

Food Safety

Know all about FSSAI regulations and specifications on food additives

Page 12

Category Watch

How processed food manufacturers are improving the quality of their products

Page 40

Rural Retail

Cooperatives can help food companies to reach out to the rural population

Page 58

PROGRESSIVE GROCCER

May 2017 Volume 11 Number 5 · Rs 100 · www.indiaretailing.com

INDIA EDITION



Page 18

**“WE AIM TO BE
THE CHAMPION
OF INDEPENDENT
BUSINESS”**

– Arvind Mediratta
MD & CEO, METRO Cash & Carry India





MUNCHON'STM
Mood banaye mast!

NAMKEENS & SNACKS

Mood banaye mast!



AFP MANUFACTURING CO. PVT. LTD.

Corporate Office: A-1/172, 1st Floor, Janakpuri, New Delhi-110058 (India) | Phone: +91-11-46026220, 46028220
 Works : B-5 & A-2, EPIP Industrial Area, Hajipur-844101, Distt. Vaishali (Bihar), | Visit us at : www.munchons.com
 E-mail: info@munchons.com, info@aggarwalfoods.co.in | Co-Pack query solicited at +91-9899204019



authentic freshness & flavour

FOODCOAST SAUCES & DIPS

Giving your palates a
tasty twist

ANYWHERE & EVERYWHERE



ACROSS 20 STATES | 127 TOPPINGS | INFINITE COMBINATIONS



FOODCOAST INTERNATIONAL

A-23A, Focal Point Extension, Jalandhar, Punjab-146004, Ph.: 0181-5077771 / 72, Toll Free No. 1800 274 274 0

Email: info@foodcoast.com

To whomsoever concerned - or not,



In business, 25 years is an age, they say. I know what they mean. Especially when I look back to the summer of 1992, when a journey that was to take several rapid twists and turns over the next two decades and more, began in New Delhi.

Back in the early '90s, I used to be coordinator for several fashion stores' advertising campaigns and creatives. During those assignments, I would typically end up having long conversations with the retailers themselves. And each encounter left me impressed, but also wanting more. Each of these retail and fashion brands and their promoters - from **Ravi Nanda** of the posh Heritage store in South Extension to the mega family outlet Big Jo's **Deepak Bhargava** to Shapes' **Ashwini Anand**, from Chunmun's **Sharad Suri** to Numero Uno's **Narinder Singh** - was an innovator. Each entrepreneur - from **Hemant Jain** of Killer Jeans to **Prasad Pabrekar** of Spykar, **Sanjay Dhanuka** of Sumangal, the late **Haribhai** of Moustache, **Jitubhai** of Jade Blue, **Rahul Mehta** of UFO Jeans - had such a rich hands-on understanding of consumer behaviour, of store design, of navigation, sourcing, cost management, you name it. But these insights were scattered, unrecorded. And just like it is today, no retailer had all the pieces. They were all operating in silos - with small, but crucial, gaps in their exposure. If only they had a way to access each other's intelligence!

I was sure a business magazine that assembled all this intelligence together - along with inputs from specialists in fashion creation, marketing and retailing - would have tremendous relevance in a market where fashion consumption was about to explode! And so, in May of 1992, IMAGES was born.

It wasn't easy, I can tell you that. We printed 3,000 copies of the first edition of IMAGES, funded by the sale of my motorcycle (a Hero Honda Sleek, a gift from my mother on my previous birthday). I was sorry to see the bike go, but I was more excited about the potential start of retail intelligence in India.

I think we set the tone in the very first issue itself, with visual spreads on fashion forecasting and trend analysis by **Rajiv Goyal**, and an industry article on Fashion Sourcing by **Anchal Jain**, who wrote: "The only way a multibrand, multi-product retailer can provide the 'right choice' to the customer is by being fashion-literate himself." The insights were sharp and remain relevant to this day. Sample this from Heritage founder, the great Ravi Nanda: "Rather than being a follower of consumer demands, it is better to mold tastes by setting trends."

There were over 24 advertisements in that debut issue itself. How did I get them? I think none of the brands I pitched to refused simply because the idea itself was too radical! They were clearly very curious as to what was being created here and were carried away with my passion and conviction of the idea!

The lovely 'Santoor girl' **Priya Kakkar** graced the cover of IMAGES' first ever product, and the then-Minister of State for Textiles **Shri Ashok Gehlot**, kindly sent a congratulatory note, which was published in the magazine.



From a time when product durability was king to now, when 'fashion' has taken over 'product', India's fashion consumption story is an epic tale. As I look back, I feel overwhelmed, and filled with a sense of wonder, that IMAGES has been not just a cataloguer, but also a catalyst in many ways, in promoting the knowledge and the intelligence that drives retail today.

Because, in the years that followed, IMAGES' world expanded fast -- from fashion retail as a subject to Retail as a universe. My own understanding was shaped, enriched by some incredible visionaries and pioneers, including **B S Nagesh** (who launched the first Shoppers Stop store in Andheri the same year as our story began); **Kishore Biyani**, the game-changer of mass retail; Madura Garments' **Vikram Rao**; Siyaram Silk Mills' **Ramesh Poddar**; Tata Group's **Simone Tata**; Landmark Group's **Renuka Jagtiani** and **Raza Beig**; **Anuj Puri** (then at Chesterton Meghraj and until recently, JLL India head); **Krish Iyer** (then at Piramyd Retail and now the head of Walmart in India) and many other amazing leaders who have each played a role in modern Indian retail's creation.

For me, along the way, there have also been many losses and misses in this 25-year-old pursuit of passion. (In a related note, have you seen The Pursuit of Happiness? Watch it!) But then, the word passion is derived from a Latin word meaning 'to suffer'. If you have a genuine passion for something, you will also suffer for it. If you're lucky enough to find a passion that consumes your every living breath, you must also be prepared to let go of some things that you don't want to lose.

Has the journey been worth it? *Well...*

Amitabh Taneja
Founder

IMAGES
GROUP.IN

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

Editorial

Editor in charge: **Sanjay Kumar**
 Correspondent: **Nibedita Roy**

Conference Content: **Nakul Jain**
Mohua Roy

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

Creatives

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

Production

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

Support

Sr. General Manager - Administration: **Rajeev Mehandru**

Subscription

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

ADVERTISING**Business Head**

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

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

DELHI **Ekta Roy**, Sr. Manager

MUMBAI **Waseem Ahmad**, Vice President & Branch Head
Savita Vasandi, Sr. Manager

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

KOLKATA **Piyali Oberoi**, Vice President & Branch Head

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

CONSUMER CONNECT

Anil Nagar, Vice President
 anilnagar@imagesgroup.in, Mob.: +91 9811333099

Membership Team: **Priti Kapil | Sarika Gautam | Priyanka Sagar**

PROGRESSIVE
GROCER

AHEAD OF WHAT'S NEXT

VP/Group Publisher **Jeffrey Friedman**

Editor-in-Chief **Meg Major**

Senior Editor **James Dudlicek**

Managing Editor **Bridget Goldschmidt**

Director of Integrated Content/
 Technology Editor **Joseph Tarnowski**

Creative Director **Theodore Hahn**

Contributing Editors **David Diamond, Bob Gatty,**

Bob Ingram, David Litwak,

Tammy Mastroberte and

Jennifer Strailey

Stagnito
 BUSINESS INFORMATIO

President & CEO **Harry Stagnito**

Chief Operating Officer **Kollin Stagnito**

Vice President & CFO **Kyle Stagnito**

Senior Vice President, Partner **Ned Bardic**

Vice President/Custom Media Division **Pierce Hollingsworth**

HR/Production Manager **Anngail Norris**

Corporate Marketing Director **Robert Kuwada**

Promotion and Marketing Manager **Ashley Cristman**

Director, Conferences & eLearning **Amy Walsh**

Manager, eMedia Strategy & Development **Mehgan Recker**

Audience Development Director **Cindy Cardinal**

COVER STORY**Managing Director & Chief Executive Officer of METRO Cash**

& Carry India, Arvind Mediratta, speaks to Sanjay Kumar of Progressive Grocer about the company's recent initiatives across various functions, which have not only helped METRO dig its feet firmly in India but also marked it out as a trend-setter and benchmarking partner for all cogs in the wheel of the wholesale industry. "We have kicked off many recent initiatives to sync with our global aim of being the 'Champion for Independent Business', says Mediratta.

We have revamped our India operations and sharpened our regional focus.

10 TRADE TALK**India-Canada modernization initiatives in agri and food processing sector**

Recently, Canada's Minister of Agriculture and Agri-Food, Lawrence MacAulay, was on a visit to India. Progressive Grocer spoke to him about the potential areas of collaboration and cooperation between the two countries.

12 FOOD SAFETY**Food Additives and Regulations**

What are FSSAI regulations and specifications for the use of food additives?

28 CATEGORY WATCH: POULTRY**Quest for convenience drives poultry innovation in India**

How innovation in offerings and strengthening the cold-chain have shaped the growth of the segment.

34 FROZEN FOODS & DAIRY**Food processing sector and major segments**

Frozen & processed vegetable, non-veg as well as dairy segments are growing rapidly in the packaged food category. Many of the brands in this segment are focussing on bringing more health-conscious products with good quality, hygiene as well as convenient and innovative packaging. A few players are paying importance to develop strategies based on regional local flavour and taste, and some of them have been successful too.

Delicious™

Bring home
the smile 😊



Chicken in your dish before you make **a wish!**



Try them all !

FRY & SERVE

COLD CUTS

GRILL & SERVE

HEAT & SERVE

FOR BUSINESS ENQUIRY, PLEASE CONTACT:

BARAMATI AGRO LIMITED

4th Floor, Farena Corporate Park, Kharadi Bypass Road, Hadapsar, District: Pune-411028, Maharashtra



FOR MORE INFO



020 30440918, 020 30440900



customercare@baramatiagro.com



Eliciousforyou

Visit Us: www.eliciousforyou.com



HALAL

All feedback welcome at
editorpgindia@imagesgroup.in

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

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

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

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

For subscription related queries,
 email to: subscription@imagesgroup.in

For feedback/editorial queries,
 email to: letter2editor@imagesgroup.in
 visit us at www.imagesgroup.in

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

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

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

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

Kolkata: 30-B, Anil Roy Road, Ground Floor,
 Kolkata 700 029

Ph: + 91-33-40080480, **Fax:** +91-33-40080440



40 CATEGORY WATCH: PROCESSED FOOD

Packaged Goodness

The shift in buying behaviour and consumer perception has opened the consumer ecosystem for packaged and processed foods, which has been witnessing a spurt in consumer adoption, market penetration and category growth.

With the category pulling in robust growth over the past few years, brands and manufacturers have not only increased their assortment depth but also substantially improved the quality and availability of their products.

54 PACKAGING

Tin cans – A portable warehouse

Tin cans offer maximum shelf life compared to any other pack, whether it is for dry products or liquid products like fruit juices, beverages, etc.

58 RURAL RETAIL

Time to tap the consumer co-operative movement in India

Consumer co-operatives in rural areas present a big opportunity for food companies to reach out to the rural population and expand the consumer base for their products.

IN EVERY ISSUE

60 COLUMN

Retail is Detail



61 WHAT'S NEXT

Food, Beverage & Non-food Products





Ready to Eat

A Pure Ghee Preparation

Besan Laddoo

PREMIUM

Indian Traditional Delicacy



For trade query,
write us at info@lalsweets.com

India-Canada modernization initiatives in agri and food processing sector

Recently, Canada's Minister of Agriculture and Agri-Food, Lawrence MacAulay, was on a visit to India to strengthen bilateral ties and explore market access opportunities for Canadian food and agri-food businesses. Progressive Grocer caught up with the minister and spoke to him about the potential areas of collaboration and how he sees trade and cooperation between the two countries growing further.



Which are the areas in agri and food sector that India and Canada can work together?

There are many potential opportunities for further growth. The size of the trade relationship as well as recent scientific and technological advances means Canadian and Indian farmers and companies have a range of options for working together, in terms of technology transfers and in terms of advancement in Indian agriculture. Continued investment in biotechnology, knowledge sharing and other scientific advancements are just some of the areas of cooperation that would support India's agricultural modernization initiatives and advance its food processing sector.

Is there any particular field or segment where you feel confident of making progress and can claim some achievement?

AG Growth International, for example, based in Winnipeg, Manitoba, is working with India to establish modern grain storage systems that will prevent spoilage and wastage. This and other similar co-operation initiatives will benefit both countries.

The Indian Government is making an all-out effort to ramp up and grow its food-processing industry. What can Canada offer in this respect?

It is estimated that the world's demand for food will grow by at least fifty per cent by 2050. As





L to R: Canada's Consul General Jordan Reeves, Minister MacAulay and Rakes Gupta, MD, Canadian Agro India Pvt. Ltd., signing an MOU for promoting canola oil in India.

MOUs signed during minister MacAulay's visit

→ MoU with HyperCITY Retail India Private Limited:

The MoU with HyperCITY will enable Canadian Agro India Private Limited to permanently stock HyperCITY's stores across India with their brand of Canapure canola oil. Through this agreement, Canadian Agro India Private Limited will avail a pre-agreed upon preferential listing price, which will ultimately enable it to compete effectively in terms of final pricing of its product (Canapure canola oil) across all HyperCITY stores in India.

It is important to note that the listing price of any food or beverage product in a retail store in India is one of the key defining factors in terms of the final pricing of a product. This agreement will enable Canadian Agro to hold in-store promotions of their products at key time periods through the year or at specific festive seasons.

→ MoU with JMart–RJ Corp (New Delhi headquartered online grocer and store retailer):

The MoU with JMart will enable Canadian Agro India Private Limited to list and place its product throughout all the stores of JMart located in the National Capital Region of New Delhi.

The MoU will also enable Canadian Agro to work with JMart to use Canapure's Canola Oil for production of their ready to eat products under the 'Grubb' brand. The Grubb brand of ready to eat products is produced by JMart in its privately run kitchens and are sold across all its stores in New Delhi and NCR.

→ MoU with KMP Enterprises Limited (Kenya based retailer):

The MoU with KMP Enterprises Limited will enable Canadian Agro to maintain a constant supply and ship nine containers of Canapure canola oil. After the completion of one year, based on the demand and response to Canapure's canola oil, Canada Agro will either increase the number of containers or maintain it at the existing container agreement for every year.



producers face concerns regarding resource utilization and environmental responsibility, the application of innovative practices can answer many of these challenges.

Canada and India can work together in the areas of agricultural innovation, including exchanging information on technological advances which can deliver solutions that increase production with fewer resources; and safeguard the environment through new crop varieties that resist pests and drought.

Continued development of trade in this sector will help create jobs in Canada while assisting India in achieving its food security objectives, and investment in biotechnology could support India's agricultural modernization initiatives and advance its food processing sector.

In terms of agri-exports and trade, what is the current status and how do you see this relationship developing in the future?

We see a strong potential for future growth on both sides in a few sectors. In terms of exports from Canada, we see potential growth in pulses, grains and oilseeds, canola oil, and animal genetics. In terms of imports from India, we see potential growth in tropical fruits and vegetables. Canadian businesses exported \$1.2 billion in agri-food and seafood products to India in 2016. **PG**

Canada and India can work together in the areas of agricultural innovation, including exchanging information on technological advances which can deliver solutions that increase production with fewer resources; and safeguard the environment through new crop varieties that resist pests and drought.



Food Additives and Regulations

Additives are mostly of chemical origin and, hence, their addition in food needs to be very specifically regulated and monitored. It is with this intent that FSSAI has regulated and laid down specifications for the use of most food additives.

By **Manish Veeramani**



- Preservatives
- Anticaking / Antifoaming agents
- Antioxidants
- Emulsifiers

Additives are mostly of chemical origin and hence their addition in food needs to be very specifically regulated and monitored. It is with this intent that FSSAI has regulated and laid down specifications for the use of most food additives.

However, when adding these additives to food products, the following points need to be specifically taken care of:

- The additive may be added in the lowest possible quantity so as to ensure that the desired effect is accomplished.
- The additive should also be handled and prepared using the same precautions and controls that is exercised for any other food product.

Let's look into the additives in further detail:

A. Colouring Agents

Colouring agents in food may be categorized broadly as: a. Natural Colours b. Synthetic colours. The natural colouring agents that may be used in food include the following:

- Carotenes and Carotenoids
- Chlorophyll
- Riboflavin
- Caramel
- Annato
- Saffron
- Curcumin or Turmeric

Permitted synthetic colours include red, yellow, blue, green. Synthetic colours may be added only as per permitted levels as specified in the FSSAI regulations. Some of the synthetic colours permitted

Additives have become an integral part of any food product. Seldom are any foods available today that do not contain any additives. This holds true for all packaged foods that are available as part of convenience foods. However, what is more interesting is the fact that additives now are becoming a part of even freshly prepared foods.

Additives are substances that are added to food products with specific intents. The intention of adding additives in food can be for a variety of reasons, ranging from enhancement of nutritional profile to improving the flavour to improving the appearance of a product to finally having the best possible shelf life for the product. According to their intent of being added in foods, the additives are categorized as follows:

- Colouring agents
- Flavouring agents

and commonly used are Ponceau 4R & Carmoisine for red colour, Tartrazine for yellow colour, Brilliant Blue FCF for blue colour and Fast Green FCF for green colour. However, these colours may be added to a maximum quantity of 100 ppm (i.e 100 mg/kg) in processed foods and to a maximum of 200 ppm (i.e. 200 mg/kg) in processed fruits. All colour compounds are characterized and regulated by the total dye content in the colour, which is specified in the requirements of FSSAI.

Whenever there is an extraneous addition of colour in food, the same needs to be declared on the food label mandatorily. These declarations can be made in one of the following ways:

- Contains permitted natural colour
- Contains permitted synthetic food colour
- Contains permitted natural and synthetic food colour(s).

In case the names and INS number of the colour used is mentioned in the above declaration, then the same need not be mentioned in the list of ingredients.



The additive may be added in the lowest possible quantity so as to ensure that the desired effect is accomplished. It should also be handled and prepared using the same precautions and controls that is exercised for any other food product.

B. Flavouring Agents

Flavouring agents are substances that are added to food with the intention of improving its taste or odour or both. These may include flavour substances, flavour extracts and flavour preparations. Of the three chemical senses, smell is the main parameter for judging a food item's flavour.

Kool Solutions India Pvt. Ltd. introduces state-of-the-art Public Refrigerated Warehouse with Distribution Services provided by Schedulers



Mr. Anand Aryamane
CEO
Cell : +91-9820504595
aaryamane@koolsolutionsindia.com



Mr. Rajeev Adhikari
Sales Head
Office : 1800-300-07444
rajeev.adhikari@schedulers.in

Flavouring agents are substances that are added to food with the intention of improving its taste or odour or both. These may include flavour substances, flavour extracts and flavour preparations.

While the taste of food can be described as sweet, sour, bitter, salty, umami (savory) or pungent, how the food smells range across a wide scale. A food's flavour, therefore, can be easily altered by changing its smell while keeping its taste similar. The term "flavouring" or "flavourant", in common language, denotes the combined chemical sensations of taste and smell in the food industry. Due to the high cost or unavailability of natural flavour extracts, most commercial flavourants are nature-identical, which means that they are the chemical equivalent of natural flavours but chemically synthesized rather than being extracted from the source materials. Depending upon their property and existence, flavouring compounds are categorized as:

- **Natural Flavours and Natural Flavouring Substances:** These are flavouring substances obtained from plant or animal raw materials, by physical, microbiological or enzymatic processes. They can be either used in the natural form or can be processed to suit human consumption. But these cannot contain any nature-identical or artificial flavouring substances.
- **Nature Identical Flavouring Substances:** These are substances that are obtained by synthesis or isolated through chemical processes. These compounds are chemically and organoleptically identical to flavouring compounds naturally present in products for human consumption. These cannot contain any artificial flavouring substances.
- **Artificial Flavouring Substances:** These products are typically produced by chemical methods such as fractional distillation, and other chemical modification of naturally sourced materials. Although they are chemically very different, their sensory properties are the same as the natural product.

There is no regulation limiting the use of flavour compounds in food since it is more of a sensory parameter and cannot be quantified. However, the act does mention that the addition of flavouring compound shall be in compliance with GMP requirements. Further, it is clearly specified that only natural and nature identical flavours are permitted for nectars and only natural flavours permitted in aseptically packed fruit juices and vegetable juices.

Whenever any flavouring compound is added into any food product, the label shall clearly mention: Contains added flavour (this shall be followed by the class of the flavouring substance). Furthermore, when an artificial flavouring substance is used, it shall be followed by the common name of the flavour whereas for natural and nature identical flavour, the class name would be sufficient.

C. Preservatives

Foods are substances composed of many complex ingredients. Some of these ingredients are highly resistant to spoilage while some are very sensitive. It is their combined effect on any food product that determines its shelf life. Most of the processes targeted towards increasing the shelf life include heat treatments. However, the temperatures used result in significant loss of nutritive value and appearance of the product. The present requirements for most foods are that apart from tasting good they also need to look good and have a long shelf life at the same time. Hence the role of preservatives becomes very significant.

Preservatives are substances which, when added to any food, are capable of inhibiting, retarding or arresting the process of fermentation, acidification or decomposition of food. Some of the ingredients in food themselves function as preservatives. However, preservatives have been mainly classified into the following categories:

Class 1 preservatives: These are natural preservatives such as salt, sugar, vinegar, glucose syrup, spices, dextrose, honey and edible vegetable oil.

Class 2 preservatives: These are chemical preservatives such as benzoates, sorbates, sulphates, nitrites and nitrates of sodium or potassium, sorbic acid, calcium propionate, citric acid, sodium, potassium, calcium salts of lactic acid.

Preservatives can be used alone or in a combination as per the regulations and depending on their application in the respective food item. However, the net quantity in parts per million should comply with the requirements whenever these preservatives are used in combination. Any flavouring added



HyFun™

The New Name for "Frozen"





Preservatives are substances which, when added to any food, are capable of inhibiting, retarding or arresting the process of fermentation, acidification or decomposition of food. Some of the ingredients in food themselves function as preservatives.

shall include the following declaration on the label: Contains permitted class 1/2 preservative (followed by the class name of INS number in a bracket).

D. Anti-caking Agents

These are additives typically used in powders. They ensure that the product remains free flowing and does not form lumps due to moisture ingress. However, there is a very strict regulation on the use of anti-caking agents in food, which specifies clearly the substances that may be used in this category and the quantities in which they are added. Anti-caking agents typically include:

- Carbonates of calcium and magnesium
- Phosphates of calcium and magnesium
- Silicates of calcium, magnesium, aluminium or sodium of silicon dioxide
- Myristates, palmitates or stearates of aluminium, ammonium, calcium, potassium or sodium

Any anti-caking agents when added to a food product shall be indicated on the label along with the name of the ingredients as ‘Anticaking Agent’ followed by the INS No.

E. Anti-oxidants

These are substances that when added to food retard or prevent oxidative deterioration of the food. These are specially used in products that are oil or fat based. Most of these products may contain anti-oxidants like ethyl gallate, propyl gallate, butylated hydroxy anisole, etc, ranging from 0.01% to 0.05%. Among the exceptions are ghee and butter, which shall contain only BHA as an anti-oxidant and have a concentration of not more than 0.02%. Fat spread may contain BHA or TBHQ (Tertiary butyl hydro quinone) as an anti-oxidant and at a concentration of not more than 0.02% by weight on fat basis.



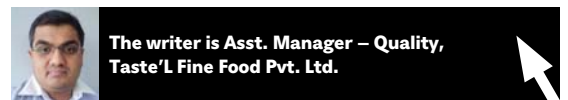
Any antioxidant when added to a food product shall be indicated on the label among the ingredients as ‘Antioxidant’ followed by the INS No.

F. Emulsifiers

Emulsifying and stabilizing agents are substances that when added to any food product will ensure that there is uniform dispersion of oils and fats in the aqueous media and vice-versa. Thus it enables the product to maintain its consistency and structure thereby preventing it from disintegrating. Some of the more commonly used emulsifiers include lecithin, xanthan gum, guar gum, sorbitan monostearate, sodium aluminium phosphate. The type of emulsifier used and the end product in which it is used also depends on the regulations. Any emulsifying agent cannot be added into any food to get the desired effect. It needs to be as per the rules mentioned in FSSAI. For example, a non-dairy whip topping can contain only hydroxypropyl methyl cellulose as an emulsifier at a maximum concentration of 2%, whereas xanthan gum may be used at a maximum concentration of 0.5%.

Any emulsifier when added in a food product shall be indicated on the label with the names of ingredients as ‘Emulsifier’ followed by the INS No.

It thus becomes imperative that though we can add any additive to food depending upon its functionality, we cannot only focus on taste or consistency. We need to ensure that all the necessary and applicable mandatory cum regulatory requirements are followed and communicated by listing out the relevant information on the product label. This will ensure that the food is not only good and acceptable on organoleptic parameters but also will fulfil all food safety requirements, thereby ensuring only quality and safe product for all consumers. **PG**



शर्बतों की शानदार श्रृंखला

Pure
KA-JOR

NATURAL

®



JAI Guruji

Thandai & Sharbat



New



गुरुजी मसाला शिकंजी
गुरुजी स्ट्रॉबरी

शुद्ध भारतीय पेय

E-mail : gurujibms@yahoo.com
Website : www.jaiguruji.org

“We have revamped our India operations and sharpened our regional focus”

Managing Director & Chief Executive Officer of METRO Cash & Carry India, Arvind Mediratta, speaks to Sanjay Kumar of Progressive Grocer about the company's recent initiatives across various functions, which have not only helped METRO dig its feet firmly in India but also marked it out as a trend-setter and benchmarking partner for all cogs in the wheel of the wholesale industry. “We have kicked off many recent initiatives to sync with our global aim of being the ‘Champion for Independent Business’, says Mediratta.

The company has carried out top-deck leadership changes in recent months, and is focusing to enlarge its footprint in the northern and southern markets of India – its traditional strongholds. It has also split its operations into north-east & south-west for better business focus and leadership across specific regions. “We will continue with our focus on these markets while also keeping an eye on emerging markets in Tier II & III cities,” points out Mediratta, adding that India is among the countries where METRO Group is set for sure-footed expansion as a Wholesale & Food Specialist company.



Arvind Mediratta
MD & Chief
Executive Officer
of METRO Cash &
Carry India





After 14 years of operating experience, how does METRO weigh the opportunities and challenges of doing business in India?

METRO has definitely evolved and come a long way after its foray in Indian market way back in 2003. The Indian market is extensive and diverse. This provides us with both opportunities and challenges. In India, what works in the north will not work in the south because of the penetration of regional and local brands. We are focusing on these brands, especially in food and groceries, because people want a particular brand of spice or oil. So, for instance, when we opened a store in Gujarat, we found people were using cottonseed oil, which is not common in other parts of the country. Likewise, there are brands in the south that are specific to that region. Likewise in apparel, in Punjab, we need to stock a lot more of the large sizes whereas in Bengaluru, the large sizes don't sell. In Amritsar, we used to stock small thalis (plates) and small bowls, but we noticed nobody was buying those. So, these are the things that we have to localize according to the market. We keep evolving and growing with every city we enter into.

Where do you stand today on your earlier proclaimed target of expanding your network of distribution centres to about 50 by 2020?

We will continue our steady expansion in India in the coming years as the market offers great potential and opportunities. Since the organized wholesale market in India is growing at an even higher rate than modern retail, there is no dearth of opportunities in the country. India is among the countries where METRO Group is set for expansion as a Wholesale & Food Specialist company. Recently, we revamped our India operations and split it into North-East & South-West, to sharpen our regional focus. METRO India has a new leadership team in place to drive this goal. Several expansion projects are already on the agenda. To sum it up, we are pretty much on track.



North and south are basically the two regions where METRO has been very much focused now. What are your plans and pace of consolidation in these two regions?

In our kind of business, a cluster approach to markets is the best way to grow the business. North and south markets have been our traditional strongholds and there is plenty of headroom for growth in these regions. We will continue with our focus on these markets, while also keeping an eye on emerging markets in Tier II & III cities.

For a heterogenous market that India is, how has METRO been customising its solutions and services to best serve the diverse needs of specific regions?

We have a simple strategy to suit diverse needs – we listen to our customers. Our exemplary customer satisfaction levels are majorly because we constantly analyse local requirements and bring products that the market demands. A large percentage of the goods are sourced locally and are tailor-made to meet the specific demands of the region. We are constantly engaged in customer interaction to ensure that we understand the pulse of the market and provide products and services accordingly. This gives us the knowledge and insights into what exactly works in each catchment.

We have a simple strategy to suit diverse needs – we listen to our customers. Our exemplary customer satisfaction levels are majorly because we constantly analyse local requirements and bring products that the market demands.

How do you see the potential for growth of big box retailers like METRO in India?

METRO in India operates B2B wholesale. In the last ten years, India has been growing at the fastest pace in its economic history. The growth potential has increased manifold, not only in big metros but also in Tier II & III cities. India presents a sound opportunity with 1.2 billion people and 10 million kirana store owners. Out of the 450 million internet users in the country, over 300 million are smartphone users.

These trends point to the fact that the Indian economy is brimming with big potential of growth. Policymakers are creating a conducive environment by relaxing norms so as to invite foreign funds and speed up the country's infrastructure. The government's decision to allow 100% FDI in food retail is one such welcome step in this direction.

Against this backdrop, the potential ahead for big retailers and wholesalers is immense and growing. The buying potential of customers is rising, infrastructure and supply chain is improving and

Suppliers of meat and fish are also trained in international quality and safety standards and certification systems. All our suppliers are given systematic training on meeting customer requirements in terms of food quality, safety and traceability. We use standardized communication programmes and training tools to impart this knowledge.



**➔ Retail Ops Excellence
Key Initiatives by METRO**

During the past year, the company has made several moves across various functions to ramp up its operational agility and efficiency. Some of these are:

Technology Adoption: METRO India has recently introduced an ordering platform for its trader customers (OPD: Order Payment Delivery) where they can order online, and their order is delivered to them.

Supply Chain Management: The company uses the latest technologies and equipment to provide excellent service to its customers. For its Last Mile Delivery solutions, it has been using GPS & TMS solutions, which enable its customers to track their shipments even before delivery. Similarly, its Central Ordering Systems are built to partner with its suppliers and provide pan-India promotions to customers. The central ordering systems and partnership with suppliers helps METRO to improve its forecast of demand on an SKU level.

Human Resource Policies: Recently, METRO overhauled several of its HR practices, including performance evaluation. Besides, it has taken up job rotations and talent mobility in a big way across all functions. This helps provide multi-dimensional exposure to employees and prepare the talent pipeline for the future. A new culture is being instilled with open communication, transparency and celebration as its pillars. The positive change it has brought about is being felt across the company.

Customer Service: Committed to its dedication to customers, METRO India records all customer feedback and tracks it with unique customer numbers. The recordings and analysis are regularly shared with key internal stakeholders to make the entire organization aware of the pulse of customers. All requests and complaints are dealt with on priority, and the loop is closed in a defined and prompt manner. The company's National Customer Care Line supports customers in seven languages and it receives nearly 35,000 calls on a monthly basis. The organization calculates quarterly Customer Satisfaction Score on all major parameters, and the performance on this index plays an important role in the evaluation of work by employees. This keeps the entire organization aligned to the voice and needs of customers.

SHUBH FOOD PRODUCTS

ISO 22000:2005, FSSC 22000 & HACCP Certified Company

presents

Tadka Blast

A unique collection of readymix of Indian spices



For more details please contact:

Shubh Food Products
2104, Bhandup Indl. Estate, L.B.S. Marg,
Bhandup (W), Mumbai- 400 078.

Contact person:
Mr. Gaurav Gambhir - +91 9920133604
Email: gaurav.g@shubhfoodproducts.com

www.asafoetida.net



Fair prices and guaranteed and transparent payments from METRO have proven to be a catalyst for change within agricultural communities. METRO was the first company to introduce immediate credit of payment on electronic cards for farmers, a pioneering practice that has now found broader industry acceptance.



internet has demolished the aspiration lag between big and small cities. The Indian retail and wholesale market offers great potential and bright prospects for international and domestic players.

How do you look at the role of METRO in strengthening the retail eco-system and cash-and-carry trade in the country?

METRO Cash & Carry is not only one of India's leading organized business-to-business wholesalers but also the country's first HACCP-certified wholesale retailer. We ensure that all our 23 stores comply with the highest standards of cleanliness and hygiene. This not only covers in-store activities but also procedures involving sourcing, supply chain, stocking, and point of sale.

In critical areas of Fresh Food, i.e., meat, fish, fruits & vegetables, dairy, frozen & bakery, we impart the necessary training and skills to our employees and suppliers alike. Our five Farmer Collection Centres, in different parts of India, supply fresh produce to METRO within eight hours of harvest. We train our farmers in the adoption of new crop management techniques, optimum utilization of resources and agronomic practices. Suppliers of meat and fish are also

trained in international quality and safety standards and certification systems. All our suppliers are given systematic training on meeting customer requirements in terms of food quality, safety and traceability. We use standardized communication programmes and training tools to impart this knowledge.

Fair prices and guaranteed and transparent payments from METRO have proven to be a catalyst for change within agricultural communities. METRO was the first company to introduce immediate credit of payment on electronic cards for farmers, a pioneering practice that has now found broader industry acceptance. Under this initiative, all METRO farmer suppliers are issued a Pay Direct card through a national bank. This is a specially devised card for farmers, which functions as a debit card and requires minimum documentation. Only farmers who have a Pay Direct card can conduct business with METRO. After METRO makes a purchase from a farmer at an accepted quantity and price, payments are credited directly into a farmer's account in less than a day.

Coming to the vast universe of small traders and kirana owners, METRO regularly conducts Trader Support & Partnership programmes. The motive of this programme is to help our kirana customers become more competitive and modern. Using our knowledge and expertise in the field of selling and stocking, we share best practices with kirana shops in planogramming, assortment planning, store layout and inventory planning to improve their profitability. As a result of this initiative, we've been able to turn around businesses for many of our customers.

These and many more initiatives kicked-off and sustained by METRO makes it a trend-setter and benchmarking partner for all cogs in the wheel of wholesale industry. All these initiatives sync clearly with our global purpose of being a 'Champion for Independent Business'.



GOLD FOGG™
ENERGY DRINK

**THE DRINK
YOU DESERVE**



**INDIA'S FIRST
ENERGY DRINK
FORMULATED IN
POLAND**



www.goldfogg.com



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



[/goldfoggenergy](https://www.instagram.com/goldfoggenergy)



[/goldfoggenergy](https://twitter.com/goldfoggenergy)

LIVE YOUR WAY™

**FOR BUSINESS
ENQUIRY**

+91 9811005445/ 080-64551999

➔ In the Driver's Seat

Arvind Mediratta joined METRO Cash & Carry India as Managing Director & Chief Executive Officer in February 2016. He has over 26 years of experience in general management, marketing and sales of consumer packaged goods and retail and appliances. In the course of his career, he has carried out various responsibilities with top companies like Walmart (9 years), Procter & Gamble (10+ years), Whirlpool, Yum! Restaurants International and Marico.

Before taking the helm at METRO India, Mediratta was part of the Walmart US business in Bentonville, where he held senior leadership roles in both Operations and Merchandising. Prior to this role, he had served as Walmart India's Chief Operating Officer overseeing all functions – Buying, Merchandising, Operations, Sales, Business Development, Marketing, Membership, Finance, Logistics, Supply Chain, E-commerce and Store Planning. He was also responsible for successfully setting up Walmart's Cash & Carry business ("Best Price" Modern Wholesale) in India from the ground-up, heading it until June 2014.

Mediratta was rated amongst "25 Hottest Young Executives in India" by Business Today in 2006, "50 Most Powerful People in Media, Advertising and Marketing in India" by Pitch magazine in 2004, and "Top 8 Marketers in India" by The Economic Times in 2003.

He holds an MBA from the Indian Institute of Management Kolkata and a B.Tech in Chemical Engineering from the Indian Institute of Technology, New Delhi. He is currently based in Bangalore, India.

North and south markets have been our traditional strongholds and there is plenty of headroom for growth in these regions. We will continue with our focus on these markets, while also keeping an eye on emerging markets in Tier II & III cities.

What are the features of your Private Label programme and how is it helping METRO strengthen its business?

Internationally, METRO has a wide range of products under its private labels. Our private labels such as Aro, Fine Life, Rioba, Horeca Select, Sigma, Tarrington House, etc, are well recognized and rated among professional customers. Our private labels have helped increase the loyalty of our customers, both in India and abroad. Categorization of product lines under each of these brands is aligned across all METRO countries. However, each country exercises its discretion to introduce products under these brands depending on customer and business needs.

Right from EPP products to premium brands, METRO private labels have something for everyone in its kitty. We benchmark our products against the lead brands to ensure that customers get the best quality at a competitive price that we can afford to pass on. Each launch undergoes stringent quality checks enforced by our in-house quality team. Being in the business of serving professional customers gives us unique insights into their needs. We accordingly tailor our solutions such as those in Housekeeping, Pantry and Office, to meet their expectations. Adherence to food safety practices is a necessary pre-condition for suppliers of private labels. Several micro and cottage industries that work with us on private labels are required to comply with international standards of working and



processes, which also stands to benefit them in the long run.

Private labels help us develop and grow our business in several ways. We are able to plug several assortment and price gaps with our own brands. For instance, we recently launched a body wash at Rs. 49 for customers who wanted to upgrade from soap to body wash, but found price a deterrent. The product was a huge hit among our customers. We use our own brands to introduce innovative products, such as ceramic coated cookware, which we have done recently.

What is the next big change that you see coming in Retail?

Let's analyze the past before we predict the future. If we look at the United States of America, where I was earlier, one could see a clear distinction between the evolutionary phases in the retail industry. From 1960s to 1990 was the Age of Manufacturer. After that, till 2010, was the Age of Retailer. After the turn of the century, emerged the Age of the Customer.

In India, however, the market has not segued this smoothly. What we witness today is a fair mix and jumble of all the three ages – Manufacturer, Retailer and Customer. This makes for an interesting mix of pull and push factors that drives today's consumption. What is becoming increasingly obvious is the channel transformation that the industry is going through. Whether online or offline, buying and selling cannot afford to remain mono-channel any longer. Only those players can envision a long and rewarding future who are able to fold into the omni-channel approach. The future will also see increased interaction with sophisticated technologies. Already, technological innovations like Augmented Reality and Advanced Robotics are changing the way people buy abroad.

ESTD. 2016

TM

**popi
corn**

THE DELICIOUS POPCORN



POPPED IN AWESOMENESS

Seasoned with love

READY TO EAT

GMO & GLUTEN FREE

NO PRESERVATIVES



Follow us on

/popicornindia /popicornindia

For distribution enquiries,

Call : 94 9005 9005

www.popicorn.in



Globally we are a B2B business, and we will continue to remain a B2B company. The ways in which we reach out to our customers will evolve and improve, but our vision and mission is clear. We strive to be a Champion for Independent Business and will continue to serve professional customers.



In terms of categories, I foresee a huge proliferation in the number of categories and sub-categories with customers becoming more and more experimental. Coupled with the rise in self-and-social consciousness awakened by social media, one can safely presume that four categories will rule the roost in near future. This is linked directly to what the new-age customer desires from life:

- a) Health & Wellness: Organic food, health supplements, fitness equipments, apparel and personal care products
- b) Experience: Media, travel, entertainment, home, gaming, sports and luxury categories
- c) Staying Connected: Highly integrated smart homes, smart kitchens, telecom, transportation and IT products

d) A Fair World: Socially, environmentally, and ethically fair products such as cage-free eggs and vegan products

What initiatives are you taking to beef up your e-commerce capability?

We are primarily an offline player. Our brick-and-mortar wholesale stores provide everything under one roof at the most competitive prices in town along with friendly service and a broad range of products in various pack sizes. Our customers like buying at METRO stores a uniquely happy experience owing to these factors.

However, we do recognize the importance of omni-channel for reasons I explained earlier. We have recently introduced an ordering platform for our trader customers (OPD: Order Payment Delivery) where they can order online, and their order is delivered to them. We expect this programme to scale up significantly in the coming years.

What do you feel is the optimum size of store that METRO should be looking at?

In size, there is no one-size-fits-all approach that we can speak of. We decide the size of the store and the prominence given to any category depending on what our customers in our catchment want. Before entering any market or zone, we do a thorough research on market trends and customer preferences. Using these information and insights, we take a call on dimensions.

Compared to the more than 25 odd countries where METRO is present, what is different about running your operations in India vis-a-vis the rest of the world?

The Indian market is very different from the other countries where METRO operates in. Moreover, markets in European countries are much more mature and stable than in India. Being a growing economy, however, the potential for growth and expansion in India is a lot more than its European counterpart. To compete in a fiercely competitive market with a high real estate cost and MRP regime requires one to be very nimble and cost efficient. We learned our lessons in the Indian market very early and started adapting ourselves to suit the customer needs.

Will you consider changing your current path and direction if multi-brand retail is allowed?

Globally we are a B2B business, and we will continue to remain a B2B company. The ways in which we reach out to our customers will evolve and improve, but our vision and mission is clear. We strive to be a Champion for Independent Business and will continue to serve professional customers. **PG**

ADDING NEW FLAVOURS TO YOUR FOOD BUSINESS

INTERNATIONAL RANGE OF FOOD PRODUCTS AT YOUR DOOR STEP



About us:

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



CATEGORIES: CHEESE, PASTA, PEELED TOMATOES, VINEGAR, ICECREAM, GELATO



European Foods India Pvt. Ltd.

Delhi Office: 809-A, International Trade Tower, Nehru Place New Delhi-110019
Tel.: +91-11-26287004, 26287003, 65153490, 26811108
Email: info@europeanfoods.in

Mumbai Office: 244-245, Mastermind-1 Royal Palms, Aarey Milk Colony, Goregaon (E), Mumbai – 400065
Tel.: +91-22-28792327, 28792329
Email: dir@europeanfoods.in



Quest for convenience drives poultry innovation in India

The Product Innovation 2017 report by Mintel provides an insight into the poultry and frozen food industry in India; and how innovation in offerings and strengthening the cold-chain have shaped the growth of the segment.

By **Patty Johnson**

- ▶ Chicken rises as 'go-to' meat for convenience-seeking urban Indians
- ▶ Frozen chicken dominates retail poultry innovation in India, but chilled NPD is slowly rising
- ▶ For busy Indian consumers, value-added chicken provides convenience, naturalness, easy flavour and an invitation to explore new cuisines



“**CONVENIENT FORMATS ARE PARAMOUNT TO GAINING UPTAKE WITH INDIA'S MORE AFFLUENT URBAN CONSUMERS, BUT NATURALNESS AND FLAVOUR ARE ALSO INCREASING IN IMPORTANCE.**”



The time pressures of modern life in India are driving consumer uptake of convenience-led products. This trend has been growing, especially in urban areas, as the lifestyles of consumers change and incomes rises.

Chicken rises as ‘go-to’ meat for convenience-seeking urban Indians

According to a 2015 Associated Chambers of Commerce of India study, 76% of nuclear families in India feel that they have less time to spend in the kitchen. This lack of time is fuelling packaged food sales, which grew at an average annual rate of 32.5% between 2010 and 2015. Urban households accounted for 80% of packaged food sales, according to the study.

Poultry consumption in India is quite low by international standards, estimated at about 1.7kg per capita, compared to the world average of about 13.5kg per capita in 2015, according to OECD data based on FAO Agricultural Outlook data. India has a relatively high percentage of vegetarians — about 25% of the population — which partially explains low poultry consumption. Moreover, Indian consumers who do eat meat products are likely to enjoy them only once or twice a week, according to the USDA.

However, a preference is given to poultry, as beef/bison consumption is limited for religious reasons, and pork consumption remains negligible because of unfavourable consumer perceptions of pork meat. With increasing incomes and more exposure to international trends via travel and Western fast food expansion, demand for processed chicken products is anticipated to rise, driving continued high growth in the overall processed meat and poultry market in India.

India continues to be a predominantly fresh market for poultry, with the majority of chicken products sold in traditional ‘wet’ markets. However, volume sales of more convenient processed and

packaged poultry are rising at 15-20% annually, according to a December 2016 US Department of Agriculture GAIN report. To meet rising consumer demand for convenience, major poultry producers and processors have expanded production and are supplying retail as well as foodservice sectors, including fast food restaurants, full-service restaurants, hotels, and institutional feeders. Broiler chicken production in India is projected to grow by 7% in 2017, to 4.5 million tonnes, with processed products accounting for an estimated 7%-10% of total production, according to the USDA.

Frozen chicken dominates retail poultry innovation in India

Retail poultry innovation in India reflects mostly frozen NPD in the three years ending February 2017. Indeed, frozen products have accounted for more than three-quarters of launches over the three year period.

FIGURE 2: PROCESSED POULTRY PRODUCT INTRODUCTIONS, BY STORAGE, INDIA, MARCH 2014-FEBRUARY 2017

Storage	Mar 2014 - Feb 2015 %	Mar 2015 - Feb 2016 %	Mar 2016 - Feb 2017 %
Frozen	81	76	75
Chilled	16	18	24
Shelf stable	3	5	1

Source: Mintel GNPD.



The Global Cold Chain Alliance estimates that the cold storage market in India has grown at a rate of 25% per year to reach US\$8 billion in 2014. The government is also aiding the growth of cold chain infrastructure by allowing 100% foreign direct investment and by investing US\$15 billion in cold storage infrastructure.

FIGURE 1: PROCESSED MEAT AND POULTRY RETAIL MARKET VOLUME, PER CAPITA CONSUMPTION, VOLUME GROWTH, VALUE, VALUE GROWTH AND CAGR, INDIA, 2011-20

	Units	2011-20						CAGR%	
		2015	2016*	2017*	2018*	2019*	2020*	2011-15	2016-20*
Volume	(ooo) tonnes	38.5	45.5	52.6	61.6	72.1	82.3		
Consumption per capita	kg	0.03	0.03	0.04	0.05	0.05	0.06		
Volume Growth	%	19.2	18.3	15.5	17.2	17.0	14.1	18.3	15.9
Value	bn INR	8.9	10.8	12.8	15.3	18.4	21.5		
Value growth	%	19.7	21.6	18.4	20.2	20.0	17.0	22.0	18.9

* forecast

Source: Office of the Economic Advisor- Ministry of Commerce & Industry, Govt. of India, Economist Intelligence Unit, Mintel.

Poultry NPD in frozen and chilled formats in India is being supported by government and industry efforts to increase cold chain capabilities and modern retail in the country. The Global Cold Chain Alliance estimates that the cold storage market in India has grown at a rate of 25% per year to reach US\$8 billion in 2014. The government is also aiding the growth of cold chain infrastructure by allowing 100% foreign direct investment and by investing US\$15 billion in cold storage infrastructure.

According to *The Economic Times*, India's government is sanctioning 100 additional cold chain projects in the near term to help cut wastage of farm produce. Organized retail is also expected to grow at a rate of over 15% in value terms in 2017, according to Mintel.

Cold chain development in India will go a long way to tackle the country's food waste issues. This development effort is in alignment with Mintel's 2017 Food and Drink Trend, 'Waste Not', which explains that the global focus of sustainability is now zeroing in on eliminating food waste.

Frozen retail poultry product innovation in India includes products reminiscent of popular fast food burgers, as well as a wide range of chicken-based sausages and salami products. Multiple new products are targeted for snacking occasions. Meanwhile, chilled poultry product introductions are steadily rising as a percentage of total poultry NPD in India. New chilled products include basic cut up chicken, as well as chicken sausages and marinated ready-to-cook products in a range of global flavours.

Chilled poultry product introductions are steadily rising as a percentage of total poultry NPD in India. New chilled products include basic cut up chicken, as well as chicken sausages and marinated ready-to-cook products in a range of global flavours.



Frozen chicken innovation from India

CP Foods: CP Chicken Cheezy Magic Nuggets

This product claims to be made with superior quality chicken raised on Bio-Secure hygienic farms. The nuggets are processed according to air chill technology to retain freshness, and unique and advanced production technologies to ensure high nutritional quality. The halal certified product is said to be quick, delicious and mouth-watering, and retails in a 150g pack.



Venky's

Venky's Chicken in Minutes, Chicken Jumbo Burger Patty. This product is ready to fry and serve. It retails in a 900g pack containing 10 pieces.



Chatha Foods Snackerz: Chicken Spicy Salami

This salami is said to have a rich taste and flavour. It can be used in salads and sandwiches, or eaten as a snack. It retails in a 500g pack.



Baramati Agro Delicious: Chicken Wings

This fry & serve product is said to be a crunchy delicacy, is halal certified, and can be prepared in a pan in about eight to ten minutes.



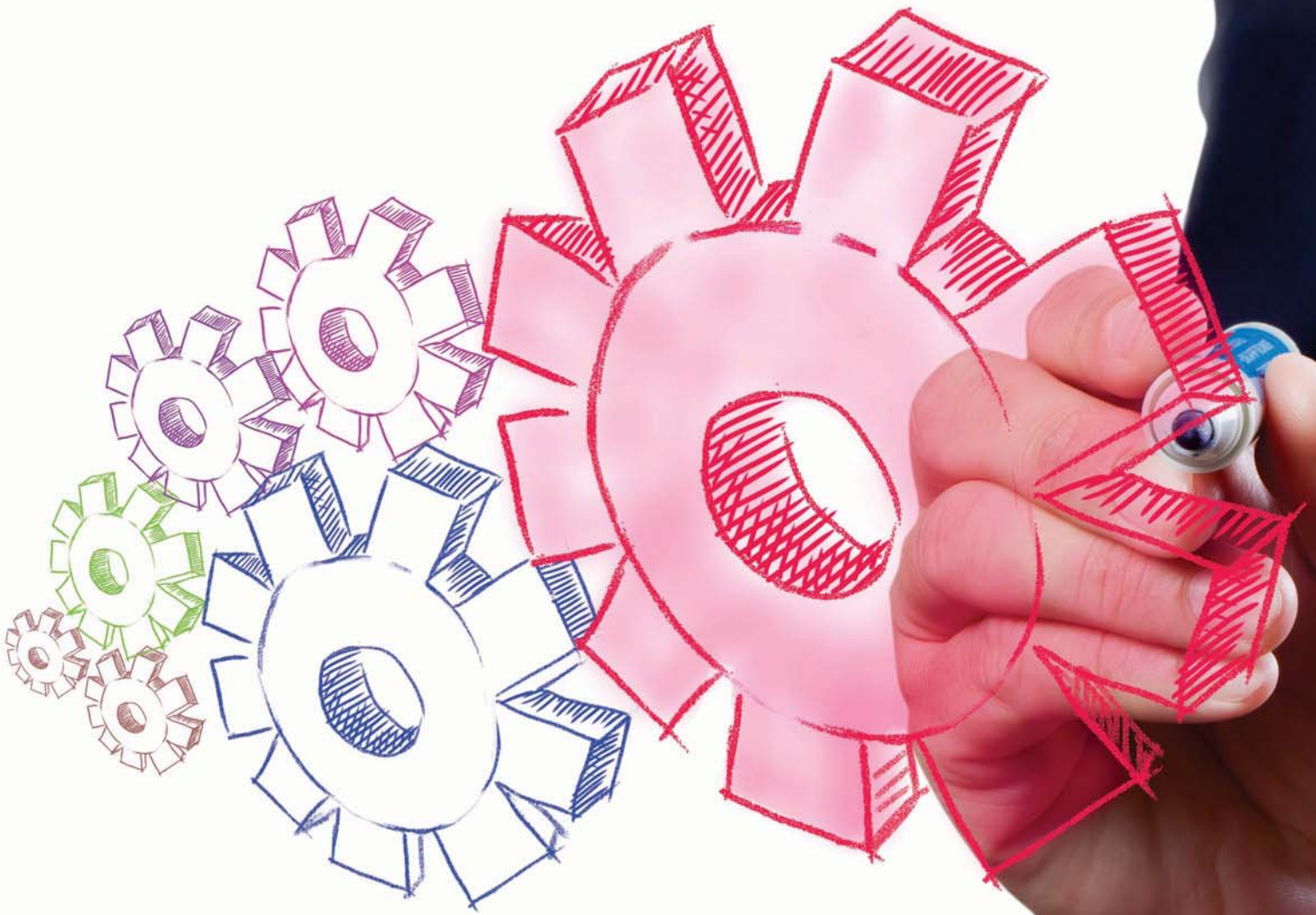
Keventer Agro: Keventer Breakfast Chicken Sausages

This product can be microwaved or fried. It retails in a 500g pack featuring cooking instructions.





REDESIGNING YOUR SUPPLY CHAIN? CALL THE EXPERTS.



Lead The GST Revolution

Safexpress offers cutting-edge strategies for streamlining your existing supply chain. You can redesign your supply chain by utilizing our 30 ultra-modern Logistics Parks, spread over 12 million sq ft across India. Unlock the capital tied-up in warehousing and inventories by outsourcing to Safexpress.



Call: 1800 113 113

www.safexpress.com

Distribution Redefined

Value-added chicken provides convenience, naturalness and easy Flavour

Convenient formats are paramount to gaining uptake with India's more affluent urban consumers, but naturalness is also an increasing priority. As the demand for convenient products grows, 'ease of use' and 'time/speed' claims are encouraging uptake. Naturalness claims are being reflected in an increasing proportion of poultry products with no additives/preservatives and all-natural claims, while 'premium' claims reassure consumers of product quality. To date, ethical and environmental claims have not been a factor in the processed poultry segment in India.

FIGURE 3: CLAIMS ON POULTRY PRODUCT LAUNCHES, BY CLAIM CATEGORY, INDIA, MARCH 2014-FEBRUARY 2017

Claim Category	Mar 2014 - Feb 2015 %	Mar 2015 - Feb 2016 %	Mar 2016 - Feb 2017 %
Convenience	60	49	57
Natural	54	40	46
Suitable for	30	39	32
Positioning	29	22	25
Minus	6	9	4
Ethical & environmental	0	2	2

Source: Mintel GNPD.

In addition to convenience, poultry innovation in India is delivering a range of local and global flavours to an increasingly sophisticated urban consumer base. Marinated, ready-to-cook products with spices and sauces save shopping and cooking time, while also encouraging recipe experimentation and cuisine exploration. Slightly more than half of poultry product introductions in India in the two years ending February 2017 have been unflavoured or plain, but those that are flavoured reflect a range of spicy, pungent, herbal and savoury profiles owing to liberal use of chillies, peppercorns and garlic in the market.

Conclusion

Increasingly busy lifestyles for consumers in India's urban centres are driving uptake of convenient



FIGURE 4: FLAVOURS ON POULTRY PRODUCT INTRODUCTIONS, EXCLUDING UNFLAVOURED, INDIA, MARCH 2015-FEBRUARY 2017

Claim Category	%
Spice/Spicy	4
Cheese	2
Smoke	2
Tikka	2
Cheese & Chili/Chilli Pepper	2
Chili/Chilli Pepper	2
Tandoori	1
Masala	1
Cheese & Onion	1
Garlic	1
Pickle/Pickled	1
Herbs/Herbal & Pepper/Peppercorn	1
Peri-Peri/ Piri-Piri	1
Pepper/Peppercorn	1
Garlic & Pepper/Peppercorn	1

Source: Mintel GNPD.

Chilled poultry innovation from india

Godrej Tyson: Foods Real Good Chicken Breast Boneless

This 100% natural chilled product claims to be fresh and free from preservatives, artificial ingredients and artificial colour.



Bigbasket Supermarket: Grocery Supplies BigBasket Fresho! Chicken Tangri

The pre-seasoned and ready-to-cook product retails in a 1.065 kg pack.



Arthur's Food Company Bon Appetit Chicken Sausages with Chives

This product is free from artificial colour, soya and lactose.



Good Food Ideas Getfresh!! Peri Peri Chicken

This ready-to-cook product contains a fiery sauce inspired from the Portuguese cuisine, made with fiercely pungent bird's eye chillies

with garlic, pepper, white wine vinegar and olive oil.

This premium boneless and freezable product is free from added preservatives. It can be prepared in just six minutes and retails in a 200g pack.



value-added poultry products. Chicken is favoured among those who consume animal proteins and will continue to enjoy strong growth.

Value-added poultry products are both convenient to use and hygienic when compared to wet market products, enhancing their appeal among time-poor urban Indian consumers. NPD in frozen and chilled products will continue to benefit from efforts to expand the country's cold chain and modern retail expansion.

Chicken products that emulate fast food offerings are on target for snacking occasions in India. Regional and global-inspired pre-marinated chicken products provide Indian consumers with an easy way to explore new cuisines and create unfamiliar dishes. **PG**



Patty Johnson works as a Global Food and Drink Analyst at Mintel.

A PERFECT BLEND OF
13 PREMIUM
SPICES

JK[®]

MASALA

Since 1957



www.jkspices.com | Info@jkspices.com



Food processing sector and major segments

Frozen & processed vegetable, non-veg as well as dairy segments are growing rapidly in the packaged food category. Many of the brands in this segment are focussing on bringing more health-conscious products with good quality, hygiene as well as convenient and innovative packaging. A few players are paying importance to develop strategies based on regional local flavour and taste, and some of them have been successful too.

By Amod Ashok Salgaonkar & Rajesh Kumar Prasad

India is one of the fastest growing large economies of the world, ranked 7th globally GDP-wise with a value of US \$ 2.3 trillion in 2016. However, per capita GDP stood at US \$ 1,745 which is quiet low and puts the country at 160th position among 203 countries. Agriculture, Forestry and Fisheries were the major Gross Value Added sectors in the economy last year.

The USA and UAE are the most favoured destinations for our exports last year with the value of products exported reaching more than US \$ 25 billion. The recent launch of the “South Asia Satellite” earlier this month will enable India to gain a footprint that extends all over South Asia. Data from GSAT-9 will be shared with Nepal, Bhutan, Maldives, Bangladesh & Sri Lanka and this will help to make the relations stronger with these countries and in improving trade volumes. The participating nations anticipate a INR 10,000 crore benefit from the satellite’s 12-year life span.

Following Brexit, on one side, and the win of Emmanuel Macron in France on another side, there are clear chances that India and UK will sign a trade agreement to boost their economic relations. At the same time, it can be expected that Europe too will become more proactive on trade with India to recover from the Brexit impact. Back home, the improving pointers of trade – share market at its high with the listing of D-Mart being a phenomenal success – indicate that the general mood on domestic



consumption seems right and is peaking well. Also, the new policies of government of India toward food processing and local production of food items offers a strong leeway to international retail and trading companies for building a larger footprint in India and to rapidly expand their business. It is expected that major multinational companies in the food sector will invest hugely in the coming months and years.

India is largest producer of milk in the world with production estimated at 155.5 million tonnes in 2016. In buffalo meat production, India ranks 1st in the world. The country is the second-largest producer of eggs, goat meat and fruits & vegetables. India is the third-largest producer of broiler meat in the world and our total fish production is estimated at 13 million tonnes during 2015-16. Many of the food processing companies in India are focusing on making healthier eatable products, given the increasing health consciousness among consumers.

During 2015-19, the per capita income is expected to expand at a CAGR of above 8%. During FY 2011-16, India's export of processed foods and related products grew at a CAGR of almost 12%, reaching US \$ 16.2 billion. 'Gulfood' in Dubai, one of the major food shows in Asia, witnessed participation of 64 Indian exporters in 2017 and the presence of a large number of delegates from India.

Four Mega Food Parks are operational currently, out of the 21 sanctioned approved parks (total plan number of 42). As more such parks attain operational status, support to the food sector will increase manifold. Sixty Agro Export Zones have already been set up across the country. The government's main focus is on strengthening the supply chain related infrastructure such as cold storage, abattoirs & food parks, traditionally a non-focus area. Many Japanese firms are showing high interest to invest in cold chain and other infrastructures.

As per the provisions made in Budget 2017-18, the coverage of National Agricultural Market (e-NAM) is to be expanded by increasing their number from 250 to 585. An assistance of up to INR 75 lakh will be provided to every e-NAM. A Dairy Processing & Infrastructure Development Fund is also to be set up by NABARD with a corpus of INR 2,000 crore, which will be increased to INR 8,000 crore over the next three years.

Frozen/Processed Seafood & Meats

Processed seafood and meats are an important segment of the large packaged food industry in India. Busy lifestyles and convenience for food have supported the growth of processed seafood and meat category in 2016. Frozen processed seafood was the fastest growing category last year with a value of INR 2 billion and a sales growth of 20%.

Sufficient availability of fresh meat and affordable pricing across India make it difficult for companies to convert consumers to buying processed seafood



and meat. The trade contribution of small grocers is higher in the category at 67%. Hypermarkets/supermarkets accounted for 33% in value share in 2016. Domestic brands dominate the category with just a negligible presence from international brands.

Processed seafood and meat is forecast to see a constant value increase, growing at a CAGR of 11% over 2016-2021. Fresh chilled salmon, though still a negligible commodity, has been witnessing increasing demand at many hypermarkets in metropolitan cities. Breaded chicken nuggets, burger, sausages, tikkas, kebabs and drumsticks were the major products in sales in the frozen processed poultry in 2016. Breaded fish fillets, fish fingers, prawns and rolls contribute to maximum sales in processed seafood category. Al Kabeer, Venky's, Yummiez, Sumeru, Cambay, Gadre, Suguna are the major brands in processed meat and seafood category.

A noticeable trend in this category is the shift toward the use of flexible plastic packaging for frozen processed meat. Major players are targeting the family as a whole rather than individual customers and, hence, offering packs of 200 gram and upward. The category has seen party packs of 750 gm gain significant share in sales of late. Packs of 500 gm have also seen tremendous growth in sales last year, which is more than 25% compared with sales in 2015. The flexible plastic option for packing is slowly gaining importance in frozen processed seafood. The 250 gm flexible plastic packs in frozen processed seafood saw notable growth of 18% last year whereas 1 kg packs also saw good growth in 2016.

Processed seafood and meats are an important segment of the large packaged food industry in India. Frozen processed seafood was the fastest growing category last year with a value of INR 2 billion and a sales growth of 20%.



With disposable incomes and the time constraints of consumers, the category is projected to show stronger growth in 750 gm packs in frozen processed meat as well as growth of more than 30% in 1 kg packs for the next five years. Zip/press closure flexible plastic can be seen as offering greater convenience to consumers and it is expected that more gourmet products will come into the market with this kind of packaging.

Frozen/Processed Fruit & Vegetable

Processed fruit & vegetable category grew by 14% in value sales in 2016. Frozen processed potatoes became the leader in frozen processed fruit & vegetables segment, showing more than 20% growth in value sales. The growth of frozen potatoes category is majorly because of the increased sales of French fries and nuggets in urban cities. Sales of frozen processed fruit & vegetable was slow last year. This could be attributed to the affordable pricing of fresh fruits & vegetables, which prompted consumers to buy less of frozen processed fruits/vegetables.

Also, the cultural preference for buying fresh produce with seasonal variability has limited the growth of basic processed fruits and vegetables. Mother Dairy Fruit & Vegetable Pvt. Ltd. and McCain Foods were the major players in frozen processed fruit & vegetable category of India in 2016. Their strong distribution network, aggressive promotions for sales in modern trade & general trade, innovative ways of marketing and branding, launch of new products by keeping the focus on consumers have contributed to their strong performance in terms of sales growth, especially in the case of McCain Foods, which has managed to increase its share in sales though remaining behind

In view of the increasing health consciousness, sugar-free, low-fat, localised and combination flavours are the kind of innovations in ice-creams that will drive sales as well as customer penetration of the category.



Mother Dairy Fruit & Vegetable. But McCain has been able to maintain its strong leadership position among the international companies.

Apart from Mother Dairy and McCain, General Mills and Heinz are also growing on a fast mode in this category. McCain India and Heinz were the lead suppliers in food service sales in the packaged food category in 2016. Frozen processed potatoes category continues to be the sales driver in processed fruit & vegetable segment with value CAGR of more than 15% forecasted for the next five years.

Flexible plastic has a good hold as a packaging option in frozen processed fruit & vegetable category. The 200 gm pack size in frozen processed potato category showed more than 120% growth in retail volume in 2016 over the previous year. The 200 gm and 250 gm pack sizes have shown more than 10% growth in volume sales whereas 1 kg & 500 gm packs in frozen processed vegetables grew more than 20% in retail unit volumes in urban areas. Flexible plastic is the fastest growing packing solution, with over 30% growth in retail unit volumes in frozen processed potatoes category. It is projected that there will be more than 30% growth in the 750 gm pack in frozen processed potatoes and more than 10% growth for 1 kg pack in terms of retail unit volumes over the next five years. The 200 gm pack size in frozen processed potatoes will see more than 20% CAGR in retail volume over the next five years period whereas the 200 gm & 240 gm pack sizes will continue to see more than 10% CAGR in retail volumes.

Ice-creams & Frozen Desserts

Ice-cream and frozen desserts category grew by 20% in value sales in 2016 over the previous year. Impulse purchase of ice-creams, especially cones, showed the strongest growth in value sales. The Gujarat Co-operative Milk Marketing Federation Ltd. remains the strongest player in the category. However Hatsun has shown fastest growth of more than 20% in sales for 2016 compared to the previous year. The brand name of the ice-cream from Hatsun is 'Arun'.

Ice-creams & frozen dessert category sales in 2016 was majorly dominated by domestic players like GCMMF, Mother Dairy, Vadilal, Hatsun, Havmor, Devyani industries (Cream Bell), etc, with HUL being the only international player. A few players have started focussing on regional flavours, e.g., Mother Dairy has launched Nolen Gur Ice-cream, which has got strong acceptance in east Indian market. In view of the increasing health consciousness, sugar-free, low-fat, localised and combination flavours are the kind of innovations in ice-creams that will drive sales as well as customer penetration of the category.

If we look to Asia-Pacific, China, India, Japan & South Korea are driving the sales of ice-creams and frozen desserts although the South Korea market saw a decline in sales as consumers there consumed more of food service ice-cream by replacing retail service ice-cream. Magnum, Cornetto & Haagen-Dazs are the lead brands in the Asia-Pacific region. Though the market is growing in China and India, supply chain and distribution is still a barrier and restricts the category's growth. Indonesia and Thailand have shown good growth in ice-cream sales. There might be a scope in the future for frozen dessert but at present



many of the Asian consumers are not showing preference for frozen dessert consumption. China has shown good growth in frozen dessert, which is mainly because of 'tangyuan' – home-made dessert for special occasions. But consumers are shifting toward prepared frozen desserts due to the paucity of time.

Milk & Milk-based Drinks/ Products

Flavoured milk remains the strong category in milk drinks and showed strong growth of more than 20% in value sales in 2016. UHT milks have started gaining more popularity in metro cities due to its convenience factor and the fact that they don't lose out on other factors like hygiene and quality. Due to higher levels of health-awareness among

together with
同期举办

**ASIAFRUIT
CONGRESS**

**Asia's fresh
produce
trading hub**

AsiaWorld-
Expo,
Hong Kong

**亚洲新鲜
果蔬行业
贸易中心**

2017年9月
6-8日

中国香港
亚洲国际
博览馆

6-8 September 2017

ASIA FRUIT LOGISTICA

www.asiafruitlogistica.com

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



Growth of UHT milk is good only in the metro cities as its price is a bit expensive. The consumer share is slowly increasing from unpackaged milk to packaged milk and this category is expected to see a 5% CAGR till 2021. Flavoured milk will continue to grow at a CAGR of more than 10% in value sales over the forecast period of 2016-2021.



consumers, preference is increasing for consumption of low fat milk and such products are available in the portfolios of major companies. Mango, butterscotch, strawberry & elaichi flavours are most popular among flavoured milk drinks. GCMMF, with the brand name Amul, is the leading player in flavoured milk drinks. KCMPPF (Karnataka Cooperative Milk Producers Federation) has also seen good growth in sales in 2016 in this category. Danone is one of the established international players in this segment and has a presence mainly in modern trade.

Growth of UHT milk is good only in the metros as its price is a bit expensive. The consumer share is increasing from unpackaged milk to packaged milk and this category is expected to see a 5% CAGR till 2021. Flavoured milk will continue to grow at a CAGR of more than 10% in value sales over the forecast period of 2016-2021. Yoghurt & sour milk category will grow by more than 20% in value sales in 2016. This category will continue to grow at a CAGR of 10% over the forecast period.

Yoghurts are classified as spoonable & drinkable yoghurt. Spoonable yoghurt accounted for more than

95% of sales in the Yoghurt category. Spoonable yoghurts come in many flavours like vanilla, strawberry, raspberry, blueberry, misti doi, etc. Almost all lead brands like Danone, Nestle, Mother Dairy, GCMMF and Parag Milk have offerings in this portfolio. Yakult continues to be a leader in drinking yoghurt category. Drinking yoghurt will continue to grow in value sales at a CAGR of more than 15% over the next few years till 2021.

The cheese category has grown by more than 20% in value sales in 2016. Spreadable processed cheese has shown fastest growth of about 25% in value sales in 2016 over the previous year. "Cream & Onion" spreadable cheese is gaining more popularity and acceptance in the cheese category. Squeezable tubes in cheese segment may start attracting more customers in times to come. GCMMF is a strong player in the cheese segment; however Parag Milk Foods is growing very fast and promises to gain more share in sales. Britannia is one of the strongest player in the segment and is second only to GCMMF.

Conclusion

Frozen & processed vegetable, non-veg as well as dairy segments are growing rapidly in the packaged food category. Many of the brands in this segment are focussing on bringing more health-conscious products with good quality, hygiene as well as convenient and innovative packaging. A few players are paying importance to develop strategies basis regional local flavour and taste, and some of them have been successful too. But there exists further scope for this trend. In the frozen segment, supply chain and distribution is better in metropolitan cities but the rural areas need much improvement on these fronts for the category to grow faster. The urban markets are leading the trend, showing higher visibility and category presence across modern retail. At the same time, cost-effective innovation solutions adopted by traditional channels in distribution will play a key role in last mile connectivity and further success of the category. **PG**



Amod Ashok Salgaonkar is Director of Vision Next, a consultancy providing services for business activities in the food sector. His speciality is majorly in the Perishable & Chilled Frozen business. He is an advisory board member on World Sustainability Organization, Partner of Business Development in ITC Labs, and a mentor to some food start-ups.



Rajesh Kumar Prasad is a leader in Food Trading Business and is currently Head of Buying & Merchandising at METRO Group for its International expansion across the globe. He is a seasoned management professional with more than 18 years of experience in Strategy, Procurement, Merchandising, Negotiations & Customer Service Operations.

ANALYSIS

BIG DATA

IN-STORE TECHNOLOGIES

RETAIL OPERATIONS

SUPPLY CHAIN & LOGISTICS

RETAIL FORMATS

MARKETING & BRANDING

LOCATION STRATEGY

INNOVATION TRACKER

STORE DESIGN

CUSTOMER EXPERIENCE

SHOPPING CENTRES

VISUAL MERCHANDISING

ZONING

INDIARETAILING
.com



THE **A TO Z** OF ALL THE
CONNECTIONS, IDEAS
AND INTELLIGENCE **YOU**
NEED IN RETAIL

[THE AUDIENCE]

Meticulously updated retail industry information attracts only the serious: C-level executives, Partners, Managing Directors, Owners, key influencers and decision makers from across the retail and retail support ecosystem. The web portal is a magnet to the target audience of your interest, including CEOs, CIOs, CMOs, CFOs and business owners in Indian retail – for their daily business information needs.

[ONLINE VIEWERS]

- > Over **3.5 Lac +** unique visitors, on website, per month
- > **5.5 Lac +** page impressions per month
- > The **Top 500** Indian Retail Companies visit indiaretailing.com
- > **25%** Users visiting site via smartphone / Handheld devices
- > **63%** of subscribers are senior management decision makers

Interested in reaching out to
1,50,000+ retail professionals?
Advertise Now!!



INDIARETAILING
.com



To discuss how best to plan your campaign on IMAGES Group's Digital Platform,
Please talk to our Digital Campaign Advisors"

North & West India

Sarang Mehta | sarangmehta@imagesgroup.in, +91 9820157225

South India

Suvir Jaggi | suvirjaggi@imagesgroup.in, +91 9611127470

East India

Piyali Oberoi | piyalioberoi@imagesgroup.in, +91 9331171388

Editorial Contacts

Surabhi Khosla
surabhikhosla@imagesgroup.in

Charu Lamba
charulamba@imagesgroup.in

An
IMAGES
GROUP, IN
Initiative



Packaged Goodness

By Sanjay Kumar

Consumers today are willing to try different types of foods but are time crunched. They seek convenience in everything, including the foods they need to prepare/ eat. The shift in buying behaviour and consumer perception has opened the consumer ecosystem for packaged and processed foods, which has been witnessing a spurt in consumer adoption, market penetration and category growth.

With the category pulling in robust growth over the past few years, brands and manufacturers have not only increased their assortment depth but also substantially improved the quality and availability of their products.

Today, processed food products are manufactured under extremely hygienic conditions and with the best-in-class recipes to give consumers an authentic taste experience.

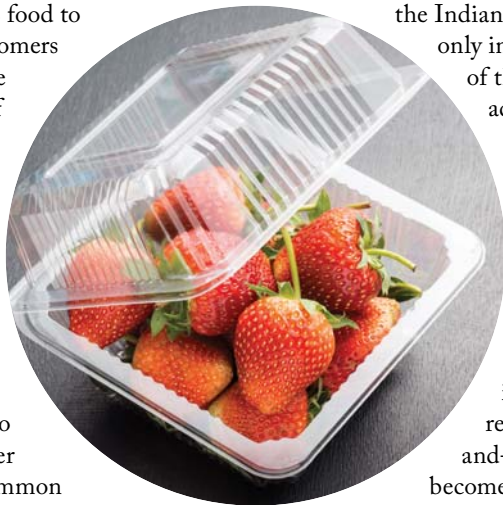
Thanks to the rapid strides in food processing and packaging technology, the ready-to-eat and ready-to-cook food category is witnessing a surge in consumer popularity and acceptance. The past two decades have seen widespread use and development of food processing technologies in India, especially in the form of retort processed foods. These don't need rehydration or preparation and may be consumed straight from the pouch, with or without pre-warming. These foods meet the particular wants of convenience, organic process adequacy, ambient storage and distribution to the centers. Thanks to easy access to developed processing and packaging technologies, manufacturers in India have been able to produce many ready-to-eat, quick-to-cook instant foods with a longer shelf-life. Ready-to-eat and ready-to-cook

products are either pre-processed (ready to cook) or processed foods (ready to eat). Once a product is pre-processed it loses its “fresh” status. Most people are aware of that but still prefer to purchase them for the sake of convenience. However, since most of these products are made with zero additives, they can be safely heated and served even to children without worrying about added chemicals. However, it will take some time for RTE food to reach this section of the customers since consumers at large have to be made aware of many of these products in the market and about their value.

Advanced packaging technology and cutting edge processing techniques, has made available an array of RTE/ RTC products available in the market today. These products are perfectly safe to consume and pass the muster on quality and hygiene. Common examples of some of these products are long keeping chappaties (shelf-life 6 months), high protein snacks (shelf-life 9 months), spiced potato parathas (6 months), fruit bars (9 months), mutton pickle (6 months), stabilised chikki (1 year), among others.

Today, retort processing is the most acceptable form of food preservation and is an essential attribute of ready-to-eat food products, which require just warming in a microwave oven or water bath before eating. Shelf stability has made retort processed foods extremely successful and most suited to Indian cuisines. Hence a number of tasty Indian dishes in retort pouches enable consumers to enjoy their favourite foods such as sooji halwa, upma, chicken curry, etc. The use of retorting technology has thus made the sale of ready-to-eat foodstuff commercially viable and in vogue with contemporary food styles.

As per an industry estimate, the total processed food market in India is estimated at US \$69 billion of which the frozen, par-fried & fully cooked market is estimated about US \$300 million. According to **Bodhisatwa Datta**, DGM- Marketing, Surji Agro, which operates the Shelly’s brand, “the processed/ packaged food industry in India is currently valued at INR 410,000 crore and it will grow at 10% CAGR to INR 671,866 by 2020.”



RTE adoption in India

The ready-to-eat category was commercially first introduced to the country in 1987, but suffered a slow beginning with consumers preferring traditional cooking. During this period and till the late Nineties, Tasty Bites was the only brand of RTE available in the Indian market. Due to a lack of acceptance, Tasty Bites had to be withdrawn from the Indian markets and is now available only in export markets. By the turn of the millennium, and with the advent of new technologies to improve the shelf life of ready-to-eat products, alongside a growth in storage and distribution centres and life style changes, the segment gained momentum.

With the development of retort technology, and increased differentiation among ready-to-eat players, the heat-and-eat segment broke away to become a market in its own right.

The RTE / heat-and-eat market has been growing at a rate about 18% over the last three years. Over the next five years, it will reach 22% per annum as a result of rapid urbanisation, increasing disposable income and expected improvement in retail infrastructure. Ranjana Sundaresan, Senior Research Analyst at Mintel says that India’s ready meals category is still a tiny market with an estimated retail value of INR 4.3 billion, and is expected to grow at a CAGR of 17.5 per cent between 2016 and 2020. This category is driven by



We manufacture a wide range of frozen snacks under the brand name of King’s Delight and our products cater to HoReCa, Modern Trade and General Trade as well.

— **Sudhanshu Mathur**
Director, BMS Enterprises





Our presence is across India but our major focus is in south India where we have more than 200 Suguna Daily Fresshh outlets to cater to the retail segment.

— Rafi Baig DA
GM, Sales & Marketing,
Suguna Foods Pvt. Ltd.

convenience and speed of preparation, and has not yet managed to become a regular on consumers' shopping lists due to the inherent preference for fresh food. Ready meals also face competition from food delivery services in India.

Market experts concur that the ready-to-eat food category, though growing at a fast clip, is still in its infancy. Most consumers are still under the impression that processed food contains harmful additives and preservatives or that the product could be adulterated. This is still the mindset that people need to overcome before ready-to-eat or heat-n-serve foods grow to their true potential. For example, noodles is still accepted to a large extent since the cooking is done at home and partially qualifies as "home-made", mostly by including vegetables, etc., at the time of cooking. But if noodles can grow to such a large extent that every household today has at least one packet stored in the pantry, then it is not long before the ready-to-eat products reach that level.

Indeed, over the past few years ready-to-eat/cook products have come a long way. There was a time when this category was represented only by papads and a few pioneer brands like Parampara and Kitchens of India. Adoption was very low and category growth was limited. The consumer ecosystem was not open to this category as it is now when the urban lifestyle has become fast-paced, time is valuable and the ease of preparation and convenience has improved the sales of ready-to-cook products to a large extent.

With consumers seeking convenience in everything, including the foods they need to prepare and eat, sales of processed food categories have witnessed a steady climb over the years. According to data from Mintel Market Sizes, India's retail market value of packaged food and drink (not including alcohol) was estimated to be INR 3.3 trillion in 2016. Below is a snapshot of the major segments within packaged food and drink:

Retail Market	Value bn INR	Value share %
Cooking & Edible Oils	616.7	18.7
Milk	595.7	18.1
Biscuits (Cookies & Crackers)	294.8	8.9
Rice	262.2	8.0
Snack Food	236.6	7.2

Source: Mintel.



Frozen RTE/ RTC

Even the frozen food category, whose size was minuscule until a few years ago, has been clocking a CAGR of 25% over the last few years. In recent years, frozen food products across brands have not only increased their assortment depth but also substantially improved their quality and availability. Thanks to the advent and product innovations and development taken by companies such as Suguna Foods, BMS Enterprises and Baramati Agro, the frozen ready-to-cook food products are today manufactured under extremely hygienic conditions and with the best in class recipes to give consumers the authentic taste experience and this category is positioned to lead the growth story in the coming years.

For example, Suguna Foods Private Limited has grown to become India's largest integrated poultry operator and is ranked third among Asia's top 10 poultry producers (listed in WATT Global Media, USA). The company is known for its chicken of finest quality and taste among Indian households. Suguna's vision of energizing rural India and its innovation and efforts toward maintaining consistency, highest quality and hygiene have catapulted it into becoming a Rs. 6,000 crore turnover company, which offers a wide range of products in meat, eggs, RTE/ RTC, and other product categories. The product range includes sausages (breakfast sausages, cocktail sausages and salami), breaded products (nuggets, popcorn, breaded wings and chicken rings) and marinated or ready-to-fry products (hot wings, pepper chicken strips, hot and spicy strips, marinated kebabs,

lollipop, boneless chilly, etc.). Says **Rafi Baig DA**, General Manager, Sales & Marketing, Suguna Foods Pvt. Ltd., “Lollipop and nuggets are our best-selling products and they contribute around 30 per cent of the sales respectively. Our newly launched marinated ‘hot wings’ is also a clear winner in value and taste.” Suguna focuses on retail and HoReCa as its major consumer segments besides also catering to other segments such as the armed forces and other institutions like KFC, Marry Brown, Vista, Nando’s to name a few. “Our presence is across India but our major focus is in south India where we have more than 200 Suguna Daily Fresh outlets to cater to the retail segment,” says Baig.

Another well-established company with a wide range of products in the frozen RTE category is BMS Enterprises – an importer as well as manufacturer in the frozen food industry since 1990 – the Indian arm for Singapore-based company Tee Yih Jia. The company is a leading manufacturer of several RTE products and also imports more than 25 SKUs from across the globe. “We manufacture a wide range of frozen snacks under the brand name of King’s Delight and our products cater

to HoReCa, Modern Trade and General Trade as well. Our range of snacks include dimsums(4 variants), spring rolls (chicken and mix vegetable), cheese cigars and prawn rolls. These are made using imported sheets (TYJ) from Singapore and comprise standardized ingredients. The recipes are ideated, tested and finalized by a team of highly recognized food specialists and the manufacturing process is designed to ensure highest quality and consistency in every batch produced. All that one needs to do to enjoy these delectable snacks is to have the desire to try it, go to the store to buy it, and just take it out of the freezer to steam or fry it,” says **Sudhanshu Mathur**, Director, BMS Enterprises. Thanks to the growing footprint of a number of players in the processed food segment, consumers are today buying frozen shrimp or fish in large numbers even in the coastal areas despite the availability of fresh fish. The same is true of vegetables and meat as well.

There are many players in the frozen food industry selling very similar products (like parathas or seafood). But in an effort to come out of the “me too” line of products, companies like Baramati Agro have introduced new product categories that are



To speak honestly, large players exist in this market for ready to eat/ cook products but they cater to limited taste preferences and client base.

— **Bodhisatwa Datta**
DGM–Marketing,
Surji Agro





Udupi Ruchi food products help the current fast moving as well as the traditional generation in preparing various delicacies with ease.

— **Shashank S. Rao Sahib**
Director, Udupi Ruchi

both tasty and easy to prepare. The company today has a strong and formidable presence in poultry, sugar, cattle and poultry feed, commodity trading, cold chain logistics, co-power generation and ethanol. Recently, the company also ventured into dairy, horticulture products, retail and QSR. Over the past few years, the company has been able to successfully scale up with speed to become India's largest agri-business conglomerate. In the branded food segment, it operates a portfolio of two brands – :Delicious and Freshious. While its :Delicious brand features all the non-veg products (processed & raw) chicken, Freshious comprises all veg products. “We derive our strength from our farmer members and our associates who work relentlessly to realize our vision of being a value-based company with a leadership role in domestic as well as international markets,” says **Krishna Kumar Maurya**, Business Unit Head, CP & Veg Foods Division, Baramati Agro Ltd, whose two brands encompass products in several categories and include its range of cold cuts such as chicken sausages, salami, mortadella, ham, frankfurter's, etc. “Be it a party or just some fun in the evening, we spoil you with choices such as chicken nuggets, popons, burger patty, crunchy munchy and cheese garlic fingers. That's not all! To wind up your day, we bring you some sumptuous ready-to-eat meal delicacies like butter chicken, chicken biryani and chicken kheema. You can pair these up with our chicken kheema paratha, Freshious Malabar paratha or Freshious chapati.”

Today, purchasing raw chicken from the street-side butcher shop and then cleaning and sizing it is probably one of the most onerous tasks any homemaker faces. Hence her dependency on branded, packaged chicken is rising steadily to fulfill the family's protein requirement. This trend is further spurred by the growth in retail markets. India is expected to be the fifth-largest retail market by 2025.

Scaling up

RTE foods are currently dominated by the likes of ITC, MTR Foods, Kohinoor Foods, Gits, Mother's Recipe, Tasty Bite Eatables, and a few others. ITC and MTR together contribute to just under half of the market share, while the other players make up 45% of the total production of heat-and-eat food. There are many smaller and regional players in the category that are relatively new entrants in the market with limited product lines but with a good potential to grow and scale up in the future.

In recent years, apart from the likes of Suguna, BMS and Baramati Agro, several other processed food companies and brands have come up with

innovative products that have helped shed the consumer inhibition toward RTE/RTC products. Names such as Terra Greens, Sri Family Biznet's Udupi Ruchi brand, Surji Agro's brand Shelly's, Keventer and Timla Foods come to mind easily. “To speak honestly, large players exist in this market for ready to eat/ cook products but they cater to limited taste preferences and client base. Their products offer a particular type of taste and flavour that does not cover the national palate in the entirety. There are



➔ Misconceptions about RTE food

- ▶ The most surprising misconception about RTE is that the Indian consumer is not prepared for the product and hence most of the sales have been in the export market.
- ▶ The housewife, till date, was not willing to accept a completely prepared product to feed the family due to apprehensions of it reducing her role as the family's provider.
- ▶ RTE foods contain preservatives.
- ▶ Not nutritional in comparison to fresh food.
- ▶ RTE does not have enough value for money.
- ▶ Most RTE is routine food such as dal, sambhar, palak, etc, and is not a novelty.
- ▶ Some novelty products introduced by ITC were priced very high.
- ▶ Availability is limited majorly to modern format stores
- ▶ The penetration of RTE till date has been very low in general grocery stores and households.

Now introducing

Pan Indian™

*Tasty and healthy Ready-Mix Indian meals
from all corners of the country.*



Foxtail Millet
Upma



Wheat Dhaliya
Upma



Quinoa
Upma



Suji Rawa
Upma



Foxtail Millet
Kichidi



Sonamasuri rice
Kichidi



Basmati brown rice
Kichidi



Poha
Upma

Quick to prepare, nutritious and ready-to-consume everyday meals for the fast-paced Indian from Pan Indian.

Because fast and tasty food should never come at the cost of good nutrition.

For distribution and inquiries, please contact:

M: +91 988664 66099

A PRODUCT OF ADITREE NATURALS
Made In INDIA





We are in the ready-to-eat branded snack food market, which is pegged at Rs. 20,000 crore in India. The opportunity is wide enough for the brand and product to grow.

— Prashanth Gowriraju
Co-Founder & CEO,
Timla Foods

other opportunities in the same market category for potential customers who want to experiment with different options within the same category or those who are consuming the available products because they don't have any other options readily available in the market. We are trying to tap into this potential. The constraint of options cripples a big section of the potential consumer base and we want to fill in the gap and utilize this opportunity to establish our products and its market share, says Bodhisatwa Datta of Surji Agro, a Kolkata-based company founded in 2010, which operates the Shelly's brand of products comprising ready to cook, kasundi and pickles & chutneys. The Shelly's brand sells a range of essentially Bengali spices and products for

consumers, which can be used to prepare authentic Bengali dishes at ease. The idea is to provide a single source of traditional Bengali spices and ready-to-eat products to people across different geographical locations who want to experience the nostalgia around the authentic taste of Bengali cuisine.

“The ready-to-cook products we have are khichudi, pulao and payesh at present. We are planning to launch an addition to this line of products – another classic authentic Bengali dish called dhokar dalna. Our other range of processed food products is the classic kasundi (infused with green mango and green chilli), which is a unique condiment created and identifiable only with Bengali cuisine. Our range of chutneys comprises all traditional recipes from the kitchens of Bengal. Kooler chutney, made of jujube and our jalpai chutney, made out of Indian olives, are exclusively a Bengali creation that we are immensely proud of. Other than these, we have tamarind chutney used as a dipping sauce for fried snacks. The sweet mango



➔ Social changes driving the RTE trend in India

The RTE food category has a tremendous growth opportunity in the near future due to:

- ▶ Growing number of nuclear families. The final figures of the first phase of Census 2011 shows that India is now overwhelmingly made up of nuclear families — a dramatic change from just a generation ago, where joint families were the norm. Seventy per cent of the households consist of only one couple.
- ▶ Increased urbanisation.
- ▶ There is an increase in the population of Indian women, who have neither the time nor the knowledge to cook traditional meals on a regular basis.
- ▶ Indians have become more experimental with their food and drink choices, as there is a need for variety.
- ▶ Growing youth population.
- ▶ Significant rise in the number of working women – 34% households

have working women; 49 lakh households in the top 10 cities constitute 50% of the total working women.

- ▶ Growing practice of singles living away from home for education or work.
- ▶ MRP of RTE (value proposition of RTE): Today a single serve pack costs Rs. 65 to Rs. 75, whereas the same dish to be ordered from a nearby quality restaurant costs around Rs. 130. Few years ago, people would be least interested in stocking up RTE at home as they could just walk across the road, find a restaurant and order meals. However, now that people work till late at night at office and return home at a time when restaurants are closed, RTE seems to be the best option.
- ▶ Change in mindset: From a mindset, where home-cooked and fresh food was preferred, and housewives

insisted on making everything from snacks to multi-course meals in-house, today it has become commonplace to seek convenience and variety, using the vast menu of ready-to-eat foods available.

- ▶ 44% Indians admitted to not having much time to cook, while 23% felt ready meals were affordable. (Source: Euromonitor)
- ▶ Food as convenience and novelty: The variety of ready to cook and ready to eat food is growing, thus helping the housewife in her quest for novelty. Thus, the growth in the working woman segment, increasing work and study commitments, declining culinary skills, the rising need for convenience, and surging disposable incomes, along with clever and innovative marketing, have led to a higher demand for heat-and-eat products.

Real Bengal for your table.

Discover the natural taste, aroma and consistency of the range of kitchen and table essentials from Shelly's.

Packed fresh and made with the best ingredients, they make you experience the real taste of Bengal. Every time.

Now available across selected Spencer's, Hypercity, Tata Star, Arambagh's Food Mart and Metro outlets.



SPICES | MIXED MASALAS | PICKLES | CHUTNEYS | KASUNDI | RICE | GHEE | READY TO COOK

For trade enquiries contact +91 97486 02923

Surji Agro Foods Private Limited

Poddar Point Floor 8 Block B 113 Park Street Kolkata 700016 P +91 33 2227 1148/2265 5959 E exports@shellys.co.in

W shellys.co.in Produced by Bhooshakti Farm, a Division of Surji Agro Foods Private Limited Bahiri Bolpur Birbhum West Bengal India



“
We have created a line of ready to cook products that are not only quick to make but satisfy every craving for comfort food.”

— **Likitha Bhanu**
CEO, Co-founder and Executive Director, Pan Indian and Terra Greens



“
What sets Terra Greens apart from its competitors is that it is an organization started by women farmers, who have core competency in organic farming.”

— **Padmaja Bhanu**
Co-founder, Terra Greens

chutney is a popular recipe, which can be used with many different varieties of food and does not necessarily need to be combined with Bengali food combinations. Our pickle range includes mango, mango chilli and the mixed varieties with mustard oil as its base,” adds Datta.

For a young company, Surji Agro has been clocking impressive 100 per cent growth in the past two years and has been successful in taking its products to geographies beyond east India – Maharashtra, Karnataka, Telangana, Tamil Nadu, Andhra, UP, Haryana and Delhi. “While the statistics are encouraging, we are watchful while planning for a new market entry or introduction of a new variant,” confides Datta.

Another young company that has made impressive strides in the processed food category in recent years is Udupi Ruchi. Started in the year 2009, it is a member company of Sri Family Group, headed by Lalitha Rao Sahib. The company has operations in marketing of the Group’s self-developed and manufactured food products brands Udupi Ruchi, Temptas and Nutramine, apart from operating a chain of Indian restaurants, under the brand Café Udupi Ruchi. Its product portfolio comprises a wide range of easy-to-cook mixes, spice mixes and nutritional supplements. Carrying the tagline “Authentic Udupi Favourites”, the spice mixes and easy-to-cook mixes under the Udupi Ruchi brand include more than 40 products like sambar powder, coconut chutni, oats idli, rawa idli, multigrain dosa, among others.

“These products bring out the authentic taste and goodness of the food items as they contain no preservatives or artificial colours and flavours. Udupi Ruchi brings a healthy range of food products to its consumers at a reasonable price and our products help women and men of the current fast moving generation as well as the traditional generation in preparing various delicacies with ease,” says **Shashank S. Rao Sahib**, Director, Udupi Ruchi. Another brand of the company, Temptas offers an array of soup, pasta, badam drink, fruit drink and milkshake mixes. At the same time, healthy beverages like coffee, Irani chai and nutritional food supplements catering to all segments of consumers are sold under the Nutramine brand.

Unlike the young brand Udupi Ruchi, Keventer Agro is a heritage company whose brand of milk and butter was once famous from Rangoon to Lahore. “We are essentially a food company that is into fresh, frozen, milk and ice-creams. We also are into realty and restaurants,” says **Sudeep Gupta**, General Manager, Sales & Marketing, Keventer Agro Ltd.



The company’s product portfolio is broadly split into vegetarian and non-vegetarian, apart from the intermediates comprising products like green peas, sweet corn and mixes of matar & paneer, mallai & paneer and palak & paneer. It also sells a variety of breads, both veg and non-veg. Its ready-to-cook segment has products like French fries, cheese & corn-bite in the veg category whereas the non-veg category includes chicken patty, strops, nuggets, pop, kebab and more. In all, Keventer has a total of 27 variants, with more products in the pipeline. “Green Peas is our best-selling product with a sales share of 80 per cent,” adds Gupta.

One processed food company to successfully ramp up its brand presence nationally in a relatively short span of time is Timla Foods Pvt. Ltd. The company has been around for just a year now in Andhra Pradesh, Telangana and Karnataka, but is looking forward to expand to other parts of India over the next 12-18 months. Says **Prashanth Gowriraju**, Co-Founder & CEO at Timla Foods: “We are a leading national brand from Hyderabad, making ready-to-eat snacks. All the snacks are made according six core standards – no trans-fat, no artificial colours or flavours, no preservatives, gluten-free, and snacks with simple ingredients that are also amazingly delicious.” The company’s premiere product is PopiCorn, a type of popcorn with a delicious kernel that doesn’t get stuck in the teeth. Timla Foods’ PopiCorn comes in a variety of all-natural flavours

and includes six variants – Just Salted, Peri Peri Masala, Tangy Jalapeno, Yummy Butter, Creamy Cheese and Tomato Chilli. Gowriraju says that Peri Peri is the true rockstar among all the flavours and adds that the company is expecting to achieve an annual turnover of Rs. 50 crore for financial year 2017-18 and intends to reach the Rs. 500 crore mark in the next four years. “We are in the ready-to-eat snacks category and the branded snack food market is pegged at Rs. 20,000 crore in India. The opportunity is wide enough for the brand and product to grow. At PopiCorn, we are passionate about making great tasting wholesome snacks for every age and lifestyle. We believe in snacking without compromise. To us, that means using the fewest, cleanest and simplest ingredients possible to bring you the best tasting snacks,” avers Gowriraju.

These brands and many more of their ilk are riding the tide of galloping demand for readily

accessible, quality and healthy food. Be it international cuisines or just home-cooked meals, there is a growing number of start-ups offering prepared meals to the urban population. With the rise in urban population and changing food habits, demand for processed food is on the rise as every passing year more women are getting into occupations, which is making them more independent and, on the other hand, leaving them with little time to spend in the kitchen to prepare something for themselves or their family. “We have very recently launched our ready to cook variants of upma and khichidi mix under the brand Pan Indian. Our motto in the company is that ‘fast and tasty food shouldn’t come at a cost of good nutrition’. Therefore, we have created a line of ready- to-cook products that are not only quick to make but satisfy every craving for comfort food. We have introduced popularly consumed dishes and given a healthy

Be it international cuisines or just home-cooked meals, there is a growing number of start-ups offering prepared meals to the urban population.



↑ Ranjana Sundaresan
Senior Research Analyst, Mintel

Has the processed food category found a firm footing in the Indian retail market?

India’s processed foods category has definitely found a firm footing in the Indian retail market. According to various government sources, India’s food and grocery segment is the sixth-largest in the world. Additionally, data from Mintel reveals that India is one of the fastest growing processed meat and poultry as well as processed fish and seafood markets globally, albeit from a smaller base.

How has demand for ready-to-eat/cook products improved over the years?

India’s ready meals category is still a tiny market with an estimated retail value of INR4.3 billion, according to research from Mintel. It is expected to grow at a CAGR of 17.5% between 2016 and 2020. This category is driven by convenience and speed of preparation, and has not yet managed to become a regular on consumers’ shopping lists due to the inherent preference for fresh food. Ready meals also face competition from food delivery services in India.

Which are the major consumer segments for processed foods in India?

Mintel research indicates females aged 18-44 are a major market and the leading consumer segment for sweet biscuits, while both females and males aged 18-24 are major markets for salty or savoury snacks (including chips and namkeens) as well as sweet or sugary snacks (including chocolates and cakes). When it comes to

juices and carbonated soft drinks, it seems there is more opportunity among males than females.

What role does packaging and labelling play in driving the sales of the processed foods?

Packaging is a tool that manufacturers use to get consumers to notice products on shelves. Smart retail packaging design has the ability to control consumers’ purchasing behaviour. For example, it is known that packaging colour can sway consumer purchase habits. Labels act as an informative component of packaging, providing consumers with useful information like those on ingredients, instructions and uses regarding the product they are purchasing.

Labelling plays a key role in capturing the attentions of today’s consumers especially with the recent food scares happening globally.

What can retailers and suppliers do to expand and grow the category in India?

Health is becoming an increasingly important factor

for Indian consumers, and there is almost a universal acceptance of this. Mintel research reveals 98% of Indian adults agree that a healthy lifestyle is important. Over the next few years, we can expect this behaviour to become more visible in the foods Indians are consuming, indicating an opportunity for retailers and suppliers to offer more better-for-you foods.

Another growing concern is around the safety and quality of the foods consumed. Highlighting these aspects also opens up potential for retailers who are transparent about their safety processes and ingredients used.





“
We derive our strength from our farmer members and our associates who work relentlessly to realize our vision of being a value-based company.”

— Krishna Kumar Maurya
Business Unit Head, CP & Veg Foods Division, Baramati Agro Ltd.

twist to them by substituting the popularly used cereal with a healthier option. For example, we have substituted white rice in khichidi with brown rice and foxtail millet. We also want to promote cooking and eating freshly made food, which is way healthier than eating out of a box of pre-made food. We use all organic ingredients and real organic vegetables in all our products,” says **Likitha Bhanu**, CEO and Co-founder, Pan Indian, and Executive Director of Terra Greens, the parent company. Terra Green’s other founder **Padmaja Bhanu** reveals that Terra Greens was launched in October 2012 with organic mangoes as its sole offering but it now grown into a national brand with more than 92 products today. “The company has a strong presence in the business of contract farming, processing, trading and retail of organic agro products. What sets Terra Greens apart from its competitors is that it is an organization started by women farmers, who have core competency in organic farming as demonstrated in their farms of 127 acres in Shankerpally near Hyderabad. Terra Greens also has an ever-growing network of over 4,000 farmers, whom it supports, trains and provides a market for their produce.”

Growing the markets and products’ reach

Affordability of RTE/ RTC food is another major driver of its growing acceptance and popularity. Brands and manufacturers are especially focused on providing convenient, safe and affordable products. Says Likitha Bhanu of Pan Indian and Terra Greens: “Our best selling Pan Indian products are our khichidi mixes, which give an option for a quick and easy meal for two. They are available at a comfortable price range of Rs.99 and currently contribute 40 per cent of our sales revenue.” According to Datta of Surji Agro, “We are seeing a large demand for our mixed masalas and are introducing our popular variants in 100 gm packs alongside the 10 gm packs that are currently available in the market.”

To grow and expand the footprint of their products, most manufacturers are looking to tap into the smaller urban markets and the rural hinterland, apart from consolidating and strengthening their hold in the primary urban centres. Says Shashank Rao Sahib of Udupi Ruchi: “The growth of our products is more in the urban areas as there is an instant demand for such convenience foods as compared to the rural areas. But the rural areas are now quite fast in catching up with new products and trends. While spice mixes are sold in the rural areas, easy-to-cook mixes move more in urban areas.” Agrees Datta of Surji Agro who says: “The growth for our ready to mix and ready-to-eat products is



substantially higher in the urban areas than in the semi-urban/rural areas. It is purely because of the difference in the lifestyles. The urban population is pressed for time due to their hectic schedule and busy lifestyle and they prefer to get such things right off the counter. We are optimistic about the growth of our ready food product line in rural areas but the growth will be slower than that in the urban markets.” At the same time, Datta maintains that rural markets hold a lot of promise for packaged products. “Today, it is a fact that major retail brands have started expanding into the rural areas. About 55 per cent of the rural population is aged below 25 and this group has an increased awareness and willingness to try out and experience new concepts. Due to their exposure to the latest trends thanks to the ubiquitous smartphones, the rural base is expected to grow in terms of the buying of processed food. The category of beverage and processed food, which is currently around 13 per cent of the rural kitty, will soon experience a significant jump.”

According to Padmaja Bhanu of Terra Greens, whose products are listed with both Modern Trade



and awareness about convenience foods in the cities. Product sales were noted high in Modern Trade and QSRs in metro cities as the customers are keen on picking up RTE/RTC products. At the same time, we should not deny that sales are picking up in rural areas as well and the kind of growth we achieved today is also thanks to the Suguna Daily Fresh (SDF) stores that are located in rural areas,” admits Rafi Baig of Suguna Foods, whose company has witnessed robust sales growth so far this year. “Compared to last year, 35 per cent growth has taken place this year in RTE and we are focusing more on marinated products (RTF) category that is expected to yield even better results. As of now, we are focusing only on south India but there is huge scope to expand geographically across the States to market our products.”

In terms of opportunities and market potential in the future, the possibilities are immense and sky is virtually the limit. “It’s a blue ocean. We live in an era where there are people who want variety, who are more health conscious, who don’t mind paying that extra buck to get a superior quality of product and people who are open to trying out new things. As long as we can match up to their expectations, there is no holding us back,” feels Sudhanshu Mathur of BMS Enterprises. Its King’s Delight brand of retail products have garnered a good consumer response and its imported products such as spring roll pastries, fillo pastries, gyoza sheets, wonton sheets, Basa and Salmon are widely used as raw materials by all major operators in the HoReCa segment for offering Chinese, Pan Asian, Japanese or Thai cuisines. “In our manufactured segment, all our products are fast moving fast but we’ve noticed an escalating demand for our Cheese Cigars and Dimsums,” discloses Mathur who feels that a good balance of ATL and BTL activities can help a packaged food company to get its products to the target audience. “With food, unless you try it you generally don’t buy it. So sampling plays a major role in promoting these products. Once you’re there and people want to buy your products, every retailer will want to keep your products. As of now we are present in all major Modern Trade and General Trade outlets.”

All the players are, however, unanimous about the huge potential of RTE/ RTC segment and believe that they have been able to uncover just the tip of the iceberg until now. “The potential for players like us is very huge considering that the urban population is faced with a paucity of time and lacks the skills for cooking. By providing healthy and easy-to-cook products we are bringing convenience into their daily life and help them enjoy and eat

Product sales were noted high in Modern Trade and QSRs in metro cities as the customers are keen on picking up RTE/ RTC products. In terms of opportunities and market potential in the future, the possibilities are immense and sky is virtually the limit.

and General Trade and are currently available in Bangalore and Delhi but will expand to many areas soon, “RTC is a category confined to urban areas for now. People who move away from home are seen to pick up these products more often than people staying with families.” The sentiment is more or less reciprocated by Keventer’s Sudeep Gupta who has seen his company’s CAGR growth climb to 159%, an amazing feat considering that it has just been 2.5 years that the Keventer brand was refreshed and relaunched. “We feel that it is still early days for ready-to-eat kind of products in the market and therefore such products have more of an early adopter urban skew. While the mom and pop stores have larger numbers and therefore cumulative value, it is Modern Retail where the action is for our kind of TG. The State capitals in east India is where the thrust of our marketing and promotions lies. So urban is and will remain stronger for some time with rural doing the catching up slowly,” adds Gupta.

The market is more urban skewed for frozen products because as Krishna Kumar Maurya of Baramati Agro puts it, “Frozen category requires cold chain infrastructure for storage and transportation and therefore these products are urban centric.” According to Sudhanshu Mathur of BMS Enterprises, “Honestly, we operate in a segment targeted at the urban population. Hopefully, in times to come, we will progress to a level where we are also able to cater to the rural population and create a name for ourselves there.” “The growth curve for our products clearly indicates that their sales trend is high in the urban areas than in rural areas and we feel it’s basically because of the higher level of product knowledge



good food. As far as the market expansion for this segment is concerned, a large part of it has not been tapped by the major players and many people are still under the notion that these products are only for use in emergency situations, which needs to be changed through educating the right facts of such food," believes Shashank Rao Sahib of Udupi Ruchi, which counts Heritage Fresh, Nilgiris, HyperCITY, MK Ahmed Group, Kovai Pazhamudir Nilayam, among others as the top retailers for its products. To reach deeper markets, Udupi Ruchi recently launched sachet packs priced at Rs.5 and Rs.10.



We are essentially a food company that is into fresh, frozen, milk and ice-creams. We also are into realty and restaurants.

— Sudeep Gupta
GM, Sales & Marketing,
Keventer Agro Ltd.

According to Krishna Kumar Maurya of Baramati Agro: "With changing lifestyle, work schedules and shopping patterns, the acceptance of RTE/ RTC foods and within it the demand for frozen products is growing. However, it is our opinion that only those companies will grow and thrive that will work on product innovations as the consumers are experimenting more and more on innovative products nowadays. They are ready to spend on good and differentiated products that stand apart in taste and experience. We have always been at the forefront of such innovativeness, whether it is product packaging or channel marketing."



Challenges

Even though retort processing, which is in use for most types of packaged food, is the best and most acceptable form of food preservation for Indian cuisine as it has no preservatives, yet the acceptance level in the Indian market is way below the category's true potential. Even today, RTE is bought mostly by single men, working single women and working couples and that too for use in times of emergency, where they do not want to cook or when they have unexpected guests and visitors. It is seldom bought by families with children even when both parents are working. It is a known fact that when families do not cook food at home, they mostly eat out.

Today, with most food service outlets having their own free delivery and the growing food delivery channels and websites for home delivery of restaurant food, families resort to ordering of restaurant food at home when they are not cooking. Hence RTE has to compete primarily with the



free home-delivered restaurant food in terms of freshness, taste and value for money.

According to Shashank Rao Sahib of Udupi Ruchi, "The notion that people have about the product segment is that packaged foods are unhealthy. These products are considered as eating options only during travel or in times of exigency. Clearing such misconceptions poses a big challenge. But with right quality of products and efficient methods of promotion, such challenges can be overcome." Padmaja Bhanu of Terra Green's Pan Indian brand is of the opinion that India is still a country where food is easily available for very cheap and the awareness with respect to cooking and eating healthy is still at a nascent stage. "This poses a challenge for this category as a sizeable need is yet to be created. Having said that, all the metrics point to a positive direction of growth." In the frozen business, the major challenges are the high cost of storage, logistics and infrastructure at the point of sale. "Consumers' perspective about frozen foods vis-à-vis fresh foods in India is also a barrier. While it is a fact that frozen foods are completely safe to consume and can maintain their product quality and freshness for much longer, not many people are aware of these attributes.

Other challenges include having to maintain a faster turnaround for the frozen category in order to ensure freshness of the products. Unlike ambient shelf stable products, maintaining consistent product visibility in a deep freezer and merchandising present another set of challenges," says Krishna Kumar Maurya of Baramati Agro. Keventer's Sudeep Gupta concurs, saying that challenges continue to be refrigeration, retail space and visibility.

All said and done, there is plenty of room for players to grow who are serious about their business, who take the pains to understand the consumers and have an eye on the ever changing consumption trends. Players who invest in developing a strong back-end integration and providing safe, healthy and hygienic products will come up trumps and become the market favourites. **PG**



- Time tested Point of Sale Hardware from Global leader in POS technology
- XT 3915 is the latest in Posiflex offering with rock solid framefree design
- Intel Quad Core fast processing hardware meets all challenges in the checkout counter & ensures faster & reliable billing everytime
- Posiflex hardware is sold and supported in more than 400 locations across India and present in India since 2000 and globally since 1984.



XT 3915



PROMOTION DISPLAY



PP8900



KEYBOARD and SCANNER

POSIFLEX Technology Inc. (Global HQ)
Add No. 6, Wuquan Rd., Wugu Dist.,
New Taipei City 24886,
Taiwan

POSIFLEX Technology (India) Pvt. Ltd.
#985, , 1st A Main Road, 4th Cross
New Thippasandra, Bangalore - 560075.
Telephone: +91 80 40782700

Tin cans-

A portable warehouse

Tin cans offer maximum shelf life compared to any other pack, whether it is for dry products or liquid products like fruit juices, beverages, etc.

By Saket Bhatia

In the last few decades, upgradation in the technology of can making has lead to a reduction of almost 50% in the weight of the can. Moreover, this attribute has been improving continuously as the industry is aggressively working on the thickness reduction and yield improvement.

Packaging is the heart and soul of any product and it is the only tool of communication that leads a consumer to an impulse purchase. It is also known as the nine-second window and acts as a silent salesman for the brand and the product. Any mode of packaging should offer appropriate barrier properties, shelf life and printability to create brand recognition; it should be temper proof, leakage proof and ensure the right nutritional/ aesthetic values of the product being packed inside the package.

More than 50% of the food is wasted between the farm and the plate. The government is providing huge incentives to set up cold chains and better distribution systems to preserve food. Metal packaging/ canning, a solution existing for the last two centuries, is still unmatched as it preserves all nutrients and almost all vitamins. With sophisticated equipment and technology, metal packaging helps keep the quality of the processed food intact and gives a shelf life of 24 months for the product without it being refrigerated.

Studies prove that more vitamins get retained in canned food compared to food kept and stored in the fridge. India being an energy deficient country, preserving food by metal packaging/ canning is an ideal option because this method uses 70% less energy compared to cold chain systems. Cans can also be stored in ambient temperature and withstand all kind of rough distribution conditions. That is why we say that a tin can is like a portable warehouse.

Tin cans offer maximum shelf life compared to any other pack, whether it is for dry products or liquid products like fruit juices, beverages, etc. It not only offers the highest barrier to the ingress of oxygen, moisture, bacteria, sunlight and rodents but is also very shelf stable. By shelf stable, we mean that once properly processed and packed, the contents can



be stored inside the cans without any requirements of refrigeration/ temperature control.

Tin cans offer all of the above along with certain other distinct advantages. It is 100% recyclable, i.e., all disposed metal cans are eventually melted and converted into fresh cans once again. What is even more striking is that the metal retains its original properties despite being recycled an infinite number of times. They also command the highest recycling rates in most of the developed economies. In India, due to their excellent value, rag pickers salvage the metal scrap, and there is a natural preference for tin cans over other metals built into the recycling system.

In the last few decades, upgradation in the technology of can making has lead to a reduction of almost 50% in the weight of the can. Moreover, this attribute has been improving continuously as the industry is aggressively working on the thickness reduction and yield improvement.

It is the need of the hour to create awareness about the unique advantages of tin cans as being environment friendly and a leader in the packaging industry. We, at Hindustan Tin Works Ltd, have initiated a global campaign to reposition cans by organising a “Canvironment Week”, which saw a lot of excitement from the user industry. We strongly feel that this initiative spread the right message across the masses. FMCG companies can look at leveraging the packaging choice as another platform to Go Green, and conserve the natural resources of the earth. With the recent thrust by the government on reducing waste/ Swacch Bharat/ recyclability of packaging material and aligning itself with the developed world, we estimate that tin packaging shall be positioned as a preferable packing option.

The future of the tin packaging industry looks promising although there are many challenges. With the increasing awareness on hygiene and safety of the product, the demand for packaging is increasing in double digits, particularly as we see a shift in trends from loose products to packed products. Water, milk, juice are classic examples of the same and the trends are very clear about what the consumer really wants! **PG**



The writer is Senior Vice President (Marketing) at Hindustan Tin Works Ltd.

INSIGHTS to EMPOWER YOUR BUSINESS

NOW EASILY ACCESSIBLE IN A FORMAT THAT YOU PREFER

PRINT FORMAT

PDF + ONLINE

PRINT + PDF + ONLINE

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



ONLINE FORMAT

PRINT FORMAT

PDF FORMAT

SUBSCRIBE NOW

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

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

PAYMENT OPTION 1

Please charge my card

Amount _____ Card Expiry Date _____

Card No. _____

Card Member's Signature _____

PAYMENT OPTION 2

I am enclosing Cheque/ DD No. _____

drawn on (specify bank) _____

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

Name Mr. Ms. _____

Designation _____

Business Activity _____

Company _____

Delivery Address _____

City _____ Pin Code _____ State _____

Phone _____ Fax _____

E-Mail _____

OTHER GROUP PUBLICATIONS



Please fill up the subscription form & mail with your remittance to:

Subscription Department, Images Multimedia Pvt. Ltd.

S-21, Okhla Industrial Area, Phase II, New Delhi 110 020, India. Ph: +91 11 40525000, Fax: +91 11 405 25001

E-Mail: subscription@imagesgroup.in

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

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

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

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

*Online version will give access to editorial content only.

For online subscription, please visit: shop.indiaretail.com

IRF

INDIA RETAIL FORUM

POWERED BY
mapic



The Finest Intelligence Network for Retail in India

IRF 2017 endorses India's status as possibly the planet's most exciting marketplace, and empowers retailers and retail support companies with rich insights, innovation and market-ahead ideas that can enable sustainable and profitable growth. Alongside will be tailored networking opportunities, products and concepts that are driving India's surge as the world's favoured destination for global retailers and consumer brands. IRF 2017 is India's most advanced retail intelligence network to innovate your business, expand your territorial reach and create some unconventional business models in the world's fastest growing major market.



Relevant Retailing for Indian Retail

Seamless shopping and fulfilment experiences are the new mantras of Retail. Showcase projects that can help retailers create the best experience to meet consumers' needs and capture their hearts, minds and ultimately, their wallets. Enriching the overall quality of retail experience through customer engagement, Multichannel / Omnichannel and emerging technology is the vision of India Omnichannel Forum 2017.



FOR MORE INFORMATION

Anjali Sondhi : +91-9810204297
anjalisondhi@imagesgroup.in

Bhavesh Pitroda : +91-9867355551
bhaveshpitroda@imagesgroup.in

FOR EXHIBITOR ENQUIRIES

North: Vineet Chadha
+91-9350897807
vineetchadha@imagesgroup.in

East: Piyali Roy Oberoi
+91-9831171388
piyalioberoi@imagesgroup.in

South: Suvir Jaggi
+91-9611127470
suvirjaggi@imagesgroup.in

West: Bindu Pillai
+91-9820324063
bindupillai@imagesgroup.in

West: Waseem Ahmad
+91-9833628852
waseemahmad@imagesgroup.in

FOR DELEGATE REGISTRATION
Sarika Gautam: +91-9717544226
sarikagautam@imagesgroup.in

BLOCK YOUR DATES!

TAKE A BITE OF THE ACTION !

THE BIGGEST RETAIL EVENT IN INDIA IS HERE !

19-20 September, 2017
Renaissance Hotel, Mumbai, INDIA

We are changing India's Retail Landscape right here.
Are you onboard?

BOOK YOUR SPOT NOW!

www.indiaretailforum.in



EXHIBIT EXPLORE EXCHANGE

Join the wide array of product and service suppliers that support the expansion of physical and digital retail in India, including path-breaking technologies, store design, retail real estate and retail support tools. If you have an idea or innovation that can transform customer experiences and retail formats, IRF 2017 is where you need to be, to connect with your biggest potential customers.

2000+ DELEGATES
750+ PARTICIPATING COMPANIES
175+ INDUSTRY EXPERTS
100+ INNOVATIVE EXHIBITORS



Supported By



Multiplex Partner



Omnichannel Partner



Roundtable Partner



Session Partner



Charity of Choice



Official Media Partners



Online Media Partner



International Media Partner



Time to tap the consumer co-operative movement in India

Consumer co-operatives in rural areas present a big opportunity for food companies to reach out to the rural population and expand the consumer base for their products.

By Sunil Kumar

India's FMCG Market is about INR 3-3.5 lakh crore; and 60-65% % of this market lies in rural areas. Most of these rural markets are covered by small kirana stores, which are over 50 lakh in number. However, due to their small store size, limited storage/ shelf capacity, meagre investment capacity and other constraints, these stores cannot stock and display many good brands that are available in the metros and urban areas. This limited availability of brands holds true for many categories but is especially pronounced in spices and rice category. As a result, most of the kirana stores in rural areas sell products such as spices, condiments, rice, etc, in loose and not packaged form.

Herein lies a big opportunity for manufacturers of such products to disrupt the

rural market and expand the consumer base for their products. The way to go about it is to begin tapping the vast number of co-operatives stores, which exist in this country under different consumer co-operative federations.

The logic for taking such an initiative is very simple. As mentioned earlier, over 60% of India's FMCG market is in rural areas and there are more than three lakh consumer co-operatives in rural areas. Consumer co-operatives are enterprises owned by consumers and managed democratically with the aim of fulfilling the needs and aspirations of their members. Consumer co-operatives often take the form of retail outlets owned and operated by their consumers, such as food co-ops.

One of the world's largest co-operative federations operates in the UK as The Co-operative (commonly





Andrea Izzotti / Shutterstock.com

referred to as “The Co-op”), which together operate over 5,500 branches of ‘The Co-operative’ branded business including The Co-operative Food (The UK’s fifth largest supermarket chain).

In India, there are over 6,000 consumer marketing co-operatives with a sales turnover of over 82,000 million rupees annually. Some of the more well-known consumer co-operatives in India are Amul, MARKFED, Mother Dairy, Kerala Milk Consumer’s Federation, among others. MARKFED, based out of Punjab, is one of the leading consumer co-operatives in Asia and has a network of over 40 dealers in Punjab. Kendriya Bhandar, with over 97 stores in Delhi-NCR, has sales turnover of INR 1,02,085.96 lakh.

In Maharashtra, the state consumer cooperative stores operate under the brand name “Apna Bhandar” and it has over nine stores in Nashik, Nagpur, Sangali and a few other places. Another co-operative with retail stores in Maharashtra is Sahakari Bhandar, which operates 22 stores under Reliance Retail and is one of key retail players in Mumbai and around.

In Madhya Pradesh, under MP Consumer Cooperative Federation Ltd., there are more than four “Priyadarshini Supermarkets”. Similarly, in Bangalore, there is the Karnataka State Co-operative

Consumers’ Federation, a State level institution registered in the year 1964 and with 26 members. The Federation is running five Janata Bazaars in Bangalore, apart from having six branches in other districts. The Federation also operates nine KSCCF branches in other places in the State besides running eight pharmacies as well.

It is high time that food companies and manufacturers should go for “Cross Promotions” and “Special Display” in these co-operatives. These co-operative outlets offer a very good platform for all slow moving FMCG SKUs, which can get promoted in these stores with special discount offers.

These consumer co-operatives work on very thin margins and do not require heavy listing fee unlike their MT counterparts. So they offer a wonderful opportunity for food companies to invest in by allocating appropriate marketing budgets for in-store activities in such co-operatives.

In the future, all e-commerce companies will most probably use these consumer co-operative stores for extending and strengthening their hyperlocal or marketplace models. The reason being that these co-operatives are well located within the rural areas and offer the best way to penetrate the rural market. Besides, there is no need to create a market as it already exists and there is enough footfall in these stores. The food companies just need to tap the potential by offering the best of the deals, and create awareness about their products.

Consumers in these stores want to experience the “Modern Trade” store arrangement and assortment, visible in the urban areas. For those who take the initiative, it can be the most opportune time for companies to help in the modernisation of these co-operative stores.

Also, these co-operative stores have access to real estate and land that comes very cheap unlike the cost of land in urban areas where retailers need to pay huge rents. So both food brands and retailers are better placed to offer attractive deals to the consumers in these rural areas. Food companies should exploit this hidden potential and tap co-operative stores for growth, profitability and market reach.

HUL is one company that has been trying to explore this area and has done reasonably well so far. ITC is also trying hard to catch up.

Unless food companies tap such unexplored channels, it’s difficult for them to grow and sustain in this ever changing and competitive business world. **PG**

These consumer co-operatives work on very thin margins and do not require heavy listing fee unlike their MT counterparts. So they offer a wonderful opportunity for food companies to invest in by allocating appropriate marketing budgets for in-store activities in such co-operatives.



The writer is GM, Kejriwal Bee Care Pvt. Ltd. Views are personal.

Retail is Detail



For running a retail business – whether it's a brick and mortar or online – there are five core principles that one needs to adhere to. From customer care to the four Ps, here's what you need to understand to be successful.

Providing great customer service starts with understanding and knowing your customer. You and your team must continue to go an extra mile for the customer and each time delivering just a little more than they expect.

Customer is the most important person

The main retail principle one needs to master is understanding the customer. The customer should be the centre of your business and everything you do must revolve around that customer. Knowing them, and focusing on them in everything you do will help you to grow your business and your team.

Focus on details

One of the most famous principles in retailing is, of course, 'retail is detail' and this is where the challenge lies. How do you become more detailed and what details should you focus on? To do this, every retailer must focus on the details and get the detail right the majority of the time. Mistakes are fine, but you must learn from them and do not repeat your mistakes. Customers will accept a few mistakes, but too many will turn them away.

Understanding the four Ps

The 4 Ps – Product, Price, Place, Promotion – are the basic foundations of a successful retail business.

- **Product:** You need products that your customers want to buy and a product range that will satisfy your customers' needs and desires. The products must also deliver a profit for you to have a successful business.
- **Price:** It must be consistent across the marketing mix and meet all the requirements for your business. You need to price your product range at the correct level for the customers to be able to buy your products, and for them to gain value from your products.
- **Place:** You must provide somewhere for your customers to purchase your product, be that a physical store, a catalogue or an e-commerce website.
- **Promotion:** Once you have a product – at the right price, in a place where the customer can access it – you need to tell them about this and promote your business and your products. Make

sure your customers know that you and your products exist and are available for them to enjoy.

Go the extra mile for your customer

Providing great customer service starts with understanding and knowing your customer. You and your team must continue to go an extra mile for the customer and each time delivering just a little more than they expect. Doing this each time you and your team interact with your customers will win them over and make them loyal over a long period of time.

Location, location, location

The final retail principle is choosing the right 'location': History has dictated that this is one of the most important factors in the success of a physical store. The best location of your store will be dictated by your brand and product strategies. For example, a supermarket operation needs a car park and a high fashion store needs to be in a high fashion area that attracts the right customers for the store. I would argue, however, that location has less effect now than previously, due to two main factors: the first being the flexibility of the customers; now we often travel more, and the second being the internet.

The internet has changed our shopping habits and will continue to do so. The emergence of 'e-tail' has been the biggest change over the past 20 years. We need to embrace e-tail and ensure we understand its effect on our customers. The e-tail world is growing significantly and with new technologies, such as iPads and mobile commerce, it will continue to change the opportunities in the world of retail. **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

what's next

▶ AdiTree Naturals introduces Power Puffs

AdiTree Naturals has recently come up with healthy Power Puffs, which it showcased at the Organics and Millets Trade Fair in Karnataka with the aim of promoting the nutri-rich cereals. Made with the goodness of jowar, ragi, barnyard millet, brown rice and flaxseeds, these healthy snacks come in three different variants: Masala Munchies, Tomato Tasties and Mint Munchies. These Power Puffs will be available in the market by the end of the month.



▶ Sunscreen with a twist

Personal care brand TBC By Nature has come up with a new sun block spray with SPF30+. This innovative sunscreen is part of the brand's Signature series and ensures protection from the harmful UVA and UVB rays. Enriched with vitamins, essential oils and organic extracts, the sunscreen helps in reducing spots and lighten the skin tone. Priced at Rs. 249 for 100 ml, it comes in a quirky bottle packaging and is available at all leading retail stores.



▼ B Natural's 100% pomegranate juice



ITC's Foods Division has added a new 100 per cent pomegranate juice variant to its existing range of B Natural fruit beverages. Made with the pulp of 25 hand-picked pomegranate fruits (in each pack), the beverage does not use any artificial fruit concentrates and has no added sugar, colour and preservatives. Initially, it will be available at select modern retail stores and high-end general trade outlets across top metros in a one litre tetra pack priced at Rs. 199.



▲ Sugarless Bliss Sharbat for summers

It's time to beat the heat with the new flavours of Sugarless Bliss Sharbats. These sharbats are made with highly concentrated zero-sugar and zero-calorie syrups, no preservatives and have a long shelf life of 30 months. The sharbats are available in four variants: Orange, Lychee, Raspberry and Rose. Its sugar-free concentrate makes it a perfect drink for diabetics. These sharbats come in a bottle packing of 300 ml, which offers up to 54 servings and is available at all leading retail outlets.

▶ Nutralite adds two new flavours

Nutralite, from the house of Zydus Wellness Ltd, has recently added two new flavours of Nutralite healthy spreads. The two new variants – Garlic & Oregano and Pudina & Coriander – were launched by chef Sanjeev Kapoor. Loaded with the essential vitamins A, D, E, Omega-3, it contains PUFA (poly unsaturated fatty acids) and MUFA (mono unsaturated fatty acids), which fight cholesterol. These flavours are developed using natural herbs and spices and will be available in a variety of box and tub packs of 100 gm and 200 gm at a price of Rs. 42 and Rs. 85 respectively.



▶ Sri Sri Ayurveda launches virgin coconut oil

Sri Sri Ayurveda has introduced virgin coconut oil. This organic coconut oil is 100 per cent natural and is made using the cold-pressed technique. Enriched with the goodness of nature, this oil can be used for cooking purposes as well as for personal care. It comes in a unique bottle pack of 100 ml and is priced at Rs. 150.





INDIAN CONSUMERS
SOON TO LOOK FOR
THE 'TRUSTED MARK'
BEFORE THEY SHOP
ONLINE OR OFFLINE



Go for it!



APPLY TODAY
For
'TRUSTED MARK'
certification scheme
In accordance with
ISO/IEC 17065:2012

WORLD'S 1ST CUSTOMER CENTRIC
MARK FOR **RETAILERS**

Hypermarkets | Super Markets | Department Stores
Speciality Stores | E-Retailers | Restaurants
Jewellers | Pharmacies | Salons | Spas | Wellness
Centres | Cineplexes | Family Entertainment Centres



Contact:
Priti Gupta

M: +91 8826415472 E: pritigupta@irftrustedmark.org

IRF TRUSTED MARK
THE INTERNATIONAL RETAIL FORUM SETTING 'CUSTOMER CENTRIC' STANDARDS IN RETAIL

IRF TRUSTED MARK SECRETARIAT
S-21, Okhla Phase II, New Delhi, 110020 INDIA
Tel: +91-11-40525000, Fax: +91-11-40525001
IRF Trusted Mark LLP (LLPIN: AAI-2150)

Certification Bodies Approved by
IRF Trusted Mark Certification Scheme



www.irftrustedmark.org

Washington Apples

Wholesome health

Healthy eating doesn't get better than this.
Every bite of Washington apples is filled
with juicy goodness.
So go ahead, take another bite!



apples@scs-group.com • bestapples.com
facebook.com/WashingtonApples.India
twitter.com/WApplesIndia

No other apple
comes close.

Trusted for a perfect recipe.



Chances are that you've already experienced rich flavours of Paras Spices through some of your favourite food brands. As India's leading Spices & Seasonings Company, our legacy of adhering to International Quality norms is extended to our new brand ORIKA.

Our rich spices are sourced from the best regions and have been the key ingredient of success for iconic brands worldwide. As India's largest supplier, the spices meet with stringent quality tests in state-of-the-art facilities before being packed using a special material. This ensures complete freshness and retains the natural colours, so that you enjoy the rich taste of perfection in every bite

ORIKA[™]
FROM PARAS SPICES

Paras Spices Private Limited

Regd. Office & Works: V.P.O., Khosa Pando, Zira Road, Moga-142001, Punjab, India. Ph.: +91 1636 237177
Corp. Office: 431 (Ground Floor), NH-8, Phase-III, Udyog Vihar, Gurgaon-122016, Haryana, India. Ph.: +91 124 4049277
• E-mail: welcome@parasspices.com • Web: www.parasspices.com