.in

EUROPEAN
FOODS
India



Online purveyors of regional, gourmet delicacies

E-commerce has been a game changer not just for retail but for categories across various genres, and food is no exception. Budding entrepreneurs have gone ahead to create niche offerings in this space. In this story, we talk about two such individuals who have taken it up on themselves to bring regional delicacies from across the country, right to your doorstep.

By Zainab S Kazi

What is the first delicacy that comes to your mind when you think of Dehradun? For most of us it would be the special toffees available there. Similarly, when we talk of Rajasthan, it would be the different *cihvdas* and *farsan*. Whereas offline retail stores do have dedicated sections within their department stores / supermarkets and hypermarkets for niche food products, players in the online space have the liberty to go ahead and create a dedicated portal that brings together food from across the country on a

single platform. That is what Ashish Nichani and Sudarshan Metla did with the launch of their venture www.placeoforigin.com and Sneha Chopra did with hers – www.exoticflavorsofindia.com.

The beginning

For Chopra, it was her keen observation skill that led to conceptualising an offering dedicated to exotic foods being made available online. She shares her story, “While waiting at the airport, I used to observe that many people would carry popular sweets of that city while travelling out. I

thought that there is a huge latent need waiting to be fulfilled. The thought finally materialised in 2015 with the launch of Exotic Flavors Online Pvt Ltd. (www.exoticflavorsofindia.com). Chopraa adds, “The company takes pride in supporting and growing the heritage food culture of India and offers over 250 regional delicacies from over 40 iconic brands of India.” Chopraa’s venture remains self-funded and the company is in the process of bringing investors on board.

For Nichani and Metla, though, it was their love for food that got them together to launch their venture. Nichani shares, “Since we were children, we noticed how our parents would travel back with unique food items. We notice how our elders always reminisced about specialty foods they had eaten, which were difficult to find. Today, we still see this as part of our contemporary culture. Since the love for specialty food was an inherent part of our life, we thought we should give it the shape of the platform i.e. Placeoforigin.in. When we conceptualised PlaceofOrigin, we spoke to customers and sellers alike to understand their perspectives. Customers were eager for a platform to get access to foods of their choice.” Nichani points out that as much as he received a positive feedback from the customers, he noticed that the sellers too seemed excited about the concept. He adds, “With this platform, they suddenly had access to a national marketplace thereby making their businesses more sustainable from a long-term perspective.”

Nichani and Metla’s venture began with the pooling in of their personal savings though no sooner



did they launch, they received the much needed funding. Nichani shares, “We participated and graduated from the Accelerator Program of Axilor Ventures. We were the first startup to be seed-funded from Axilor Ventures and their support helped us market our concept in the initial days. We started to raise our next round of funding in January 2016.”

Keeping in mind the nature of the business that involves dealing with perishable food items, the first challenge is that of maintaining freshness. As Chopraa rightly points out, “While setting up this venture, the biggest challenge before us was to manage inventory of perishable goods sourced from across the country and deliver them fresh to the customer.” To beat this challenge Chopraa has put a system in place where she ensures that the food products do not remain in their warehouse for more than 7 days and all the products are discarded 15 days before expiry date.

Getting it right

As easy as it may seem to the layman, those in the business understand how challenging it is to get things right when you are into the online space. From alluring photography to strong content / cataloging, the task is mammoth. Chopraa shares her initial phase, “It took us almost 22 months to design and develop our own site www.exoticflavorsofindia.com, which we launched on 21st April 2016. We had a team of NID graduates and experienced Magento developers working on the project. We had a beta launch with HDFC bank that helped us tweak our product basis customer interactions. We highlight brands and products basis their click through rates and sales history. Our navigation is so designed that user can get to his preferred brand or product within a couple of intuitive clicks.”

Nichani talks about PlaceofOrigin, “Our sellers are huge brands with heritage and amazing products. Therefore our design and approach has always been

“Our design and approach has always been to highlight the brands and their products as much as possible. We have blended this brand focus with essential elements required in an e-commerce site. For example, a customer who searches for tea would like to see a filter for green tea and black tea. Those are the customer-friendly elements that we introduced in the site

—Ashish Nichani and Sudarshan Metla
PlaceofOrigin



to highlight the brands and their products as much as possible. We have blended this brand focus with essential elements required in an e-commerce site. For example, a customer who searches for tea would like to see a filter for green tea and black tea. Those are the customer-friendly elements that we introduced in the site. On the other hand, it is important for us to share the brand story of each esteemed seller on our site.



While setting up this venture the biggest challenge before us was to manage inventory of perishable goods sourced from across the country and deliver them fresh to the customer

—Sneha Chopraa
CEO and Co-Founder,
Exotic Flavors of India

Hence we created brand pages, which are similar to a “store-in-store” concept.” About the way brands are presented on his portal, he shares, “We create curated lists of brands depending on the relevance of their product to the season and this helps rotate brands with each brand getting sufficient focus. We have associated with various brands, picked out regional / local players, and convinced them to be a part of our venture.”

Supply chain and logistics

Both the players have a different style of functioning. Where Nichani has opted for a drop-shipment model, Chopraa has gone ahead to opt for an inventory based model. Talking about the modus operandi in place at PlaceofOrigin, Nichani shares, “We operate as a marketplace on a drop-shipment model. When the customer places an order, the vendor prepares the product, packages it and then the package is dispatched from the vendor and delivered directly to the end-consumer with no delays in between. This way, the vendor has control on the quality and the customer has reassurance of genuine and fresh products.”

Chopraa shares the system in place followed at Exoticflavorsfindia.com, “We follow an inventory model to ensure better customer experience through total control on packaging and delivery. We deal only in products with a minimum 30 days shelf life. Through smart analytics, we do a forecast of our weekly sale and procure products from the brand owners to

keep a seven days inventory at our warehouse. Our forecast is now 90 per cent accurate and we plan to take it up to 97-98 percent accuracy. We dispatch the order from our warehouse within 24 hours of receipt and deliver to the customer within two days to eight top cities and up to six days to remote locations like the North-East, Kashmir, etc.” Chopraa has gone ahead to develop smart packaging for perishable products to ensure there is no damage during transit. Exotic Flavors of India has offices in Mumbai, Gurgaon and Ahmedabad for execution of its online business and is presently operating with a team of 25 people. In terms of growth in response, she says, “We have seen a 50 per cent month-on-month growth in business since our

Most ordered items

According to Nichani, Namkeen from Bengal & Maharashtra, South Indian pickles & dryfruits are evergreen sellers while seasonal best-sellers include Alphonso mangoes in summer, sweets during Diwali and plum cakes in December.

Chopraa of Exoticflavorsfindia reveals, “Our consumers have shown great love for Kaju Katli from Gwalia Sweets Ahmedabad, Special Karachi Halwa from Chaina Ram Delhi, Fruit Biscuits from Karachi Bakery Hyderabad, Caramel Stick Jaw Toffees from Elloras Bakery Dehradun, Tea from Maikaibari Darjeeling, Ratlami Sev from Akash Namkeen Indore, Bhakarwadi from Chaitali Bandhu, Pune.”

launch. It is very satisfying to see 41 per cent of our customers coming back for a repeat purchase within 90 days of the first buy from us.” For her, about 30 per cent of her business comes from small towns like Panipat, Rajkot, Aurangabad, Vellore, Gulbarga etc.

The menu

At Exotic Flavors of India, Chopraa says, “We are a 360 degree food company and intend to do all categories of food products which fall under the regional delicacies domain. We are open to bringing in cooked food (we have lot of requests for Hyderabad biryani and Kashmiri Wazwan) too for our customers once the logistics are sharpened.”

PlaceofOrigin more or less operates with a similar offering though April-May. They have experimented with the farm-to-table model in the supply and delivery of genuine Alphonsons from the farms of Ratnagiri. On the point of customer pull, Nichani reveals, “We started in Bangalore and that’s where our earliest set of customers come from. But beyond Bangalore, we see a widespread demand from all metros, mini-metros as well as small towns. We have a strong base in Delhi-NCR, Mumbai, Chennai, but at the same time we see very healthy sales from towns such as Vijayawada and Ludhiana.”



ONLY OLIVES FROM SPAIN THE PRODUCT TAKING INDIA BY STORM



Discover why Spanish table olives are conquering the Indian preserved foods market

Spanish table olives are completely vegetarian and can be found in over 120 countries. Spanish table olives have a special place in the Indian market; on average, imports have increased by 109% since 2013. India imported more than 2,000 tons of olives in 2015, of which 97% were imported from the world's leading producer, Spain.

What are olives, exactly? Olives are the fruit of the olive tree, which has been cultivated in the Mediterranean for millenia. Most olives are used to produce oil; however, a select few are used to make table olives. These olives are evaluated on their flavour, size, separation of pit and flesh, the size of the pit relative to the fruit, and low fat content. Manzanilla, Gordal, Hojiblanca, and Cacereña are names of a few of the Spanish table olives that meet these standards.

Spanish table olives are very interesting from a nutritional standpoint as well. Olives are a natural source of vitamin E, which helps protect cells from oxidation. Olives also contain vitamin A, iron, fibre, calcium, and magnesium, yet they are a low calorie food. In fact, olives contain 150 kcal per 100g, compared to 450-550 kcal for other common snacks. Seven olives a day represents just 37 kcal.

There are three types of Spanish olives, depending on when they are harvested. Green olives are harvested before the fruit has ripened. Reddish, purplish, and tan olives are harvested during the ripening process, and black olives are fully ripened when harvested. The timing of the harvests combined with the wide variety of marinating and pickling processes means that there are hundreds of regional varieties of olives and over 80 kinds of stuffed olives.

Olives contain the four basic flavours – sweet, salty, sour, and bitter – making them a delicious snack and a versatile ingredient. Chef Sabyasachi Gorai has

created a series of fusion recipes with Spanish olives. These recipes include marinades with herbs and spices and adaptations of traditional Indian recipes to include Spanish olives, such as Punjabi Olive Samosas and Olive Raita. Indian consumers appreciate this delicious, exotic fruit that is well suited to the vegetarian and non-vegetarian Indian diet and also fits in with the growing interest in a healthy, balanced diet that is open to new flavours.



Learn more about the Olives from Spain campaign in India at:

www.olivesfromspain.in



olivesfromspainindia



olivesfromspainindia



Entrepreneurship

Online platforms are known to be more sensitive towards customer complains and this has been seen on both these platforms as well. Chopraa has a 100 per cent return policy and Nichani offers replacement

Elaborating on the SKU rationalisation, Chopraa shares, “Every city or region of India is famous for some food product: Agra ka petha, Amritsar ki pinni and wadi papad, kesar, walnuts, kahwa tea, honey from Kashmir, Karachi and sohan halwa from Delhi, khakra from Ahmedabad, Indore ki sev and so on. These are the products we sell on our site. A typical way to select a product is by doing a research on the best food products of every region of India and also by observing which products people are carrying at the airport or the railway station of that city.”

Since May this year, Chopraa has launched an in-house brand “EXOTIC” which has a range of products in dry fruits and health seeds categories. “We have got an amazing response on all these products, specifically Exotic California almonds, Exotic Kashmiri walnuts, Exotic chia seeds and Exotic flax seeds. From the June sales figures, we were surprised to see “Exotic” become the No. 3 brand on our network,” says Chopraa.

Handling customer grievance

Online platforms are known to be more sensitive towards customer complains and this has been seen on both these platforms as well. Chopraa has a 100 per cent return policy and Nichani offers



replacement. He elaborates, “Each complaint is unique and hence is addressed after understanding the specific circumstances. Our model does not lend itself to return policies. Hence we opt to replace the product or provide coupons – both of which are to the satisfaction of customers.”

Road ahead

On their future plans, Chopraa reveals: “Our product road-map is to grow to 200 iconic brands of India and 1,000 regional delicacies with over 1 lakh delighted customers by end of this year. We target to be India’s most loved food brand and the preferred destination for regional food by 2020.” According to Nichani, “We are working to build our menu across food categories of sweets, snacks, staples and health food as we see demand across these segments. In terms of our reach, we will soon be introducing our platform to the foodies of UP, Kashmir and the North-East.” **PG**

Man Pasand

Fruit Bhi Fizz Bhi

FRUITS UP

Fruits up contains Fruit

INTERNATIONAL
FOOD & HOSPITALITY EXPO 2016

www.ifhexpo.com



New Market - New Avenues
Bigger Opportunities
 First time ever in Punjab

9-10-11
SEPTEMBER

Whistling Wuds
 Ludhiana



- 150+ LEADING BRANDS**
- BUSINESS MEETINGS**
- 14000 VISITORS**
- CULINARY SHOWS**
- PRODUCT LAUNCH**
- CHEF'S TECH LOUNGE**

BOOK YOUR SPACE WITH IFHEXPO 2016

DELHI / MUMBAI

Rajan Suri +91 98144 19230
 rajan.suri@ifhexpo.com

PUNJAB / J&K

Prabhdeep Singh +91 97815 14192
 prabhdeep.lakra@ifhexpo.com

Neha Sharma +91 92160 02233
 neha.sharma@ifhexpo.com

CHANDIGARH / HARYANA

Jasbir Kapoor +91 97800 94301
 jasbir.kapoor@ifhexpo.com



Organised by

Supported by

Technical Partner

Associations

Online Partner

Media Partner



UpperCrust



Creating a win-win for wine producers and retailers

A look at how the wine industry in India is shaping up, the size of the market in value and volume, trends and developments in the industry, and how supermarkets and big grocery retailers can be encouraged to have well-curated wine sections with active collaboration between wine producers and retailers, which can help to develop the category and make wine the new beer in the country

By **Sumedh Singh Mandla**

India's wine industry is in the midst of a vital transition. The market for Indian wines has grown on an average of around 20 per cent over the past decade. The growing culture of wine consumption is being led by metros and mini metros. Wine production in India, though still at a nascent stage, is likely to reach 18 million litres this year and 21 million litres by 2018 from 17 million litres estimated last year. According to Maharashtra Grape Growers Association, the wine industry crushed over 27,000 MT of grapes in 2016. The industry has set itself a target of 100,000 MT in the next seven years. Due to economic growth and expanding middle class, people today have more disposable income, they are traveling abroad, going out more and getting exposed to wines. Although the consumer base is small, India can expect more than 20 per cent growth for many years to come.

Key markets

- **Key domestic markets are:** Karnataka, Maharashtra, Delhi, Kerala, Goa
- **Key export markets are:** Europe (France, UK, Germany), USA, Japan, Australia

Trends and developments in the industry

Indian wines are growing in quality and are providing good value for money, and rank with the new world wines. Even international tourists prefer to try Indian wines. The rising youth population, together with the growing affluence of middle-class, a penchant for exotic tourism and other related factors are likely to push the growth of the emerging wine industry in India. The consumption of wines has registered a steady growth over the last few years. Another factor contributing to the gaining popularity of wine is the rising number of fine dine restaurants, gastronomic pubs, etc. There are also many health benefits to wine – it contains lower alcohol than the spirits and provides a good alternative to those looking for a more enjoyable drink.

The Indian wine industry, still considered a sunrise business, is experimenting with new grape varieties, wine-making styles, and offbeat offerings for the consumer. The trend is fuelling a demand for wines in urban India. But despite the number of wineries and varieties available, wine consumption and awareness in India is still in a nascent stage, and therefore, marketing of wine becomes important.

At Grover Zampa, we undertake many initiatives to educate the customer. We encourage them to undertake guided tours of the vineyards and enjoy a wine tasting session where one can experience first-hand how wines are produced.

Today, more and more consumers are inclined to try premium and complex wines. Keeping this growing trend in mind, we have adapted ourselves and created the largest portfolio of reserve and premium wines with Art Collection, La Reserve, Vijay Amritraj Reserve Collection, Soiree and Chene. With a rapidly growing domestic and export sector, increasing industry support in major wine-producing states and expanding domestic consumer market, the Indian wine industry has a good long term potential.

Supermarkets and wine sections

Most of organised retail chains have wine and beer licenses, which in itself provide great visibility to the wine segment and brands as well. It opens up the doors of freedom for customers who can choose wines based of brands, packaging, variety, type and style. Since wine is still a small and growing category, retailers can be encouraged to make wine selection an easier process. The first step would be to categorise wines into red, white, rose, sparkling and port wines. They can further categorise each type by single varietals, blends and reserve wines.

This will definitely aid consumers' decision making and facilitate choosing the wines a lot easier. The section should also be generally temperature-controlled since wine is a living liquid and requires care to ensure proper taste, longevity and ageing process. The whites, rose and sparkling can also be chilled in temperature-controlled wine chillers for consumers who would want to enjoy the wines at the earliest opportunity.

The wine segment also gives savvy retailers an opportunity to offer convenience and boost their profits in the process. It raises their prestige as wine is considered a high-end product. Supermarkets and big grocery retailers should offer consumers an easy access to a cornucopia of vino varieties, which is what consumers are looking for and which may thus lead to larger wine sales and profits.

Collaboration between producers, retailers

With the growing consumption of wines, retailers can help even further grow the category and create a win-win situation for both. Wineries can help retail staff by training and educating them so that they can help consumers make an informed decision on wine based on their preferences. Retailers can create a separate section for wines as elaborated above which will help the category get attention and focus from non-wine drinkers as well and help increase the consumer base. Retailers and wineries can work jointly to make supply chain leaner and provide proper storage of wines at retail outlets so that consumers get wine as it should taste.

Making wine the new beer

The Centre and States should do away with the "prohibitive tax" component and work towards a more rational tax regime. State governments can selectively consider easing of taxes/excise duty on wine, which caters to the taste of educated class. A lower (per unit) tax structure for wine will more than compensate through expected increased volumes on account of higher consumption, without any loss to the government.

Expanding the consumer base of wines drinkers in India is important. A consumer-centric approach is the key to drawing in and remaining relevant to the new generations of wine drinkers as consumer preferences continue to evolve. Specific wines are targeted to specific consumers based on taste profile, ageing, and price.

Wineries can encourage more marketing activities aimed at educating consumers. Wine festivals like The Great Grover Wine Festival, South India's largest wine festival, helps to attract a large audience and gives them a chance to try a variety of wines in a casual and enjoyable environment. Such events also cater to serious wine drinkers who can take the masterclasses.

Since wine is still a small and growing category, retailers can be encouraged to make wine selection an easier process. The first step would be to categorise wines into red, white, rose, sparkling and port wines. They can further categorise each type by single varietals, blends and reserve wines



Making wine packaging attractive and informative will also help in providing information and education to consumers about grape variety, serving temperature and much more. Promoting wine as a healthy drink and highlighting the health benefits of wine over other alcoholic beverages will help raise consumer interest.

Encouraging guided tours and tastings at wineries and support from respective state tourism department to further develop the infrastructure and include in their tourism promotion agenda can help grow the interest in wine manifold and also increase sales through the cellar door. **PG**



Sumedh Singh Mandla
CEO, Grover Zampa
Vineyards



The Age of Organics

By Sanjay Kumar

The market for organic products is changing dynamically with demand exceeding supply across major cities of India. Progressive Grocer brings you a lowdown on how the organic category is becoming more accessible and customer friendly and what the major organic players are doing in terms of product innovations, value additions and new offerings to take the market to the next level of growth and expansion

In recent times, the organic food category has emerged as a predominant trend around the world. Awareness about the benefits of organic food, and its ethical and safe production has become a raving consumption trend, spurring consumers to start purchasing differently than they have been doing so far. According to the U.S. Department of Agriculture, "Organic agriculture is an ecological production management system that promotes and enhances biodiversity, biological cycle and soil biological activity. It is based on minimal use of off farm inputs and on management practices that restore, maintain and enhance the ecological harmony."

However, the use of chemicals and other artificial agents to ripen fruits and retain the freshness of vegetables is rampant and all pervasive. Organic food companies are trying to change this trend by offering a wide range of organic, natural and healthy products, by increasing the awareness about organic and its health benefits and by interacting with customers and explaining to them about organic products and its production methods, by identifying organic labels, etc.

Thanks to such efforts, slowly, organic produce is becoming a lifestyle choice and an ideological statement. The spurt in the interest toward organic food is also simply because it tastes better. Farmers use traditional varieties of seeds, and organic food is grown in traditionally suitable cultivation areas, delivering the true taste of the product, unlike the synthetic taste of crops grown with artificial inputs. Though organic foods are evidently more expensive than the regular variants of synthetic produce, market numbers show that consumers do not mind spending the extra buck for better nutrition.

In keeping with this growing trend for consuming organic products, organic producers in India have taken to making products with the help of local villagers and farmers in a big way. Take, for example, Sresta Natural Bioproducts, which has about 200 organic products under its brand 24 Mantra Organic. An integrated organic food company engaged in farming, processing, R&D, exports and domestic retailing, Sresta's vision is to promote sustainable livelihood for farmers, sustainable lifestyles for consumers and a sustainable Earth. Its supply chain covers more than 25,000 farmers growing organic ingredients like cereals, pulses, oilseeds, spices to fruits, vegetables and herbs



on 150,000 acres of land across Andhra Pradesh, Orissa, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Gujarat, Rajasthan, Uttarakhand, Uttar Pradesh, Uttaranchal and the Northeast. The farms, products and facilities are certified for EU, USDA NOP & Indian NPOP standards. "Sresta's inclusive model involves partnering with local NGOs in mobilising farmers and training them in organic agriculture. Our team of agronomists and field staff work closely with the farmers, ensuring total control on the seed, soil, farming and harvesting," says Balasubramanian N., CEO, Sresta Natural Bioproducts Pvt. Ltd., which has products in categories such as rice, dal, flour, spices, honey, juices, sparkling drinks, breakfast cereals, snacks, ready to cook products, etc.

Kolkata-based Natureway Organic Fresh is another company taking big strides to promote

farmers of organic products and evolving best organic agriculture practices to improve agricultural productivity, farm sustainability and quality of the produce. Starting off in 2006 with the brand name 'Naturanna', the company spent the first couple of years developing two farms and standardising its cultivation practice before setting about to market its products. "We first took on the tougher job of growing organic vegetables, herbs, condiments and fruits in diverse agro-climatic zones and then slowly added on a range of local varieties of rice, pulses, spices and oilseeds. Ever since, we have introduced several local varieties of fruits and vegetables to the urban consumer, thereby keeping alive the crop diversity, which is slowly disappearing. Over the past eight years, we have systematically added on interested organic growers – big or small – be it for fruits and vegetables, staples, oilseeds or spices, mushrooms, tea or jute," says Dr. Haimanti Dhir, Partner, Natureway Organic Fresh.

Similarly, Orgaroot, an organic brand promoted by Kolkata-based Balajee Tea Company, is engaged in growing organic fruits, vegetables and spices and also procuring other organic products from its own pool of farmers in Sikkim, West Bengal and Bihar. "Our model is to cultivate some products, make a model farm, show it to the farmers in the region, guide them to cultivate them with technological support, seeds support, procedures, organic compost and organic ingredients with formulas to prepare the soil and seeds. We further ensure the growth of plants with organic growth enhancers and organic insecticides and finally we go on to buy all the products of farmers using our model of cultivation. We also support the farmers in getting organic certifications. We offer a helping hand to farmers at every point. All our ingredients are made by the farmers with locally available products and are a part of zero budget farming. This ensures lower cost of inputs and higher realisation leading to more disposable money in the hands of farmers. This way, we ensure the products are pure organic and also the farmers are secure as we buy all their produce and we get to plan what we want to cultivate. It's a win-win for all the stakeholders, says Sachin Mitruka, Partner, Balajee Tea Company.



“We have introduced several local varieties of fruits and vegetables to the urban consumer, thereby keeping alive the crop diversity, which is slowly disappearing

—Dr. Haimanti Dhir
Partner, Natureway
Organic Fresh

“There are very few players with the capabilities and wherewithal to provide quality organic produce to the consumers in terms of distribution reach

—Balasubramanian N.
CEO, Sresta
Bioproducts



“
**Consumers’
 tastes and
 preferences
 have started
 shifting,
 leading to the
 domestic and
 global rise in
 the demand
 for organic**
 —Aditi Gokhle
 Co-Founder,
 All Things Organic

As per the government data, organic farming is practised in 12 states in about 4.72 million hectares. In 2013-14, organic food production was 1.24 million tonnes. More growth is expected in future as the government is increasingly supporting organic farming in the form of subsidies and is also planning to roll out a comprehensive policy in this regard.

Why organic?

Today, as harmful effects of the increasing use of chemicals in farming are becoming obvious and apparent, environmentalists and health professionals are flagging many of these concerns. “Ever since the environmentalists began increasing the awareness, consumers’ tastes and preferences have started shifting, which have led to the domestic as well as global rise in the demand for organic products,” say Aditi Gokhle and Aman Singal, Co-Founders, All Things Organic, an online platform focusing on the best organic brands and also selling its own home brand ‘Organic Origins’ encompassing fruits, vegetables and groceries. Echoing a similar sentiment is Jatin Khurana, Director, A.T.P. Mart, an organic, gluten-free and nature store in Delhi, which operates both offline and online: “Nowadays, many people are getting health-conscious and are shifting to a disciplined and healthy lifestyle. People want to have chemical-free food on their plates and hence many of them are shifting their complete grocery shopping to organic and natural products.”

At the same time, consumers are also getting conscious and selective about edible products. “Organic is a natural fit with the burgeoning health and wellness sector in India, as witnessed in the rising number of health gyms, spas, nutritionists, dieticians, ayurveda centres, etc. Natural & Healthy is in demand, and organic is a natural fit with both these concepts,” say Varun Gupta and Nidhi Gupta, Founders of Bangalore-based Pro Nature Organic Foods Pvt. Ltd., which has introduced a range of organic superfoods such as quinoa, flax seeds, wheat bran, wheat grass powder, among other products. The rise and growing popularity of superfoods is the gathering trend in the food industry today and there are evident signs of an increased use of super foods in people’s diet as well as for healthy breakfast options. “The organic breakfast cereal is an area of focus. We are seeing a huge following for, and growth in products such as quinoa, moringa, chia, etc.! Looking at these trends, we have introduced a new line of products under our superfoods category, which is registering consistent growth,” says Surya Shastri, MD, Phalada Agro Research Foundation Pvt. Ltd, which operates the ‘Pure & Sure’



brand. Based out of Bangalore, the company also provides end-to-end solutions for organic agriculture – right from manufacturing organic fertilisers to sales of certified organic food products, which include its range of 110+ products spawning organic spices, pulses, grains, oils, sweeteners, beverages and superfoods.

Organic industry in India

“The organic industry is just opening up and currently constitutes a small segment of the overall food industry in India. But organic is becoming a big new opportunity and everyone is joining this bandwagon, says Mukesh Gupta, Director, Operations, at Jaipur-based Morarka Organic Foods Ltd., which entered this business way back in 1995 and operates the popular organic brand ‘Down To Earth’. Like many other entrants to this category, it began by introducing organic farming with small and poor farmers. Gupta says that only after 10 years of such dedicated efforts did the healthy food business in the name of organic came into being as an organised business. But as a distinct category, organic has gained tremendous momentum in the past five years. “As consumers become more aware and health-conscious, the category is poised grow rapidly over the next few years. Still, the market is highly unorganised. There are very few players with the capabilities and wherewithal to provide quality organic produce to the consumers in terms of distribution reach. We are the largest in the category with a presence in more than 150 cities across India,” says Balasubramanian of 24 Mantra Organic.

As a new and high growth category in the food industry, the opportunities are aplenty to grow and build a brand in the organic segment. “The demand far exceeds availability and therefore there is enough business to pick up, which is encouraging the influx of a larger number of suppliers in the field of organic foods,” says Dhir



“
**All our
 ingredients
 are made by
 the farmers
 with locally
 available
 products and
 are a part of
 zero budget
 farming**
 —Sachin Mitruka
 Partner, Balajee Tea
 Company

EVERYDAY FOOD MADE GOOD!

Bring goodness to your life with organic food products from Phalada Pure & Sure. Our organic products are as close to nature as it can get and tasty too.



110+ ORGANIC PRODUCTS
AVAILABLE ACROSS INDIA

SPICES & MASALAS

RICE PRODUCTS

HEALTH FOODS

PUKKA HERBS ORGANIC TEAS

PASTA SAUCES

PULSES & DALS

READY TO MIX

SUPER FOODS

COCONUT PRODUCTS

CURRY PASTE

BEVERAGES

SNACKS

SWEETENERS

OILS

FLOURS



To know more and buy our products online, please visit: www.pureandsure.in

Follow us on facebook @ www.facebook.com/pureandsure

Phalada Agro Research Foundations Pvt. Ltd.
Sy.No.92/5, Kannalli, Segehalli Cross, Magadi Road, Bangalore - 560 091
Tel : + 91 80 2853 6762/63/64, www.phaladaagro.com

AVAILABLE ACROSS LEADING STORES





Varun Gupta
Founder & CEO,
Pro Nature
Organic Foods

Tell us about your company and its products.

Pro Nature Organic Foods is a Bangalore based organic food organisation founded in 2006 with the vision to provide healthier food options to the consumers. We are one of the leaders in organic category and look to grow this category as a whole. At Pro Nature, we have introduced a range of organic super foods - quinoa, flax seeds, wheat bran, wheat grass powder, among others. We also have an array of breakfast products to start the day with healthy food options. We are committed to 100 per cent organic certified products and don't compromise on quality of the products.

How is your company positioned to cash in on the growing trend for organic foods?

Due to the change in people's lifestyle, they are shifting gradually to organic foods leading to an increased use of super foods in their diet as well as healthy breakfast options. We realise that natural & healthy is in demand, and organic is a natural fit with both these concepts. We are working on convincing customers and building their trust in organic products, apart from focusing on building our brand and working with retailers to convince and make them understand the scope of growth in the organic category. Consumer awareness about organic foods and the availability/ accessibility of products to consumers will play a critical role in the growth of organic category.



of Natureway Organic. "Most of the new brands are still regional and there are just about three or four brands that have a pan-India distribution network and our brand is one of them," states Shastry of Phalada Agro. Among the more recognised brands in the category – nationally and regionally – are Organic India, 24 Mantra, Pro Nature, Pure & Sure, Down To Earth, Fabindia (private label), Conscious Food, Naturanna, I Say Organic, All Things Organic, A.T.P, Vedantika, Organic Tatva, Amira, Orgaroot, etc.

Market size

According to a study prepared by ASSOCHAM and TechSci Research, the size of the organic food market was \$0.36 billion in 2014, and organic pulses and foodgrains took the lion's share of the market. The study says that India's organic food market has the potential to grow more than 25 per cent annually to touch \$1.36 billion by 2020, provided there is more awareness about organic products and the government incentivises region-specific organic farming to ensure consistent growth in future. "The Indian organic products industry is forecast to grow at a CAGR of 20 per cent and above, subject to an increasing demand for beverages like tea and coffee, organic rice, organic wheat/flour, organic millets/ flour, organic pulses, organic ghee, and organic cold pressed oils," observes Ashmeet Kapoor, Founder and CEO of I Say Organic, an organic concept store at the upmarket Select Citywalk mall in Delhi, which sells 200 organic products including but not limited to locally sourced essential fruits and veggies, exotics and salads, variety of flours, cereals, nuts, spices, and sweeteners, condiments like sauces, dips, and organic snacks by other brands. "We have recently launched our own line of artisan breads, pickles, ketch-up, and a variety of preserves. In addition, we offer a café menu listing for the consumer to experience cooked organic food comprising of cold pressed juices, wraps, and baked goods," he informs.

"Today the natural products' market is expanding rapidly and the demand for natural products is increasing manifolds as there is a continuous increase in the awareness of health, well-being and good quality of life. Market research shows that in certain markets – specially in the metros and urban areas – growth of natural products' sales is as much as 40 per cent," say Leena Tated, Director, Vedantika Herbals.

According to Mukesh Gupta of Morarka Organic, "the current Indian market for organised and branded organic food business is estimated to be about Rs. 150 crore, and another Rs. 150 crore is the estimated size of the unorganised organic food market." Adds Jatin Khurana of A.T.P. Mart: "The present market for organic products is limited to metropolitan cities and localised to the health-conscious people. With the awareness spreading

through government channels, it is now reaching the general public. For instance, in November last year, the Union Ministry of Women & Child Development organised a mega event on organic & natural products in Delhi, in which 21 states participated. Government has started encouraging farmers for producing more and more organic food, which will ensure regular availability of produce in the market. This will definitely boost the market at different levels and make the future bright for this segment." Concur Shastry of Phalada Agro: "The key markets are still the metro cities. But Tier 1 & II cities are also opening up and showing big growth opportunities. We have started setting up a strong distribution network in these regions." He contends that the industry is growing at over 30-40 per cent, while his own company has been growing over 100 per cent year on year. "The domestic market size should be anywhere about Rs. 400-450 crore, and the market will continue to grow at this rate or more for the next five years before consolidation starts."

Pointing to the major regions that are the biggest contributors to organic produce, Khurana of A.T.P. Mart says: "While south India has always been a pioneer in organic spices, north Indian states like



Rajasthan, UP and MP are good contributors to the organic market. Sikkim is now a 100 per cent organic state in India. Environment-friendly states like Himachal Pradesh are the upcoming regions with a great potential for growing organic products." Mukesh Gupta of Morarka Organic says that the organic market began to grow initially from the southern states of Bengaluru and Chennai as well as from the

“
We are seeing a huge following for, and growth in products such as quinoa, moringa, chia, etc.!”

—Surya Shastry
MD, Phalada Agro
Research Foundation

Sharbat ka Shahenshab

Ganesh[®]

Tomato Sauce

Chilli Sauce

Vinegar | Jam | Jelly

Pickle | Mustard sauce

Chutney

Tasty
Treat



Other Range : Kesaria Thandai | Badam | Gulab | Mango Panna | Badam Pista | Kesar | Khus | Bela | Green Mango | Blue Curacao | Kesar Elaichi | Rose Petal | Masala Shikanji
Fruit Crush : Alphonso | Litchi | Pineapple | Orange | Strawberry | Guava | Kiwi | Butter Scotch

TOLL FREE : 1800-12-12-790 Email: ganeshproducts1@gmail.com | Visit us: www.ganeshproducts.com | [f](#) /GaneshSharbat

western cities of Mumbai, Pune and Ahmedabad. “But, in between, the northern belt comprising Delhi, Gurgaon, Chandigarh and Ludhiana took over and began performing much better than the south. But now, once again, southern cities are showing better results. In south India, now even Tier II & III cities and towns are showing good demand for organic food products.” However, Gupta puts in a word of caution as well: “The earlier 20-30 per cent growth of this market is not happening now. The reason is that no new player is investing in creating the market. The new players are more focused on capturing the market share from other existing brands. If this trend continues, then the organic market will further get divided between low-end, low-priced organic and high-end, authentic organic food market. While the low-end will stagnate, the high-end will grow at 30-50 per cent, as the demand is there but the consumer expectations on authenticity of products need to be satisfied. Also, this category of consumer is not expecting any discounts.” He says that the lower demand now in northern India for organic produce is due to the intense competition among new brands and their strategies to offer discount, which is weaning away the consumer from organic food.

As the category is currently at a nascent stage, many players are restricting their focus to key metros and Tier 1 cities at the moment. Based on its own market research, I Say Organic has identified Mumbai, Delhi/NCR, Chennai, Bangalore, and Pune as major markets for natural and organic produce. “Demand from Tier II cities is expected to be insignificant leading up to 2020, although, there is sufficient opportunity in the B2B/HoReCa space where numerous institutions have requested for bulk sourcing of organic produce,” points out Kapoor. According to Pro Nature’s Varun Gupta and Nidhi Gupta, “The target market for organic category are the customers who are Sec A+/A, living in the metros, and who are willing to spend some extra time and money for the benefit of their health. Modern Trade is important for us and this is clearly reflected from our presence in key modern trade stores across India. General Trade, being a major sales contributor in India still, we have plans to be in A class GT stores across key metros.”

Best-selling organic products

The products that will see a higher growth within the category are baby products, cosmetics, cereals and other non-perishables, as well as vitamins and health supplements. Most research points to the direction of high growth in both fruits and vegetables and non-perishable products, including organic cotton fiber, garments, cosmetics functional food products, and body care products. “Globally, fresh produce (fruits and vegetables) will continue to dominate as the highest-selling organic food category, contributing as much as 37 per cent to the overall organic foods segment in terms of revenue,” informs Kapoor of I Say Organic, adding that fresh fruits and vegetables are responsible for about 13 per cent of the overall revenue at his company, which also operates as an online retailer of organic products. “Since opening our retail store at Delhi’s Select Citywalk last year, we have observed that first time consumers tend to purchase increasing quantities of sweeteners like honey and/or seeds, spices, including turmeric powder, red chili powder and cinnamon sticks. Increasing disposable income and health consciousness, coupled with easily available knowledge and information on organic honey and the benefits of consuming these seeds may have had a direct impact on the demand for such organic products,” opines Kapoor while revealing that the fastest moving products in the organic foods category tend to include dry produce items such as honey, cooking oils – sunflower and mustard, ghee – and flour. “In terms of seeds, we observe that chia and flax are the top performers, while tea and coffee continue to dominate the beverages category.”

According to Mukesh Gupta of Morarka Organic, “Currently, the fastest moving products are in the pulses and beans category. In the initial years, sales of grains, pulses and spices was nearly the same, but pulses are now Number One, followed by grains while spices are now way behind in sales. Other product ranges like oils and specialty products are just getting introduced, so commenting on their sales performance might be premature at this stage.”



The organic industry is just opening up and currently constitutes a small segment of the overall food industry in India. But organic is becoming a big new opportunity and everyone is joining this bandwagon

—Mukesh Gupta
Director, Operations,
Morarka Organic
Foods



Pure, sure and
all things honest

Only

**24 MANTRA
ORGANIC**



For us growing organic food is all about sustainable agriculture, sustainable planet and sustainability for the farmer. The end result: Organic farms, Organic methods, Organic food. Through and through.

Organic food. We make it better.

The largest Indian organic brand sold in US & other international markets
The first brand to be certified for Indian, US & European Organic Standards

- Working with 25,000 farmers and cultivating more than 1,50,000 acres in 15 States of India.
- Farm to kitchen traceability



200+ products to live
an **organic** life



24 Mantra Organic | www.24mantra.com



Available in all 24 Mantra Organic Farm Shops, leading supermarkets, departmental stores, organic stores and online stores.
For more information contact: Bangalore – 9538082198 Chennai – 9884860485 Delhi – 9313238222
Hyderabad – 9100184475 Mumbai – 9930990236



The Indian organic industry will grow at a CAGR of 20 per cent and above, subject to an increasing demand for organic tea and coffee, rice, wheat/flour, millets, pulses, ghee and cold pressed oils

—Ashmeet Kapoor
Founder and CEO,
I Say Organic

Value addition and new offerings

A lot of companies have started innovating to differentiate their organic products and gain a bigger share of the consumer wallet. Companies are getting their products certified as per USDA, NPOP standards to ensure organic integrity and traceability; they are expanding their range and coming up with new offerings for providing enhanced value and convenience to customers. Says Pro Nature's Varun Gupta: "Due to the lack of a formal rule or law, the term 'organic' has been used very casually. We at Pro Nature are committed to 100 per cent organic certified products and don't compromise on the quality." Dittoes Vedantika's Leena Tated: "Quality, good taste and innovation play a very important role. With advertisements, you can sustain for only a few years but if you do not give quality, taste and innovation, you cannot sustain in the long run."

Different players have their own playbook of innovation to fall back on and strengthen the brand equity. "Product innovation and value addition is imperative for perishable produce. We have initiated the development of packaged organic products thereby extending shelf life and adding to our range with preserves, pickles, candies, powders, juices, etc. We have also increased our range, from fresh fruits and vegetables to staples and other non-perishables and have plans to foray into fish and poultry products and ultimately to the entire food basket," lets in Dhir of Natureway Organic Fresh. "We have introduced a lot of industry-first products, which include organic breakfast mixes, organic coconut-based snacks, organic olive oil, among other products," avers Shastry of Phalada Agro. Balasubramanian of 24 Mantra says that Sresta is the first organic brand in the country to have launched fruit-based organic carbonated beverages (without any artificial colour, artificial flavour and

no caffeine)." We have recently launched organic sparkling drinks, which is fruit-based and contains fizz. Similarly, we have launched ready-to-cook products using traditional recipes of various regions of India. We also have a process whereby we can trace back each pack of our product to the farmer who has cultivated it," points out Balasubramanian.

All Things Organic too has a unique Farm Traceability Programme for certified fresh products. Called Footprints, the programme helps the company to trace back the fruits and vegetables under its private label Organic Origins to their respective farms using a QR code. "We relentlessly work to develop products under Organic Origins focusing on consumer's health, nutritional needs and making the environment chemical-free," say Aditi Gokhle and Aman Singal, whose company not only sells a wide range of food products, but also offers the entire range of cosmetics, clothes, home care



necessities, etc. "It is worth highlighting that in a short span of our existence, we have seen a very high degree of 'order repeatability' from customers, i.e. over 75 per cent of our orders are from repeat customers. Over the next 6-9 months, our aim is to reach 10,000 households across Mumbai, Delhi and Bangalore with an average monthly spend of Rs.5,000 and hit a run-rate of Rs. 40-60 crore through unique offerings that we have in the pipeline," states Gokhle, whose company is also focusing on three researched need gaps. "We are focusing on International and Indian favourites for children. Our fully organic range of nut butters has received great feedback from our discerning consumers, helping them kick-start an energy filled day. We are also focusing on home-made recipes, which in today's time most families find difficult to make for themselves," says Gokhle.

Similarly, Dr. Naran Limbasiya of Vedantika Herbals, who is a well-known food technologist himself, has been doing research in natural foods, food preservation, food-based supplements, herbs and its effects on the human body for the last 18 years. He has successfully developed 65 innovative products during this period and the outcome of his research has seen the introduction of products that

CONSUMERS CROWN MOTHER'S RECIPE POHA

"PRODUCT of THE YEAR"

Mother's
RECIPE



Made with
Mother's Love

Just add
hot water

8 Ready in
minutes

In a face-to-face consumer survey conducted by Nielsen, Mother's Recipe Poha Instant Mix has surged ahead of the competition to win the Product of the Year award for consumer innovation.

Visit us at : www.mothersrecipe.com | Follow us on www.facebook.com/imissmymothersrecipe
www.youtube.com/mothersrecipe | Shop now on : shop.mothersrecipe.com

are devoid of all possible chemical preservatives and synthetic colours. “We have developed energy drinks in powder form, which are natural and pure and without any synthetic chemicals. We have a wide range of energy drinks with high vitamins and minerals: Amla, Lemon Ginger, Shashtmarita, Green Mango, Lemon Juice, among others. Apart from drinks, we have developed many soups like lemon coriander soup, bottle gourd soup, Karela soup, etc., says Leena Tated of Vedantika Herbals whose products are available both online and offline at major organic stores.

On its part, ATP Mart has positioned itself as a one stop destination for people to cherish all organic, gluten-free and natural products. “We deal in a complete range of organic products like cereals, pulses, flours, lentils, millets, staples, spices, oils, honey, jams, juices, green tea, green coffee, dry fruits, health supplements, seeds mix, organic wheat grass powder, skin-care, hair-care, bath-care, beauty-care and much more,” discloses Khurana. Sresta from 24 Mantra, whose objective is to provide 90 per cent of the family food basket with organic alternatives, is developing new products with the help of its strong R&D team, which works closely with many research institutions and experienced culinary experts to create lots of new and unique products. “Our development focus is on nutrition, health, great taste and a more pleasurable eating experience in every bite,” says Balasubramanian.



“
Market research shows that in certain markets – specially in the metros and urban areas – growth of natural products’ sales is as much as 40 per cent

—Leena Tated
Director, Vedantika
Herbals



Retail frontiers

Growing health consciousness and awareness about harmful pesticides has nearly quadrupled the size of organic foods in India in the last few years. Consumers are opting for healthier eating habits, which are driving entrepreneurship in organic foods. Retailers have started treating organic as a growth driver; hence there is lot of focus and willingness on the part of retailers toward building this category. As for organic brands, they believe that for the industry to grow, they definitely need more support from the retailers in terms of space, margins and also their willingness to carry more brands. Sensing this, quite a few retailers have come forward with helpful initiatives like having a dedicated space for organic food products



in their stores. According to Varun Gupta of Pro Nature Organic Foods, “There is a huge scope in the category from the retailer’s perspective. The retailer margins in the organic category are more than the average margins in any other category. Organic products are a little higher priced as compared to the inorganic products and so the overall value outcome is more for the retailers. If retailers provide organic food options in their stores, the customers attracted are SECA+/A, which can help a retailer to develop a loyal customer base. This has a rub-on effect on throughput from the other branded players in other categories.”

Shastry of Phalada Agro says: “Most of the modern trade retailers have started to open up and offer more space to the organic food category but they are still hard to work with as they see it as a small category.” This is rather surprising as the category margins are high. However, as Shastry explains, “the high margins also drive end price of products higher for the end consumers, which finally leads to lower sales.” He says that retailer support is important and would definitely help the category grow further. “Allocation of specific prime space with merchandising has helped the category grow at some of the retailers. “Also, retailers like METRO and SPAR conduct ‘Organic Week’, where there is a lot of promotion of the category with attendant discounts, which helps the consumers to understand the benefits of organic and nudges them to make the shift towards organic food products.” He says that his Pure and Sure brand of organic products is currently seeing an equal rate of growth in both modern trade and general trade. “While general trade contributes to around 60 per cent of our sales, modern trade contributes around 35 per cent. We are seeing a huge growth in the online space and it currently contributes about five per cent of our sales.” Tated of Vedantika Herbals opines that “today you can get all the products online. So if retailers have some unique organic products on their shelves, they can attract more customers.”

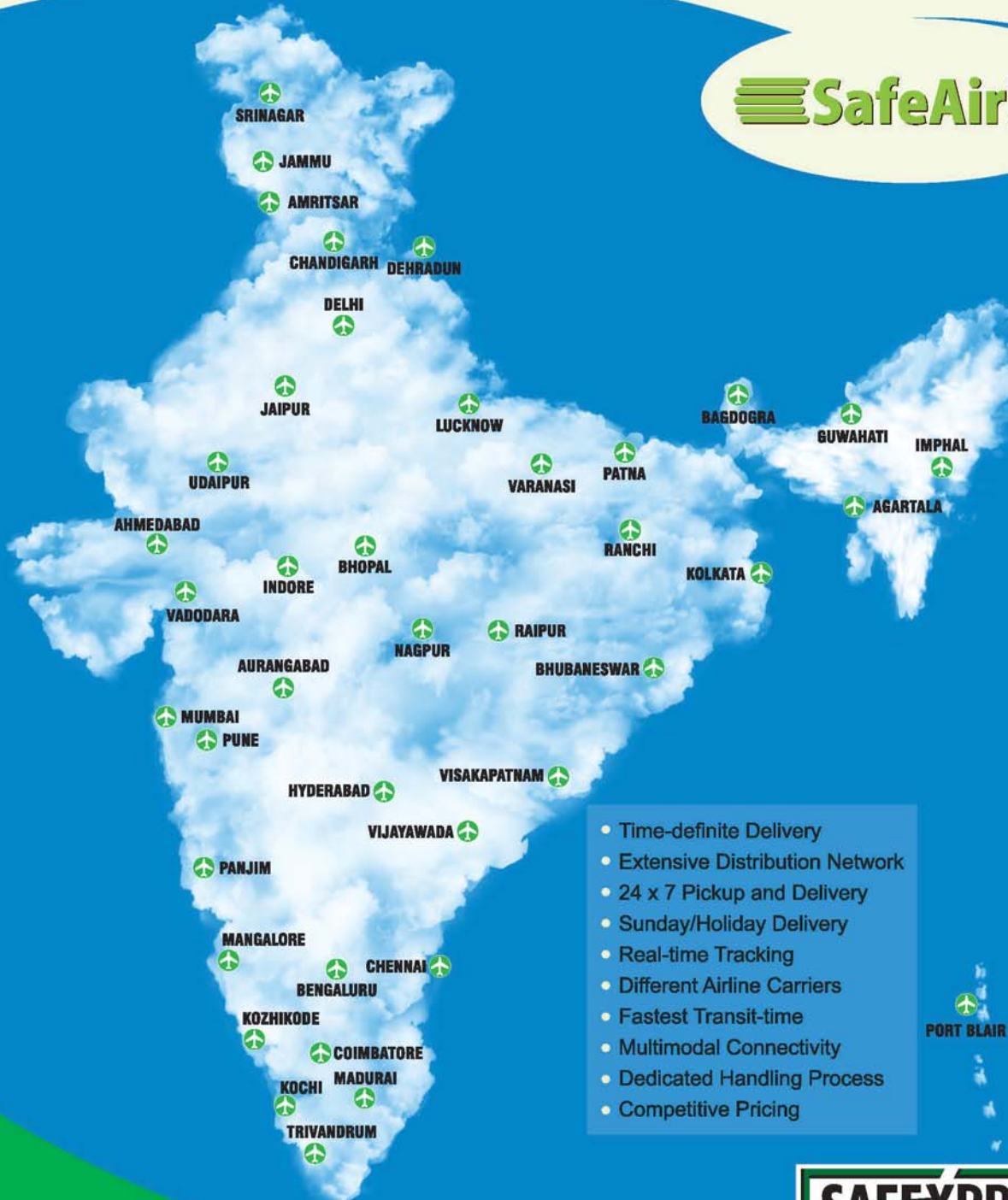
Kapoor of I Say Organic is of the view that the market for organic foods at modern supermarkets is still very limited. “We understand that the demand for natural and organic products captured at modern

INDIA'S LARGEST AIR CARGO NETWORK

Air & Surface Network Covering Every Square Inch of India

Pan-India Air Network Covering 40 Airports

SafeAir



- Time-definite Delivery
- Extensive Distribution Network
- 24 x 7 Pickup and Delivery
- Sunday/Holiday Delivery
- Real-time Tracking
- Different Airline Carriers
- Fastest Transit-time
- Multimodal Connectivity
- Dedicated Handling Process
- Competitive Pricing



“**The target market for organic category are the customers who are Sec A+/A, living in the metros, and who are willing to spend some extra time and money for the benefit of their health. Keeping that in mind, Modern Trade is important for us and this is clearly reflected from our presence in key modern trade stores across India**

—**Nidhi Gupta**
Co-Founder, Pro Nature Organic Foods

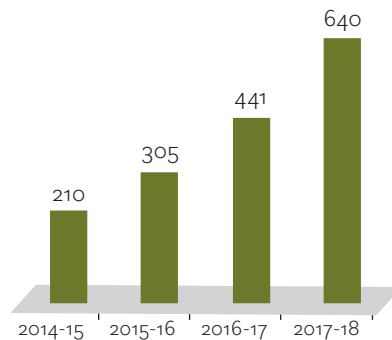
trade and supermarkets is limited, though gradually increasing. Sales of organic and natural products might comprise about 5-10 per cent of an average grocery basket in Tier 1 cities.” He cites the example of his own flagship store which, with increased marketing efforts, has observed a gradual and steady increase in its customer base. “At our exclusive organic store, people are buying an increased amount of dry groceries, followed by fresh fruits and vegetables.” According to Balasubramanian of 24 Mantra Organic, “Affordability of organic products has also increased along with the rise in the purchasing power of people. For an average family of four that decides to switch its entire grocery basket to organic, the additional cost will just be Rs. 1,200-1,500 per month.”

Commenting on the efficacy and suitability of retail channels for organic products, Khurana of A.T.P. Mart says: “People go to Modern Trade so that they can get variety, but many times they may not get what they are looking for. At this stage, exclusive organic stores come into play as they deal in just one segment with a variety of stuff to show for. As modern trade outlets and supermarkets do not have awareness drive counters for organic food, their percentage sales may not be significant compared to their other general products.”

Though there exists plenty of room to grow the organic category in both modern and general trade, creating consumer awareness about organic is critical to the growth of the category overall. “By and large, a consumer of healthy and organic food is an enlightened consumer. She is ever willing to talk, discuss and ask questions to increase her knowledge. But this can happen only at standalone stores, where the owners man the shops and can address customer queries, says Mukesh Gupta of Morarka Organic. “As consumers are getting more aware about organic, they are also becoming increasingly suspicious about the authenticity of organic. To an extent, some retail brands are also responsible for this trend. New comers as well as some old players, in their desperation to get a bigger

INDIAN MARKET SIZE

All Figures in Cr.



Growth Rate – 45% CAGR

Note: Estimated category size basis sales data of 24 Mantra, Down to Earth & other competitors in domestic market. Category growth estimated @45% per annum as per International Federation of Organic Agriculture Movements

market share (like online retailers), are offering very steep discounts. This expands the gap between the prices offered by different brands to the extent of 20-30 per cent, which then becomes the cause of confusion,” laments Gupta, who feels that modern trade and supermarkets were once the preferred retail destination for organic products with as much as over 70 per cent share of the organic market, which has now come down to about 50 per cent of the overall market. “Recent trends show that standalone retail stores are performing much better in the organic category,” he opines.

While price variations and discounts could be a factor that raises doubts in the minds of consumers regarding the genuineness of the organic product, a section of the industry feels that the issue of ‘premium’ on organics is an even bigger factor affecting the growth of the category. “Certified organic food is sold at a premium though, according to research, if the industry in modern trade has to grow, the premium charged should not be more than 20 per cent. Right now, the premium charged is around 80-100 per cent,

INDIA FOOD FORUM 2017

BANDRA KURLA COMPLEX, MUMBAI, INDIA



CONFERENCE • EXHIBITION • AWARDS

INDIA'S LEADING BUSINESS PLATFORM FOR FOOD & GROCERY RETAIL AND FOOD SERVICE SECTOR



• **BLOCK YOUR DATES** •
31ST JANUARY — 2ND FEBRUARY 2017

An
IMAGES
GROUP. IN
initiative

Association & Partnerships:

Rakesh Gambhir, +91 9910001375, rakeshgambhir@imagesgroup.in | Lokesh Arora, +91 9999033612, lokesharora@imagesgroup.in

Delhi

Ekta Roy, +91 9811635408
ektaroy@imagesgroup.in

Mumbai

Monark Barot, +91 9560090520
monarkbarot@imagesgroup.in

Kolkata

Supratik Saha, +91 9674008699
supratiksaha@imagesgroup.in

Bangalore

Aashraf Alom, +91 9686014260
ashrafalom@imagesgroup.in

www.indiafoodforum.com

leading to slow growth. Retailers have to ponder on the pricing part and look at the future rather than the short-term benefits. If this can be done, slowly the consumer base will shift to organic food, leading to a greater scope for retailers. This will enable a trickle down increase in sales, with more profits, though margins have to be kept under check,” opines Sachin Mitruka of Balajee Tea Company.

Apart from the challenge of increasing the consumer awareness for organic, and ensuring authenticity of the product, the industry also faces other headwinds. “Since it is a new industry, strong regulations are still not in place to define what can and cannot be labelled and sold as organic food and this is a huge challenge! Also, given that the certification of fields and farms as organic is a three year process, we need to plan our supply chain three years ahead based on demand forecasting, which again is challenging in a high growth sector. Since the volumes are still small, the overhead costs are relatively high when compared to the conventional food supply chain, which makes the end product cost high and thereby difficult for the category to attain mainstream access,” says Nidhi Gupta of Pro Nature Organic Foods. Her views are shared by other players in the industry. Says Aman Singal of All Things Organic: “Consistent supply is still a key factor for the category’s performance as the organic food industry works around a complex food supply chain. Also, the overall offerings by most companies still comprise basic food products like pulses and grains. For the category to grow, we need more innovation and value-added products and offerings.



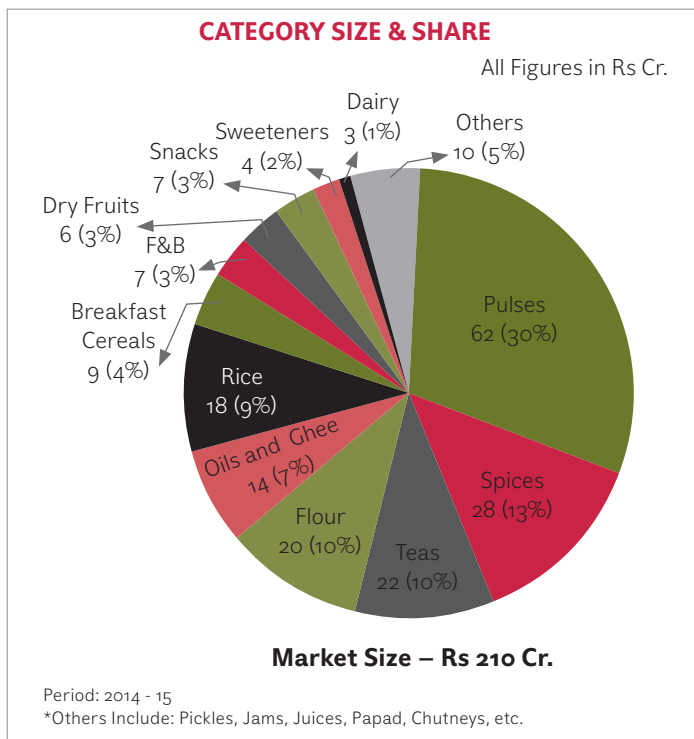
“Maintaining quality, authenticity and ethicality in labelling are the main challenges in this segment. The constant awareness drive by producers/brands towards the benefits of organic food and its pricing is the need of the hour for gaining the confidence of customers. The prompt resolution of queries is also desirable. ATP Mart believes in sharing knowledge with the customers so that they can make an informed decision in favour of buying organic and natural products,” states Khurana. Mukesh Gupta of Morarka Organic feels that the biggest question today before the industry is the motivation behind the entry for new players. “As of today, a large number of players are getting in with only miniscule investment in market creation. Players are banking on price sensitivity of the consumers and the retailers to succeed. This is just not going to happen. In the long run, only those players will be able to sustain who invest in creating the market. For this industry to grow, it is of paramount importance that consumer sensitivity toward authenticity is addressed.” According to Kapoor of I Say Organic, “Given the nascent stage at which the organic food industry is in, the right branding strategy would help manufacturers with positioning in the marketplace. Then, it will be imperative to identify the various relevant customer categories that other brands choose to target their communication to, after which, the implementation of the right demand generation strategies will help penetrate various audiences, and ensure inexpensive acquisition and high retention.”

All said and done, what is clear is that in the days to come, as the market expands and multiplies, organic players and retailers will do well to convince consumers and build their trust in organic products, which will help the category to spread and expand rapidly across all major modern trade outlets and establish itself with an equally strong presence in independent organic food stores too. Building the brands, strengthening the distribution and supply base further and expanding into newer categories in the organic food space will determine the success of players in this sunrise sector. **PG**



“**People want to have chemical-free food on their plates and hence many of them are shifting their complete grocery shopping to organic & natural products**”

—Jatin Khurana
Director, ATP Mart



The Mobile POS Redefining Mobility



MT-4008W

- World's First Mobile POS Solution that helps Queue-busting with standard desktop windows POS solution
- Ready to deploy with almost no effort to change the POS application, helps reduce Multiple application & increased efficiency & faster ROI to retailers
- Used at Estimation Mobile POS at Jewellery Counter thus reduce retail space
- Versatile to use as Queue-busting Mobile POS, Stock Audit, Shelf Tacker label printing, Material Receipts & Transfer at Back office, CRM, Customer Feedback etc.
- Latest Intel Processor with Win 8.1 & 2GB RAM and 32GB Storage makes most application to run at ease



Queue-busting Mobile
Checkout



Stock Taking



Order Taking



Wireless Printing



Are ice-cream manufacturers aware of regulatory requirements?

With increasing consumer awareness and reports around harmful additives found in food products, food safety has turned out to be a major concern for discerning customers, food business operators and the industry. Are the ice-cream & frozen dessert manufacturers aware of the regulations and guidelines that they must abide by?

By Dr Saurabh Arora

With the onset of summers, ice cream makers usually promote ice-creams that lure the senses and tempt consumers. The delectable summer treat comes in the form of bars, sandwiches or scoops and is often topped with flavours, nuts, chocolate chips, which make the ice-cream even more irresistible. However, while ice-cream manufacturers can get creative, they also need to keep in mind the food regulations so that their product continues to be enjoyed safely by consumers.

In its most basic form, ice-cream is a mixture of cream and/or milk, sugar and that is frozen while being churned to create a frozen product. If you take into consideration the technical aspect, then ice-cream is a combination of ingredients that also contains thickening and gelling agents so that the product can remain smooth and frozen. It is also a product that is pasteurised like other milk products.

Food Safety and Standards Authority of India (FSSAI) has categorised ice-creams under “Dairy Based Desserts/Confections” and under the category of ice-cream they have ice-cream, kulfi, chocolate ice-cream and softy ice-cream, which are all obtained by “freezing a pasteurized mix prepared from milk and / or other products derived from milk with or without the addition of nutritive sweetening agents, fruit and fruit products, eggs and egg products, coffee, cocoa, chocolate, condiments, spices, ginger and nuts and it may also contain bakery products such as cake or cookies as a separate layer and/or coating.”

Ice-creams may be frozen hard or they may be of a soft consistency, but one thing they must have is a

pleasant taste and smell and must not have any off flavour or odour. Ice-cream can contain permitted additives but the FSSAI says the product must be tested for microbiological parameters so that it does not contain any organisms such as salmonella, staphylococcus, listeria, and others that can cause human disease and are associated with farm animals.

Ice-cream is also categorised as plain Ice-cream, medium fat ice-cream and low fat-ice-cream depending on the percentage of total solids, milk fat, milk protein used. Where chocolate, cake or similar food coating, base or layer forms a separate part of the product only the “ice cream” portion will need to conform to the requirements in the table below. FBO’s need to keep in mind that the type of ice-cream (whether medium or low fat) shall be clearly indicated on the label, and the standards for ice-cream apply.

The FSSAI regulations also have another definition, which is similar to ice-cream but is called Frozen Dessert / Frozen Confection. This product is defined as “product obtained by freezing a pasteurised mix prepared with milk fat and / or edible vegetable oils and fat having a melting point of not more than 37.0 degree Celsius in combination and milk protein alone or in combination / or vegetable protein products singly or in combination with the addition of nutritive sweetening agents e.g. sugar, dextrose, fructose, liquid glucose, dried liquid glucose, maltodextrin, high maltose corn syrup, honey, fruit and fruit products, eggs and egg products, coffee, cocoa, chocolate, condiments, spices, ginger, and nuts.”

Similar to the ice-cream, frozen dessert is also categorised as Frozen Dessert/ Frozen Confection, Medium Fat Frozen Dessert/ Confection and Low Fat Frozen Dessert/ Confection. The requirement for milk fat and protein is also the same except that the protein is Nx6.25 whereas for ice-cream it is Nx6.38. Frozen dessert may also contain a separate layer of cake or cookies.

Difference in ice-cream and frozen dessert

Food Businesses Operators are usually busy trying to fulfil the demand for sugary frozen foods in summer. However, they need to see that they know the differences between ice-cream and frozen dessert so that the consumer does not think both are the same. While both the products contain milk solids, fats and proteins, a number of ingredients are totally different.

- One of those ingredients allowed in frozen food but not in ice-cream is vegetable oils and fats.
- While you can use any of the emulsifying and stabilising agents permitted in the regulations in frozen desserts, all are not permitted in ice-cream.

Additives in ice-cream

Ice-creams contain fats and proteins but they also have sweeteners, and stabilisers. Artificial sweeteners permitted for use in ice-cream and frozen dessert includes aspartame (methyl ester) at 1000ppm and sucralose at 400ppm. Other sweeteners like the polyols - isomalt, erythritol and maltitol may also be added a maximum level as per GMP. Hydroxypropyl methyl cellulose is a chemically modified cellulose polymer, which falls under the category of emulsifying and stabilising agents, and can be used at a maximum level of 1 per cent in ice cream. Ice-cream may contain starch phosphate, a gum arabic substitute, to a maximum extent of 0.5 per cent. Polydextrose may also be used in ice-cream and frozen dessert as per GMP levels and proper label declaration as provided in regulation 2.4.5 (47) of FSS (Packaging & Labelling) Reg. 2011 and which says that declaration to be made is that “Polydextrose may have laxative effects”.



Flavours and colours

Ice cream flavours have come a long way from the standard vanilla, strawberry, and chocolate. Today ice-creams come in an array of flavours that blend fruit purees and extracts, cocoa powder, nuts, cookie pieces, and cookie dough into the ice-cream mixture. While fruits can add some flavours to ice-creams but FSSAI also allows the use of natural, nature identical or artificial flavours and also permitted synthetic food colours in ice-creams and frozen desserts and ice-cream mix-powder, according to levels which are in compliance with regulations. Flavour enhancer monosodium glutamate is strictly prohibited in ice-cream.

Labelling requirements

- The FSSAI indicates that it is mandatory for all ice-cream dealers to “legibly and conspicuously” display their name and address as well as the name and address of the manufacturer on the stall, vehicle or container as the case may be.

Requirement	Ice cream	Medium Fat ice-cream	Low Fat ice-cream
(1)	(2)	(3)	(4)
Total Solid	Not less than 36.0 per cent	Not less than 30.0 per cent	Not less than 26.0 per cent
Wt/Vol (gms/l)	Not less than 525	Not less than 475	Not less than 475
Milk Fat	Not less than 10.0 per cent	More than 2.5 per cent but less than 10.0 per cent	Not more than 2.5 per cent
Milk Protein (Nx6.38)	Not less than 3.5 per cent	Not less than 3.5 per cent	Not less than 3.0 per cent

- FSSAI also clearly states that every package of ice-cream, kulfi and chocolate ice-cream containing starch shall have a declaration on a label as specified in regulation 2.7.1(2).

This article is an attempt to refresh the minds of the FBOs so that they use ingredients and additives as permitted so that the millions of Indians who love ice-cream can be assured that they are consuming a product that is safe to eat. So that consumers make the right choice, FBOs must label the ice-creams correctly because there is a huge difference between ice-cream and frozen dessert especially in the permitted ingredients and that the labelling must be such that the normal consumer is not deceived. For its part, the apex food regulator must also bring in more clarity about ice-creams and frozen desserts so that neither is mistaken for the other. **PG**

Food Businesses Operators need to see that they know the differences between ice-cream and frozen dessert so that the consumer does not think both are the same



The writer is founder of Food Safety Helpline www.foodsafetyhelpline.com and has a number of national and international research publications and patents to his credit.

Cheese and spreadable fats to record highest growth in processed dairy

With India's sustained economic growth, higher income consumers can be encouraged to trade up to value-added dairy categories such as cheese and yoghurt

Milk and dairy foods constitute about 16 per cent of the overall food market in India. This share is second highest among all seven FG categories after Dry Food Grocery (DFG). The dairy market in India is eye-catching for the primary reason that the country is the largest producer of milk in the world and has a substantially large bovine population with about 118 million milk-producing animals. Milk in India is sourced from cows, buffaloes, goats and sheep. However, it is cows and buffaloes, which contribute the largest share of milk production in the country. In fact, India produces 65 per cent of the world's total milk produced from buffaloes. The Indian dairy industry has grown considerably post the White Revolution and various experts suggest that with the current growth rate, it is expected to become a Rs. 144,000-crore (US\$ 24 billion) organised industry by 2020, and Rs. 840,000 crore (US\$ 140 billion) overall, including the unorganised sector.

The top five milk producing nations in the world are led by India with 117 million tonnes of annual production taking place in 2010. Following India, in descending order of milk production, are the USA (87.46 million tonnes), China (41.14 million tonnes), Pakistan (35.49 million tonnes) and the Russian Federation (32.14 million tonnes) in the same year. Though China is ranked third in the list, yet its milk production has grown during the period with the highest CAGR of 10.5 per cent, while the Russian Federation holds fourth position despite the declined CAGR of -0.8 per cent. During the period from 1996

to 2010, India's milk production grew at a CAGR of 3.9 per cent, the USA's at 1.6 per cent and Pakistan's at 3.2 per cent. In comparison, the world's total milk production grew at a CAGR of just 2 per cent for the same period. In South Asia, including India and Pakistan, the consumption of milk and milk products is expected to increase by 125 per cent by 2030.

Market size and growth drivers

Milk and related dairy products are worth Rs. 362,000 crore market and have grown at a CAGR of 12-14 per cent during the last decade. The market is estimated to cross Rs. 800,000 crore by 2020, riding on a wave of healthy foods consumption and growing demand for processed dairy products including milk. With growing urbanisation and a shifting inclination towards processed foods, Indian consumers are becoming more demanding, thus pushing individual markets of butter, cheese, yoghurt, ghee, ice-cream and other such dairy products to expand.

The major drivers of consumption in the dairy category are the products' attributes that are generally associated with health benefits: having a natural and high source of calcium, protein and other healthy ingredients. The functionality of products such as milk and yoghurt and how they aid with bone and teeth development in children also drive sales among younger consumers.

New product innovation to meet evolving consumer motivations is also driving consumption across the dairy market, as manufacturers seek to tailor products not only to individual taste preferences

but also for meeting a variety of specific health-based needs. Innovation in niche categories such as puddings and desserts and cheeses specifically formulated for the Indian market is driving sales and resulting in increased growth in these categories. An increase in the levels of snacking is also driving demand for more convenient dairy products, as timepressed Indian consumers seek products that save them time and offer on-the-go mealtime solutions.

Consumption motivations

The Indian dairy market as a whole is largely driven by milk, which accounts for 97.4 per cent of the market by consumption volume. Yoghurt follows with a 1.6 per cent share, highlighting the importance of the milk market as a whole and also identifying more niche categories with high growth potential. With India's sustained economic growth, higher income consumers can be encouraged to trade up to value-added dairy categories such as cheese and yoghurt.

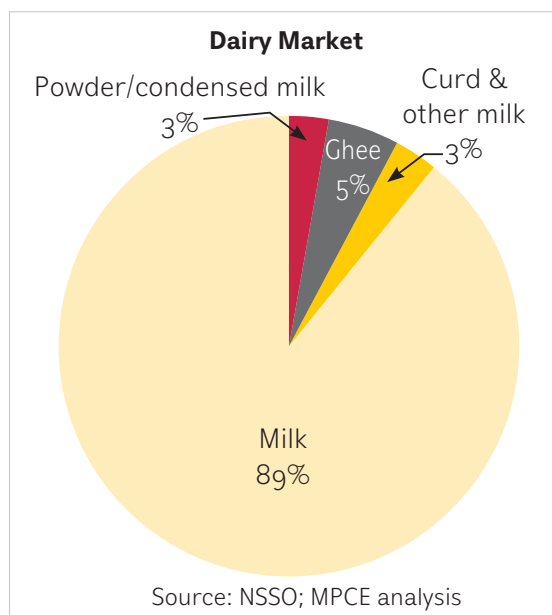


Cheese and butter & spreadable fats categories are expected to record the highest growth over the period 2013–2018 at CAGRs of 9.8 per cent and 7.8 per cent, respectively, as their small market size offers larger room for growth. The young consumer is demanding more than plain butter or jam on bread. Instead, cheese spreads, chocolate spread, peanut butter and other spreads are making their way into kitchens. It is important that manufacturers target these rapidly growing categories as early entry and an increase in brand awareness can result in brand loyalty, particularly in smaller categories with reduced competition. For example, the imported cheese market in India is growing at a rate of 30 per cent and cheeses varieties like Haloumi, Fiore Sardo or Flower of Sardinia, Parmigiano Reggiano, Stilton, Provolone, Mozzarella, Roquefort, Gruyere, Camembert, Feta, etc., can be spotted in retail outlets across the metros.

Milk and related dairy products are worth Rs. 362,000 crore market and have grown at a CAGR of 12–14 per cent during the last decade. The market is estimated to cross Rs. 800,000 crore by 2020, riding on a wave of healthy foods consumption and growing demand for processed dairy products including milk

Newer products/ categories in dairy are also being increasingly adopted by the Indian consumer. These include Greek yoghurts, processed butter and eggless variant of mayonnaise. The mayonnaise category, which is estimated at Rs 350–400 crore across retail and institutional segments, is growing at over 25 per cent per annum, making it one of the fastest growing food categories in India. Estimates put eggless mayonnaise sales at 80 per cent of the overall mayonnaise volumes in the country.

As the large, young demographic of the country seek dairy to meet specific age-based needs, the diversity of consumption motivators in different categories means that manufacturers will have to look at specific positioning and product formulation to appeal to consumers. It is only through a comprehensive understanding of the actual consumer needs that manufacturers can drive growth in smaller categories such as yoghurt and cheese. To ensure on-going profitability and sustained growth, it is vital for the manufacturers to meet these changing consumption motivations and use this knowledge to provide products that consumers desire. **PG**



Consumption Trends

Per Capita/Month	Rural (Rs.)	Urban (Rs.)	All India
Milk	192.86	285.06	221.59
Baby foods	0.92	2.34	1.36
Powder/ condensed milk	5.21	9.06	6.41
Curd	1.54	4.59	2.49
Ghee	7.37	26.54	13.34
Butter	0.32	1.71	0.76
Ice-cream	0.58	2.87	1.29
Other milk products	1.31	2.68	1.73
Dairy Total	210.10	334.85	248.97

Source: NSSO

Watch this space for a comprehensive Category Spotlight feature on 'cheese, yoghurt and mayonnaise in the August issue of the magazine.



Holdup at Checkout

Red tape impedes grocers' EMV card implementation — with consumer data at risk

By John Karolefski

Point-of-sale (POS) systems in grocery stores were supposed to be able to accept Europay Mastercard Visa (EMV) credit cards for payment at checkout beginning Oct. 1, 2015. The transition from magnetic-stripe cards to EMV cards with an embedded chip designed to protect consumer data looked like a good thing because of benefits to shoppers and grocers.

Unfortunately, shoppers in many supermarkets still can't use EMV cards at checkout terminals. The main reason for this, according to experts, has less to do with grocers not having upgraded their POS terminals than with the bureaucracy surrounding the card networks.

"The fact that grocery stores have not implemented EMV is not necessarily due to their lack of readiness. In fact, a majority of the retailers that ECRS works with are ready — and have been for some time," asserts Ray Steele, executive director of services at ECRS, a Boone, N.C.-based provider of solutions for retail enterprise automation.

Unlike in the past, according to Steele, the POS software, PIN pad manufacturers, and authorization providers must be certified as a complete working solution by each card type. For the payment-processing network to function, no one player can unilaterally implement a change, even if all are individually ready.

"It is the coordinated whole that matters," he explains, "and that coordination is not simple at all. Each unique combination of POS system, payment device and processor must be carefully tested and

certified. When you consider that the certification for MasterCard, Visa, Discover and American Express are all separate, there are thousands of these combinations."

Daunting delay

Peter Larkin, president and CEO of the Arlington, Va.-based National Grocers Association (NGA), notes that his members are frustrated with the slow pace of EMV implementation. The vast majority of members — from single-store operators to regional chains — invested tens of thousands of dollars in new hardware and software well before the October 1 deadline, "only to be left waiting on a massive backlog in the certification process, which is controlled by the card networks," Larkin wrote in a recent essay.

"The certification process, which is mandated by the card networks, has experienced a number of delays that range from the card networks' late delivery of technical code to other complications slowing the certification process," Larkin said in the essay. "None of these delays are the fault of merchants, yet it's the merchant who is facing an onslaught in new chargebacks as well as confusion among consumers who don't understand why they can't use their chip cards at their local supermarket."

Merchants that have made the investment to comply with the Oct. 1 deadline should be given a "safe harbor" and shielded from EMV-specific chargebacks, according to Larkin. "It's time for the card networks and banks to stop passing the buck onto the backs of merchants, but rather they should work together with merchants to further eliminate

fraud by issuing credit cards with PINs and work to speed up the EMV certification process,” he wrote.

ECRS’ Steele says that retailers spent a lot of money buying new payment-processing terminals for their stores despite the low adoption rate of the payment processors. “Without consideration for this expense and effort, the chargebacks began to roll in late in the year,” he observes. “Retailers and their POS partners have watched powerlessly as this practice has continued into 2016.”

Other technology experts familiar with the EMV issue point to a more basic reason for the delay: cost. Bryce Austin, CISM, strategist and CEO for TCE Strategy, based in Minneapolis-St. Paul, says that the back-end systems needed to support EMV are antiquated and need a significant upgrade – or a complete replacement.

“EMV requires grocers to invest not only in new hardware, but in software integration and operation changes to support it as well,” affirms Ken Paull, chief revenue officer at Cayan LLC, a Boston-based provider of payment technologies. “Every time a card is swiped, instead of reading generic data from old magnetic stripes, new smart chip-enabled devices are now communicating with chips to process their unique data.”

Ready – or not?

When will payment terminals in grocery stores be ready for EMV cards?

“EMV is trending in the right direction, according to Paull, “but it is still most likely going to take most of 2016 and into 2017 for all grocers to transition to EMV. The petroleum industry was given two additional years, until October 2017, to be subject to the chargeback liability shift, due to the complexities of implementing EMV at the pump. With the complicated ecosystem, including EBT and e-WIC, in the grocery market, possibly there should have been a greater lobbying effort to attempt to gain at least a one-year extension.”

Steele, of ECRS, claims there never was – nor is there now – some specific date when the “EMV

Big Bang” will occur. In general, retailers will see different solution sets come online, one at a time, over the coming months. ECRS has completed certifications for two major payment processors: First Data and WorldPay.

When final implementation is complete, there will be significant advantages for grocers and shoppers. Steele points out that a chip-embedded card is difficult to forge, as opposed to a “mag-stripe” card, which can be reproduced relatively easily from stolen credit card information.

“In an EMV card,” he explains, “security information – unique to the specific card account and decipherable only by properly configured computers – is embedded in the chip itself. To forge one of these cards, you’d have to steal a consumer’s account information and know the secret information that the card issuer encoded into their unique chip. This makes those cards very difficult – some say nearly impossible – to forge.”

Future benefits

For grocers, EMV cards provide key improvements to business-processing efforts and timing, according to Nona Cusick, SVP of consumer products, retail and distribution at Capgemini, a Paris-based global consulting and technology firm.

“Grocers can expect to increase their productivity as the EMV cards facilitate offline authentication and streamline the checkout process at POS, the cashier’s day-end book balancing, and cash handling,” notes Cusick. “In addition to fraud reduction and various other benefits, EMV cards enable and simplify the implementation of customer retention efforts such as loyalty programs and marketing schemes.

“Perhaps the greatest benefit that EMV cards provide to shoppers is increased customer satisfaction and peace of mind,” she continues. “As EMV cards pave the way for contact-less payment, the checkout process and experience will be faster and simpler for shoppers. Just as security is a huge benefit for grocers – the EMV’s card authentication, cardholder verification and transaction authorization features enhance overall transaction security and provide shoppers with a greater sense of security with their purchases.”

Along with these benefits for grocers and their customers, there’s one glaring disadvantage of not being EMV compliant. When a counterfeit credit card was used at a store’s checkout before Oct. 1, 2015, the bank issuing the plastic took the loss. After that date, however, the liability shifted to retailers. In other words, they’ll be financially responsible for fraudulent transactions.

That should be enough to prompt every grocer in the country to be EMV compliant. But that will happen only when the card networks do their job in the transition to the new card type. **PG**

“
As EMV cards pave the way for contact-less payment, the checkout process and experience will be faster and simpler for shoppers

— Nona Cusick
Capgemini



How can retailers remain relevant in the mobile world?

At a time when consumers are spending most of the time on their mobiles and looking for conveniences, how can the regular shop compete with tech-savvy startups like Grofers, BigBasket, Swiggy, etc? How can they leverage superior analytics that gives these tech savvy startups an edge over the brick-and-mortar retailer?

By Mayank Bidawatka



The Internet has changed things for the better. Our world has never been the same, ever since the world got used to the World Wide Web. We experienced e-mail, websites, platforms, search engines, chat sites, messengers, social networking and many more new experiences that made us spend more time online till a point where we can't imagine life without wi-fi.

Earlier, we experienced the Internet on the desktop. Now, we experience it on the smartphone. And we use more of it than ever before. The average person unlocks his phone more than 200 times a day! Long lasting phone battery and wi-fi feature are in the top 5 needs of today. We have seen more changes in the last 10 years (since the launch of the first iPhone) than we have seen in centuries.

Mobile – the gateway to the Internet

Access to internet is now a norm. Everyone uses WhatsApp. The gateway to the Internet on the smartphone is app(s) – be it a messaging app, or some game, Google maps, cab apps – you name it. Consumers can't get enough of it. And understandably so – it's making their life easier. Consumers are now a part of the app economy. No wonder every large company or tech startup is pushing consumers to download their newly developed app.

Retail in the mobile world

Many retailers are staring at the new realities the internet-enabled smartphone throws at them. They just don't know how to participate in the new normal. They understand they need an online presence on the mobile. They feel the need to have an app of their own.

This brings us to the next set of questions. Does a retailer have the tech wherewithal to develop and maintain an app? It could cost anywhere between Rs. 15 lakh – 1 crore to get a sophisticated app for iOS and Android. Does it make sense for a retailer to spend that much? If a retailer earns 10 per cent on an average, how much business will he have to get on app to break-even on the investment? Even if they get an app, will a consumer download 100 apps for 100 different retail outlets?

Consumers want things to be predictable now. They want stuff faster, cheaper & better. And new start-ups are catering to these needs. Where does this leave the brick-and-mortar retailer? It's not as bad as it sounds.

As long as the retailer is willing to adapt and adopt technologies of today and concentrate on their existing strengths. The neighborhood supermarket has an edge over tech-savvy grocery start-ups like Grofers and BigBasket in terms of their ability to service customers faster without high logistics costs, and knows their customers better than the online retailers. What they lack is technology and analytics. If they were to adopt a platform that gives them access to these two, they're in a good position to compete with anybody and probably outcompete large well-funded start-ups.

When I say technology, I refer to their ability to sell on mobile, showcase their inventory, take orders on app, accept online payments, provide reward & loyalty solutions to their customers and communicate new offers / products on time.

Apps – an easy solution for retailers

There are many such apps that supermarkets can sign up and get a ready-made solution for groceries. Retailers can ask consumers to download the app and start buying from them within minutes. Apps like the Goodbox Partner App work on the mobile phone of the retailer – doing away with their need to have a separate hardware.

- Consumers are also saved the trouble of downloading multiple apps for multiple businesses. Apps like Goodbox costs just Rs. 999 / year for any partner (at least 1/1000th the cost of making their own app) and they can be up and running with the app within 10-15 minutes. Some conveniences that supermarkets can now offer their consumers by using apps like Goodbox are:
- Consumers can select from a catalog of over 10,000 products
- They can buy and pay online or using CoD
- Consumers can place an order on the app, pick-up from the store and avoid standing in a queue



- They can order over a call and make a payment to the supermarket online in case they don't have cash
- They can participate in the rewards point program of the supermarket and earn points for every purchase that can be redeemed later
- They can get analytics on their top customers (value and frequency), lost customers, items customers bought, items customers ordered for but they don't stock, highest selling items, customer happiness index, real-time feedback, number of walk-ins on the app, split of online vs CoD customers among many other metrics.
- They can get access to third party logistics in case they need to cater to high demand hours.

There are many such apps that supermarkets can sign up and get a ready-made solution for groceries. Retailers can ask consumers to download the app and start buying from them within minutes

The above examples are more relevant for the grocery businesses but certain apps can be relevant to any business and drive similar value to other businesses as well.

Conclusion

The consumer market is very lucrative for global tech giants who want a big play in India. Large amounts of capital and relaxed regulations is all it takes to disrupt old timers. However, the local store is very well poised to service customers better than most aggregators. They just need to adopt new technologies to be at par with their better-funded online competitors. Adapt or die. **PG**



The writer is Co-founder, Goodbox, a mobile app that acts as a direct communication and commerce platform between businesses and consumers.

New trends in retailing

Online retailers should pay attention to different factors like price, attractive website design, user friendly website, secure payment gateway options, refund, cash on delivery options, lucrative coupons & offers

The retail industry, which is a major component of the economy, is witnessing a paradigm shift in tune with the times. The sector is getting organised and consumers are seeking a one-stop shopping destination with convenience and entertainment. They are looking to shop from the cosy confines of homes to shopping on the go, armed with mobile applications. To keep pace with this change, India is stepping into a new era of Retail chains and e-stores, from the traditional neighborhood stores of the past.

With the march of liberalisation, privatisation, globalisation and modernisation, a modern competitive business has come to take shape, based on the understanding of the mind of consumers and providing the consumer with the products and services that she wants. In this scenario, the retailer that is able to match the customer's expectations gets to improve his business.

Online retailers have been able to tap the consumer trends by playing to their strengths. In a way, the winds of fortune are also blowing in their favour. Many new factors are encouraging online shopping in India. The growth of Internet users and mobile internet users is continuously increasing. Consumers prefer online shopping because it helps to mitigate the stress of busy lifestyles and the hassles of commuting down to a shop. Another big convenience is that with a click, a consumer can find almost every product online. Sometimes, products can be purchased at a lesser price than from the offline markets and that too without having to sacrifice on the quality. Keeping in mind that

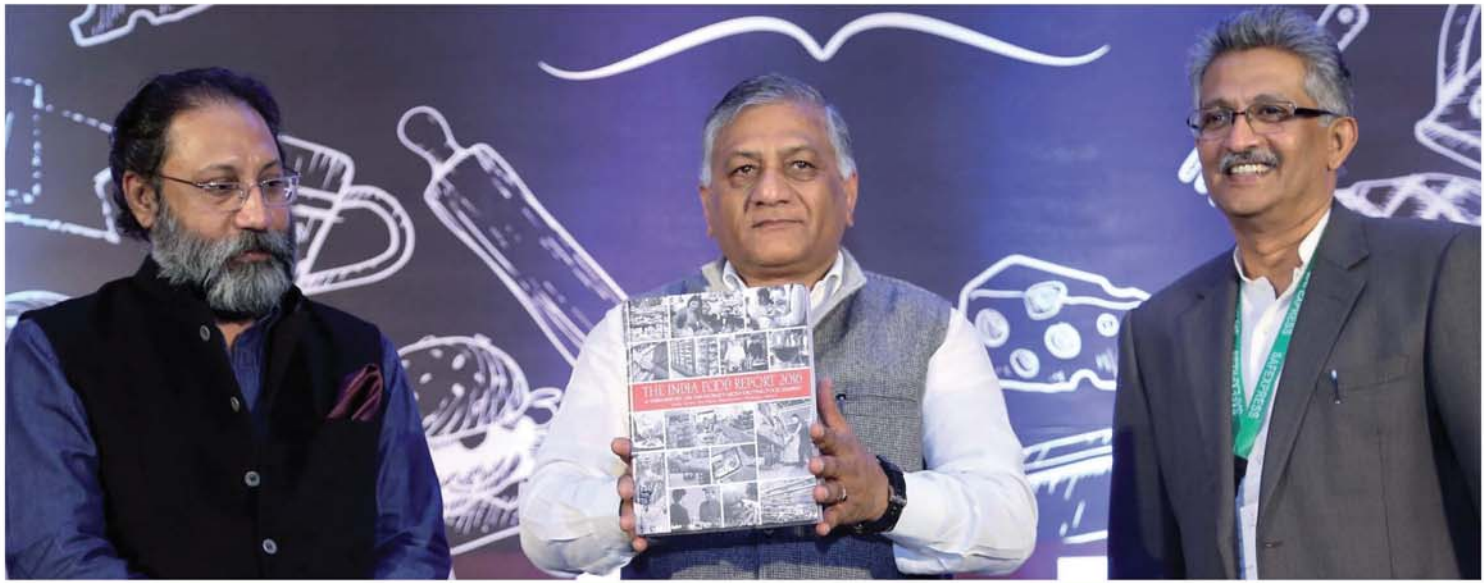
in this age cyber security is of utmost importance, online shopping websites are giving protected online banking services so that consumers are less afraid to make payments online. Conveniences like cash on delivery (COD) feature are launched by online shopping websites for those consumers who are afraid to make online payments or for those who have no knowledge of how to pay online. Some websites are also giving coupons of different websites to the consumers. Consumers are able to get great discounts after redeeming such coupons.

New studies indicate that online shoppers purchase clothes and accessories more than electronics products. The purchase frequencies are higher for clothes & accessories, beauty & personal care products, books, and for hotel reservations. Electronics are searched most on the internet but cloths & accessories are purchased the most by online shoppers. Because of the high investment and risk involved in the purchase of electronics, consumers are searching online for information about electronics but for purchasing these items they are mainly relying on retail stores. As such, online retailers should pay attention to different factors like price, attractive website design, user friendly website, secure payment gateway options, refund, cash on delivery options, lucrative coupons & offers.

While changes in the consumer behaviour have happened many times in the past, what is different this time is the way in which it is changing. The ease of shopping has given a totally new direction to the shopping experience. In these conditions, retailers must meet the expectations of consumers accustomed to buying goods online at competitive prices and having them delivered quickly. And they must do so while creating offerings that are distinct enough to address individual preferences while still meeting the expected standards of social and environmental responsibility. For many retailers, juggling these demands may seem like trying to square the circle and business leaders might feel baffled by the challenge. The answer lies in responding to the change with an analytical and adaptive mindset and by building an agile organisation. By successfully amalgamating the scale advantages of a large business with the tailored approach of the small, the traditional benefits of the old and the new can be synergised. **PG**

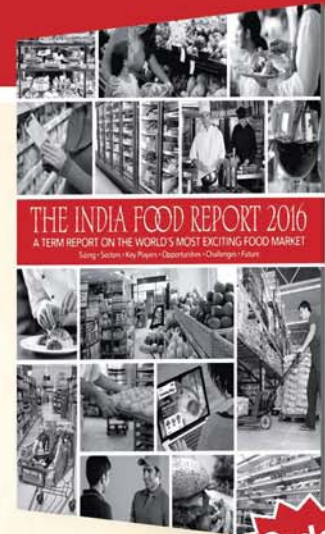


The author has over 25 years of experience in FMCG and Modern Retail. He is on the selection panel of 'Hunar' skill centre (Retail and Hospitality), a collaboration between Delhi and Singapore governments. He can be reached at rakeshgambhir@imagesgroup.in



INDIA FOOD REPORT 2016

THE MOST AUTHORITATIVE GUIDE TO FOOD RETAIL MARKET IN INDIA



Order Now

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 State 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.

THE INDIA FOOD REPORT 2016 - HIGHLIGHTS

- | | | |
|---|---|---------------------------------------|
| ▶ Food & Grocery Sector-Market Sizing, Overview, Trends, Opportunities, Profiling Key Players | ▶ Fresh Produce | ▶ Key Regulatory Issues |
| ▶ Food Service Sector- Market Sizing, Overview, Trends, Opportunities, Profiling Key Players | ▶ Processed Foods | ▶ New Challenges & Solutions |
| ▶ Retail Formats & Emerging Retail Formats | ▶ Safety, Health, Convenience, Sustainability | ▶ Technology & Support |
| ▶ Non Store Retail Channels | ▶ Food Supply Chain in India | ▶ International Foods |
| | ▶ Storage / Warehousing | ▶ Investment & Business Opportunities |
| | ▶ Food Processing Sector in India | ▶ Hospitality Sector |
| | ▶ Food Packaging | ▶ Human Resources for Success |
| | ▶ Kitchen Equipments | ▶ Marketing & Distribution |

To order your personal copy online visit www.indiaretailing.com

or send us your order mentioning delivery address along with a cheque in favour of "IMAGES MULTIMEDIA PVT. LTD." To

Kiran Rawat: S 21, Okhla Industrial Area, Phase II, New Delhi 110020, India
E-mail: kiranrawat@imagesgroup.in | Mob: +91-9953525535, Ph: +91 11 40525000

For book retailing enquiries
Anil Nagar: anilnagar@imagesgroup.in | +91 9811333099

COVER PRICE:
India: ₹2500
Overseas: US\$100
Cost includes courier charges

A PRESENTATION BY
IMAGES
GROUP.IN

what's next

▼ **Elicious butter chicken and chicken biryani mix**

Butter chicken and chicken biryani are the newest products in the Elicious basket. Packaged in microwave safe tubs, these products offer a great value proposition. With Elicious butter chicken, you can enjoy the perfect bite sized pieces of succulent chicken cooked in gravy. The chicken biryani mix is a perfect blend of chicken and biryani masala that brings alive the flavours of dum biryani. All you have to do is add rice. Perfect for the busy professionals of today, these products bring authentic recipes to you in a modern format.



▲ **Del Monte launches new range of mayonnaise**

The sauces and condiments major has recently added some new variants to its existing range of mayonnaise. The new launch includes eight new varieties of mayonnaise such as eggless mayo, egg mayo, mint mayo, tandoori mayo, cheesy garlic mayo, sandwich spread, cheesy dip and tartare dip. Available at all leading general and modern retail outlets, the eggless mayo (265 gm) is priced at Rs. 80 and all other variants are priced at Rs. 85 each.

◀ **Chandon's party starter kit**

Chandon wine brand from the house of Moët Hennessy India has recently rolled out its new party starter kit for the perfect spritzer experience. The kit comes in two wine variants – Chandon Brut or Chandon Brut Rosé– along with a pop-coloured Chandon flute, which is available in six different colours. The Chandon's party starter kits are priced at Rs. 1,200 for Chandon Brut and Rs. 1,400 for Brut Rosé and are available at select wine stores across Mumbai, Delhi, Bangalore and Gurgaon.



► **Fresca's Aam Panna drink**

Beverage brand Fresca has added Aam Panna drink to its existing portfolio of summer beverages. Made with hand-picked green, unripe mangoes roasted and peeled carefully to extract the pulp, the drink is packaged by following all safety standards to keep the freshness intact. With pocket friendly pricing, the products are available across all leading stores at Rs. 20 for 200 ml and Rs. 25 for 300 ml.



▼ **VLCC launches slimmer's digestive green tea**

Wellness brand VLCC has unveiled a new range of herbal infusion green teas, which improves digestion, helps in weight-loss and reduces the risk of cancer. These green teas are available in three different variants. Besides, the slimmer's range is priced at Rs.80 for 10 bags and Rs.175 for 25 bags and is available at all the leading retail stores.



▼ **Tops' summer delicacies**

Tops by G.D. Foods has recently introduced a whole new range of summer delicacies like kesar kulfi, custards, fruit jellies and much more. Besides, the brand has come up with new flavours of jellies like mango, orange, blackcurrant and strawberry. Made to woo the Indian palates, these cold summer delights are available at all leading retail stores and prices start at Rs 35.



WTIT

WOMEN OF TODAY FOR INDIA OF TOMORROW 2016



JULY 29, 2016, JW MARRIOTT HOTEL NEW DELHI AEROCITY

The forum will aim at bringing in the perspective of women leaders on what India needs to achieve to bring in accelerated growth on all levels.

SPEAKERS AT WTIT 2016



Abha Maryada Banerjee
International Speaker
on Human Potential



Bala Deshpande
Sr. MD, NEA



Deepti Sutaria
Cyber Crime Head
BJP Legal Cell



Ipsita Dasgupta
EVP & Head (Asia Pacific
& Russia/CIS), Glenmark
Pharmaceuticals



Liza Varma
Fashion Director



Neeta Lulla
Fashion Designer



Priyanka Chaturvedi
Spokesperson, Congress



Ritu Beri
Fashion Designer



Sabina Chopra
Co-Founder
Yatra.com



Shaina NC
Fashion Designer



Vaishali Kasture
Partner, Deloitte
India Consulting



Vinita Bali
Former MD
Britannia Industries

SESSIONS AT WTIT 2016

- // Why Women of Today Matter for India of Tomorrow?
- // World View on India.
- // What does "Make In India" need to succeed?
- // India: Investment excitement or Hiccups?
- // Investing in People – Sports infrastructure – What will it take for India to get Gold.
- // Bringing Diversity to the world – Tourism agenda for India.
- // One on One: Dealing with Cyber Crime.
- // What stops Indian Designers from becoming International Brands?
- // Healthcare: What can India learn from global best-practices?

Hospitality Partner



Supported By



Media Partners



An Event By



IMAGES GROUP . IN



For sponsorship and speaker opportunity please contact:

Shivani Lorai
+91 9811511038
shivani@images-ent.com

Nirav Ganatra
+91 22 28508070
nirav@images-ent.com



RSVP:

Savy
+91 9599731116
savy@c2cm.com

INSIGHTS to EMPOWER YOUR BUSINESS

NOW EASILY ACCESSIBLE IN A FORMAT THAT YOU PREFER

- PRINT FORMAT**
- PDF + ONLINE**
- PRINT + PDF + ONLINE**

THE VOICE OF THE FOOD & GROCERY RETAIL INDUSTRY IN INDIA.



SUBSCRIBE NOW

	PRINT			PDF + ONLINE*			PRINT + PDF + ONLINE*		
Term	1 year	2 years	3 years	1 year	2 years	3 years	1 year	2 years	3 years
No. of issues	12	24	36	12	24	36	12	24	36
Cover Price	₹1200	₹2400	₹3600	₹1200	₹2400	₹3600	₹2400	₹4800	₹7200
Saving	15%	20%	25%	20%	25%	30%	25%	35%	45%
Discount	₹180	₹480	₹900	₹240	₹600	₹1080	₹600	₹1680	₹3240
You pay	₹1020	₹1920	₹2700	₹960	₹1800	₹2520	₹1800	₹3120	₹3960
Please Tick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

YES, I would like to subscribe for PRINT VERSION PDF + ONLINE PRINT + PDF + ONLINE

PAYMENT OPTION 1

Please charge my card

Amount _____ Card Expiry Date _____

Card No. _____

Card Member's Signature _____

PAYMENT OPTION 2

I am enclosing Cheque/ DD No. _____

drawn on (specify bank) _____

favouring Images Multimedia Pvt. Ltd., payable at New Delhi

Name Mr. Ms. _____

Designation _____

Business Activity _____

Company _____

Delivery Address _____

City _____ Pin Code _____ State _____

Phone _____ Fax _____

E-Mail _____

OTHER GROUP PUBLICATIONS



Please fill up the subscription form & mail with your remittance to:
Subscription Department, Images Multimedia Pvt. Ltd.
 S-21, Okhla Industrial Area, Phase II, New Delhi 110 020, India. Ph: +91 11 40525000, Fax: +91 11 405 25001
 E-Mail: subscription@imagesgroup.in

Mumbai: 1st Floor, Panchal Iron Works, Plot No. 111 / 3, Marol Co-Operative Industrial Estate, Marol, Andheri (East), Mumbai 400059. Ph: +91 22 28508070 / 71, Fax: +91 22 28508072

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

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

Terms & Conditions: • Rates & offer valid in India only • Please allow 4-6 weeks for processing of your subscription • In case of non receipt of the publication, please inform the Subscription Department within 30 days • IMAGES reserves the right to terminate this offer or any part thereof at any time or to accept or reject any request at their absolute discretion • No request for cancellation of subscription will be entertained after three months of subscription • Disputes if any are subject to the exclusive jurisdiction of competent courts and forums in Delhi only.

*Online version will give access to editorial content only.

For online subscription, please visit www.indiaretailing.com

PRO[®] NATURE

100% Organic



Grains & Flours | Breakfast Products | Pulses & Beans | Spices & Masalas
Dry Fruits | Super Foods | Sweeteners

Our products are 100% organic, certified by internationally recognized certification body IMO control.



 /pronatureorganic

 /pronatureorg

Web: www.pronatureorganic.com

Available across key modern trade, retail stores and E-commerce portals:



Trade Enquiries: Email: pgenquiries@pronatureorganic.com, Call: +91-7676014414

California Walnuts



- Accounts for 99% of the commercial US supply and 2/3rd of world trade.
- Known worldwide for their excellent quality.
- Grown, harvested and processed following strict Federal and State food safety regulations with finished product often exceeding quality standards set by USDA.

Walnut consumption is significantly increasing in India. California Walnuts provide the perfect opportunity for Indian dry fruit trade to expand their product portfolio and fulfill the needs of Indian consumer.



California Walnut Commission

651 Pace City-II, Sector 37, Gurgaon (HR), INDIA 122 004

• Ph: +91(124)434-4500 • Fax: +91(124)434-4501 • www.californiawalnuts.in • walnuts@scs-group.com

Find us on: [facebook.com/CaliforniaWalnuts.India](https://www.facebook.com/CaliforniaWalnuts.India) twitter.com/CaWalnutsIndia

Non-Discrimination Statement: In accordance with USDA, the California Walnut Board and California Walnut Commission prohibit discrimination in all programs and activities on the basis of race, colour, national origin, age, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal or because of all or part of an individual's income is derived from any public assistance program. To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W. Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). California Walnut Board and California Walnut Commission are equal opportunity employers and providers. © 2008 EO/AA