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# PROGRESSIVE GROCER

**INDIA EDITION**

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## GROWING BIG WITH A REGIONAL FOCUS

**How World Retail has become the big fish of F&G trade in Odisha**



**Rajesh Patnaik**  
COO, World Retail Private Ltd





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The hype and hoopla surrounding the e-retail sector has dimmed significantly. Envious unicorns in this space such as Flipkart and Snapdeal have lost their earlier mythic appeal and the air of invincibility. The climbdown is the result of the downward revision of their once stonking valuations that defied the laws of gravity. For instance, in the case of Flipkart, India's most valuable start-up, the markdown in valuation has been to the extent of 30-40 per cent.

Diminished valuations is not the only concern for India's feted start-ups. Once liberal investors are now turning tight-fisted, stanching the generous flow of funds. This deluge- to- drought turn of events is now forcing a rethink across the sector. To rub it in, investors are now handing down a virtual démarche to companies to shore up their unit economics and sharpen the focus on performance.

With the mood now sombre, e-retail players and especially those in the food retail business are now making course corrections and pivoting their business models. PepperTap has abandoned grocery deliveries in favour of e-commerce logistics. For many other businesses in this space, the monomaniacal focus on customer acquisition and growth is shifting to profitability and sustainability.

All of these changes remind me of some home truths. One is about the ability to trim one's sails to the wind. It is all about adaptability and making your model resilient to the slings and arrows of fickle fortune. Businesses that sail through the tough times will ultimately turn sustainable, proving another maxim - tough times don't last, tough businesses do.



Amitabh Taneja  
 Editor-in-Chief

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# Market Update

## Walmart steps up to the plate to guide and foster women-led businesses



Walmart India recently took another commendable initiative to put its programme of women empowerment into high gear. At a recent event in Delhi, it announced the launch of its 'Entrepreneurship Development Program' for Women-Owned Businesses (WOBs). Aimed at enhancing the skills, capability and sustainability of businesses nurtured by women entrepreneurs, Walmart India has picked up 32 such business women to be a part of its first batch of the programme. These women entrepreneurs will receive a nine-month training and mentoring in capacity

building and technical support, which will be customised to the needs of their specific businesses. The programme was originally announced in January this year, and applications were invited from WOBs in different categories located in Andhra Pradesh, Delhi NCR, Telangana, Punjab and UP.

Walmart has an ongoing commitment to empowering women around the world and helping women entrepreneurs to succeed and grow. In September 2011, Walmart launched its Global Women's Economic Empowerment initiative using its unique size and scale to improve the lives of under-served women and help women-owned-businesses. As part of this initiative, Walmart is committed to source \$20 billion from women for its US business and double sourcing from WOBs internationally. Since its launch, the WEE initiative has helped provide job training, market access and career opportunities to women across the globe.

In line with its global agenda to empower and promote women entrepreneurs, Walmart India is continuously looking for long-term associations with potential business women. By bringing women under its training programme, Walmart helps them to grow their businesses by competing for larger contract opportunities, gaining access to a global support network of peers, plus visibility among actual buyers using the eNetwork database to find suppliers.

## Sahakari Bhandar promoting a green agenda through responsible retailing

Sahakari Bhandar, which has 23 retail outlets across Mumbai, is bringing an exemplary blend of modern retailing and green initiatives as part of its business philosophy. Sahakari Bhandar believes that when a store becomes a good member of the society, commerce also flourishes. In keeping with this spirit, the retail chain has been undertaking several community service programmes.

The social initiatives first took wing in 2009 with its 'Go Green' campaign, in partnership with an NGO. The chain distributed 10,000 cotton bags free of cost to their top customers, explaining to them that if they bring the cotton bag to bag the purchases, they would be entitled to a 0.5% discount. Simultaneously, Sahakari Bhandar started charging customers for plastic carry bags. Customers saw this as a very positive step as a responsible retailer. The response to these initiatives was overwhelming and the cost of the plastic bag came down by 60 per cent. This way, Sahakari Bhandar was the harbinger in adopting the 'Polluter Pays' principle, which has recently been introduced by the government.

With a vision to create eco-conscious citizens who adopt recycling, the chain has a tie-up with Tetra Pak India Pvt. Ltd. As part of the 'Go Green with Tetra Pak recycling' campaign, recycled Tetra Pak cartons are converted into composite sheets and paper and processed into products like roofing sheets, furniture, pen stands, photo frames, garden benches, school benches, etc.

The more recent initiatives include 'Bin Se Bench Tak', which is a campaign designed for housing societies, schools and corporates. The campaign is creating far-reaching impact and has been able to collect over 13,00,000 Tetra Pak cartons so far. Already, 82 corporate, educational institutions and restaurants, societies are participating actively in the campaign, which now boasts of 37 public collection centres at Sahakari Bhandar and select Reliance Fresh stores. The effort has helped the chain to donate 35 garden benches, 140 school desks and 200 recycling bins so far. These initiatives have helped Sahakari Bhandar earn a place in the Limca Book of Records and receive adulatory coverage from media channels like National Geographic.







### New hypermarket in Panvel, Mumbai

HyperCITY Retail recently opened its 18th store in Panvel, making it the fifth HyperCITY store in Mumbai. Spread over 31,000 sq. ft., the new store is the largest hypermarket in Panvel providing its consumers a world class shopping experience. The store boasts the finest range of products across categories such as grocery, fruits & vegetables, home & personal care, apparel, footwear, small appliances, home décor, sports, toys, stationery, kitchen accessories, gifting, fitness and more, all under one roof. There is also a special meat, fish and bakery section. The store will cater to consumers from Navi Mumbai, Raigad District, Kharghar, Nerul, CBD Belapur, New Panvel, Old Panvel, Seawoods Uran, Ulwe, Rasyani, Mahad, Roha, Karjat, Chowk, Khalapur, Khapoli and Alibag.

In addition to housing a wide range of branded products, HyperCITY also offers its own private brands across categories. The store has developed a suite of exclusive brands across all categories such as EveryDay, Terzo and Fresh Basket in food & grocery, Avorio, Ebano and Maxit in general merchandise and RiverInc, City Life, Joojoobs, Iktara and Masala Chai in apparel and accessories, among others. These brands are available exclusively at HyperCITY, which seeks to deliver increased value to customers by offering quality and uniqueness at great prices. It also houses an in-store team of trained, friendly sales experts who are ever ready to help consumers create a happy and satisfying shopping experience!

The inauguration of the store was done by leading Marathi film & theatre actor, Pushkar Shrotri in the presence of Govind Shrikhande, Managing Director of Shoppers Stop Ltd., Ramesh Menon, Chief Executive Officer, HyperCITY Retail (India) Ltd. and Hemant Taware, Chief Operating Officer.

Speaking on the occasion, Menon said, "Our Panvel store is the largest hypermarket in the city and this store is an emphatic delivery of our strategic intent to expand our footprint in the western region. With the launch of the largest hypermarket in Panvel, we are confident of this store powering our growth story."

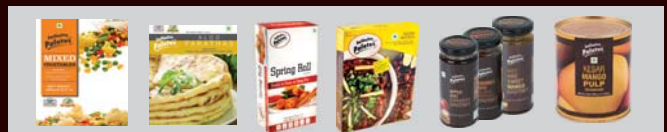
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# Sustainability sells, is the Indian consumer buying?

Sustainability can no longer be perceived as the sole responsibility of any one stakeholder in the process of transforming value chains. The question of 'who leads?' is critical in the process of market evolution. Is it the role of the business, the consumer or the pressure of external factors that drive change? While the first part of in this series focussed on the importance of retailers in driving demand for sustainable commodities, and the second part on the role of brands in the creation of sustainable markets, this article will look at the role of consumers in the sustainability equation

**W**ith urbanisation and consumerism gaining ground, the growth of organised retail in Tier II and Tier III cities is seeing the emergence of the 'value buyer' – the average consumer who now has a variety of offerings to choose from and is often more informed and aware about competing brands and the differences in their products. With wider access to information and social media influence, this consumer plays a crucial role in driving change in the value chain.

In the midst of a clutter of brands catering to this evolving 'value buyer', there is an opportunity for companies to create a distinct product image and carve out a point of differentiation for their product. Several multinational companies have long recognised this opportunity, going further in suggesting that their commitments to sustainable sourcing are no longer about product differentiation, but a type insurance for their brand and supply chain.

These dynamics are more pertinent now given the Indian government's decision in March 2016, to allow 100 per cent foreign direct investment in multi-brand retail for food products. Differentiation will be seen as a key point of leverage for companies to improve product sales and pave the way for competitive pressures to soar.

Differentiation in India until this point has been focussed on quality of the product, price and benefits. Interestingly, markets across the world



have shown that it has also become possible, and indeed necessary, to demonstrate product value not just in a traditional sense but also performance on other fronts – sustainability, production processes, environmental footprint and social impacts. In this regard, multi-national brands like Unilever, IKEA,



*What started as an NGO action against Kitkat's 'business as usual' unsustainable practices at the sourcing level – which had drastic impacts on critical tropical forests and biodiversity – resulted in immense consumer backlash against the company on social media. This came as a reality check to many companies about how consumers are no more bound by geographies to voice their opinion and influence demand.*





**In the midst of a clutter of brands catering to this evolving 'value buyer', there is an opportunity for companies to create a distinct product image and carve out a point of differentiation for their product. Several multinational companies have long recognised this opportunity, going further in suggesting that their commitments to sustainable sourcing are no longer about product differentiation, but a type of insurance for their brand and supply chain**

Kimberly Clarke, and L'Oreal etc. have taken steps to ensure that businesses and supply chains are evolving to address these needs.

Globally, a number of public and private initiatives have also emerged in recent times. The Consumer Goods Forum (CGF), for example, an alliance of 400 companies including retailers, manufacturers and service providers across 70 countries – pledged in 2012 to achieve 'zero net deforestation' by 2020. Out of this commitment, the Tropical Forest Alliance was formed – a global public-private partnership which sees eight governments, 33 civil society organisations and 27 private sector companies partnering to tackle the drivers of deforestation associated with the sourcing of commodities such as palm oil, soy, beef, and paper and pulp. Twelve international banks joined the CGF to form a 'Soft Commodities Compact' in 2013 to support the 2020 target for zero net deforestation in supply chains.

### So who leads?

While the notion of responsible consumption evolves in the Indian context, alignment will be needed among producers, brands and retailers to provide access to "responsible products". As this demand is growing, there is still a long way to go. No one player can drive this change in isolation. However in the current context, the larger onus must sit with the supply side. Consumer preferences will evolve, but the speed of change in preferences among this group will not be sufficient to address the most serious environmental and social impacts linked to the production of consumer goods. FMCG companies can drive change in their supply chains and thus play



*Unilever's sustainability-linked brands such as Dove, Lifebuoy, Ben & Jerry's and Comfort, represent half of its growth, and are growing twice as fast as its other brands. A growing number of its leading brands have integrated sustainability into their purpose and into their products' ingredients and lifecycle.*

a crucial role by creating awareness on sustainability among consumers through marketing and other outreach mechanisms. Therefore, the FMCG sector's efforts are critical in making sustainable products the norm rather than a niche. Further, the retailer is uniquely placed to be the interface between companies and consumers, and in doing so, can ensure long term benefits to their business. **PG**

**For further information on sustainability in retail, contact: Ann Elizabeth Jose and Neha Simlai  
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# How to win the e-retail race

Focus on the challenges in the fulfilment

By Sivaramakrishnan Narayanan

**I**n the last article in this series, we touched upon the gains made by the e-retail industry in comparison to the modern trade in India. Modern trade, which is currently between 8 – 10 per cent of the total retail trade in India, has taken about 20 years to grow to this volume. In contrast, e-retail has grown rapidly to about 2 per cent of the total retail trade in a relatively short time of about 7-8 years.

In the last article, we looked at how the retailer can win and retain customer loyalty in today's environment. The second dimension that is significant in facilitating the growth of e-retail is the ability of the firms to sustain their delivery against customer expectations.

## Fickle shoppers – how do they impact fulfilment?

In the last article, we referred to a study of online shopper behaviour conducted by Nielsen. The survey showed that the top three reasons for a person buying online in India are: advertising, peer influence and recommendations. The other, and less significant, reasons include attractive discounts, convenience and access to a full range.

Given that there is a large majority of shoppers who are still unfamiliar with the online shopping experience,

this is understandable. However, given the fact that the online retail industry is expected to grow at a rate averaging above 30 per cent year-on-year, it is important for you to reorient and ensure that the growth is sustained through systematic changes in customer order fulfilment and delivery. It is quite likely that the days of a customer shopping on the basis of recommendations from her friends will give way to her relying more on her own experience in getting what she wants.

In an online survey conducted by Harris Interactive in 2011 on online shopper behaviour in the US, it was found that 89 per cent of shoppers stopped buying from online stores after they experienced poor customer service. Another survey by Bain & Co. reveals that the customer is four times more likely to go to your competitor if your problem is service-related rather than price or product-related.

Convenience, access, variety, price, peer influence can only take you this far. The customer value created through effective product and/or service delivery would be the parameter that separates the e-retailers who corner market share from those that don't.

## E-retail – physical to digital infrastructure

The traditional retail businesses rarely, if ever, get in touch with the customer. Even when a direct



customer interaction does happen, it is more around issues that the customer has in using the product that she has purchased from the retail store. Customer preferences are ascertained through focus groups, social media interactions, store surveys, campaigns, advertising responses etc. There is always a level of uncertainty about this information – the question is one of degree. While there is the physical infrastructure delivering key parameters of geographical proximity and convenience, individual customer preferences are not accurately known.

On the other hand, the e-retail industry lives in the information world. Every individual customer and her buying behaviour is known every time she visits the e-retail website. The move from the physical to the digital infrastructure offers distinct advantages in terms of customer access, information, scale and convenience. Indeed, in many cases, there is more data than what the e-retail organisation knows what to do with! As in all such cases, there are challenges in the fulfilment.

A geographically distributed base of customers demanding immediate fulfilment requires coordination across order planning, warehouse & logistics management and finance processes. Accuracy of order fulfilment in a business scenario that demands response time in hours is a herculean task. The coordination



required is intricate, across geographical boundaries and needs consistent information flows across the physical supply chain. Here's where the traditional retail has significant advantages over e-retail. They have it all mapped out over the last couple of decades!

The question in front of e-retail is how can better knowledge of the customer be used to deliver great customer satisfaction?

**Fulfilment: promise vs reality**

The fundamental difference between the traditional retail businesses (including modern retail) and the

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**A large geographically distributed base of customers demanding immediate fulfilment requires coordination across order planning, warehouse & logistics management and finance processes**

e-retail businesses is the volumes involved in shipment. Brick-and-mortar retail has expanded using ‘push’ models of inventory deployment that reduces the logistics costs per unit dramatically. On the other hand, e-retail firms have seeded the ideas of ‘flexibility’ and ‘choice’ resulting in customer expectations around responsiveness. She will expect a single item to be delivered within the same time window as a basket of goods – costs of shipment is not her concern.

The recent trends in e-retail have encouraged and indeed strengthened these expectations of performance. In chasing Gross Market Value, e-retailers have gone too far? What needs to be done to inject a dose of reality in fulfilment?

For starters, charge the customer for shorter delivery times and move the delivery promise into a 3-5 day window. Manage the inventory holding – response time trade-off by expanding the network selectively. Use last mile delivery as a differentiator to boost sales and drive customer loyalty. Create industry networks and partnerships to ensure that there is no overstocking of inventory while shortening delivery cycles to the customer. Drive specialisation in the fulfilment of categories within and outside the organisation. And so on.

#### **E-Fulfilment – Is it the answer?**

Enter the e-fulfilment service function.

The services delivered by this function to an e-retailer is essentially the same – identify the product that needs to be delivered to the customer, plan & source the product, plan the logistics, manage the warehouse, and create last mile delivery options.

Technology forms the common thread across these functions. E-retailers who deploy effective technology platforms rapidly stand to gain customer loyalty and better revenues in the longer run. Technology integrated with the parcels is the

direction of the future – the parcel speaks for itself as it traverses the logistics chain. Where did this parcel get sourced from? Who handled it? How many times? Where was it stored? Where is it headed? What is its condition?

Mobile and Cloud technology enables these questions to be answered quickly, accurately and consistently. It is exciting times ahead with the “Internet of Things” taking root in various logistics related operations. Establishing a physical infrastructure that recognises the nature of each parcel transiting through the network is a time consuming and oftentimes expensive process. Given the direction of the e-retail industry and the maturing customer demands, it would be the appropriate area to invest in.

Combined with the data that the e-retailer generates at the time of the customer order, the parcel can be moved through the chain with greater efficiencies than before. The ideal scenario would be to get the product to the customer in a time window comparable to offline retail, but that comes attached with unsustainable levels of cost.

#### **Help yourself to help your customer**

With technology playing an increasingly larger role in the fulfilment function, driving differentiation will need to be a consistent, everyday pursuit. Invest in the technology that meets the industry requirements, rigorously drive SLAs within and outside your organisation, establish a reputation for reliability and consistency. Set up the differentiated positioning before technology drives everything to a standard.

Given that there is a volume of information available about your existing customers, it would be ideal to start with them. Understand how they want their orders fulfilled, when are they happy and what does it take to delight them? How would you want to handle returns? When a regular customer does not get an order within the specified time window, it is likely that their satisfaction levels have dipped and they slow down on the recommendations. A newer customer – while spending far lesser, is likely to be more forgiving. An offer every now and then around volumes transacted would keep the wheels moving nicely. Everyone likes a good deal!

We live in a world where consistent fulfilment is an expectation – it is a “hygiene” factor. Differentiated fulfilment through technology can help drive better customer delight and longer term loyalty.

It is best done incrementally, but in quick iterations. Small changes done rapidly are easier to absorb, both by customers and by your own staff. This would be an easier, less risky way to using technology to building a barrier to exit. **PG**

The writer is Managing Principal, CGN Global







let's savor life.



Lite Blue



Spread a smile for snack time.





**Sudarshan Ananth**  
Vice President and Territory  
Leader – HVAC & Transport, API  
Climate SBU, Ingersoll Rand

*“Our logistics solutions are standard benchmarks for the food industry”*

Sudarshan Ananth, Vice President and Territory Leader – HVAC & Transport, API Climate SBU, Ingersoll Rand, talks to Progressive Grocer about the services and solutions offered by his company for meeting the requirements of the food industry and how these can be used by industry players for raising energy efficiency and productivity levels

**Which are the logistics services and solutions offered by your company for the food industry?**

As a century old organisation, Ingersoll Rand has created innovative solutions for the food industry. We bring reliable and sustainable solutions in the areas of compressed air systems, tools, HVAC systems and mobile refrigeration. With a strong technology focus, our solutions have come to define compressed air, HVAC & refrigeration standards. More specifically, we cater to the food industry requirements in the areas of compressed air, high pressure PET bottle blowing, chilled water and comfort air requirement in production or storage areas, clean room with micro free ventilation, cold room / freezer storage, and transporting perishable

products in a safe and efficient manner with cold / reefer trucks or containers. These are some areas where Trane and Thermo King brands from Ingersoll Rand deliver unique services.

Our approach to solutions is always based on three critical pillars – energy efficiency, environment safety, and productivity enhancement. Our Trane integrated solutions help reduce energy use and costs while meeting high levels of comfort and performance, critical to the business operations of its customers. Our Earthwise range of products and services deliver on all these three pillars. Trane Unitary products like VRF - Gen Yue and Ducted Split are the preferred choice of retailers and many customers. All our services are backed by 24\*7 customer care support, which includes company-owned resources to deliver on-time services.



**Which of your services and solutions are commonly used in the food industry?**

Thermo King as a brand has been present in India since over two decades, serving hundreds of customers in the reefer truck and HVAC bus segments. Our products cater from first to last mile of the food chain and they come in application flexibility formats – vehicle powered, self-powered or even electric powered – to meet the changing needs of end users. We have been able to address the expanding refrigeration truck reach of our customers with “service along the route concept”, which comes with a dedicated back office application, engineering team and a 24\*7 customer call center support team at Bangalore. Thermo King is the ideal solution for transport refrigeration and for transportation of perishable goods like vaccines, blood platelets, dairy products, milks, dough, meat, ice creams, etc.

As the cooling requirements are diverse and complex in the F&B industry, Ingersoll Rand’s Trane products are used for catering to the relatively simple warehousing requirements to very complex food processing requirements.

Trane has a complete range of products, which are used in the F&B industry. These includes air-cooled and water-cooled chillers, air handlers, and controls systems and products for the comfort applications.

**Which have been the latest additions to your bouquet of services?**

Our new introductions include:

- Trane water-cooled screw chiller with AFD (RTHD): This best-in-class chiller offers high part-load energy efficiency and reduces annual operating and lifecycle costs. Compared with fixed-speed chiller designs, the Trane RTHD with AFD offers a part-load efficiency improvement of 20-35 per cent while maintaining the same COP efficiency level. This will typically result in an annualised energy saving of 10-15 per cent in chiller energy consumption.
- Trane air-cooled screw chiller sintesis: Sintesis is born out of Trane’s commitment to energy efficiency. Trane AFD fitted on this chiller provides an excellent part-load efficiency, resulting in a low total cost of ownership. The chiller comes

**Our products cater from first to last mile of the food chain and they come in application flexibility formats – vehicle powered, self-powered or even electric powered – to meet the changing needs of end users**

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with superior energy efficiency at a low noise level and it is smart and versatile with the highest reliability in the industry.

- Thermo King is the world leader in transport temperature control and we are committed to providing innovative products and sustainable solutions to our customers. Innovative products like Cold Cube, self-powered and vehicle-powered truck refrigeration units are offered in India. The recently introduced Cold Cube is a portable cooling solution and has the capability to cool or freeze. This product can be run through both AC/DC power supply. This solution will also bring a revolution to last mile distribution and will be one of the popular solutions to support the various needs of customers.

**Our dedicated Product Management and Engineering teams continuously work on understanding customer needs and then work backwards on innovation with state-of-the-art technologies based on efficiency improvement and sustainability. With a strong team of world-class professionals, we are able to provide superior service experience to our customers at any given time**



- Vehicle powered truck refrigeration products (also called as V Series & Ce Series) have special features, making it compatible with low engine power vehicles. No vehicle modification is required and there is minimum maintenance cost.
- Self-powered products (popularly called as T Series) consume lower fuel (15-20% lower) than competing products, have lower maintenance cost (oil change intervals are more than two times than the next option in market), have lower life cycle cost, are reliable at various duty conditions and are easy to maintain. The range comes with versatile capacity to cater to different customer requirements.
- Marine, trailer and rail refrigeration solutions under SLX and the precedent series is one of the unique products in the industry and is a benchmark product in its category. It ensures optimum cooling at a lower cost of ownership with superior reliability factors like uptime, fine temperature control and remote diagnostics.

### **Please explain in terms of a cost-benefit analysis, how your services help to raise the efficiency and productivity of the industry?**

As mentioned above, some of our key product features are the prime drivers of cost efficiency and productivity. TK truck product SP reduces fuel consumption by 15-20 per cent over the other nearest brand. It also provides higher circulation for faster and uniform cooling. For example, SLX and the precedent series cater to trailers and rail containers, which ensures double-digit fuel saving, long operating hours of 3,000 to 4,000 hours between consecutive checks, and superior wear and tear properties of its consumable components. Self-powered T series are designed to support 5.5 to 9.6 M truck containers with superior cooling, long periodic maintenance hours (2000 hours) between consecutive checks, lower fuel consumption, over 50 per cent less noise compared to competing products, all of which makes it a reliable product for India conditions. Similarly, our vehicles-powered series of products have the best airflow and cooling capability in its class. It offers low permeation, which makes it the best choice for Indian road and cold chain duty conditions. Cold Cube is a unique solution of containerised self-contained units suitably insulated, working on 12V / 24 V DC temperature range of -25 degree C to + 30 degree C. It can be used in a wide range of small vehicles, larger vans, full size trailers.

### **Which are the supply chain and logistics areas in the food industry witnessing increased demand for services?**

We have seen an increase in the demand in reefer semi-trailers for long haul as transporters want to carry more load per kilometre. This helps to reduce the transportation cost. This is also due to better National Highways, which allow big vehicles to operate smoothly. These services are majorly used for transport between one cold storage to other.

Reefer trucks for short/mid haul are also seeing an increase in demand, which is mainly coming from fish and milk/milk made products. These products require to travel faster within the cities or between two cities, due to their perishable nature. As there is a growing demand for these products, good growth for transportation services is expected in the coming years.

Reefer LCV/SVC/Vans have also been witnessing increasing demand as there is growth seen in the food service industry and the food processing sector. There is increasing demand for ready to eat/cook, dairy products and pharma items. Easy finance options are available to small and big transporters, helping this segment to grow. Also, there is an increased focus on OEM/NCCD, which is adding to the growth. **PG**



# Chheda's



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# Fridge's Dare

The first supermarket to lend its name to an IoT appliance, ShopRite has formed a smart-fridge pilot partnership that marks a brave new chapter in an ever-changing grocery battleground

By Jim Dudlicek and Meg Major

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**I**n an era where customization and personalization are the operative words in food retailing, the challenge to build closer connections with shoppers has never been greater. Ubiquitous internet connectivity is driving radical transformation of a retail world whose epicenter of consumer intelligence, long entrenched in the front end and back office, has given rise to a new ecosystem of data derived from interconnected devices, many of which enable consumers to shop for just about anything without ever entering a store. Now it's possible for folks not only to shop for groceries without leaving their kitchens, but also for their refrigerators to make up the shopping lists.

"We live in a hyperconnected world, where every device, from the phone to the fridge, is becoming connected to the internet," says Betty DeVita, chief commercial officer of Purchase, N.Y.-based MasterCard Labs, a partner with Samsung in the development of its Family Hub refrigerator, which launched at the recent annual Consumer Electronics Show in Las Vegas.

This so-called "smart fridge" is equipped with the Groceries by MasterCard app, which, according to DeVita, "demonstrates a significant enhancement to the Smart Home environment by bringing consumers a simple and convenient way to shop for groceries directly from their kitchen."

The Family Hub promises to be a game-changer for traditional grocery retailers, in particular Keasby, N.J.-based Wakefern Food Corp., which has been at the forefront of the industry with its popular online delivery and click-and-collect services.

The Northeastern supermarket cooperative, whose members operate 250 ShopRite supermarkets throughout New Jersey, New York, Pennsylvania, Connecticut, Delaware and Maryland, has teamed up with MasterCard to integrate its popular online grocery shopping service, ShopRite from Home, with Groceries by MasterCard, which comes preloaded in the new Samsung Family Hub refrigerator and allows consumers to order directly from the fridge using a built-in screen.



**Cool comfort**

The fridge is readying for its retail debut this spring, after which time ShopRite customers will be able to use the appliance's integrated tablet to order groceries from the comfort of their own kitchens by scheduling in-store pickups or at-home delivery with a few simple taps on the Samsung Family Hub refrigerator.

Using the Groceries app's secure, easy-to-navigate interface, customers also have the ability to add products to a ShopRite shopping basket and pay online.

Items are added to a cart and paid for in a simple, single checkout experience that accepts any U.S.-issued credit and debit cards. Orders are delivered directly by the merchants and aren't dependent on a third-party or concierge service, making shopping more efficient. DeVita notes that features such as cameras within the fridge and a companion mobile app will allow consumers to view contents and shop on the go using the device most convenient to them, with the highest level of security.

"Multiple members of the family can add to the cart and build a single cart over the week, and final approval and submission of the cart is secured through a four-digit PIN to allow more control and avoid ordering duplicate items," DeVita explains. "Virtual-aisle shopping technology allows consumers to search for their favorite brands across multiple



“**Just as Family Hub changes the way we interact with our fridge, the new Groceries app will change how consumers shop**

—**John Herrington**  
SVP/GM of home appliances, Samsung Electronics America

grocers. Since the app directly connects grocers, consumers are able to access deals and coupons, and there is no markup on delivery charges."

The family cart is intelligent and learns from shopping habits, and MasterCard is continuing to work with partners to create simple and convenient experiences for cardholders. "Consumers appreciate the convenience, and merchants value having another way to engage with customers and build their brands," DeVita observes.

**Man Pasand**

**Fruit Bhi Fizz Bhi**

**FRUITS UP**

**Fruits up contains Fruit**



**Seamless convenience**

Groceries by MasterCard was developed in a partnership between MasterCard Labs and Samsung. At launch, consumers will be able to shop and select their needed items and favorite brands from leading online grocer and key integration partner FreshDirect, as well as from ShopRite.

MasterCard has also developed a companion mobile app for Groceries, which allows multiple members of a family to add to a single cart from a device of their choice. At home, consumers can use the mobile app to scan bar codes on products for easy additions to the online shopping cart.

“Just as Family Hub changes the way we interact with our fridge, the new Groceries app will change how consumers shop,” says John Herrington, SVP and GM of home appliances for Ridgefield Park, N.J.-based Samsung Electronics America.

Aside from ShopRite, Groceries by MasterCard is creating a new channel of consumer engagement for fellow online launch partners FreshDirect and MyWebGrocer, whose respective executives are equally pumped about the prospects for seamless consumer convenience.

“Since launch, FreshDirect has been on a mission to get consumers great, fresh food with less friction,” says Jodi Kahn, chief consumer officer at the Long Island City, N.Y.-based e-grocer. “This new technology speaks directly to that mission, giving consumers a new, seamless way to shop for groceries right from their own kitchen.”

Commerce-enabled devices like the Family Hub fridge, adds Eric Healy, president of

Winooski, Vt.-based MyWebGrocer, “represent an unprecedented opportunity for our customers, because it puts them right where the consumer path to purchase begins: in the kitchen.”

Moreover, Healy notes, the platform provides great opportunities to “leverage the open, API-centric capabilities of our Digital Experience Platform ... with MasterCard, and enable grocers and CPG brands to capitalize on the way in which the Internet of Things (IoT) revolution will transform the grocery shopping experience.”

As the rollout continues in 2016, additional grocers will be added to the Groceries app through MasterCard’s partnership with MyWebGrocer, which provides e-commerce and digital marketing solutions for more than 130 grocers across the globe.

“As with a lot of technology, in its early days there will be eager adopters and those that question the merits of the innovation,” says Barry Clogan, MyWebGrocer’s SVP of business consulting services. “However, the IoT has amazing potential and will continue to be a growth area that inspires changing lifestyles and consumer behavior. Initially, the entry price points [\$4,000] seem prohibitive,” he acknowledges, but anticipates that it won’t be long before “these innovations are more widely available, and at prices that will drive customer adoption” from a want to a need.

**May crowning**

The refrigerator, which will be tested in ShopRite’s main trading area in greater New York, is scheduled to roll out to the market this coming May.

“The game-changer, I believe, is about helping our customers get their ShopRite groceries through a variety of methods,” says Donna Zambo, Wakefern’s director of digital commerce and innovation. “We see it as our mission to allow them to shop on their terms — anywhere, anytime — and we want to provide as many opportunities as possible to allow them to do that.”

Wakefern already offers a ShopRite mobile app, the previously mentioned ShopRite from Home click-and-collect service and ShopRite Delivers.

“We are committed to providing the best service online and in-store. It’s not an either-or [brick-and-mortar or online] — it’s about both,” Zambo notes. “It’s about overall growth and providing a great shopping experience in-store and online. Many of our customers do both in-store and online shopping, and it’s all about the personal service and experience that we offer across both platforms that makes us successful.”

DeVita cites Cisco Systems research indicating that there will be 50 billion connected devices by 2020, “and this connectivity is quickly changing the way people transact,” she affirms. “Our focus for



**COMMUNAL KITCHEN**  
A 21.5" HD LCD resolution screen on Samsung's Family Hub refrigerator serves as a digital family command center that allows household members to post, share and update calendars, pin photos and leave notes via smartphones







2016 is to first expand the number of merchants on the platform, giving the consumer incredible choice in shopping.”

Throughout 2016, MasterCard Labs will also be adding more product features, including natural-language voice commands, fridge-camera integration, merchant couponing and loyalty programs, and video integration.

**Perks of being first**

“The Family Hub isn’t a silver bullet — yet — but it serves to illustrate that grocery retailers need to provide solutions that enable consumers to access their online stores directly from the kitchen, if they are to compete with e-commerce grocery pure-plays from Amazon down,” asserts Supriya Chaudhury, CMO of Boston-based online analytics provider Clavis Insight. “These solutions will include devices similar to the Amazon Dash scanner as well as easy-to-use mobile and tablet apps, and partnerships with the likes of Samsung for this emerging class of in-home technology.”

Looking ahead, Wakefern’s Zambo is pleased about the retailer co-op’s pioneering role in the promising platform. “It’s good to be a first adopter on technology, because that’s how you grow loyalty and develop good products,” she says, despite the fact that it’s admittedly difficult to predict what the exact impact will be on the future shopping landscape.

“We know digital is a huge part of this new world. We recognized that more than a decade ago, when we began offering online services and integrating digital into the ShopRite shopping experience,” Zambo continues. “Online customers now represent one of the fastest-growing segments of our business, and service is really the key [to why] we’ve been so successful. We rely heavily on our knowledge as grocers — the supermarket business is in our DNA — and we’ve taken that knowledge and leveraged it on the digital side.”

“e-Commerce is an attempt to make grocery shopping more convenient, and the last decade has seen a general push toward that,” Clogan concurs. “Whether it is the increase in convenience stores’ locations, the proliferation of grocery items in other formats (e.g., drug stores) or the provision of tools that let people order their groceries whenever or wherever, this technology is part of that general trend. This is a case of evolution rather than revolution.”

The Family Hub refrigerator, according to Clogan, “brings the battleground between traditional retailers and pure-play retailers into the consumer’s kitchen. It doesn’t give traditional retailers an advantage, as pure-play retailers are doing similar things — it merely allows traditional retailers to compete.”

Of course, it ultimately depends on the rate of adoption by consumers. “This technology is yet another way to embed a retailer into the daily life of a consumer, so grocery retailers who adopt this technology can get first-mover advantage over other grocery retailers and Amazon,” Clogan says. “To some degree, this product competes with Amazon’s Dash product, which gets Amazon into people’s kitchens and pantries. However, it is important to note that Samsung plans to integrate with Amazon’s Alexa [a cloud-connected AI assistant], so it’s a fair assumption that Amazon Fresh integration can’t be far behind.”

Comparing the two technologies, Chaudhury notes that while “the potential benefits of the Amazon Dash button [are] brand advertising, instant reordering and captive future purchases,” consumers “could be skeptical about the lack of control in their purchase process, and fear trading convenience for higher pricing, given Amazon’s dynamic pricing models.”

She continues: “Family Hub appears to deliver the convenience of push-button reordering without the same concerns of brand monopoly and, perhaps in the future, retailer monopoly as the app expands to cover more retailers in more markets.”

**Wake-up call**

Clogan notes that Samsung is looking into the possibility of programming Alexa directly into the fridge, “to give your kitchen the full run of functionality that you’d get with the Amazon Echo smart speaker. You’d say ‘Alexa’ to wake the fridge up, then ask it to stream some music, set a kitchen timer or add tomatoes to your shopping list.”



**GET SMART**  
The Family Hub partnership heralds a revolutionary collaboration that straddles the Internet of Things and grocery e-commerce



**This new technology speaks directly to that mission, giving consumers a new, seamless way to shop for groceries right from their own kitchen**

—Jodi Kahn  
chief consumer officer, FreshDirect



He adds that Samsung had indicated its intention to have Alexa functionality ready to go for the refrigerator's U.S. launch this spring, "but after a bit of backpedaling, they're now classifying it as a possibility for further down the road. It'd be a shame if it didn't happen — piggybacking on Alexa's popularity would be a clever way to boost this refrigerator's appeal. With Amazon's open approach to the software that powers its voice-activated AI, it should be possible for Samsung to add it into the fridge with just a few lines of code."

As the new technology makes inroads, Clogan expects a minor dip in sales, due to current options like online ordering for delivery or click-and-collect.

"By knowing exactly what is in your fridge at any given moment, digital shoppers may skip impulse purchases that form an important part of grocery retailers' sales," he says. "However, our data suggests that digital shoppers spend more per shopping trip than traditional shoppers, so these smart fridges will certainly contribute to that trend. The fridge's ability to send consumers personalized offers based on their shopping history — and what's already in their fridge — will offset any cannibalization. In the longer term, this may help add incremental growth," he notes, adding that there might still initially "be a slight cannibalization, as shoppers will have a choice between devices — mobile phones, tablets, fridge or desktop."

“  
The game-changer, I believe, is about helping our customers get their ShopRite groceries through a variety of methods

—Donna Zambo  
director of digital commerce and innovation,  
Wakefern Food Corp.



Retailers that are early adopters will have another way to reach their consumers in a highly personalized way. "They will be able to communicate with their customers by alerting them to items in their fridge that are on sale and sending special offers to these presumably affluent customers, thereby deepening customer loyalty to their particular store," notes Clogan. "Unlike email, which can end up in a spam folder, the retailers will have the ability to customize offers and customer communication in a very unique way."

### Purpose-driven hub

As the rollout ramps up, DeVita says additional grocers will be added to the Groceries app through MasterCard's partnership with MyWebGrocer, whose digital commerce solutions are present in more than 10,000 retail stores and used by 500-plus major consumer packaged goods brands. "Looking ahead, we continuously seek and evaluate new partnerships that enable us to innovate in order to create new benefits for our stakeholders," she says. "MasterCard may explore other joint development opportunities with other partners."

With Family Hub entering the market, what could the grocery shopping experience look like a year, or even five years, from now? "This technology heralds the first signs of collaboration between the ever-popular IoT and grocery e-commerce," affirms Clogan. "Over the coming years, we will see the profusion of grocery e-commerce-enabled devices throughout the home and office, including watches and other wearables. Not all of these devices will succeed, but between the IoT and development in areas such as 3D printing and artificial intelligence, the future appears to be much more consumer-centric and convenient."

From a supply chain perspective, the technology should allow retailers to become more profitable and efficient. "With these types of smart appliances, they can begin to predict the shopping habits of the digitally enabled customers and manage their inventory more effectively, with fewer out-of-stocks," he explains. The mandate to build closer connections with shoppers will continue to evolve, says Sylvain Perrier, president and CEO of Toronto-based Mercatus Technologies Inc., driven largely by best-in-class retailers "engaging shoppers in more meaningful, personalized and contextualized conversations through all consumer touchpoints [via] implicit and explicit data sources and interactions."

Foremost to this progression, according to Perrier, are mobile applications, which "are at the heart of most consumer micro-interactions and continue to drive success for many retailers. Grocery retailers should focus on enabling their content and system platforms to be accessible and tailored for mobile, in-store and in-home consumer-facing solutions that will enable rich and personalized interactions."

Retail trading partners have a host of untapped opportunities that remain to be unlocked, according to Perrier, who offers cautionary parting words. "The dawn of the smartphone revolution is over. In fact, we have reached mobile saturation in North America, [where] we now have access to shoppers at a moment's notice and can engage with them privately and socially. The next big step," he continues, "will be for retailers and supplier partners to learn how to deliver purposeful content through personalization and contextualization." **PG**



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## A virgin category *for disruptors with the right technology*

The Dips category in India is yet to open up and is in a very nascent stage of product development and retail growth. But Chef's Basket is attempting to prise open this market with a bold gambit that is likely to fetch it rich dividends going forward

By Sanjay Kumar

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**T**he food retail market in India is coming of age but there exists a discernible gap for good quality gourmet food varieties in many categories. Three IITians with fire in their bellies – Nipun Katyal, Varun Jhawar & Manish Thirtani – sensed a distinct business opportunity in closing the gap by playing to their vision. Driven by raw entrepreneurial gumption and belief in their business nous, the troika etched out a blueprint to introduce new and global taste experiences to consumers. The fulcrum of the plan hinged on teasing out product offerings after tireless experimentation in order to bring out the variants most likely to be accepted and enjoyed by Indian consumers.

The upshot was the creation of Fizzy Foodlabs in 2012. The company operates under the brand name 'Chef's Basket', and it has been selling Pasta and Noodle kits with about four lakh unit sales

to show for every month. "We believe food and dining should be accessible, enjoyable and always inspirational. By packaging the promise of food from around the world in our packs, we're introducing people to their innate food desires," says Katyal.

With good fortune and success caressing the company's initial efforts, Chef's Basket is on the cusp of expanding its product range. On the occasion of World Hummus Day on 13th of May, Chef's Basket will launch its Fresh range of Hummus & Fruit Relish in the Dips category. Made with ingredients that the company says are 100 per cent fresh and natural, the Fresh range of Chef's Basket Hummus & Fruit Relish will be produced on a daily basis at a plant in Rabale, close to Mumbai. "The dips we make have no preservatives, colours or added flavors in them and their shelf life is enhanced with the unique packaging technology we have



adopted from Italy,” informs Thirtani. The company avers that it is the first user of this technology in the fresh food category. “The biggest challenge for us at this point is the shelf-life of the product, which is a problem to be solved for the entire category, and we are working on it. It took us about a year on R&D to crack the product using state-of-the-art Italian MAP technology, admits Thirtani.

For Chef’s Basket, venturing into the Dips category is a bold gamble, which it hopes will pay off eventually. For one, the Dips category in India is in a very incipient stage of product development and suffers from under-the-radar retail visibility. The existing players are mostly very small, hyperlocalised, with just a few homemakers making dips and supplying in nearby GT stores. Quite obviously, the time is ripe to disrupt this space and bring the category out of the shadows. In this respect, credit is due to founders of Chef’s Basket for showing remarkable prescience in venturing forth into an untapped category with the aim of unleashing its scope and unshackling its potential. “Over the last decade, there has been a major shift in the retailing of convenience foods towards fresh packaged products, driven by consumer demand for more nutritious alternatives and a wider range to choose from. With MAP technology and increasing standards of cold chain infrastructure in modern trade channel, we believe the category is ripe for rapid growth,” says Jhwar.

“There isn’t a brand that is building this category currently, though there are some private labels or homemakers who are supplying to nearby stores. But these products come with much less shelf life and do not have a variety of choices for consumers to pick from,” informs Katyal. Given the absence of any major brands in this space, Chef’s Basket is looking at 80 per cent plus market share in the Fresh Dips category in the next four to six months. “We are aiming for a monthly turnover of Rs. 60 lakh in the first quarter after launch, and expecting to grow at 100 per cent quarter on quarter, including institutional sales,” predicts Katyal.

The category is, however, big in many other countries, including some neighbouring ones in the

Middle-East. Hummus has become a billion dollar category in the US, and it has happened in only the past 10 years. As an example, Chobani has become the category leader in the US in the Greek Yogurt space in recent years. “But these categories are a white-space in India and we believe that it would take much less than 10 years for developments in this fresh food segment to make it big,” confides Thirtani. As an early mover, Chef’s Basket hopes to seize upon several opportunities in the market going forward. “The existing local brands do not have the technology to take the natural route and neither do they have the variety to offer. We are starting with three variants in Hummus and are going to be add three more unique flavours within two months,” says Thirtani.

As an early starter in the Dips category, Chef’s Basket is looking to make a big mark for itself with its Fresh range of products. More so, since the company has taken special pains to come out with a product range that ticks all the right boxes. By way of example, the product development process for Chef’s Basket Fresh range of Hummus & Relish has been rigorous and extensive. “The products have undergone rigorous flavour testing and we are quite proud of the taste of the final product. Our beetroot Hummus is quite popular among kids with the hint of tamarind that we have added, and surprisingly so, since children generally do not enjoy eating beetroot. We are the only ones with such a unique flavour portfolio and a palate that is consistent and as good as a homemade recipe,” informs Katyal. On being asked what are the chances of his products scoring it big in the market, he says: These products are as good as a homemade recipe – The Hummus from Chef’s Basket is nothing different from a fresh Hummus served at authentic Middle-Eastern restaurants. We think it’s going to be the health & fresh aspect of the products that will go down well with consumers.” To create a buzz, the company has been conducting pre-launch campaigns, giving out its new range to food lovers and bloggers and also presenting the products at a few events for tasting. “We have been getting mails asking about the launch, and mails expressing love and appreciation

**For Chef’s Basket, venturing into the Dips category is a bold gamble, which it hopes will pay off eventually. The existing players are mostly very small, hyperlocalised, with just a few homemakers making dips and supplying in nearby GT stores**





**Among the factors that will play an important role in the category performance are availability of the product and quality consistency. The availability factor assumes important given the limited shelf life of fresh dips and the cold chain infrastructure limitations**

for the products have been pouring in already,” shares Katyal.

However, even for manufacturers with good products to pitch for, the retail frontier still remains a major challenge to cross. “This category would be created based on supply, as there is a huge unmet demand. There are about 1,000 stores in the top six cities that have the potential to sell premium fresh dips. The basic dips (say a coconut chutney) would have a far higher potential number of stores in terms of distribution possibility,” reveals Thirtani. With consumers eager to lap up new flavours and keen on trying out new stuff, retailers realise that there is a void in this space. “Retailers have welcomed us for the launch and, in fact, have also shared numerous other possibilities regarding the SKUs that can be possible in our Fresh range,” discloses Thirtani, adding that all retailers today realise that this is a category not meant just for the super-premium retailers, but one that can become mainstream if the selection of products and pricing is right.

But while the enthusiasm and willingness of retailers to promote the Dips category is music to brands and manufacturers, there’s a wrinkle to iron out. Stores today are way more cluttered with numerous communications from various brands and



so it becomes a challenge to occupy the mindscape of consumers and build a relationship between the brand and consumer. “Our strategy is to communicate closely with the consumer – we are allowing them to speak and we are listening,” says Katyal.

Merchandising is another aspect that will play a key role in developing the category. For example, open chillers for dips are known to increase consumption as compared to closed refrigerators. “We are in talks with a national modern trade retailer to make a refrigerator bay for us along with the snack category (say Nachos) to drive our dip consumption. Retailers are becoming more consumer-centric and experimenting with merchandising to include cross-merchandising and innovative out-of-the-category fixture-based displays,” reveals Jhawar. The company expects 50 per cent of its sales in the Dips category to



come from Modern Trade / General Trade if it is successful in ensuring product availability and nailing innovative merchandising. To achieve this goal, it has worked out a plan wherein the supplies would be done directly by the company. As far as sales from other channels are concerned, it hopes to accrue 20 per cent from e-commerce & hyperlocal – Grofers, Bigbasket, etc. – and the rest from institutional sales.

The factors that will play an important role in the category performance are availability of the product and quality consistency. The availability factor assumes importance given the limited shelf life of fresh dips and the cold chain infrastructure limitations, which pose stocking issues for most stores. At the same time, keeping the consistency in taste, texture and all sensory parameters are critical for the success of a product like Hummus and Relish. A third factor is having a ‘range’ and is critical because consumers need variety when it comes to the snack and dips portfolio. According to Jhawar, companies that acquire the capabilities of enhancing the shelf life to 18 days for Hummus and 30 days for Fruit Relish, will stand to gain and play a major role in disrupting the category. “We will also be the only brand to offer smaller portions in this category which makes it more accessible for consumers. This is in line with the core principle of not having any wastage on account of buying bigger portions,” he adds.

For the time being, the company will focus on Mumbai for the initial launch and will gradually expand to all Tier 1 cities as a part of its Phase 1 launch in the next six months. “We believe these cities have an existing demand for Dips products that is unmet, and we are hoping to capture and build on the demand in these places first,” believes Katyal. His advice to new players entering the market: “Unprocessed food is a very tricky space to enter, it needs careful attention, right from the raw material sourcing until the product is consumed. A good amount of real time R&D is necessary to understand your products best. Rather than going the easy way of additives, it’s better to keep the product as close as possible to the original homemade form for consumers to love your food. Consumers today are way more cautious and knowledgeable and exposed to many options on daily basis.” **PG**

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# Innovative products with Swiss standards

Olivier Camille, CEO, Reitzel International, shares with Progressive Grocer how new products like high quality pickles made from exotic vegetables like gherkins and jalapenos are slowly but steadily mounting their presence in both foodservice and retail and about his company positioning itself to become a leader in the category

## As a food company, which are your products and areas of specialisation?

Reitzel Specialty Foods, Part of Reitzel International (Suisse) SA, was created in 2013, in order to cater to the Indian market with the Hugo Reitzel brand. Today, Reitzel Specialty Foods is present in two segments: Retail and Food Service. In Retail, we're selling across India a large range of high-quality pickles (gherkins, jalapenos, baby-corn, onions, bell peppers) and some very tasty Swiss-made mustards. In Food Service, we bring to our customers innovative and quality products and packaging tailored to their needs: gherkins, jalapenos and bell-peppers that come in brine-packed pasteurized glass bottles, cans, jars and pouches of various sizes. Our final purpose is simple: to be leaders in gourmet category with our Hugo Reitzel brand.

## What are your products USP and differentiators?

We offer vegetables preserved in natural vinegar as a media. The vegetables that we use are packed within 36 hours after harvesting. Also, the standards of our products, the authentic recipe and quality of ingredients makes us different from the rest. The Swiss standard of quality and production adds value to our USP. We work with our robust product development and R&D team to develop special flavours and value-



added product for HoReCa and QSR. This gives us the advantage of offering new products for consumers and for ensuring consistency and quality.

## Which are the other brands that offer a similar product range as yours? What are you doing that others are not?

There are brands like Tiffany, Neo Foods, Del Monte and a clutch of local players who also offer the products we specialise in. We manufacture the products as per Swiss quality standards and also our recipes follow quality and taste standards. We have contract farming with 8,000 + farmers who are trained and helped to follow all good practices as per our captive farm learnings and proven processes. Our sourcing is through our own contract farming, which ensures that we are able to source quality products. Again, our packaging & labelling are as per international quality standards.

## What should be the right approach to branding and advertising for promoting products?

Branding in this category is a long-term approach. This is because the category has just started showing positive response from the trade. So it is important to make sure you give quality products and make the buyers and consumers experience the quality and consistency. Accordingly, our focus will be more on ensuring the right quality and right distribution along with the right communication, which should be subtle and based on using tools like packaging and product visibility at the point of purchase and inducing trials with sampling.



### What is your assessment about competition in the category?

The new players are mostly following a price war strategy, thereby compromising on the quality standards. We are going for a planned way of distribution and servicing of the current clients. At the same time, we are also aligning with prospective partners and assisting them with the required support in terms of product development and supplies in line with our global experience.

### What is your sales/turnover currently and what are your plans for ramping it up?

The current turnover is not so significant. We have tried various strategies in the past few years but we are not ready with all insights with organised research. Our plan is to push the category with the organised sector. At the same time, we are taking aggressive efforts in terms of distribution enhancement, investment in new product development and R&D for the trade. We are targeting to be a leader in the category and our strategies in terms of distribution, product development and promotions are well in place and we will implement the same in next 2-3 years.

### Have you worked out your retailing strategy?

Our retailing strategy will be a slow burn because of the fact that the TG for our product category are mainly expats and SEC A+. So we will go in a very focused way and target key MT/ GT channels and gourmet outlets in the top 20 cities.

### How would you describe the growth of the category in recent years and its projections for the future?

The market movement for the category is increasing slowly and will accelerate with greater proliferation and acceptance of QSRs and Western food. Just the way, Italian food has seen acceptance among Indian consumers. People today, not only consume the products outside the home but have also started preparing them in their kitchens. Italian food products like pizza, pasta, salads and burgers are now commonplace in Indian households. Also, the consumption for these products will see an uptick because organised QSRs and international chains need to maintain consistency and ensure that there is minimum handling of the raw material at the QSR level.

As far as current market size of the category is concerned, it would be approximately Rs. 100-120 crore taking into account both the organised and unorganised sectors. But the market will grow fast in coming 4-5 years with a CAGR of not less than 25-30 per cent.

### Which factors will play an important role in the category performance?

Right now it's a combination of product and price but in the coming times it will be a combination of product taste, quality, consistency and price, which will play an important role in the growth of the category.

### How do you see the scope of the category from the retailer's perspective. Are they buying into the category's potential for growth?

The category is acting as image drivers for retailers since consumers treat such retailers as premium and gourmet retail outlets. There will also be a positive impact for retailers, both in terms of increasing their sales and growing the bottomline as well as adding value for the retailers' brand image. These factors will motivate them to allocate more space and weight to the category.

### Any suggestion for better category management/ merchandising and category innovation by retailers that could help the category grow more impressively?

As the category is set to get better acceptance in the coming years, retailers should start giving prominent space in their outlets. They should also recommend consumers to buy and use quality brands instead of pushing high margin but low quality products from unorganised brands.

### Which are the most promising markets for such products?

Markets in metros and mini metros of west and south region are growing fast. The growth of QSR HoReCa market is also showing promising growth for our products. As such, we are focusing on HoReCa first for volume sales and MT/ GT and e-com for reaching out to our TG and for encouraging kitchen consumption. The opportunities are more promising in the growing QSR market and so we are investing in capacity enhancement and new product R&D.

### What are the challenges before players like you?

The challenges are in terms of countering the local competition. We are taking a beating in our gross margins. But we feel this is a temporary phase. Buyers will realise that partnering with quality suppliers will benefit them and enable them to satisfy their consumers better, which will eventually help to safeguard and maintain their business growth. **PG**



“We offer vegetables preserved in natural vinegar as a media. The vegetables that we use are packed within 36 hours after harvesting. Also, the standards of our products, the authentic recipe and quality of ingredients makes us different from the rest. The Swiss standard of quality and production adds value to our USP

—Olivier Camille  
CEO, Reitzel  
International





# Making it easy to find hard-to-get products

By Sanjay Kumar

Online shopping has the potential to grow at an exponential clip in India what with people logging on not just for the convenience of it but also to discover credible products and source interesting ingredients for cooking at home. Gourmetdelight, a gourmet grocery store, curates and sources organic and gourmet products from India and around the world and celebrates the joy of discovery of fine ingredients



**G**ourmetdelight started out as an experiment for a small niche market. It was developed on a small platform and started operations in April 2015. The going was good and it quickly realised that it could be on to something bigger and better. With hopes buoyed and intentions firmed, a small team got cracking on building a new more capacious platform. “The current format you see came into existence in December 2015. So in effect, we are only a few months old but we have become a one-stop online destination for organic food items and gourmet products,” says Raka Chakrawarti, Founder & CEO at [www.gourmetdelight.in](http://www.gourmetdelight.in), which currently operates in Mumbai and Pune (present in a limited way).

Ask Raka about the kind of customers who frequent her online store and she says: “Our customers are well traveled, well heeled, come with great knowledge about products and ingredients, and they expect good service and great quality.” According to Raka, the average ticket size is Rs. 1,200 and the most bought products are cheese, breads, organic produce, near organic eggs, farm fresh milk and superfoods such as berries, seeds, chia, amaranth. Currently, Gourmetdelight serves about 600 plus orders a month and with a growth rate of 25% month on month, it has plans to start operations in six more cities by year end.

## Curated products chosen by experts

This online gourmet store has positioned itself as a food lovers’ paradise. “We are an online organic food store for those who seek great ingredients, love good food and enjoy creating delightful culinary experiences,” lets on Raka. The store offers customers a curated range of a melange of products ranging from gourmet chocolates, homemade artisanal cakes, exquisite cheese, teas, spices to healthy organic super foods such as flax seeds, buckwheat, kale and quinoa. “As of now, we have 2,000 products across 11 major categories and 10 sub-categories. Our best-sellers include seasonal organic produce, milk and dairy, grains and world cuisine ingredients,” informs Raka adding that the company is fanatical about curating its products constantly. “We don’t have a system of onboarding mass products or players. We make sure that we offer something which is unique, different and hard to source, which makes customers come back to us again and again and discover products on our platform.”

No wonder that Gourmetdelight keeps getting constant requests for products that consumers have brought with them while traveling but face difficulty in finding reliable suppliers for such products in India. “As of now our repeat customers are at about 60%, so we have a healthy base. Over time it will be our range which will be the hero and our strong emphasis on curation,” says Raka.

As the company is very particular about testing each and every product sold on its platform, products at Gourmetdelight bear the stamp of superior quality. The quality factor is also buttressed by the fact that the products are sourced from renowned national and international brands as well as reliable local Indian producers. “We scour the length and breadth of the country searching for fine products so that our customers can enjoy the experience of fine food,” says Raka.

**Sourcing and delivery model**

The company picks products directly from producers, and it has a collaboration with farms for sourcing organic produce. “Our sourcing strategy is based on the relationship we share with our producers and the kind of produce we are able to connect to our customers. Product availability is dependent on seasonality for fresh and organic,” says Raka revealing that margins are in the range of 30 per cent because of the benefit accruing to the company from its direct relationship with producers.

The company has expended special efforts in assembling a team with a varied background spanning industries such as hospitality, retail and e-commerce. This diverse background of the team comes in handy in choosing products that are a happy mix of health and great taste. The team identifies the products for its platform by keeping a careful watch on food trends in India and around the world. Through its network of chefs and hospitality professionals, members of the team look aggressively for great products and bring on board new producers every week. “Our benchmark



*“Online cannot completely satisfy the retail experience”*

Raka Chakrawarti

**In your opinion, how tough or easy will it be for pure play online players in grocery to have profitable operations in the long run?**

From our own business point of view, we will certainly be in retail and have both and online and offline play. We would like to have our own concept stores and we have been approached by a few prominent players in this regard. We will start it in due course. We feel that the magic of the ingredient is in touching and feeling it. Online cannot completely satisfy the retail experience.

**Which have been the instances when you have made interventions in your processes and operations based on customer feedback?**

We constantly make changes based on feedback. Our customer base is very vocal with their opinion and we like that. We have incorporated inputs in terms of product, selection, packaging and we feel that it's their involvement that keeps the business growing.

**What challenges do you face in extending your platform to other cities and towns?**

I don't think there are challenges per se apart from the regular setting-up issues. Each city we play out in will have a strong city-specific ingredient play, because each city is different in its food preferences. It's not a one-size-fits-all and we are working on that.

**What are your plans to raise capital for growth and expansion and your plans for adding new product lines?**

We are currently in talks to raise capital, we feel that it's crucial for expansion. Our next exciting new line will be our organic lunchbox concept. In terms of the menu, variety and ingredients, it will be something to watch out for.



**What interesting shopping trends have you observed on your platform?**

We have observed a few very interesting trends on our platform since we launched.

- Our organic seasonal produce appeals to all age groups. We have young mothers and the older age group who are completely sold on its benefits. A new segment of people who we were not actively targeting began to grow exponentially; people who regularly work out and use these products for juicing and preparing healthy smoothies, juices at home. In fact the three varieties of spinach we stock and our exotic organic range is primarily targeted at them. Another segment of early adopters are the chefs who buy from us. They keep us on our toes when it comes to ingredient quality and ensure that we stay ahead of the curve.
- Indians like to experiment with cuisine, and are very aware in terms of what is healthy. We stock a large variety of rice from black to red to Arborio. Customers also ask us for diabetic rice.
- Milk and dairy is a large area of interest for consumers and they are constantly interested in information such as farm size, packaging and quality of produce.



for partnering is the ability to supply consistently, have all the necessary food-related licenses and certifications and, of course, unquestionably a great product,” informs Raka.

“If you are a connoisseur of good food and enjoy whipping up a great meal at home, you will find that we provide you with almost everything to support your culinary dreams,” promises Raka, adding that the team at Gourmetdelight goes to extra lengths to bring and maintain a huge range of organic products. For instance, its specialised range of baking products are carefully selected from passionate bakers and chefs at large. “We choose them especially for the fine ingredients they use and the skills of the home chef,” informs Raka.

But it’s not only the range and quality of products handled by a team of well-equipped professionals that is helping Gourmetdelight gain traction in the marketplace. Added to that is the its promise of offering a secure hassle free shopping and deliveries via its own infrastructure of trained Gourmetdelight staffers. “We have our own delivery team and our delivery promise is within 24 hours,” says Raka.

**Strengthening the platform**

How does Gourmetdelight view competition from offline retailers and other online players? “We don’t view them as competition, we feel that we have a lot to learn from both offline and online retail.



We constantly watch this space and if someone is doing something new and different we try to learn from them, we feel that the market in India is ready to try out new and interesting products, there is constant experimentation with food and the more differentiated players will result in good quality demand not just for grocery items but great quality ingredients,” replies Raka.

At the same time, the company’s incessant focus remains offering a differentiated product to the customer and it intends to stick to this strength for all times to come. For example, with a strong base of artisan producers contributing to its site with cheese, dips, breads, cakes, pestos, pickles, etc, Gourmetdelight is making all efforts to grow this base further because it feels that customers appreciate these products.

To strengthen and expand on each of its customer segments, the company is further fine tuning its delivery strategy. For example, in the case of its working professional customers, it will have an appropriately late delivery slot or offer the facility of a dark store from where a customer can pick the products at one’s convenience. The company is also looking to target more aggressively its growing base of young mothers by catering to their specific needs and expanding its product selection accordingly.

Over time, Gourmetdelight also plans to introduce interesting concepts like organic lunches made from its own ingredients for specific locations that have a strong base of working professionals. Such initiatives will help the company drive greater growth and make the brand resonate more strongly with its customers, ensure repeat purchase, besides enabling stickiness and brand recall.

Last but not least, the consumer connect initiative will also have a strong social media play. “We believe in the power of social media, we feel that more than anything else we need to show and tell the consumer what we are all about and what our products stand for,” states Raka. Currently, Gourmetdelight has a blog linked to its site, and it makes use of social media for informing its customers about new products. “We keep sending regular emailers to our customer base, and we invite them to participate in trend-related stories. We are also currently in the process of producing high quality ingredient-led videos, which we intend to run on social media platforms so that people can learn how to use ingredients effectively,” informs Raka. **PG**

**The company has expended special efforts in assembling a team with a varied background spanning industries such as hospitality, retail and e-commerce. This diverse background of the team comes in handy in choosing products that are a happy mix of health and great taste**





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# Growing big with a regional focus

How World Retails has built a solid foundation for expanding its retail operations and taking its business higher in Odisha

By Sanjay Kumar

**T**he journey of modern retail in India is still in its early chapters. In some parts of the country like Odisha, the industry is still in its diapers. While it will take a few more years for the industry to bloom and blossom in all its glory, the roots are taking a firm hold and growing stronger by the day. A strong indication of the prescient changes slowly aborning even in the backlands can be found in the lengthening footprint of regional retailers. In this issue, we share with our readers the charysalis-to-moth-to-butterfly like evolution of 'The World Retails Private Ltd', a modern retail chain in Odisha, which is a part of The World Group.

Starting off with one store in 2007, the company today operates eight stores in various parts of the state – with three stores in Bhubaneswar, two stores in Berhampur and one store each in Cuttack, Dhenkanal and Angul. The chain's retail footprint covers 85,000 sq. ft., which brings in average monthly turnover of Rs. 5.7 crore. The stores are all rented and belong to the Value Superstore Format kind, with their sizes varying from 2,600 sq. ft. to 19,000 sq. ft. With growth coming at 10 per cent annually, World Retails is looking forward to a steady and reassuring business ride in the days ahead and has a target of reaching Rs. 100 crore by the end of FY2017-18. "Since inception, The World Retail Group has been striving to provide a retail experience on a par with the national and international standards. We have



**Rajesh Patnaik**

COO, World Retails Private Ltd





been seriously pursuing qualitative development over the years and the same is now visible in our stores and products,” affirms Srinibash Sahoo, Chairman of The World Group.

Over the past eight to nine years, the group has gone about its task of becoming a regional retail power brand with grit and determination. What has given more puff to the company’s ambition and made its prospects more appetizing is that there is not much of competition to ruffle its feathers. “We enjoy a specific edge in the segment we are in and in our kind of business within the region. To a certain extent, V-Mart and Reliance Fresh can be called our competitors. Since we have the privilege to offer both FMCG and Fashion as our retail package, we have been able to take the advantage of combining both businesses and that too under the value format,” says Rajesh Patnaik, COO of this fast growing regional retail powerhouse, which is at the forefront of bringing modern and innovative retail practices in food and grocery in an otherwise predominantly traditional retail market of Odisha.

The unique blending of FMCG and Fashion in a value retail format has allowed World Retails to pack a greater punch to its business. Customers enjoy the privileges of adequate store space, good ambience, excellent service standards, all of which coupled with value pricing not only offers a bigger bang for the buck but also whips up the kind of competitive advantage that is hard to ignore. “We have been able to build a strong brand image within the state of Odisha. Being a regional player we have focused on regional products / assortment, which are make-in-Odisha products. This is part of our regional strategy and it allows us to cater to most of our customer requirements,” says Patnaik at whose stores the food and grocery range extends to categories across processed food, loose staples, packed pulses, cooking ingredients, detergents, personal care, beverages, diary and frozen.

#### **Regional strategy for products and suppliers**

The regional strategy as formulated and executed by World Retails deserves special mention and holds a salutary lesson for regional retailers everywhere.



For World Retails, the strategy is one of the most potent weapons in the company’s armoury, and one which gives it enough dry powder to fight the odds with poise and confidence. The strategy is based on stitching a formidable alliance with the local and regional brands. The collaboration has helped World Retails to reap handsome dividends – not only by way of distending sales but also by way of developing and building a strong retail platform, which has helped the retailer to forge a symbiotic and deeper relationship with brands and suppliers in the region. “We believe in promoting regional trade by way of reaching out to small entrepreneurs and sharing our shelf space with their products. This has helped us develop a synergistic relationship, which has become a source of mutual strength between the small entrepreneurs and our retail chain. They have stood with us at all times as by virtue of this relationship they have become the dominant players in their respective assortment in the regions. Hence we promote trade regionally,” confides Patnaik.

In a small market like Odisha, where the distribution business is limited to a few hands and instances of irregular stock supplies by stockists / distributors at peak times and even the availability of products on time is a recurrent issue, what can

“**We enjoy a specific edge in the segment we are in and in our kind of business within the region. To a certain extent, V-Mart and Reliance Fresh can be called our competitors. Since we have the privilege to offer both FMCG and Fashion as our retail package, we have been able to take the advantage of combining both businesses and that too under the value format**





*“More than online, our focus now is to offer better in-shop opportunities”*



**Rajesh Patnaik**  
COO, World Retail  
Private Ltd

Progressive Grocer speaks to Rajesh Patnaik, COO, The World Retail Pvt. Ltd, to know more about his chain's operations in the areas of private label management, supply chain and logistics and customer focus

**What is the contribution of private labels to your overall sales and how do you see it growing?**

Our private label share in the coming times would be 40 per cent of the sales mix, which will translate into approximately Rs. 2 crore of additional income, up from Rs. 4 crore now. Our private label brands are 'JAZZ' in the Fashion category and 'Grihani Namkeens' in FMCG. They offer about 35 per cent margin in both the Fashion & FMCG categories and their sales share is 15 per cent compared with national brands, which contribute around 40 per cent. The growth in our private label category has been eight per cent month on month. For promoting our private label brands, we rely on in-store promotion through branding, co-branding, window display, pillar visuals and also make use of external mediums like newspaper ads, hoardings, TVCs, SMS, and events. We have plans to introduce new products under our private label in the FMCG category for dairy, pickles, dry fruits and cleaning agents.

**Which marketing and promotional activities do you prefer for pushing sales in your stores?**

Our major BTL activities are by way of in-store promotions and our ATL activities are for mega promotions. For major events, we take the help of print & regional channels for our medium of marketing. We

have our marketing event calendar fixed, which describes the details of the activities to be carried out for specific events. Then we have our own web page and FB page for social media connect. Every event is posted in each media from time to time and there is regular updation. We make use of our messaging service to send regular updates to our loyal customers, as part of the promotional activities. We send wish messages to our customers on important occasions like marriage anniversary / birthdays, etc. Besides, we keep participating in major trade events, in CSR activities and camps to make our brand presence felt.

**What is your strategy for merchandise display and category management?**

The strategy for merchandise display is based on certain parameters. Fast moving, impulse and slow moving items are arranged in a specific sequence for the purpose of display. There are certain categories like general merchandise and apparel for which we have to create the need for customers based on their movement within the store and taking into account factors like convenience. For example, in a multi-floor store, we have FMCG on the third floor, apparel on the ground

floor, and general merchandise on the second floor.

**What are you doing to rope in more quality suppliers for different categories?**

This is a continuous process, which we keep upgrading depending on the need of the hour.

But we are very cautious in bringing new suppliers to our fold. Only after being satisfied with all the desired inputs, we go ahead with the process of bringing the new ones. As it is, every day there are lots of new products that come on the market. It is not possible on our part to include all of them. However, we are open to adding products keeping in view the sentiments and demands of customers.

**How do you ensure that suppliers stick to quality standards and efficiency norms?**

We have a central warehouse, which receives the entire stock. Stocks are



then transferred to the respective stores based on their requirements. We have our own fleet of transport to avoid transit delays and also to achieve the economies of scale. The stocks are duly checked by our internal receiving team when they are brought in as per the required parameters, and then sent to the stores.

**Any innovations in your supply chain model?**

We have our own fleet of transport logistics wherein the vehicle and the staff are on our payroll. It helps us to reduce the supply gap from the vendors to our central warehousing and in dealing with the issue of non-availability of transport by the vendor. It has also helped us to reduce the damage and shrinkage during in transit. All the vehicles are mapped with GPS tracker to monitor the transit time, thereby maintaining delivery schedules.

**What kind of initiatives and innovations have you been taking for a more streamlined store operations?**

We have tied with various NGOs under the skill development programme to hire the entry level staff for our

stores. For the rest, we have our own HR department. There is a continuous training programme, which is conducted regularly at the store level and monitored for better performance. Monthly meetings are part of the regular schedule at the stores to improve motivation within the team. We have upgraded our working approach by using the latest technology, wherein all the stores are leased-line connected with controls at the corporate office. The inventory is monitored on a daily basis with MBQ and to assess for reorder quantities, which have been fixed for the stores to automatically take care of the ordering process. Daily PIs are part of the store's team task for monitoring specific items and to minimise / eradicate stock variance. All the operational parameters are decided well in advance and monitored to achieve the desired goals.

**How do you manage the customer feedback loop at your stores for improving the various facets of store operations and merchandising?**

We have successfully implemented the process of exit interview for our customers. We deploy a senior staff to take the feedback and suggestions for the store. This has helped us to improve on our standards, thereby



reducing the gap in the expectations of the customers. Also, since this happens on a continuous basis it helps us to upgrade our systems and meet the genuine demands of our customers. Since we are a small organisation, the decision making process is faster, thereby enabling us to implement them at the store level on an immediate basis.

**With e-commerce and m-commerce pulling ahead as more convenient and preferable mediums of shopping, are you doing anything special to beef up your presence on these channels?**

We have already started the process of redesigning our website. Also, except for FMCG, the process has begun for online activities as a medium of sales. Since sales of FMCG online is yet to take off in this part of the country, we would like to give it a little more time. The people of Odisha have the time to shop and enjoy and we would like to take advantage of this scenario and offer better opportunities for in-shop shopping.







“The management is diverse with broad business proficiency ranging from technology to retail and finance to compliance. Their experience has helped us to refine our business strategy to suit changing customer needs

—T. D. Bisoi  
AGM Purchase



“We are committed to providing robust store sales across all markets by scaling our marketing efforts, maintaining an extremely competitive pricing strategy and customer-centric service delivery

—Srimanta Samanta  
AGM Operations



“We are proud of our success in building a good business & retail brand. Thanks to our concerted efforts, we have been able to offer best-in-class service to all our customers from the entry to exit of the stores

—Ashok Moharana  
Store Manager



“The World Group is proud of the customer trust and reliability it has earned. We will keep up our assurance to fulfill customers’ aspirations each time they visit our stores

—Sashikanta Kumar  
Asst. Store Manager



retailers do to ring fence their business from such abrupt disruptions? “We always try to keep our master data of products short and sweet. In fact, we do not believe in maintaining a large data base and then find it difficult to maintain it. Our endeavour is to ensure that whatever we keep and introduce into our system is available to our customers on regular basis. So apart from the products that drive the market, we select the products based on a certain criteria before making it a part of our master list. Once a product is available on our shelves, its availability is more important to us than the product’s introduction itself,” explains Patnaik.

The product basket at World Retail, with an SKU count of 20,334, is fairly diverse and eclectic to suit a wide swathe of tastes and preferences. In the fast growing emerging categories, International foods, organic foods, and frozen, especially non-veg, high fiber and multi-grain foods are the star performers. “The people of Odisha are fond of eating various kinds of foods having regional flavours. Hence it has been our effort to provide ample and better varieties of flavours and a range that caters to their needs,” says Patnaik. For delivering on the promise of catering to regional flavours, World Retail has tie-ups with local and regional players in the ready-to-eat department and for products such as pickles, pappads, diary, spices, cooking ingredients and flour. “These tie-ups have helped us to reap the benefits of achieving higher volumes, strengthening the bottom line, and enhancing our brand equity as a retailer known for catering to the flavours and tastes of Odisha,” states Patnaik. As far as brand preference goes, while products from FMCG majors such as HUL, Britannia, Amul, Yummies, ITC, Duke’s, Bisk Farm, Grihasti, Fortune, Sundrop, Coke, Grihani, Haldiram’s, Nestle, and Dabur enjoy an upper hand with customers, categories like processed food, cooking ingredients, staples and frozen enjoy more favourable winds at their backs.

**Syncing location with the store format**

Though all retailers inherently understand the importance of location in making business tick, few have so successfully managed to align their location

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**Distribution Redefined**





footfall numbers is its clever use of “pleasure-value quotient” that it has brought to its three bigger stores. Basically, these stores come with the added advantage of having an eat-in opportunity courtesy their food joints. In more mature grocery markets of the West, foodservice in convenience stores is the industry’s fastest-growing category and the most cogent reason why consumers choose one channel over another when purchasing food and beverages.

As part of a well-thought out strategy to convert the retail stores into destinations and hangout zones, World Retails created an internal division called Food Trick. This strategy has been very successful in all the three outlets where it has been deployed so far. It has, over the years, created a niche for World Retails in a market like Odisha, where having a food joint inside a store holds an exotic value for customers.

Currently, Food Tricks adds up to Rs. 1.8 crore annually to World Retails overall revenue and it is expected to reach Rs. 3 crore by end of FY 2017-18. Catering to multi cuisine recipes, the joint serves specific signature dishes such as onion cheese dosa and Chinese recipes, which have enabled the stores to draw a huge number of footfalls. Also, the south Indian Thali during the lunch hour has been a focal point of footfall attraction. “Food Trick is one of the USPs and a marked differentiator for the customers, and has helped us maintain footfalls and thereby achieve our desired goals. To a certain extent Food Trick has helped in its unique way to add value and footfall during these years. The weakness for good food for the people of Odisha has added to our strength,” says Patnaik.

Food joints inside grocery stores are still a novelty in the Indian context and in places where such stores are a rarity, the concept can work like a magic siren song. While the customer mix at World Retails stores across Odisha is largely dependent on the location of the store – usually a mixture of both family and youth – the ones with food joints have seen a much higher incidence of youth visitors. “The youth factor is quite pronounced at such outlets and these numbers have been growing,” discloses Patnaik.

### Collaborations and programmes for retail edge

Devising innovative programmes and schemes to benefit regular customers and burnish the brand image is an art that World Retails has employed to good effect. “Since we are still operating in a traditional market, we believe in educating our customers to reap the benefits of our loyalty programme and encourage repeat visits of our customers.” The stores employ trained staff who engage with customers by highlighting the features and benefits of the products as well as by enlightening the customers on the products’ usage and any value addition they might offer. “During the festive periods and on specific occasions, special events like cookery shows and treasure hunt kind of programmes are

**For delivering on the promise of catering to regional flavours, World Retails has tie-ups with local and regional players in the ready-to-eat department and for products such as pickles, pappads, diary, spices, cooking ingredients and flour**



strategy to the drawing power of their store format. At a time, when there is a profusion of malls in even smaller cities and towns, it might perhaps make better business and location-wise sense for bigger grocery stores to operate from the cocooned precincts of a mall. After all, there are powerful lures such as parking facility and the probability of a higher footfall with the mall itself acting as a big receptacle for shoppers. For the advocates of this line of logic, the stance of World Retails could appear seemingly contrarian. Almost all its stores are standalone properties but have nevertheless become shopping destinations over the years. The footfall numbers speak for themselves: the average daily/weekly footfall at World Retails stores stands at a very brisk 5,506 visitors daily and 38,542 on a weekly basis.

“We believe in having the right location that can strategically cater to all segments of people at large. Since we are in the value format space, our location strategy takes care of almost 70 per cent our sales strategy. Hence we are very specific about choosing the exact property – preferably a standalone property with all basic amenities like parking, visibility and, of course, the viability factor,” avers Patnaik.

Another factor, which has helped World Retails in wooing customers and attract higher



### FAST FACTS

**Retail format of stores:**

Value Super Store Format

**Number of stores currently in operation:**

8, all across Odisha

**Average size of stores:**

2,600 sq. ft. to 19,000 sq ft.

**Total retail space under operation:**

85,000 sq ft.

**Owned, leased or rented:** Rented

**SKU count:** 20,334

**Average daily/weekly footfall at stores:**

5,506 / 38,542

**Average bill size/transaction:** 706 rupees

**Sales velocity per sq.ft.:** 46%.

**Average monthly turnover of stores:**

Rs. 5.7 crore

**Growth/degrowth in same store sales:**

10% fiscal growth y-o-y

**Supplier base:** 402



during the period that the scheme is in force. We also accept payments in all modes like Sodexo, credit / debit cards and NEFT mode of payment, apart from providing discounts to corporates based on the strategic tie-ups we have,” informs Patnaik.

In an environment where loyalty programme administration can take a backseat to sales, World Retails has ensured that its house is in order for driving loyalty opt-ins and maintaining loyalty relationships. The chain runs its loyalty programme in the name of “Family Card”, which offers customers loyalty points, which they can redeem on their purchases. “Currently, the impact of our loyalty programme is 18 per cent to our sales. The programme has been redesigned recently and we expect better returns as we have planned to link it with several other activities as part of our promotional strategy to achieve the desired goals,” avers Patnaik.

### Future plans

World Retails has earmarked the current fiscal year for strengthening and expanding its business. “First and foremost, we need to be present in more cities within Odisha, which has been our limitation as of now. Now that we enjoy brand value, the time is right for us to ensure presence in all potential cities of Odisha. We have already worked out the modalities and the process and systems are ready to take off on the back of franchise owned company operated model,” reveals Patnaik, emphasising on the fact that the chain is now geared to expand at a faster pace.

The retail chain intends to move ahead using the company owned and company operated and FOCO model formats for its expansion mode. Depending on the city it decides to move into, it will weigh its options for the right model to choose. “We need to be careful on the FOCO model since we need to maintain our standards, which we have built over these years. But at the same time, in our kind of business, we believe the right combination of both COCO & FOCO models will help us to achieve our mission,” points out Patnaik.

Over time, the chain has long term plans to expand to the neighboring states of Bihar, West Bengal and Andhra Pradesh in the second phase of expansion. **PG**

**Another factor, which has helped World Retails in wooing customers and attract higher footfall numbers, is its clever use of “pleasure-value quotient” that it has brought to its three bigger stores. Basically, these stores come with the added advantage of having an eat-in opportunity courtesy their food joints**

organised to test the effectiveness of our efforts in educating the customers,” informs Patnaik.

For implementing the latest trends in category management, display and merchandising, World Retails has TOTs in place with all leading brands like HUL, P&G, Britannia, Nestle, Coke, Duke’s, Parle, and Dabur to name a few. The arrangements have helped World Retails acquire an edge in terms of offers and promotion excellence during every buying cycle, and in times of festivities and special occasions like Valentine’s Day, Mother’s Day, Teacher’s Day, among others. The tie-ups have also proven effective in promoting sampling exercises sponsored by various brands, especially on the occasion of product launches and during promotional events.

The chain also runs a monthly unique scheme for customers called FMCG Sanchaya Hafta (Saving Week), which has helped it to develop trust and drive interest among its customer base. “The scheme is our USP and is unique within our competition wherein the customer is entitled to free products like atta, sugar and arhar dal based on specific slab purchases





## “No big company has entered the banana chips segment”

Progressive Grocer speaks to Ashok Chheda, CMD, and Kishore Chheda, MD, Chheda Specialities Foods Pvt. Ltd, about the pioneering efforts of the company in making banana chips a mainstream snack not only in the home market but also overseas and their vision of how retailers can pitch in to expand and strengthen this snack segment



### Which are the snack food products produced by your company?

**Ashok Chheda:** Chheda Specialities Foods Pvt. Ltd., established in 1993, initially started with one product – banana chips. Since then we have introduced many core snack products such as potato chips, ethnic snacks, 3d pop ups, chikki's, etc, besides introducing banana chips in new flavours. We have two segments in our products menu: traditional snacks and continental snacks. Traditional snacks include banana chips & namkeens while Continental snacks feature cheese balls & choco vanilla snacks. Our manufacturing unit is equipped with ultra modern machines, which helps us to ensure that we offer a consistent quality of chips & namkeen with focus on hygiene and affordability.

### Of all the snacks, why did you pick on banana chips?

**AC:** We are the pioneers in manufacturing and marketing of banana chips in organised way. We brought our vision to bear on the banana chips

segment by selling the product in a consumer pack with appropriate branding. Since this product is processed manually, no big company has taken a chance to enter this segment. We took it as an opportunity and have worked hard to achieve the leading position in this segment. We have taken this product across the world and have received appreciation from far and wide for our initiative.

### Which are the major markets for your products?

**Kishore Chheda:** Our products are well-known in Mumbai, Thane, some other parts of Maharashtra & south Gujarat. They are also loved and appreciated well in some export markets. Apart from being a fast growing brand in India, we have made our presence felt in major international markets in very short span of time.

### What is your retailing strategy?

**KC:** We are focusing more on Modern Trade because it helps to control marketing and distribution cost.

↑  
**Ashok Chheda**  
CMD, Chheda  
Specialities Foods  
Pvt. Ltd



### Tell us about the growth potential of your products and the performance of the snacks category?

**AC:** The snacks food industry has performed well over the past few years, benefiting from the growing demand for snacks among consumers. Favorable product pricing, increasing income levels of consumers and their busy urban lifestyles have also contributed to the rising popularity and growth of the category. In view of these considerations, we are expecting a 20 per cent growth in this segment.

### What are the challenges before the category?

**KC:** Competition in this category has become very fierce. New players in the unorganised sector have made this segment even more competitive. Price rise for all raw materials and those of agri products like potato, banana, pulses, grains is a major challenge, apart from the rising cost of packaging materials.

### Any suggestion for better category management/ merchandising and category innovation by retailers that could help the category grow more impressively?

**AC:** There are plenty of steps that retailers can implement for sound category management strategies. To start with, instead of taking subjective decisions, retailers should go for more data-driven analyses, which will help their category managers to make better product decisions with better results and more satisfied customers to show for. Of course, this is simpler in theory than in practice.

But retailers need to have a greater customer focus. Sales is often the only indicator that Indian

retailers use to measure performance and for identifying the areas to improve. It is on the basis of sales that allocation of more space to a category gets decided. For example, although apparel and electronics have limited relevance to food and grocery formats, many retailers are lured by the possibility of increasing sales. So they provide the space to these categories in their stores in a disproportionate manner even though they fail to convince customers that they have the credible “merchandising authority” to sell these items. I think there is much scope for greater strategic category management, which is key to reducing costs, increasing sales and improving profit margins — all the while keeping customers happy.

### Your advice/suggestions/recommendations for new players entering the market.

**AC:** Once a business is established and thriving in its home market, it is often seen as the right time to branch out into a new market. If the company enjoys strong sales, has great brand awareness and the business is stable overall, it may be the right time to take the plunge. However, as with all new ventures, there are risks attached to this move and it is not a step to be taken lightly. A new market will not be so comfortable and there will be new competitors and unknown threats. The key to success is a disciplined approach with the appropriate level of investment in doing a thorough market analysis. The golden rules to follow before entering new markets are: choose the right country or region; check the cost of doing business; know the people and the competition; choose the right partner; understand the challenges; know the law, and begin with the right attitude. **PG**



**Kishore Chheda**  
MD, Chheda  
Specialities Foods  
Pvt. Ltd



# The Future of Front End

Innovations promise to revitalize the section

By Bridget Goldschmidt

In its present state, the average supermarket front end is overdue for a makeover. “Today, the front end continues to serve a transactional role for both retailers and shoppers, and frankly very little innovation has occurred in this space,” notes Michael Taylor, president, North America private brand at Stamford, Conn.-based Daymon Worldwide. “For retailers, it’s the last point of contact, and the last chance to sell something to the shopper. This is why we typically find impulse or convenience items like batteries or snacks at checkout.

“This area of the store doesn’t currently create a meaningful consumer engagement to drive more than just impulse purchases. For the shopper, this is the point in their shopping trip where they want to move quickly to pay for their purchases, and therefore they’re not as engaged as they are in other areas of the store.”

To address this problem, grocers will have to innovate. “Retailers have an opportunity to create new, differentiating experiences for shoppers through more engaging and interactive merchandising,” observes Taylor. “Surprising them with unexpected items in unexpected places or in unexpected ways will drive more impulse purchases and profits, and make a final important connection to the store banner.”

His recommendations take the section out of its long-established comfort zone.

“Fresh/foodservice is clearly a huge opportunity in filling immediate needs like ‘what’s for dinner,’” says Taylor. “We also suggest moving from the standard assortment of gum and candy to instead

provide specialty items like premium indulgences or healthy snack options to surprise and inspire shoppers. Another idea is to use the space to merchandise the items shoppers frequently forget, such as birthday candles, greeting cards or pet treats, or to remind them about special occasions. Both of these ideas would reward a shopper by saving them another trip to the store.”

## Keeping candy dandy

Despite such advice, it doesn’t seem that candy and gum are ceding space in most front ends any time soon, so the trick will be growing category sales in the section — however the section is defined.

“At The Hershey Co., we understand that unplanned purchases can occur anywhere there is a transaction point, whether in a traditional store, online or mobile,” asserts Bethany Bauer, senior manager, Hershey Paypoint Experiences at the Pennsylvania-based company, adding that alternative pay points such as self-checkouts, grocery pickup, deli and prescription are growing the fastest. “The Hershey Paypoint team is working to develop flexible merchandising solutions for the new methods of conducting the transaction.”

These include a suite of tools to analyze each retailer’s front end performance in relation to category space allocation, planogram efficiencies and merchandising best practices. Among the company’s front end initiatives are several click-and-collect merchandising tests expected to be in place by the end of the first quarter of 2016, and the Safeway Candy Zone, which has resulted in double-digit

“**Retailers have an opportunity to create new, differentiating experiences for shoppers through more engaging and interactive merchandising**

—Michael Taylor  
Daymon Worldwide



sales growth for Candy Zone items, and strong sales growth for the entire candy, mint and gum category.

“Retailers must consider flexible racking solutions (i.e., nonwelded magazine pockets) to ensure retailers can react to category shifts, allow for new categories, pack types and innovation,” urges Bauer.

Hackettstown, N.J.-based Mars Chocolate North America and one of its sister companies, Chicago-based Wrigley, are pursuing a similar path, addressing the evolving checkout process by designating the physical areas where shoppers pay for their goods and services as transaction zones.

“Our goal is to help retailers drive sales growth within the different transaction zones by ensuring the right category space allocation and item assortment, in order to increase sales of impulse items to more shoppers,” explains Tiffany Menyhart, Wrigley’s director category management.

For instance, Mars and Wrigley found that merchandising gum and mints over the belt on the left side of the queue increases total front end sales, due to their high impulsivity and low decision time, while magazines’ high impulsivity but much longer decision time mean they should be merchandised further away from the cashier. The companies further note that retailers can encourage multiple impulse purchases on the right side of the queue by merchandising complementary categories in the same need state adjacent to each other.

As an example of this, nonchocolate confections and chocolate can be merchandised next to beverages due to their high impulsivity and low decision time, as well as high overlap in purchase. Similarly, since more than 90 percent of beverage shoppers also buy salty snacks, the latter should be merchandised above the cooler to take advantage of this.

### Bubbling up

As noted above, soft drinks are another integral element of the front end. “In the case of beverages, shoppers are looking for or compulsively want quick and easy solutions at the end of their trip,” asserts Ron Hughes, director of shopper experience innovation at The Coca-Cola Co., in Atlanta. “We strive to provide that convenience and are committed to providing shoppers with an experience that offers them unequaled ‘ice-cold’ refreshment. We are also focusing on providing a delightful shopping experience by incorporating new and emerging technology, sensory experiences, and compelling call-to-action messaging into our solutions.”

To maintain the category’s fizz, “The Coca-Cola Co. is approaching the front end through an omnichannel lens, making sure we develop robust front end landscape insights that are relevant to all categories and shoppers,” says Hughes. “We are studying how the front end landscape will evolve over the next three to seven years, and the

role beverages, other traditional power categories and new emerging categories can play in helping customers grow sales and profits.”

Further, in common with candy companies, Coke is looking to impulse purchases beyond the front end. “We are also developing strategies for how retailers can leverage and better understand opportunities brought about by alternative checkout methods and the evolving checkout landscape,” adds Hughes. “We are looking at new insights on shopper attitudes and buying behavior relative to front end checkout and total-store checkout opportunities.”



### A better-for-you boost

Doubtless coming as no surprise to Daymon’s Taylor, healthier items at the front end are much in the news of late. While this article was being written, Aldi’s and Target’s efforts in this direction were grabbing headlines. But what does the rollout of such a program actually entail?

“Last year, around National Nutrition Month in March, I began pilot-testing more nutritious offerings at two checkout lanes,” recounts Elisabeth D’Alto, retail dietitian at ShopRite of Timonium, in Lutherville-Timonium, Md. “The pilot test came about after talking with shoppers and store associates during tours and nutrition consultations. It was apparent that there was a need for better-for-you options on the front end checkout lanes. I’m encouraged by the positive feedback we’ve received on the program over the past year, and these two lanes now have become a best practice for our store.”

Although the pilot was ultimately successful, getting to that point wasn’t a completely smooth process. “When I was initially selecting the products to be merchandised on the front end, it did take some trial and error at first to figure out which

“Offering produce in some checkout lanes doesn’t mean doing away with other items in other lanes. ... Because it’s not an all-or-nothing proposition, chains can experiment

—Kathy Means  
Produce Marketing  
Association





“ Dairy products such as single-serve milk, cheese sticks and yogurt lend themselves well to being included on a front end fixture

—Cindy Sorensen  
Midwest Dairy Association

products worked the best,” admits D’Alto. “We featured an end cap cooler that included plain bottled water, unsweetened iced teas, coconut water, 100 percent juices and low-fat milk. I also wanted to make sure that we were sensitive to customers’ dietary concerns, so we offered a variety of low-sodium, reduced-sugar, low-fat, gluten-free and dairy-free options.”

Another issue was making sure shoppers knew about the new offerings. “Sometimes customers can be [so] bombarded with all the messaging and signage in a store that it’s hard to set a program like this apart from others,” admits D’Alto. “However, with that said, this is a program that creates a point of differentiation for us compared to other retailers in our market. Another advantage is that we have a registered dietitian like myself on staff to help drive its success and offer free nutrition services to our customers.”

The program’s success means that “ShopRite will soon be ushering in an initiative that places better-for-you snacking items as an available option in the checkout lane of nearly all of our stores,” according to D’Alto. “ShopRite also plans to add better-for-you beverage choices in coolers in most of its stores. The complete rollout is expected to take about a year, and will start in mid-2016.”

CPG companies are also aware of growing consumer interest in healthier items, and planning accordingly at the front end. As an example, Mars and Wrigley note that the appropriate “categories should be evaluated for product mix that satisfies growing needs for better-for-you snacking and beverage.”

**Fresh ideas**

Hand in hand with the push for healthier products at checkout is the advent of more perimeter items merchandised at the front end.

“Having ‘healthy’ checkouts, including those that offer fruits/vegetables, is definitely a topic of conversation,” affirms Kathy Means, VP of industry relations at the Newark, Del.-based Produce

Marketing Association. “Though there’s a long way to go, we are seeing movement.” While much of this worldwide movement is occurring in the convenience store sector, Raley’s and Target are among the grocers testing this merchandising format.

Means believes that produce’s presence at the front end “is likely to increase,” but adds: “It’s important to note that offering produce in some checkout lanes doesn’t mean doing away with other items in other lanes. Consumers looking to grab something at the last minute can find what they want, whether that’s produce or other foods or magazines or razor blades. Because it’s not an all-or-nothing proposition, chains can experiment.”

Fruits and veggies aren’t the only perishable products making their way to the front end, however.

Cindy Sorensen, VP business development at the Midwest Dairy Association, in St. Paul, Minn., notes that “dairy products are well positioned to help retailers capture more of the quick-trip shopper experience that they are losing to other channels of trade. The greatest opportunity for a traditional grocer is to more conveniently locate those items in the store.”

To boost consumption of milk and other dairy products, Sorensen suggests grab-and-go coolers “at the front entry of the store [containing] those items that are most frequently shopped for quick trips: milk, juice, eggs, cheese and butter... and we recommend a display of bread and bananas also be located in close proximity.”

As part of a better-for-you front end assortment, Sorensen points out that “[d]airy products such as single-serve milk, cheese sticks and yogurt lend themselves well to being included on a front end fixture, along with other healthy snack options such as granola bars and fresh fruit,” citing Hy-Vee’s Blue Zone checkouts as a particularly noteworthy example of this form of merchandising. **PG**

For more about front end trends, visit [Progressivegrocer.com/frontendfuture](http://Progressivegrocer.com/frontendfuture).





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

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# “We deliver 100% antibiotic-free honey in a mess-free, easy to use twig”

Paras Fatnani, Co-Founder, Honey Twigs, speaks to Progressive Grocer about how his brand is filling a key gap in the market for an easy to use healthy alternative to table sugar and his plans for taking the product to newer markets



## Tell us about your company and its products.

Jigar Mehta and I set up Nectwork Foods LLP with the vision of giving people high quality, healthy alternatives to every day food items, enabling them to live healthier lifestyles. While working on concepts for the product, we felt the most important aspect was to understand what our audience needed. So we conducted a survey that had over 3,000 respondents from across the country. This gave us a very good understanding of where the gap in the market was and which concerns our product needed to address.

Honey Twigs was a result of this feedback. Our aim is to transform this superfood – honey – from being perceived as a medicinal, on-the-shelf product, to a trendy on-the-go healthy snack, as well as a easy to use healthy alternative to table sugar.

Honey Twigs is a teaspoon (8gms) of 100 per cent antibiotic free honey, available in single serves that can be used anytime, anywhere. We have two natural variants – Multiflora and Natural Litchi – that we sell in retail and for food services.

## Which are your best-selling products and their major markets? What scope do the other markets have for your products?

Our best-selling product is our Multiflora Honey Twigs, a 30 Twig pack in retail. Our current key markets are Mumbai and Delhi and we are seeing good growth from markets such as Bengaluru, Pune and other parts of Maharashtra, along with interest from some international markets.

## What is the consumption pattern and growth rate of your products and what are your plans to expand the product line?

One of the primary reasons for our growth is the fact that there are more and more health and fitness conscious people today who aspire to a healthier lifestyle. Our products see a surge in festival season and in the winters and a drop in the summers

because of the myth around honey not being good for consumption in the summer. It is indeed just a myth.

In terms of our consumption patterns, we are seeing an increasing number of first time customers trying out our smaller pack (10 Twig pack) and returning to purchase the monthly pack (30 Twig pack). We have nearly 80 per cent returning customers, which shows that people see the quality and benefits of the product.

Additionally, we are also seeing growth thanks to the variety of our product range. In today's time, consumers want choices, especially the young mothers who are purchasing for their kids. Our objective is to have a total of four flavour variants by the end of 2016.

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

I believe that our company was born of a need – the need for products that offer an easy to use, high quality, healthy alternative and as long as we keep innovating to service these needs and more for our customers, we have a very strong opportunity at hand. The growth is also connected to the growing healthy eating trend that the country is seeing today.

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

Our USP is that we are delivering quality, 100 per cent antibiotic free honey in a mess-free, easy to use and carry twig, which is made from food grade packaging material. This addresses the need I have mentioned in the beginning of this conversation, which we have identified after the survey among honey consumers. Some of the key concerns they had were uncertainty regarding the quality of the honey they consumed, as well as the mess associated with serving honey. The honey we use is lab tested to ensure the quality standards are met. Our Honey Twiggers, as we call them, love it!

Our best-selling product is our Multiflora Honey Twigs, a 30 Twig pack in retail. Our current key markets are Mumbai and Delhi and we are seeing good growth from markets such as Bengaluru, Pune and other parts of Maharashtra, along with interest from some international markets

—Paras Fatnani  
Co-Founder,  
Honey Twigs

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

We have a lot of traditional competitors and a few modern competitors. As a category that we operate in, we have competitors in the sweet spreads, candy and sweeteners businesses. We have different kinds of competitors but our objective is to keep innovating. This is the main reason why we are aiming to establish a research lab this year. We will experiment with new flavours and at the same time ensure we maintain the quality we provide for every product.

**Which are the new markets you are looking to grow?**

On the domestic market front, our current focus is on Maharashtra and Delhi-NCR. But within the next 12 months, we are going to aggressively target Bengaluru, Hyderabad, Pune and other metro cities where we see an increasing number of people taking on healthy eating habits. We are also looking at key international export markets, and are currently on the lookout for the right associates and collaborations.

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

We are currently working with some of the biggest, organised super stockists like TJUK Trade Network in Maharashtra, to get a large outreach plan executed in modern and bigger general trade outlets. Our plan is to get the product in as many places as possible and organise sampling activities in order to increase product adoption.

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

For us, product trial is a key part of the outreach plan to increase our customer base. We're confident that product trials will lead to quick product adoption and soon to loyal customers. We are currently working with online and offline retailers to create product trial opportunities for potential customers.



We are also organising various challenges with joint brand building objectives. As an example, we recently organised an extremely successful activity: the Hi Honey, Bye Sugar Challenge. Seven people from different walks of life replaced sugar with honey for 14 days. It was really well received and the second edition of this competition will come soon.

We also participate in various farmers markets and promote our retail points, which is also getting our retailers more traction.

**What is your sourcing strategy and what have been your initiatives in ensuring that your product conforms to the highest quality standards?**

All our raw materials – be it the honey or the packaging material – are first tested and then delivered to us with reports to make sure that nothing is below our promise to our consumers. My partner himself keeps a close eye on every batch that comes in. For quality control, we also often select random batches and send them out to be tested by internationally accredited labs.

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

Healthy eating is the big buzz word and this segment is growing at an exponential speed. Honey is getting good attention and nowadays we generally see each retailer will have at least 4-5 brands of honey with them. We are not working in the food industry just for the business. We do believe that healthy eating is more than a habit, it's a lifestyle and we want to make that easy for consumers.

When we tie up with retailers, we include some product trial opportunities. Once the product moves faster, it is in the retailer's interest to give us more shelf space.

**What are your expansion and investment plans for the future?**

We see tremendous potential across India for our food innovation business. We have focused on creating an identity for ourselves in a very niche space of honey. Our 18 month plans for Honey Twigs include being in over 5,000 stores across our focus markets and we plan to get into three international markets too. We will launch two more flavour variants and our R&D division will give us more recommendations for spin over products that we would aim to group together with Honey Twigs. We have initiated talks with a few investors and will have more news by the end of the year. **PG**

**In terms of our consumption patterns, we are seeing an increasing number of first time customers trying out our smaller pack (10 Twig pack) and returning to purchase the monthly pack (30 Twig pack). We have nearly 80 per cent returning customers, which shows that people see the quality and benefits of the product**



# “Our distribution strategy has enabled Patanjali to disrupt the FMCG space”

Aditya Pittie, CEO of the Pittie Group, speaks to Progressive Grocer about how his company’s distribution network has helped Patanjali forge a solid partnership with modern retail



### Tell us about your company and its distribution business with Patanjali Ayurved?

The Pittie Group is a conglomerate that has made its mark across diverse industries and sectors such as real estate, FMCG distribution, quick service restaurants and e-commerce. The company previously also owned Sanskaar TV and we also have plans to launch another religious channel, ShubhTV on similar lines. Our association with the Patanjali Ayurved brand dates back to 2012 when we began distribution for their range of products in general trade. In 2014, we began our association with them in modern trade as well, supplying their products to a wide range of retail chains across the country such as Reliance Retail, Spencer’s and DMart.

### What do you feel is your competitive and market advantage in the distribution business?

Perhaps our biggest advantage is the kind of logistics and supply chain expertise we offer. We have a large distribution network across the country and a solid partnership with the various modern retail players. Considering that the FMCG share in modern retail has grown steadily since 2014, we believe we have a competitive edge in the distribution business.

### Which are the key attributes that FMCG players look for in their distributors?

Reach is certainly a key factor. Additionally, I think a strategic and innovative approach helps to build the brand’s market share. We at the Pittie Group consistently strive to reinvent our distribution strategy, thereby enabling Patanjali to disrupt the FMCG space.

“Our association with the Patanjali Ayurved brand dates back to 2012 when we began distribution for their range of products in general trade. In 2014, we began our association with them in modern trade as well, supplying their products to a wide range of retail chains across the country such as Reliance Retail, Spencer’s and DMart

—Aditya Pittie  
CEO, Pittie Group



### Is there any difference in Patanjali’s distribution model over other leading FMCG producers?

Patanjali follows a controlled pricing strategy and ensures that their products are of the highest quality standards. Patanjali has proven themselves purely on the basis of the quality of their products. It is something we have much respect for since Patanjali has grown as a brand that is committed to providing healthy and affordable products to the Indian consumer.

In addition, many of the smaller storekeepers are also inspired by Swamiji’s swadeshi ideology, thereby giving the brand an advantage over other FMCG players.

### Apart from Patanjali, who are the other major FMCG players for whom you distribute?

Currently, we are distributors only for Patanjali Ayurved. But we are also open to working with other FMCG players in the future. We already have a robust distribution network in place and would be able to leverage it well for other brands too. We work with a host of modern retail players such as Reliance, Star Bazaar, Grofers, DMart, Spencer’s, Metro and many more.

### What is the scope for automation and technology in the distribution of FMCG goods?

Rural markets can benefit a lot from technology today, since there is now a greater penetration of smartphones and internet connectivity in these regions. The possibilities are endless and I do believe that in the next couple of years technology will have a large role to play in FMCG distribution in rural markets as well. PG



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# All fizz and sparkle

About four cent per cent of the total beverages market is formed of the juices segment. The segment is growing at 20–25 per cent and is expected to grow almost four times bigger in the next five years

**T**he beverages category contributes 8–9 per cent to the total FG market in India. With the entry of major international beverage players over the last few decades, the market has evolved and has made way for many beverage products, which have found an immediate connect with Indian consumers. The emergence of various brands in all segments has given an unprecedented thrust to the category over the last couple of years. Consumers are delighted to choose from beverages of almost all flavours, colours, ingredients, health and nutritional values, and fulfill their aspiration and quench thirst for beverages.

## Market size & growth

According to research conducted by IMAGES Group – the publisher of Progressive Grocer India – for The India Food Report 2016, the market for beverages in India is close to Rs. 195,000 crore and is growing at 20–23 per cent. This growth rate will take the category at three-and-a-half times of its present size by 2020. All constituting segments are witnessing a growth at a healthy range of 20–25 per cent, which is the highest among all food groups. This growth can be attributed to the fact that the market for beverages is getting more segmented and niche than ever before. The expanding products range is majorly fuelled by the food processing sector and with the growth of the sector, the category is bound to carry forward the acceleration.

## Market composition

The category can be divided into four broad segments – tea and coffee, occupying the largest market share; juices and flavoured drinks; packaged drinking and flavoured water; and other non-alcoholic drinks including soft drinks, cocoa, chocolate, etc. The lion's share of tea and coffee in the category confirms that it is still ruled by traditional beverages. India may be the country with

strong holds in tea and coffee in specific areas but combined together, they hold a commanding section of the whole market.

Another traditional segment having a significant share is juices along with other canned and bottled beverage options. In spite of large financial muscle powers and unparalleled distribution advantage, the global beverage giants are able to hold just 5 per cent share in the category. Content-wise, the products in this segment are synthetic and this could be the reason why they will continue to remain a second option among traditional consumers.

Packaged drinking water is the solution to the lack of proper drinking water availability in the country but even that does not seem to help the segment occupy a market share of more than 1 per cent. This market share is almost negligible, and is generally concentrated in the urban areas.

## Regional market composition

The eastern and southern regions are very strong in holding a large share in the beverage market. Together they possess 73 per cent of the total market. The north and the west have almost identical market share. In some way the west and the south have a higher average monthly per capita consumption figures for beverages than the average figure of all-India consumption. In spite of holding the largest market share (including north-east), the eastern region has the lowest per capita consumption. As can be seen in the bar charts, coffee enjoys a commanding share in the south region followed by the west region. Similarly, the east is the 'star' region for packaged, flavoured water. Other non-alcoholic drinks in a way reflect the balanced share in the range of 21–29 per cent across all regions. Juices and bottled/canned beverages are least consumed in the east and south, respectively.

## Consumption trends in juices

About four cent per cent of the total beverages market is formed of the juices segment. The segment



is growing at 20–25 per cent and is expected to grow almost four times bigger in the next five years. Today, Indians are spending at an average just Rs. 6 per month on juices, which is less than what they are spending on other beverages. The juices segment has been somewhat impacted by the emergence of other flavoured drinks, which have become an easy alternative to juices.

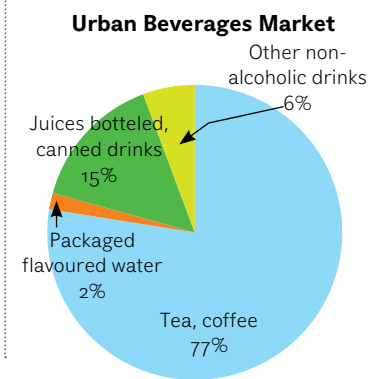
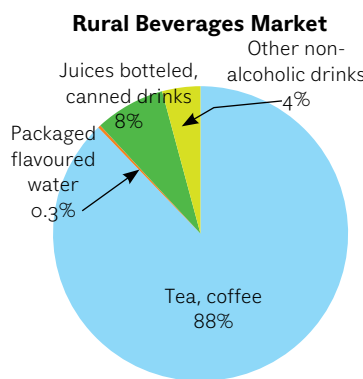
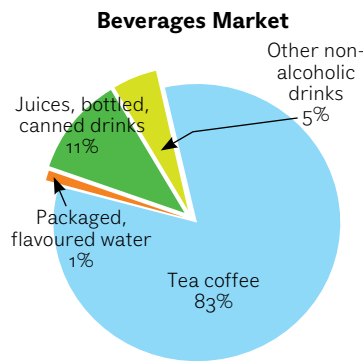
However, three-fourths of the juice market is urbanised. The high consumption of juices in these markets is the result of higher health awareness, availability of branded juices, urban lifestyle which is full of options, boom in modern retail and mall culture, and influence of globalisation in the F&B space. People today realise the importance of healthy food and they demand packaged juices, which can easily be carried along while on the go.

The juices segment has two components – packaged juices and fresh juices. The packaged juices component has a higher growth rate since it is easily available all the time. However, not more than 15 per cent of the segment is dominated by packaged juices. The packaged juices can be further classified into fruit drinks, juices and nectar drinks, which are recent additions. Fruit drinks have one-third fruit content in them and sell the most. The industry claims it dominates 60 per cent market share. Fruit juices, on the other hand, are 100 per cent composed of fruit content, and claim a 30 per cent market share at present. In contrast, nectar drinks have anywhere between 25 and 90 per cent fruit content, but account for only about 10 per cent of the market. The rising number of health-conscious consumers is giving a boost to the fruit juices segment; it has been observed that consumers are shifting from fruit-based drinks to fruit juices as they consider the latter a healthier breakfast or snack option.

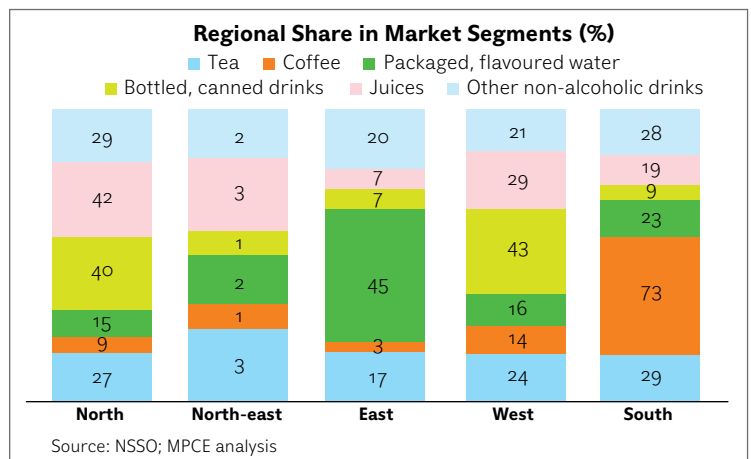
**Soft drinks**

The culture of eating out has given birth to meal and soft drink combos, which Indian consumers are savouring to the fullest. This has given a much required boost to soft drinks consumption. They have become penetrative in almost all consumer segments from kids to college-going students to middle-aged couples. Soft drinks are no more a sunny hot day culture but have evolved as part of the meal, especially while eating out. The growing consumption of soft drinks has revolutionised the pack sizes also. From 300 ml bottles to 2 litre PET bottles, the players in the segment are servicing all consumption demands. The segment has made some significant achievements and penetration in the rural areas is definitely one of them. The industry reports claim that rural areas account for 75 per cent sales of PET bottles.

Based on the consumption patterns, the soft drink market in India is classified into two segments. The first is ‘Public’ segment, which represents the



Source: NSSO; MPCE analysis



Source: NSSO; MPCE analysis

place where the soft drink is bought and consumed by public on a large scale, thus generating volumes. This includes places like railway stations, stand-alone shops, restaurants and cinemas. The other segment is that of ‘Household’, which represents soft drinks purchased and consumed at home and household level. However, in India the former beats the latter hollow. The public consumption accounts for almost 80 per cent of the total sale of soft drinks and household consumption accounts for the remaining 20 per cent of the sales. **PG**



# They'll Drink to That

Today's fresh juices offer nutrition-packed enjoyment for consumers on the go

By Jennifer Straley



**T**he trend in fresh juices is simple: Offer the greatest nutritional value possible through minimally processed ingredients that are blended so beautifully that people want to drink them every day.

Well, they may not be simple to produce, but they're certainly easy for the health-conscious consumer to enjoy.

"People are constantly looking for ways to get more fruits and vegetables in their diets," notes Lauren Castillon of Bolthouse Farms, in Bakersfield, Calif., a division of Camden, N.J.-based Campbell Fresh. "Fresh juice is such a convenient way to add nutrients to your diet — just throw a bottle in your purse or in your car. But the juice has to taste great. People want something they are going to enjoy."

With fresh juices, quality is as important as flavor to the discerning shoppers who purchase them. Bolthouse President and General Manager Scott LaPorta reports that super-premium juices are up 16 percent, while ultra-premium varieties are growing at 81 percent annually.

Last year, Bolthouse launched 1915, a line of ultra-premium, HPP (high-pressure processing) cold-pressed organic juices in five varieties. The 12-ounce juices, which retail for a suggested \$4.49, feature nutrient-dense ingredients such as romaine lettuce, carrots, beets, pineapple and blueberries.

## Nutritious knockouts

"Consumers want juices with functionality. They look for juices that offer fruit and vegetable nutrition, vitamins and minerals, as well as proteins and probiotics," asserts Castillon, who also sees a trend in more innovative blends entering the market.

Bolthouse's best-selling beverage is Green Goodness, a fruit juice smoothie blend of 15 ingredients, including apple, mango, kiwi and spinach.

The brand plans to introduce new beverages in the spring, which Castillon says will reflect the "core consumer trends dominating the market: taste, functionality, added vitamins, proteins and minerals, as well as unique blends that consumers might not experiment with on their own."

Sanja Gould, director of communications for Seattle-based Starbucks, which acquired the Evolution Fresh juice company in 2011, also sees taste and functionality resonating with consumers.

"Customers within the fresh juice category have always placed a high importance on taste, and are now more conscious of the nutritional value in the beverages they're consuming," she says. "This emphasis on taste and nutrition together has contributed to the rise in consumption of cold-pressed, high-pressure processed juice."

"Awareness and consumption of fresh juices has seen a sharp increase," continues Gould. "Specifically, super-premium green juice is greatly outpacing the growth of the \$1.6 billion super-premium juice category as a whole, according to IRI."

Recently, Evolution Fresh, which uses HPP to help retain flavors and nutrients in its juices, expanded distribution to more than 1,300 Starbucks retail locations across Canada.

"This launch marks the first foray into the Canadian market for Evolution Fresh and demonstrates continued business momentum, building on the more than 15,000 points of distribution in the United States, including grocery, natural channel and Starbucks retail locations," says Gould.

Evolution Fresh's newest products in its cold-pressed juice line — Organic Coconut Matcha and Organic Citrus Matcha — were created with the demand for great-tasting nutrition in mind. Antioxidant-rich matcha is a type of green tea that's dried and ground into a fine powder.

"When seeking inspiration for these two innovations, we were excited to see a swell of customer interest in matcha, and we knew that Evolution Fresh could deliver matcha in a way that is both approachable and convenient by combining it with cold-pressed, high-pressure processed fruit and vegetable juice," notes Gould.

In common with Castillon, she predicts that the fresh juice category will continue to innovate. "Moving forward, we expect to see more creative combinations within the fresh juice category, including innovations that favor palates more accustomed to vegetables and spices, and offer a simple, healthy way to improve health and wellness."



**Very veggie**

While there are scores of consumers who crave fresh juices with fruit-forward flavors, Kellen Stailey, national merchandising director for Grimmway Farms, in Bakersfield, Calif., sees greens driving the category.

"There's more and more growth in fresh juice products that include vegetables," says Stailey, who notes that Grimmway's True Organic Bunched Greens juice is its No. 1 seller. Kaleifornia, which she describes as having a distinctive kale taste, is its second-best seller. It's also one of four new flavors that Grimmway added to its True Organic line in late fall 2015.

"People are gravitating to green, and kale is still ringing the consumer's bell," says Stailey, noting, "We're also seeing the use of more interesting vegetables and root vegetables, as well as more of a drive with organic in the fresh juice category."

Convenient, nutritious and delicious fresh juices are certainly ticking all the boxes for consumers. But Stailey believes that product placement has been equally important to the success of the category.

"I think a lot of it has to do with placement in the store," she says. "Many high-traffic areas are dedicated to juices. We see them in the produce department, grab-and-go, on end caps and by the cash registers. Supermarkets are dedicating fresh juices to key points of sale within the retail landscape, and shoppers can't miss seeing them."

**Simplifying sipping**

With the surge in innovation and product introductions, today's fresh juice category, while dynamic, can be confusing to consumers.

"It's becoming difficult for the consumer to navigate through the fresh juice section," says Natalie Sexton, director of marketing for Natalie's Orchid Island Juice Co., in Fort Pierce, Fla. "It's hard for them to determine which brands are making real, authentic juice, especially with the lack of understanding of terms like 'HPP,' 'cold-pressed' and 'flash pasteurization.' Unfortunately, the FDA has not regulated all the terms being used in the juice category. There is a comment period currently where the FDA is asking for input on regulating the word 'natural.'"

Natalie's uses a process called gourmet pasteurization to retain the nutrients and squeezed-fresh authenticity of its juice. The juices are pasteurized for the minimum amount of time allowed by government standards, which Sexton says is 163 degrees Fahrenheit for only six seconds.

"Our philosophy is to minimally process juice for food safety regulations while using only whole fruit and vegetables, or fruit and vegetable purées," asserts Sexton. "Juice shouldn't be complicated — the only ingredients should be what is in the name on the label."

The company's two newest juice varieties, Orange Beet and Tomato, reflect this philosophy.

Natalie's Squeezed Fresh Tomato Juice is unlike any other available ultra-processed tomato juice with which the majority of consumers are familiar. The juice is made from just two ingredients: tomatoes and lemon juice.

"Consumers can't believe how light and refreshing our tomato juice is, because they're used to a heavy, ultra-processed tomato drink," explains Sexton, who believes that consumer sampling is essential with Natalie's products, and has also encouraged chefs and bartenders to make use of the tomato juice.

With no preservatives, Natalie's juices have a shelf life of 26 or 30 days, depending on the variety.

"Our juice has a short shelf life — like produce, which is a good thing," says Sexton.

Natalie's is currently considering several new juices for introduction later this year.

"Consumers have never been more vocal about what they want," says Sexton. "They want fresher juices with high nutritional value, and they're willing to spend money on their health." **PG**

“**This emphasis on taste and nutrition together has contributed to the rise in consumption of cold-pressed, high-pressure processed juice**

—Sanja Gould  
Starbucks/  
Evolution Fresh

“**People are gravitating to green, and kale is still ringing the consumer's bell**

—Kellen Stailey  
Grimmway Farms





# Seabuckthorn power

Mahendra Dhanota, Managing Director, Seabuckthorn Indage Ltd., which produces the 'Leh Berry' range of juices, speaks to Progressive Grocer about the properties that make his product stand out on the healthy-juice plank and his retail plans for making the product accessible to consumers nation-wide



## Tell us about your company and its products.

Seabuckthorn Indage Ltd. is a relatively new company with young professional promoters. With the vision of making a powerful impact in the food and beverage business, we have started by introducing our juice and wish to extend our product portfolio by launching organic products, food supplements and nutraceuticals with unique packaging and price.

spread our wings in a phased manner and our plan is to have a pan-India presence by the year end.

## What will be your retailing strategy?

I know that the Modern Trade contribution in this category is higher than the General Trade but we hope to strike a balancing with both to achieve our top line target.



There are plenty of opportunities for good healthy juice products. In my view, this category will continue to register good growth in the coming years in the range of 25-30 per cent annually

## What is your product's competitive USP and differentiator?

Seabuckthorn single berry juice, or 'Leh Berry' juice as it is known popularly, has a unique composition and is packed with 134 nutrients, which have the health benefits to address many health-related issues arising from our modern lifestyles. The product is a wonder juice and we have positioned it very firmly on the health platform. Products such as 'Awala' and 'Aloe Vera' are associated with the healthy juice category, but there is none such berry-based product in the market. Ours is not an ordinary juice; it is Super Juice with power of Seabuckthorn. We are a pioneer in this product segment and our brand commands a strong recall among consumers as well dealers. Also, our price is very competitive, which is giving the brand good market traction.

## How would you describe the market movement for this category? How is the category performing in terms of demand and growth?

Over the last decade, the movement of this category has been very high. Many new players have come in with products that have helped to grow the market to the next level. Still, our per capita juice consumption is very low vis-a-vis the other countries and there exists a huge gap in the demand and supply of quality products. So there are plenty of opportunities for good healthy juice products. In my view, this category will continue to register good growth in the coming years in the range of 25-30 per cent annually.

## Which factors will play an important role in the category performance?

Positioning, quality and price (value for your pack), with health benefits will remain important parameters for performance.

—Mahendra Dhanota  
MD, Seabuckthorn  
Indage Ltd.

## What is the branding and advertising / promotional strategy for your product?

We have hired a professional agency and we are going very aggressively for branding and advertising. Our current focus is to achieve width of distribution and build a strong sales network.

## How are you going about your plan for retail outreach?

Our aim to reach about half a million outlets across the country in the next few months. We will

## With so many new juice products launched every season, do you see retailers willing to allocate more shelf-space and give more weight to the category?

Yes, it is difficult for retailers to provide space to new products but when there is demand for a particular product, he has to make room. We have planned a good package for retailers, which will encourage them to 'sell more and earn more'. **PG**





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# what's next

## ▼ Multigrain muesli with fruits



Gaia's latest offering is a healthy mix of multi-grains with pieces of papaya, apple, pineapple and raisins. You can enjoy the muesli with milk, yoghurt, ice-cream or simply munch on it as an all-day guilt-free snack. Gaia Crunchy Muesli Real Fruit is available in two packs – 1 kg for Rs.420 and 400 gm for Rs.210 respectively. The product is available at all leading stores and pharmacies.

## ► Smoothie rich in antioxidants

RAW Pressery has launched 'Life', a nutrition-packed drink blended with strawberries, blueberries, bananas, apples and pineapples, which can benefit your immune system, skin and body. The Life smoothie is available at premium retailers like Foodhall, Nature's Basket, in hotels like Marriot and Hyatt, to online stores like Bigbasket, Grofers, Zomato and Holachef across Mumbai, Gurgaon, Chennai, Pune, Delhi, Bengaluru and Hyderabad.



## ▼ Eggless cookies in a wide range

Lovely Bake Studio has launched eggless cookies in seven variants, in packed boxes of 75 gm. The range includes cookies in Oats & Raisins, Chocochip, Coconut, Butter Pista, Roasted Almond, Australian-Anzac cookies and Crunchy cookies. These variants are available in north India currently at price points ranging from Rs. 35 to Rs. 65.



## ► Dahi with no preservatives

Prabhat Dairy has launched Dahi with no preservatives. Positioned as 'Ghar Jaisa Dahi' the manufacturing process employs the latest technology to ensure a product untouched by human hand. The company has adopted a unique model called 'Raftar', which directly delivers fresh Dahi in chilled vans to 3,000 local grocery shops. Launched in Mumbai, the dahi is available in packs of 85 gm (Rs 10), 200 gm (Rs 25) and 400 gm (Rs 45) across modern retail chains.



## ▲ Morning breakfast biscuits launched

Mondelez India Foods Pvt. Ltd. has launched its new Cadbury Bournvita Biscuits in India. With this Mondelez India expands its category footprint from creams to cookies. The product with its ProHEALTH Vitamins™ and signature chocolatey taste will offer a perfect balance for the morning snacking occasion. The launch will be supported by an integrated marketing campaign and a visibility strategy in modern and traditional trade stores. The product will be available in two packs – Rs 10 and Rs 25 – across all major urban and rural retailers.



## ▲ New range of Ginger, garlic and chilly pastes

Neo Foods has come out with a new range of pastes made from ginger, garlic and green & red chilly. The pastes are available in pouches of 100 gm, 200 gm, 1 kg, 3 kg & 5 kg and in glass jars. Neo, besides its current canned fruit range of pineapple & fruit cocktail, will offer cherry, lychee and mango dices in cans from next month. The pastes are available on Amazon, Big Basket and with select retailers nationwide.

## ► Canadian maple syrup brand in India

Citadelle, the world's largest supplier of conventional and organic maple syrup, and a fast growing producer of premium, plump and moist, dried sweetened cranberries, is now distributing its Cleary's brand in India in association with LComps Impex. The product is sold in a especially made 125 ml bottle as well as in a 187 ml traditional bottle and is available at all major retailers in the Tier 1 cities. Citadelle is a Canadian cooperative of nearly 2,000 producers and their families who collect sap from seven million maple trees across Canada, ensuring a top-notch, consistent supply of liquid gold, year after year.



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# Marketing innovations in retail

**R**etail has gone through several evolutionary phases and has always come out stronger. It will as long as the sector continues to move forward along the path of innovation, sustainability and growth. From the familiar bricks-and-mortar retail to the boundary-less e-commerce, each segment has managed to reinvent the shopping experience with strategies that broke the confines of convention, stayed true to customer needs, and changed the game in their categories. Each one of these steps have gone beyond creating a unique retail experience to engaging customers and turning competitors into mere imitators.

## E-commerce

First, there was e-commerce – a term that delivered the world of travel, entertainment, bill payment and other services at your doorstep. Limited in application, e-commerce websites mostly centred on services that made the life easy. Then came Flipkart, and e-commerce was baptised. Suddenly, you could order any product from any corner of the country.



Flipkart changed the e-commerce game in India with its 'Big Billion Day'. This event was marketed as the company's attempt to reach an unprecedented \$100 million Gross Merchandise Value in 24 hours, a sum which it reportedly ended up achieving in the first 10 hours itself from 1.5 million shoppers. This encouraged a larger migration of customers to the app. 'Big Billion Day' 2014 managed to inspire a line of similar promotions from its ardent competitors.

Amazon India and Snapdeal too launched similar offers, fuelling an e-commerce war.

## Food & Groceries

In India, there existed a sizeable segment, for which three words encompassed existence: 'roti, kapda, makan'. Their frugal needs were met by local kirana stores and modern retail was beyond bounds and wallet. Big Bazaar tapped this huge segment by converting shopping for necessities into a family occasion. 'Sabse Saste 4 Din', a promotion that married value-for-money with value-for-time – spent with family – was introduced during Republic Day and stretched over the weekend closest to it.

Big Bazaar introduced yet another sale on Independence Day – the 'Mahabachat Sale'. This was followed up with similar activities on public holidays, such as Labour Day, Gandhi Jayanti and Christmas. Big Bazaar, in the process, supplanted a need with the enjoyment of a family day-out. Its strategy focused on increasing consumer and consumption, rather than a discounted event.

By catering to an underpenetrated market, it satisfied the needs of both brand and consumer. Consumers expanded their shopping list as they discovered value in new non-food categories such as fashion, electronics and home linen. On the other hand, this initiative allowed vendors or own-brand manufacturers to launch new products and trends, and for regional vendors to expand their base.

## Creating occasions to spend

Every year, these initiatives have been refreshed with a new dimension. For example, what can be offered to ease the transition of a 10th standard school kid on the threshold of college? Or how can the monsoons be made more fun! Giving consumers an affordable reason to consume is what gives Big Bazaar a prominent share of customers' mindspace. 'Sabse Saste 4 Din', along with the other public holiday initiatives, has delivered a consistent growth of 25 to 30 per cent. What is indeed a testimony to Big Bazaar's innovativeness is that its advertising budgets too have reduced considerably, and word of mouth has taken over. According to the company, today, consumers have bookmarked these dates and a little nudge is all they need to remind them. **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](mailto:rakeshgambhir@imagesgroup.in)



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