

Supply Chain & Logistics

Managing global food chain risks with better supply chain resilience and enhanced flexibility.

Page 10

Online Retail

E-groceries are trying out different models around delivery. Which model can grab major market share?

Page 28

Category Watch: Frozen Food

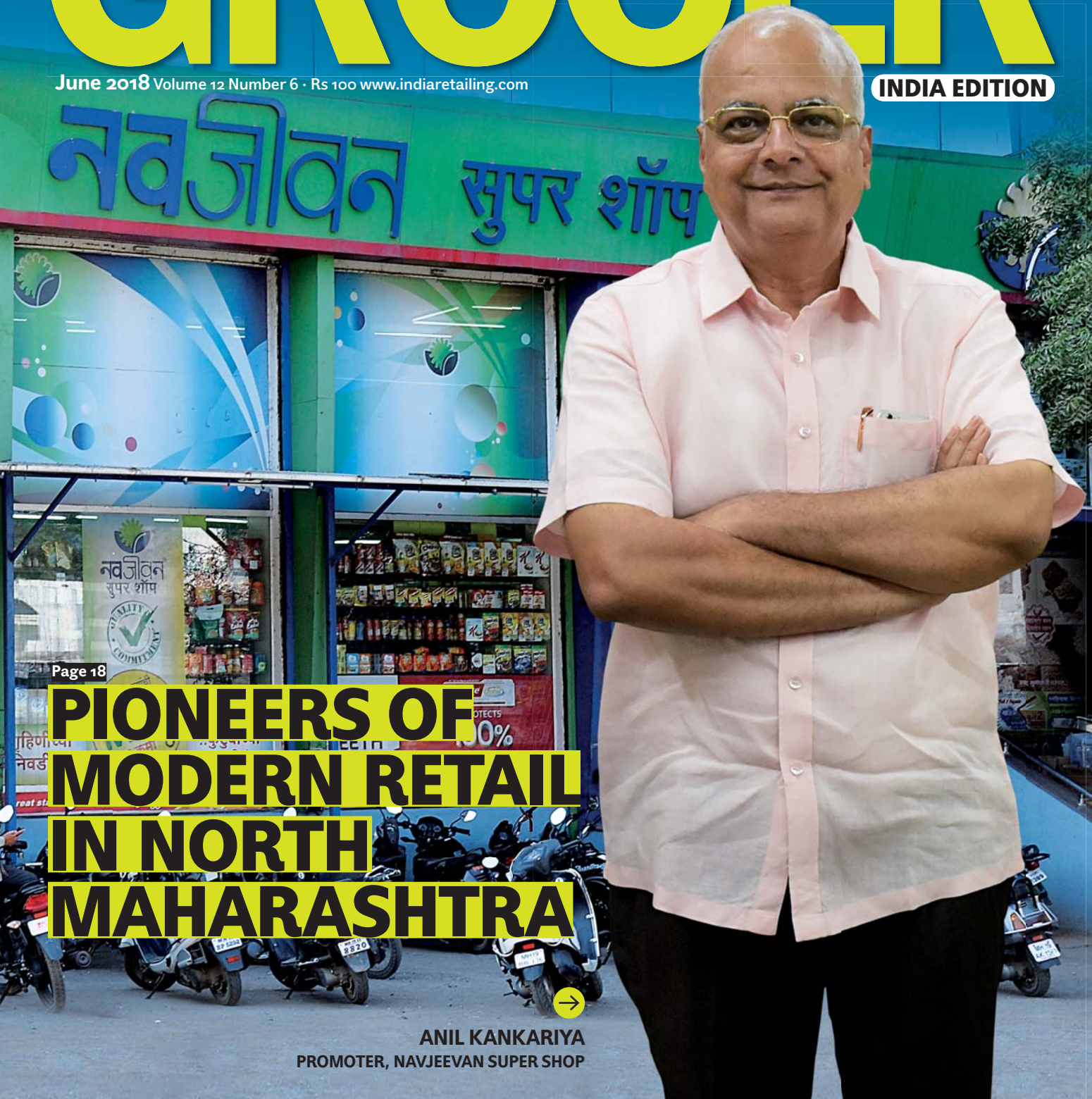
Companies are emphasizing their health-and-wellness innovations, and adding flavor and variety to their products.

Page 32

PROGRESSIVE GROCCER

June 2018 Volume 12 Number 6 • Rs 100 www.indiaretailing.com

INDIA EDITION



Page 18

PIONEERS OF MODERN RETAIL IN NORTH MAHARASHTRA



ANIL KANKARIYA
PROMOTER, NAVJEEVAN SUPER SHOP



Khao aur Khilao
kareeb aa jao..

MUNCHION'STM
Mood banaye mast!

NAMKEENS & SNACKS

“Prestigious
Rising
Brand of Asia
2017-18”
-BARC ASIA ★



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), | E-mail: info@munchions.com



www.munchions.com | Follow us on:



Across 20 states. With 127 Toppings. And infinite combinations.
Foodcoast sauces and dips are oomping up palates anywhere and everywhere!



authentic freshness & flavour

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

Editor-in-Chief: **Amitabh Taneja**
 Editorial Director: **RS Roy**
 Publisher: **SP Taneja**

Editorial

Editor in charge: **Sanjay Kumar**
 Reporter: **Nimisha Gautam**

Conference Content: **Mohua Roy**
 Contributing Editor: **Zainab S Kazim**

Creatives

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

Production

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

Support

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

Subscription

Deputy Manager-Subscriptions: **Kiran Rawat**

ADVERTISING

Business Head & Associate Publisher

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

DELHI **Ridhi Sood**, Asst. Manager
MUMBAI **Savita Vasandi**, Sr. Manager
BENGALURU **Suvir Jaggi**, Vice President & Branch Head
Ekta Roy, Sr. Manager
KOLKATA **Piyali Oberoi**, Vice President & Branch Head
AHMEDABAD **Monark J. Barot**, Asst. Manager

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**

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 INFORMATION

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

In the era that we live in, there is a compelling case for grocery stores to use cashback to guarantee customer loyalty. With the rise of organized retail, any venture in this direction is a potential disruptor. This is a relatively uncharted territory, and it is a significant business opportunity waiting to be knocked.

With value being highly sought after, digital wallets and cashback apps can extend this model to the traditional grocery with widespread applicability. Purchases at the grocery store are more frequent than at any other channel and one can imagine the magnitude of cashbacks that the digital wallet's customers stand to win if they shop from their partner retailers. Moreover, digital wallets can achieve a definitive loyalty that will make switching very difficult. This value can be later redeemed at any of the partner online stores. Delving deeper into customization, by partnering with grocery stores, cashback apps can achieve category-specific focus with a high accuracy.

The location of the neighborhood grocery store and the customer can act as a marker and an indicator of how to target a particular segment, which products to provide the offer on and, more importantly, where and how to redeem them. Retailers can offer stretch incentives on total baskets over a certain size to customers staying away from the store to compensate for higher travel costs.

There exists a compelling case for cashback apps and digital wallets to expand into newer categories and add another set of customers to their already-burgeoning user base.



Amitabh Taneja
 Editor-in-Chief

All feedback welcome at editorpgindia@imagesgroup.in

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

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

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

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

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

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

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

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

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

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

Kolkata: P-513/B, Raja Basanta Roy Road, CIT Scheme XLVII, Near Sabyasachi Store, Kolkata 700029
Ph: + 91 33 40080480 /40080488



BESAN LADDOO

Exclusive Indian Delicacy

For business query write us at info@lalsweets.com

www.lalsweets.com

COVER STORY

18

Pioneers of Modern Retail in North Maharashtra

Navjeevan Super Shop, which has been in business for over 70 years now, is widely regarded as the supermarket pioneer in north Maharashtra. Beginning its journey from a humble kirana store in Jalgaon in 1946, it opened its first self-service store in the city in 1993 and since then, it has taken impressive strides in modern food and grocery retailing. From 2007 onwards, the firm has been on an expansion drive. As of date, there are seven Navjeevan supermarkets in operation, all in Jalgaon, with a retail area spanning 21,000 square feet, which bring in a monthly revenue of about Rs. 5 crore.



CATEGORY WATCH

32



Warming up to the new fresh

The frozen foods market in India has been clocking a double digit growth in recent years and this pace of growth is likely to continue in the future. Though the infrastructural limitation of cold chain poses a formidable challenge in an already space-starved retail place, the change in our lifestyle, work environment and food habits are acting as drivers for pushing the acceptance and demand for frozen foods. Frozen foods provide a great deal of convenience in today's hectic pace of life.



10 SUPPLY CHAIN & LOGISTICS

Managing Global Food Chain Risks

28 ONLINE RETAIL

E-grocery: Hyperlocal or Inventory based?



50 REFRIGERATED FOODS

Healthy Chill

54 FOOD SAFETY

How safe is mineral water from chemical impurities?



56 WINE

Sparkling wine calls the shots!



58 CUSTOMER EXPERIENCE

How to make your Mystery Shopping effective

60 GROCERY

Alive and Kicking

IN EVERY ISSUE

08 MARKET UPDATE

Kalchi's ready-to-eat paneer curry spreads





TIMELESS QUALITY. MATCHLESS PRICE



- ◆ Hazelnuts
- ◆ Macadamia Nuts
- ◆ Dates Medjoul
- ◆ Dehydrated Fruits
- ◆ Dried Cranberries
- ◆ Dried Blueberries
- ◆ Black Currants
- ◆ Pumpkin Seeds Kernels
- ◆ Sunflower Seeds
- ◆ Chia Seeds
- ◆ Cinnamon Ceylon
- ◆ Siah Jira
- ◆ Cloves
- ◆ Mace
- & Many More...

Brand Regency is not about a single experience but a journey that spans close to 70 years. What sets us apart is our guarantee for 'high quality products' using a unique combination of modernity with tradition, from farm to processing, so that advanced technological innovation goes hand in hand with the traditional touch, ensuring nothing short of the finest quality reaches the customer.

◆◆◆ A Tradition of Quality, Perfected with Time! ◆◆◆

REGENCY SPICES LLP

Plot A/675, TTC Industrial Area, MIDC Khairne, Navi Mumbai 400 709.

info@regencyspices.biz | www.regencyspices.biz |   regencysnacks

PRODUCT AVAILABLE AT :



©Regency is a Registered Trademark

Market Update

Shankara debuts with luxury Ayurveda beauty range in India

After catering to consumers in the West for close to two decades, Shankara is all set to debut in India with its 100% natural luxury Ayurveda beauty collection. Combining Ayurvedic wisdom of the east with scientific processes of the west, Shankara came up with sustainable skin care products that will now be available in India as well.

The brand will offer result oriented skin care products that are rich in actives and herbs and infused with pre essential oils to promote wellness and healing. Using natural ingredients and proven scientific procedures, beauty essentials by Shankara address the root cause of a skin condition rather than masking symptoms. The formulations are focused to balance each individual skin type like Vata (Dry Skin), Pitta (Normal, Combination or Sensitive Skin) and Kapha (Oily Skin). With the launch of this exceptional range, Shankara is set to transform the landscape of natural products in India. All Shankara products are free from



parabens, sulphates and synthetic chemicals. They are also pH balanced and PETA friendly.

Through its collection of retail and professional products, Shankara aims to enrich skin with nutrition,

oxygenation, hydration and protection and produce true skin transformation. With a strong intent to serve humanity, Shankara produces the finest products using responsibly sourced natural ingredients and cruelty free methods. Shankara products are currently available on www.shankara.in, Amazon and Nykaa with the range starting from Rs 1050.

Commenting on the product's debut, Astha Katpitia, Head, Shankara India said, "Shankara was crafted by harnessing the rich, ancient wisdom of Ayurveda along with scientific advancements of the modern world. We endeavor to offer an exclusive range of skin care products that work on the physical, mental and emotional levels to promote a sense of well-being. With years of research and understanding about beauty ingredients, we have successfully enhanced the quality of natural skin care. We are excited to introduce our wide array of products to the Indian market and hope to see a positive response."

Meal of the Moment introduces instant Thai dish

"M.O.M or Meal of the Moment has launched instant Red Thai Curry Rice (veg) and it is the quickest meal to prepare. All you need to do is add hot water to the packaged container and it's ready in eight minutes. The product is being launched first on Indigo airlines in an exclusive deal. The rich Thai flavours are authentic and it becomes very easy to forget that the dish is instant and not being served in a fancy restaurant. The product is targeted towards young working professionals who crave exotic food but also want something convenient and affordable. Priced at Rs. 90, the Thai curry rice is an easy and cheap alternative to hours of preparation time in the kitchen or long bills at fine-dining Thai restaurants. Red Thai Curry Rice is available on



leading airlines, MT stores such as Star Bazaar, HyperCITY, SPAR, Reliance and online on Amazon, PayTM, Bigbasket etc.



Kalchi's ready-to-eat paneer curry spreads

Specializing in curry spreads that are quintessentially Indian, Kalchi has created a ready-to-eat paneer curry spread range that incorporates authentic flavours from the northern to the southern regions of India. These hygienically packed curry spreads are packed with the goodness of fresh ingredients and carry the flavour punch of the original curries. Priced at INR 220 for 200gm, the product is available in two flavours - Malabar Paneer and Makhni Paneer. The irresistible spread boasts of an all-natural ingredient panel with zero preservatives and is nutritionally well-balanced while bringing a taste of heritage and tradition to the food we eat. You can pick this easy-to-use curry spread up from www.bigbasket.com or at Foodhall and Godrej Nature's Basket.

DailyNinja expands services to Hyderabad

DailyNinja, a hyperlocal delivery service for daily essentials, has started services in Hyderabad. The company – largest milk home delivery provider across India – is already a household name across Bengaluru, where it is fulfilling more than 25,000 orders a day.

The firm has completed a whopping 7.5 million orders till March-end this year. The prepaid-platform has been on an impressive growth trajectory, fulfilling 25,000 orders a day and over 750,000 orders every month. DailyNinja customers are delivered fresh commodities with no minimum order restrictions like other platforms.

The one-of-its-kind enterprise has announced its plans to set up a warehouse in Hyderabad in the coming months. In Hyderabad, DailyNinja has tied up with 10 milk vendors, while in Bengaluru it has

partnered with around 400 milk vendors. With the app, residents of Hyderabad will be able to order their daily household essentials and get them delivered at their doorsteps by as early as 7 am. As of now, Hyderabad customers can order from two product categories - milk and curd – while Bengaluru customers have more than 12 categories of products to choose from.

Anurag Gupta, co-founder of DailyNinja said, “Our unique Trojan Horse approach of leveraging the daily milk buying habit of Indian customers to cross-sell groceries gives unparalleled convenience to our customers. The residents of Hyderabad can now order milk and curd with just two clicks. In our model, we partner



with your local milk vendor and our Hyderabad team has received an excellent response so far from milk vendors across the city. We are looking at growing to 30,000 orders a day in Hyderabad by the end of this year.”

DailyNinja customers are encouraged to order fresh and order everyday. With no minimum order restrictions, DailyNinja seems to be a very helpful service for busy working couples. Founded by BITS Pilani graduates Sagar and Anurag Gupta in 2015, the enterprise has completed three years with the launch of its chapter in Hyderabad.

Click for more Food & Grocery news

www.indiaretailing.com

Munchilicious®

It's time to grab a bigger spoon!

In a world filled with unhealthy snacks, Munchilicious decided to bring a new 'tasty' snack to the table. We bring you three variants of granola, each one being oil-free, gluten-free and loaded with nuts and seeds for the ideal taste, and the right amount of nutrition. Snacking on-the-go is now a whole lot easier and guilt-free!



Oil Free Loaded With Nuts Gluten Free

For distributorship across India contact:
Rohit Mohan Pugalía
☎ +91 80808 07624 | ✉ rmp@sochfoods.com | 📞 +91 9681905050

Soch Foods LLP, GB7 Virwani Industrial Estate,
Off Western Express Highway, Goregaon East,
Mumbai 400063.

Grab your pack from:

amazon.in

Flipkart

SHOPCLUES



Managing Global Food Chain Risks

Food Supply Chain Management for better supply chain resilience and enhanced flexibility.

By **Ajay Kakra**

The food industry is faced with multiple challenges as modern day supply chains continue to rapidly evolve and transform. The evolution of food supply chains is based on the changes in the outlook of the food industry and its key stakeholders. Consumers, regulators, governments and other stakeholders are becoming more conscious of what they are eating, source of food ingredient, quality of food and disclosure about the content of food items consumed. A key challenge is managing risk while optimising cost across multi-commodity supply chains spread across geographies. Consequently, with an increased number of supply chain intermediaries spread across multiple geographies, it has become increasingly difficult to predict and manage supply chain risks. The scenario gets all the more aggravated with geopolitical changes, increasing regulatory pressures and growing consumer awareness. In this environment, the question isn't whether disruptions will happen, but what and when. Proactive risk identification and mitigation is the key to achieving better supply chain resilience.

Supply chain efficiency v/s supply chain resilience: Supply chain resilience aims towards risk reduction as opposed to supply chain efficiency, which is directed at improving a company's financial performance. Both require dealing with risks and recurrent risks (such as demand fluctuations). Effective supply chain management is essential to guarantee food safety. Every link in the chain affects the quality of final products. Changing consumer preferences, changes in production and distribution methods, evolving trade & travel, shifts in climatic and environmental factors and growing anti-microbial resistance – all increase the probability of occurrence of food hazards and food safety incidents. The emphasis on quality parameters pertaining to safety of food has also taken center-stage in the global food trade. Increasing incomes, urbanisation, literacy, improved infrastructure and closer ties to global trends, especially during the last decade, are driving the changes in consumer demand, thus spurring action amongst policymakers to address food safety risks on a priority basis and avoid disruptions in the supply chain.



without having the effects ripple to other regions. Our research with MIT identified the following critical areas of supply chain risk. The Business Continuity Institute’s Global Supply Chain Resilience survey indicates the following as the major impacts of supply chain disruptions:

- Loss of productivity
- Customer complaints received
- Increased cost of working
- Service outcome impaired
- Loss of revenue
- Damage to brand/reputation/image
- Product release delay
- Product recall/withdrawal
- Payment of service credits
- Share price fall
- Stakeholder/shareholder concern



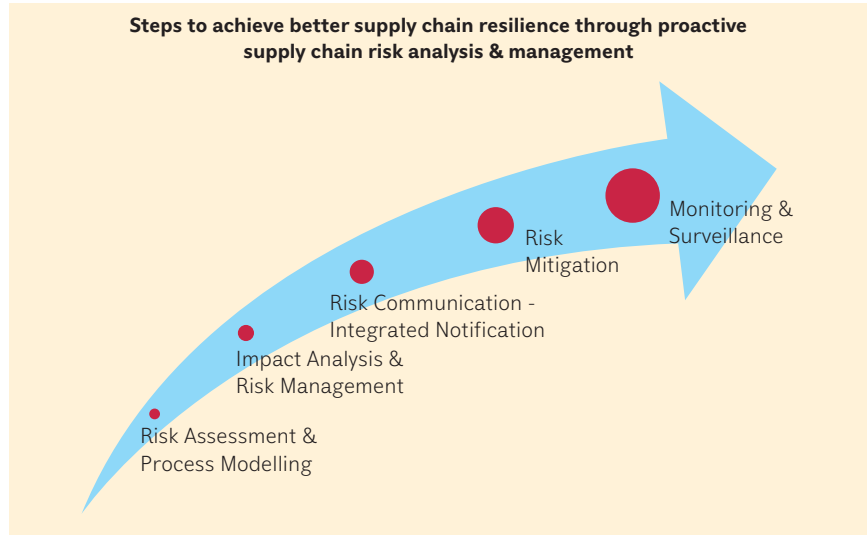
Critical areas of food supply chain risks

Risk, in layman’s terms, is understood as being vulnerable and is defined by the Oxford English Dictionary as “a situation involving exposure to danger”. Risks, in food safety parlance, can be defined as a function of probability of an adverse health effect and the severity of that effect (death, hospitalisation, medication, etc.) when exposed to a specific food hazard. Any biological, chemical or physical agent in, or condition of food, with the potential to cause an adverse health effect is termed as hazard. Food adulterants, allergens, use of unauthorised/non-food grade surfaces during food production, use of prohibited food & feed ingredients can be all termed as hazards. When supply chains are exposed to these hazards, in the severity of causing an adverse effect on human health, the underlying causative factors can be termed as Food Safety Risks.

On the basis of their subsequent effect, food safety risks can be classified into bio-physical risk, product risk, process risk, and supplier risk. These risks lead to consumer/health risks, trade & market risks, environmental risks and socio-economic risks.

Categorising disruptions

The risks of disruptions aren’t equal, nor are the consequences. Disruptions, their occurrence and severity, vary from organisation to organisation, from process to process and from region to region. Therefore, it is advisable to define the sensitivities in your supply chain and introduce relevant supply chain containment strategies. Supply chain containment strategies focus on: 1) Segmenting the supply chain and 2) Regionalising the supply chain to contain regional disruptions more efficiently



- Delayed cash flows
- Expected increase in regulatory scrutiny
- Loss of regular customers
- Fine by regulator for non-compliance

Supply chain disruptions also attract significant costs with regards to risk mitigation & containment and in facilitating recovery to attain status quo. As per the BCI survey results, as a result of various disruptions, 15% of respondents experienced costs in excess of €1M and 9% experienced a single event disruption that cost in excess of €1M. Considering both the direct and indirect costs (firm’s reputation, product integrity, share price & valuation, brand equity) that a firm might accrue as a result of these disruptions, it becomes quintessential for the business to effectively manage and timely respond to such disruptions or probability of disruptions (risks).

A more coordinated and strategic approach is needed, one that takes a holistic view to identify, monitor and mitigate weak links in the supply chain from farm to fork.

Mapping the supply chain

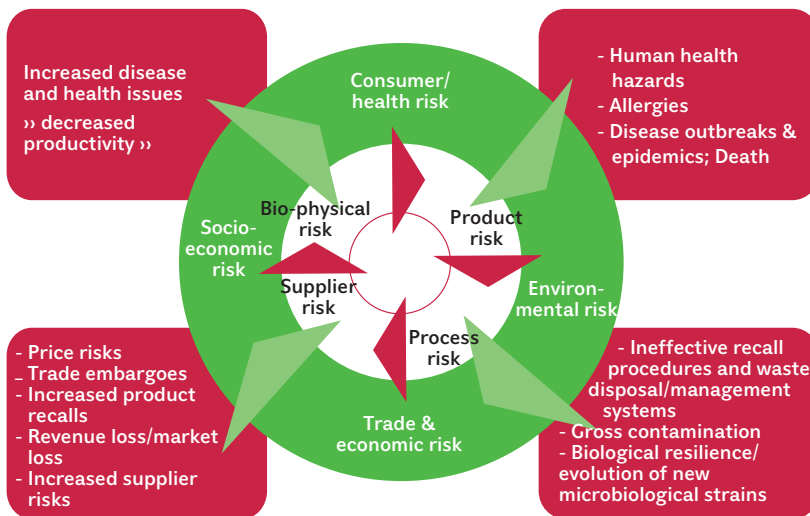
In order to efficiently assess and effectively analyse various risks and disruptions, companies need to map their supply chains in order to identify the Critical Control Points (CCPs) across the chain. These CCPs can be defined on the basis of the following criterion as applicable to various activities and/or entities across the chain:

- the degree of susceptibility to disruptions
- frequency of occurrence (historic evidence)
- sensitivity of the chain to disruptions in terms of

incremental costs and disruption – subsequent pressure on profit margins

This mapping will eventually help corporations to coordinate, contain, mitigate, and manage the disruptions or probable risks effectively and thus, ensure resilience across the chain and guarantee sustainability in the long run. A typical supply chain should manage its risks right from product development & design through operations and to sales to ensure that the supply chain is risk-resilient and all end products/services conform to the desired and acceptable safety and quality levels.

Food Safety Risk Matrix

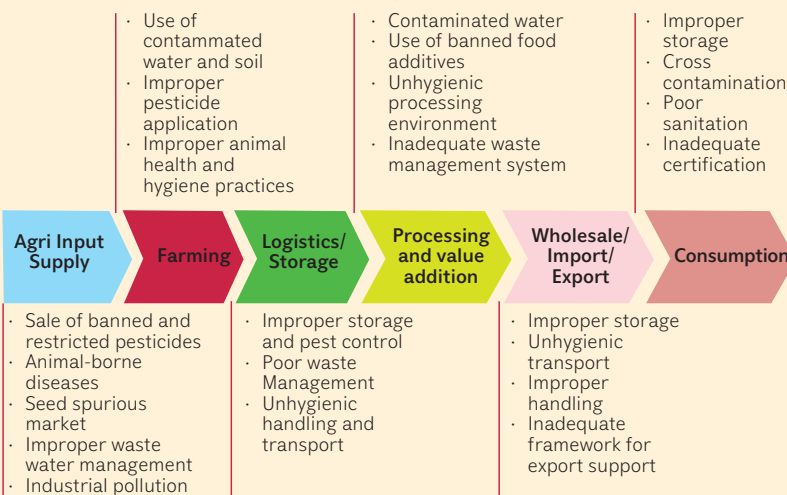


Food traceability

As food supply chains become more and more complex dealing with an increasing number of stakeholders, multiple operations, multiple regulatory and trade standards, issues of traceability, transparency and trust increase.

A simple food item, like the Kellogg's nutri-grain bar, may include ingredients from the US, Italy, Scotland, Denmark, India, Philippines, China (Carey 2007). Despite increasing regulations and consumer awareness, as food supply chains become increasingly global the inherent risk arising from disruptions in supply, lack of traceability and limited accountability have brought supply chain risk management to the fore. Food safety risks, as they relate to human health, arise from a number of factors. These include: (i) microbial pathogens (bacteria, viruses, parasites, fungi and their toxins); (ii) pesticide residues, food additives, livestock drugs and growth hormones; (iii) environmental toxins such as heavy metals (e.g. lead and mercury); (iv) persistent organic pollutants (e.g. dioxins); and (v) zoonotic diseases (e.g. BSE, SARS, Avian flu, Japanese encephalitis, tuberculosis) (Buzby and Unnevehr 2003, Ewen et al. 2004).

Potential Sources of Food Safety Risks Along the Food Supply Chain



Common Issues: Database management, monitoring of food safety, infrastructure, services and trained resources

Source: D U. Deiningner and M. Sur, 2006)⁹

Knowing your suppliers

The key to greater supply chain visibility and traceability is knowing and managing your suppliers. As supply chains become more and more complex, it is becoming pertinent to know and manage your supplier's supplier as well. Since the relative impact of disruptions on the organisation can vary widely, the best approach to manage suppliers is defining the CCPs for your organisation. As a starting point, it can be useful to look at your most profitable product or service and look at the profit impact of related supplier failure on your organisation. The next step is to define priorities and objectives by performing a disruptive threat and vulnerability assessment across the supply chain to identify potential risk



A Wide Range of FROZEN Products



OTHER FROZEN PRODUCTS RANGE:

- ONION RINGS
- HERB CHILLI TIKKI
- VEG MOMOS
- AND MANY MORE ...

Required Distribution Partners All Over India.
We Also Do Private Label.



PRODUCTS LIST

FROZEN VEGETABLES

- Frozen Green Peas
- Frozen Mixed vegetables
- Frozen French Beans
- Frozen Baby Corn
- Frozen Broccoli
- And many more
- Frozen Sweet Corn
- Frozen Okra, Baby Okra
- Frozen Cauliflower
- Frozen Mushrooms
- Frozen Spinach Cubes

FROZEN FRUITS

- Frozen Mango Slice
- Frozen Strawberry
- Frozen Musk Melon
- And many more
- Frozen Papaya Cubes
- Frozen Lychee
- Frozen Pink Guava

FROZEN VEG. READY TO COOK

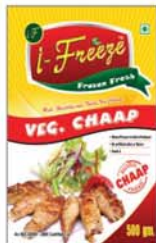
- Frozen Veg. Chaap
- Frozen Paneer Cubes
- Frozen Aloo Tikki
- And many more

PULPS/CONCENTRATES

- Mango Pulp
- Apple Pulp
- And many more
- Litchi Pulp
- Carrot Pulp
- Guava Pulp
- Pink Guava Pulp

JAMS/ MARMALADES

- Mixed Fruit Jam
- Apple Jam
- And many more
- Pineapple Jam
- Orange Marmalade



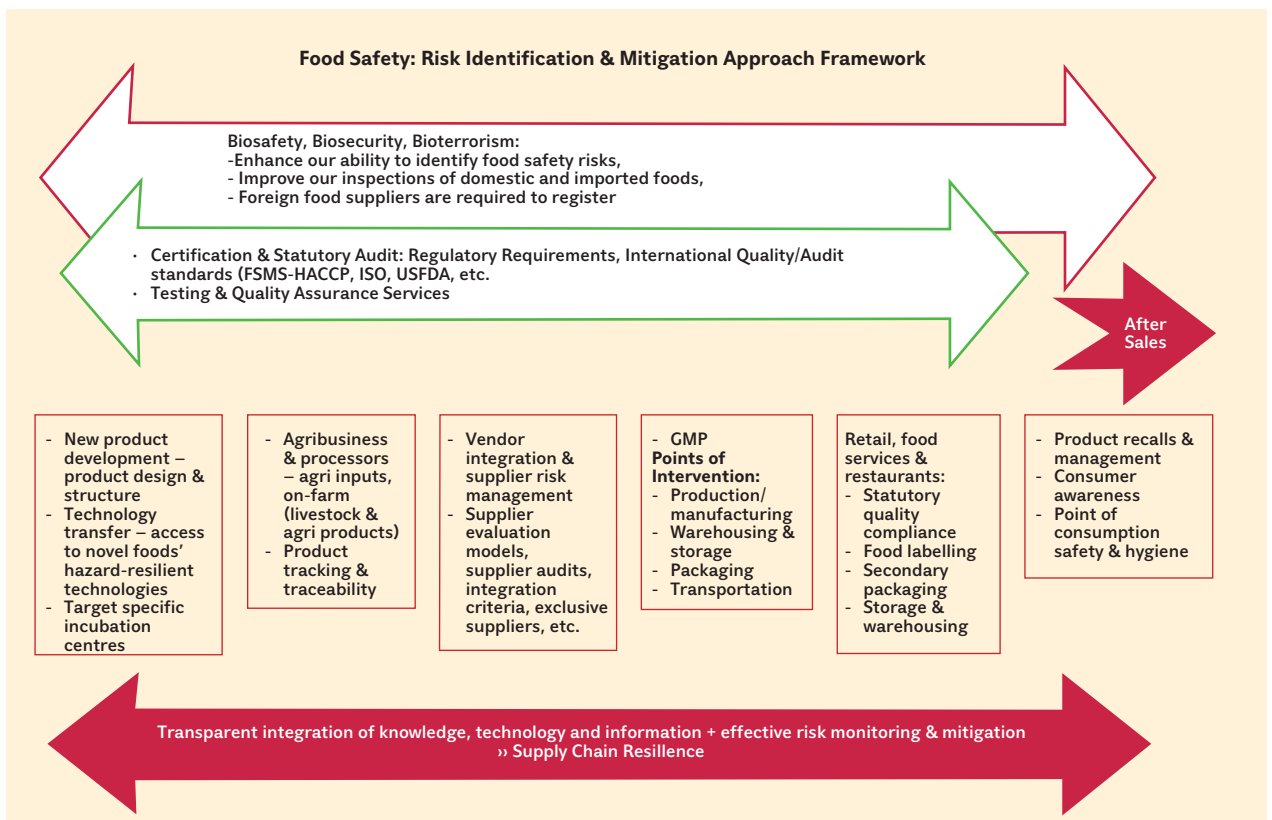
A Product Range By



CUSTOMER CARE : +91-11-27947845 / 9313131001

EMAIL: enquiry.ifreeze@gmail.com

WEBSITE: www.ifreezefood.com | Follow us: facebook.com/ifreezefood



The evolution of food supply chains is based on the changes in the outlook of the food industry and consumers becoming more conscious of what they are eating, source of food ingredient, quality of food and content specifications.

areas/ CCPs. The organisation should determine the likelihood and impact of supply chain disruptions the company is willing to accept. Based on this analysis, the company can define a through and through supply chain risk management programme. This process will lead to a greater supply chain visibility and proactive risk assessment.

Food industry megatrends

Food safety is a theme of high priority and relevance to government, civil society, private sector and inter-governmental agencies across the globe. Changing consumer preferences, changes in production and distribution methods, evolving trade & travel, shifts in climatic and environmental factors, growing antimicrobial resistance – all increase the probability of occurrence of food hazards and food safety incidents.

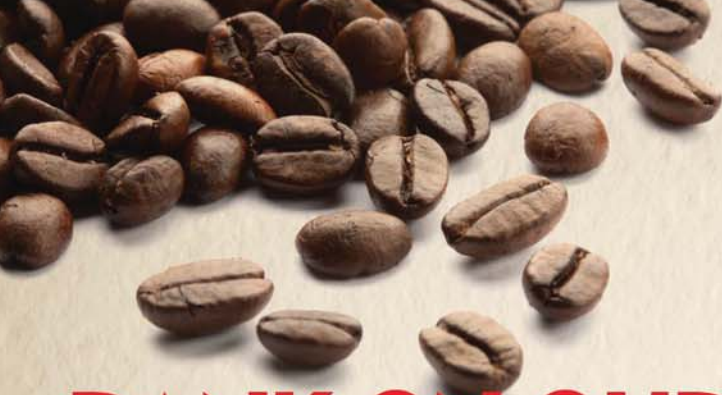
The Indian scenario

The Indian food industry is now looking forward to mark its presence on the global food market. Increasing agricultural exports have long been an integral part of the Indian government’s sector development strategy. However, there have been serious challenges faced by exporters to meet the changing food quality and safety norms of major importing countries. There have been various incidences in which Indian export products have not

complied with the International food quality and safety norms, leading to restrictions in market access to the importing countries. There have been concerns over pesticide residues in horticultural produce (EU’s ban on India’s mango exports; 2014, Saudi Arabia’s ban on India’s chillies’ export; 2014, Indian grape export crisis in 2003), aflatoxin contamination and the use of prohibited food colourants in spices’ export (Indian dry chili exports faced rejection in Germany, Italy, Spain and the U.K. due to the presence of aflatoxin in 2004-05; EU banned fish exports from India in 1997 due to salmonella detection). The existing extension system does not focus on food quality and safety domain as a result of which there is limited awareness amongst farmers towards these areas. Moreover, limited training avenues and support infrastructure coupled with the high cost of certification creates a disincentive for adoption of standard practices by small holders and marginal farmers. This poses a serious challenge of product quality standardisation for food companies engaged in crossborder procurement and trade.

International trends

By far the biggest change disrupting the global food industry right now is the US Food Safety Modernization Act 2011, which has already started impacting the global food industry. It aims to



SOUTH INDIA'S
FAVOURITE FILTER COFFEE

BANK ON OUR ROBUST COFFEE PEDIGREE THAT SPANS 7 EVENTFUL DECADES

We believe authentic filter coffee is serious business and as a testimony, proudly operate from our standalone coffee processing plant, the single largest in the country.

Till date, we have been credited for consistently producing and delivering an addictive range of robust coffee experience for in-home, Corporate and high footfall public consumption categories.

So like the millions across India, it's about time you get acquainted with a cup of Cothas.



FSSSC 22000 & HACCP certifications



Cothas Coffee®

For enquiries, demos and installation of our beverage solutions, please contact

609-560/1, 609-560/2 & 323 Part B,
Jigani Bommasandra Link Road,
Jigani Ind. Area, Anekal Taluk, Bengaluru,
Karnataka - 562 105, India.

P: 080-67278600, +91 99016 41222
E: info@cothas.com /
managerb2b@cothas.com
www.cothas.com



Alessia Pierdomenico / Shutterstock.com

Changing consumer preferences, changes in production and distribution methods, evolving trade & travel, shifts in climatic and environmental factors and growing anti-microbial resistance – all increase the probability of occurrence of food hazards and food safety incidents.

ensure that U.S. food supply is safe by shifting the focus from responding to contamination to preventing it. The FSMA gives the Food and Drug Administration (FDA) the right to recall contaminated foods and hold everyone at each step of the supply chain to greater account. It mandates that companies move beyond simple compliance to develop an effective food safety strategy focused on a preventative, risk-based approach to food safety problems. Traceability of food products, right from source to fork, is expected to bring in an upward thrust to food safety measures across the globe through increased accountability and stringent enforcement. In addition to these country-specific regimes to ensure food safety, the World Trade Organization also mandates minimum quality and safety requirements (SPS measures) for export of food products. The country-specific regulatory arrangements in this regard, over and above these minimum standards, have been often debated as “Technical Barriers to Trade” by many countries, mostly developing & least developed countries. These standards have been often alleged to infuse trade distortions in favour of the developed world.

Balancing costs and quality

Developing countries like India where food supply chains are mostly fragmented and small holder agricultural practices are prominent, awareness and cost of compliance are two major concerns to start with. Awareness is limited. There are multiple laws, numerous certifications and many implementing agencies governing food safety statutory requirements in the sector. In this complex

environment, compliance accrues a significant cost. As per a World Bank Study, the cost of SPS compliance is 13% of total FOB value and the cost of residue testing only is 7.9% of FOB value. If compliance is anyhow ensured, the product no longer remains cost-competitive in the International market. In order to create a balance between cost and quality, regulatory and policy level changes are required, first at the domestic level and then at the international level.

The best practice response

Our experience indicates leading companies apply a range of faster and more dependable methods and approaches to understand and manage their supply chain resilience. These include:

- Comprehensive supplier evaluation programmes to ensure accountability and achieve greater supply chain visibility
- Use of advanced supply chain management and logistics’ simulations to proactively map the evolution of risk to ensure timely provision of risk management, containment and mitigation strategies
- Use of third party services, software tools and data sources to understand emerging risks, meet regulatory and compliance obligations and track actions
- Leading scientific capabilities such as DNA testing and isotope analysis, which can facilitate accurate labelling or authenticate ingredients
- Enhanced recall processes connected to the overall crisis management framework that go beyond mock recall to look at capabilities across the supply chain

Next steps

Supply chain disruptions are not a matter of if, but, when and how. As economies evolve, despite the regulatory necessities, consistently high levels of supply chain disruption are being reported with a number of threats being re-considered. A more coordinated and strategic approach is needed, one that takes a holistic view to identify, monitor and mitigate weak links in the supply chain from farm to fork. Concerted efforts are required both by government and private sector at policy and implementation levels respectively. There is a need to go beyond compliance to improve standards. Enabling transparent integration of knowledge, technology and information across the food supply chain coupled with effective risk monitoring could lead to improved traceability and increased supply chain resilience, ensuring food safety and security at the global level. **PG**

CARNIVORE™
the meat lovers

CHOOSE QUALITY,
CHOOSE CARNIVORE,
SERVING YOU WITH THE
COMPLETE RANGE OF
**READY TO COOK, READY
TO EAT & RAW MEAT
PRODUCTS**



PRODUCT RANGE

- CHICKEN SEEKH
- CHICKEN SALAMI
- CHICKEN MORTADELLA
- CHICKEN HAM
- CHICKEN MASALA TIKKA
- CHICKEN HARIYALI TIKKA
- CHICKEN MALAI TIKKA
- CHICKEN AFGANI TANGRI
- CHICKEN ROASTED TANGRI
- CHICKEN SALAMI SLICED CHEESE
- SMOKED CHICKEN BREAST



10014064000391 (Central)
ISO 22000:2005 CERTIFIED

D.S. ENTERPRISES

Plot no. 415, Rai Industrial Area, Food Park, Rai, Sonapat 131029 (Haryana) India

E: customercare@denterprises.co.in | Customer care : 09871611555

www.carnivore.co.in



Pioneers of Modern Retail in North Maharashtra

Navjeevan Super Shop, which has been in business for over 70 years now, is widely regarded as the supermarket pioneer in north Maharashtra. Beginning its journey from a humble kirana store in Jalgaon in 1946, it opened its first self-service store in the city in 1993 and since then, it has taken impressive strides in modern food and grocery retailing. From 2007 onwards, Navjeevan has been on an expansion drive and opened five stores in quick succession. As of date, there are seven Navjeevan supermarkets in operation, all in Jalgaon, with a retail area spanning 21,000 square feet, which bring in a monthly revenue of about Rs. 5 crore.

“

For the people in Jalgaon, Navjeevan is the go-to neighborhood store for buying the best quality groceries, dry fruits and spices.

— ANIL KANKARIYA
Promoter, Navjeevan,
Super Shop

By Sanjay Kumar

How difficult and challenging was it to open and expand modern retail outlets in the backwaters of Maharashtra?

Initially, it was tedious and a somewhat difficult task to start and operate a modern day self-service retail shop in a city like Jalgaon. Getting access to funding resources was a problem. The cooperative banks here refused us the loan for the new store as they did not

understand the concept of modern retail. Even we had our doubts then as to whether the customers would adapt to the new setting. As it were, our first super store in 1993 opened to a huge response from the public. But after the initial euphoria, sales plummeted and it took us two years to reach the break-even point. For the first two years of our supermarket operations, the sales were even less



brother Sunil) we held our nerves. Even though it was a difficult period for us, we somehow kept the faith that modern retailing was the future and the right thing to do. Our belief in modern trade was reinforced by two incidents. The first was when our loan (without mortgage) got approved in a day by Bank of Baroda. Its Regional Manager appreciated the pioneering path we had embarked on and remarked that we were following the right trend. The second incident was when I saw Jalgaon's top physician Mr. Gupta picking up the shopping basket and enjoying the shopping experience in the store. To see him shop at our store spoke volubly of our shop's consumer appeal. Such is the rush of patients at his clinic that people have to wait for long hours to get an appointment and here he was – in person – shopping at our store for a length of time! Our intuition that modern retail is the future and that we were on the right track got bolstered. We understood that what we were doing was quite innovative and it would take some time for the concept to filter down the public consciousness and gain mass acceptability. The sense that we were doing something path-breaking in a traditional city like Jalgaon gave us great satisfaction and that feeling kept us going.

Till the time we had remained as traditional retailers, there was no visible competition. But after converting to the supermarket format, about 600 other traditional retailers in Jalgaon turned out to be our competition.

than the historical level of our old provision store (which closed after the opening of the new store), which had clocked annual sales of Rs. 10.8 million in the year 1992.

The less-than-expected sales forced us to deliberate on the issue. Till the time we had remained as traditional retailers, there was no visible competition. But after converting to the supermarket format, about 600 other traditional retailers in Jalgaon turned out to be our competition. This happened because the message that got conveyed to customers was that our new store was expensive because such a big set-up requires quite a large expense to maintain and run the operations. From whose pocket would Navjeevan earn it? For us, it took a lot of effort to break this pricey image of our store and reestablish the brand image as being pocket friendly to the customers.

A decline in sales for the newly opened Navjeevan supermarket must have been disheartening. What kept you going and retain your faith in modern trade?

By this time, our younger brother Sunil, a qualified CA, had also joined the business and together (with elder brother Kantilalji Kankariya and younger

NAVJEEVAN: FACT BOX

- Name of the retailer/ brand: **Navjeevan Super Shop**
- Type of store format: **Supermarket**
- Date of opening of first supermarket store: **13th August, 1993**
- Number of stores in operation today: **7**
- Location of store (s): **Jalgaon District, North Maharashtra**
- Total retail space under operation: **21,000 sq.ft**
- Are the stores self-owned/ rented/ leased: **5 owned, 2 leased**
- Average monthly sales: **Rs. 5 crore**
- Average bill size: **Rs. 550**
- Average footfall per month across all stores: **90,000**
- Sales per sq.ft: **Rs. 2,400**
- SKU count per store: **5,500**
- Catchment areas: **Jalgaon District**
- Average same store sales growth: **6-7%**
- Number of employees: **175**



Twenty five years ago, the challenge was to convert the people over the counter to shop in a self-service supermarket. That challenge is still there in the new markets at the tehsils of Jalgaon or in the neighboring areas. People still perceive OTC to be cheaper as compared to shopping in a supermarket.

What exactly did you do to restore the customer faith in the brand?

We adopted a three-pronged strategy to dispel the misconception in the customer's mind about Navjeevan being a more expensive place to shop than at the traditional retailers. Our first strategy was to organize a house-to-house survey and offer discount coupons to the consumers. Our supermarket had now been running for two years and we executed this strategy in 1995. About 18,000 households were surveyed and were offered Navjeevan Super Shop discount coupons on specific popular items. The scheme proved to be an instant success and sales increased by 25%. Moreover, the survey provided us great insights on customer requirements through their feedback, which was invaluable. People who had never stepped in the shop or were hesitant or those who were totally unaware of this modern retail concept started entering our self-service shop.

Our second strategy was to introduce a money deposit scheme – deposit Rs. 5,000 and earn a monthly discount of Rs. 125. This strategy too paid off and eased the pressure on our loan installments, apart from also attracting and retaining a high number of customers. The third strategy that we implemented was to introduce the concept of sales girls and lady cashiers in our shop. Women

employees were also engaged for cleaning/ sorting operations (grocery, etc). They effectively became the front-line staff in our retail business. This helped us in building trust with our customer base and it also helped the public to understand the concept of self-service easily.



Once sales bounced back, how did you keep the momentum going and build on the gains?

After the initial tumultuous days had passed by, we planned and more effectively executed the techniques of modern retail and store management. For instance, we started offering festival schemes with free gift offers, which became a big hit with the consumers. The first such exercise was carried out in



25 YEARS OF SUPERMARKET OPERATIONS

The story of Navjeevan Super Shop goes back to the time when the Kankariya paterfamilias Zumberlalji Kankariya opened a kirana store measuring 44 sq. ft. in mid 1946 at Jalgaon, north Maharashtra. Even since, the Kankariya family has been carrying forward the family grocery business, which in the past 25 years has grown and transformed into a successful food and grocery supermarket retail enterprise with seven stores in different parts of Jalgaon, which rake in about Rs. five crore in monthly sales.

In 1964, the family opened its first proper grocery shop in the neighborhood store format. In 1993, the family opened its first self-service superstore in Jalgaon. "The inspiration for opening our first supermarket store came during one of my visits to Chennai, in the late '80s, where I came across a self-service store that offered me a glimpse of the future of Retail. Later, I visited similar stores in Maharashtra at Kolhapur and Mumbai and got to observe

this new phenomenon of modern retail. My elder brother, Kantilalji Kankariya, was a firm believer of upgrading the customer and he saw it as natural succession to the traditional way of retailing. After deliberating the pros and cons, the family finally decided to expand into modern retail. The year 1993 was a watershed year for us as the city got its first supermarket store and it turned us into the pioneers of modern retail in northern Maharashtra," says Anil Kankariya, Promoter, Navjeevan Super Shop.

Since 2007, Navjeevan has been expanding consistently and from one superstore it has expanded to seven stores today – five self-owned and two leased – with 21,000 sq.ft of total retail space under operation. Another turning point came in 2015 when the Kankariyas opened their 6,000 sq. ft. mini hypermarket – Navjeevan Mega Mart – on national Highway 6, Jalgaon. "It is our belief that even in Jalgaon, which is considered a Tier III town, people here have aspirations too. So it is only fair that we have

different formats to meet their expectations. Since we keep our ears to the ground and treat each of our customers with utmost respect, we have been able to win their trust and loyalty. Navjeevan has today become Jalgaon's very own Retail brand and we see our relationship with the city and its people getting even stronger over time," says Anil Kankariya.

He adds: "We are the first retail chain in India to give one month shopping free to our customers. This is the simplest and most rewarding loyalty program by a retail chain. The beauty is the simplicity and direct visible benefit to the customer. In this scheme, we give one month shopping free to the customer against her shopping at Navjeevan during the 12 months of a year. We also provide free home delivery to our senior citizen customers. We are pleased to be completing 25 years of our supermarket operations in August 2018 and we have been one of the earliest pioneers to have achieved this feat."

the year 1996. Navjeevan distributed free bone china mugs with the shop's logo embossed to all customers that shopped for goods worth Rs. 555. We became the first F&G retailer to introduce the barcode system in north Maharashtra (year 2000). In the year 2005-06, we introduced annual lucky draws with offers for free shopping. Customer Meets were also organized on a few occasions. Thanks to such initiatives, our sales climbed to Rs. five crore annually. In a 1500 sq. ft. shop, we reached this figure (Rs. 2800 sales per square feet) in the year 2005. Today, our seven stores combined pull in monthly sales of Rs. five crore.

Apart from these measures, we also went for some interesting collaborations with brands. In the year 1995, we convinced P&G to offer an attractive discount of 20% on Vicks VapoRub during the rainy season. It sparked an instant reaction from all the medicine shops in the town. In protest, they banned P&G products for 15 days! This had happened for the first time in the retailing history of north Maharashtra – local players coming together to ban the product of a global player!

There are quite a few other interesting instances involving Navjeevan. Once, an entire mohalla (colony) in the city trooped into the shop after they came to know about some great offers. In general, our retailing strategy is to follow and implement Wal-Mart's sundown rule, which is to make the unavailable products available to the customer in an hour and we continue to implement this strategy to this day. Our shop has been visited by the head honchos of many global and national brands, all of whom have been generous in offering us the formal guidance to better retailing practices and also motivated the family to expand. Thanks to our adoption of those new techniques and armed with a retail experience of spanning decades, Navjeevan's expansion over the years has been successful and extremely fulfilling for us.

How would you assess the impact of your retailing success in a small tier city?

Navjeevan launched its second super store in 2008 and it has been a success from the first month itself, quite unlike our experience with the launch of the first store way back in 1993. This second store is located near the highway and at a distance of 3 km from the first store. On its launch, we had introduced tempting inaugural offers and the store was branded as the first mall in Jalgaon city. As part of our unique branding exercise, Navjeevan had distributed Rs. 50 notes endorsed by "Bank of Navjeevan" in various localities of the city. This shop was an improvement over the first one in many ways. Various new lifestyle categories were now added such as ready-made garments, crockery, steel utensils, etc. There was a huge rush on the inauguration day and it was really tough to manage such a huge crowd. Barely 12 hours into the inauguration and the store was empty. All of us – Navjeevan staff, Kankariya family and friends – had



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

2018年9月
5-7日

中国香港
亚洲国际
博览馆

5-7 September 2018

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 · flb@scs-group.com



Our shop has been visited by the head honchos of many global and national brands, all of whom have been generous in offering us formal guidance to better retailing practices and also motivated the family to expand.

worked for days to fill the shelves and present the store to customers on the inauguration day. Whereas it was a great sensation to see such a staggering footfall on day one and find the shop shelves emptying out within hours, all of us also learned some great lessons in store planning, the power of word-of-mouth publicity and customer management.

However, I will also admit that along with our success, we have made quite a few mistakes too. Our expansion took place a bit late in the day. With the benefit of hindsight, I feel that we should have opened our second store earlier. Immediately after the opening of our second branch, Vishal Mega Mart opened in Jalgaon. That development became a real test for us as Navjeevan was facing national level competition for the first time. But despite the tough competition, the development has helped to grow the overall modern retail pie/ share in the town! We have continued offering various new schemes such as Happy Hour shopping, Minimum MRP Discounts, etc. At the same time, just a year after the opening of our second store, we launched our third branch – a comparatively small store of 1200 sq. ft. – in the vicinity of Vishal Mega Mart (just 50 meters away) in the year 2009.

Big Bazaar and D-Mart both started in Jalgaon in 2010 and 2011 respectively. As a planned expansion, Navjeevan Super Shop added its fourth

branch in 2012. This branch is situated near D-Mart though this time the aim was to serve the customers of Mahabal and the surrounding colonies (the growing city limit of Jalgaon situated at the north of town). Competition was intense but the share of modern retail in Khandesh (north Maharashtra region) grew enormously. It was now easy to convince FMCG companies to consider Navjeevan at par with the national level competitors (in Jalgaon) and provide us with better terms of trade. Earlier, FMCG companies used to think of Jalgaon as Tier IV town. Now, it was upgraded to Tier III.

It was a great learning experience from all these national level players. D-Mart taught us the value of offering benefit and discounts and Big Bazaar taught the value of conducting various interactive customer events. Now, our aim was to differentiate from these giant national players and we began doing so by combining the strategies of these national players. We came up with our own schemes and events that were quite revolutionary in the sense that no one had implemented them before!

With your long experience of operating a supermarket in a Tier III city of Maharashtra, how do you look at the challenges today?

Twenty five years ago, the challenge was to convert the people over the counter to shop in a self-service supermarket. That challenge is still there in the new markets at the tehsils of Jalgaon or in the neighboring areas. People still perceive OTC to be cheaper as compared to shopping in a supermarket. To some extent, it is true because of the much lower operating costs of kirana shops. On the other hand, we have the most successful national player D-Mart competing against us. However, thanks to our USP, we have sustainably grown over the past decade.

What is the location strategy for your stores? Which locations do you prefer?

Our thumb rule is that wherever our stores are located, it should have a catchment of at least 8,000-10,000 households within a two kilometer range. The city's market area is also an attractive location provided the rent is competitive.



TENDER AND LEAN
**GOAT
MEAT**
FARM BRED



HEALTH

JOY



BEST BRAND OF THE YEAR 2018 (FROZEN FOOD)- ET



Cover Story

In general, our retailing strategy is to follow and implement Wal-Mart's sundown rule, which is to make the unavailable products available to the customer in an hour and we continue to implement this strategy to this day.

Over the years, what marketing positioning have your stores achieved?

The market positioning of our stores is that of 'under one roof satisfaction for all your home needs'. We satisfy our customers with their essential shopping needs. Secondly, we follow leadership pricing and deep discounting as well to keep the customers loyal to the stores. We also follow the practice of 'one day super low price'. We organize regular shopping events on a month-on-month basis, depending on the occasion or festivals. Recently, we organized and celebrated 'Face of the Women's Day' competition on 8th March. We clicked photos of our customers using a professional photographer and a copy was provided to them. We had created the background of our logo as prop for the photo shoot.

Which are the elements that have become the identifiable hallmarks of your brand?

The Navjeevan brand is foremost known for its quality. People in the region know that if they want to buy the best quality groceries, dry fruits and spices, it will be available at Navjeevan. Our



top quality private label products have become our stores' hallmarks and have garnered wide customer affection. In the past three years, we have started increasing the variety of our private label products. The move has paid rich dividends as it has helped to increase our customer base. Secondly, Navjeevan has become 'your go-to local neighborhood store' as our stores cover the entire Jalgaon city.

Which are the categories that have your private label products?

Food has been our strength for the past 50 years. And it will remain our strength going into the future as well. Our private label products span all fast moving groceries, dry fruits and spices. We are improving the packaging of our private label products in the earlier mentioned categories.

MRP ₹55

MRP ₹40

MRP ₹55

MRP ₹40

MRP ₹55

LIFT YOUR SPIRITS WITH NON-ALCOHOLIC, CAFFEINE-FREE MOCKTAILS AND MIXERS

MIX TALE
Beverages

For Any Distribution Queries, Please Contact
+91 70454 55899 | +91 99309 94005

www.mexerbeverages.com
[f](https://www.facebook.com/mixtalebeverages) [i](https://www.instagram.com/mixtalebeverages) [t](https://www.tiktok.com/mixtalebeverages) [y](https://www.youtube.com/mixtalebeverages) /mixtalebeverages



FLAVOURS OF THE OCEAN

Empire Foods, a Division of Empire Industries Ltd., is one of the fastest growing companies in the food industry. We are the leading importer and exporter of quality seafood products in India. We import Basa, Salmon, Smoked Salmon, Lamb, Pork, Duck, Chilean Seabass, Black Cod, Tuna Saku, Tilapia, Caviar, Truffle and other rare products from all over the globe and market them pan-India. We have a well established, efficiently managed cold chain distribution network across the country. We are the leader in the HORECA segment in most of our products.

Exports Division

We grow and process premium Vannamei Shrimps from the pristine waters of Eastern Coast of India. Our processing plant is located in the beautiful city of Nellore in Andhra Pradesh. Our products list comprise of range of raw and cooked Vannamei Shrimps.



Our Market

Our major markets include USA, Canada, Europe, Japan, Australia, Vietnam, China and Middle East countries. At Empire Foods, we always listen, understand, satisfy and respect our customers.



Empire **FOODS**

📍 Empire Complex 414, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
 📞 +91 22 66555435 ✉ sales@empirefoods.co.in 🌐 www.empirefoods.co.in



The general benchmark for adding a new product is that it should add value or must match the quality of the existing brands in the market. Quality assurance and reliable consistent supply is the key for tying up with new manufacturers and suppliers.

What has been the growth rate of your private labels?

Our private label has the same growth rate as that of our stores – 6-7%. In particular, the dry fruit category has seen exceptional growth in the past few years. We will be gradually increasing our private label products and we recently launched our private label in wheat, which we directly source from the primary producer. Whichever private label in food that we have launched or improved the packing of, all have seen a tremendous off-take.

What are your criteria for tying up with new manufacturers and suppliers?

We take these decisions based on customer feedback, feedback from trade exhibitions and market intelligence. The general benchmark for adding a new product is that it should add value or must match the quality of the existing brands in the market. Quality assurance and reliable consistent supply is the key for tying up with new manufacturers and suppliers.

Can you share some insights about your sourcing strategy?

We generally keep 2-3 suppliers for a single category. The quality of the products to be supplied is pre decided and also each lot of products is checked. Feedback on product quality is shared with the suppliers all the time. We try to maintain a win-win partnership with the supplier. However, it's been getting difficult day by day to maintain a proper supply chain with FMCG companies. The process has become too complicated and time consuming.

Which are the new emerging categories at your stores?

Categories like instant food and namkeens have been witnessing good growth in recent years. The emergence of modern trade is a primary reason for driving this demand. At the same time, consumption pattern too is changing and customers want to have instant solutions regarding their essential needs.

Any noticeable consumption trends for the products in your store?

Dry fruits have seen tremendous growth over the last few years in our stores. People have started spending freely on dry fruits as an essential item of their monthly needs.



Which are the interesting concepts that you have introduced at your stores?

Merchandising is done considering the daily schedule and shopping pattern of customers. We assort the categories that we need in the morning first. For example, we start with toothpaste, tea, biscuits, bath soaps, hair oil, deodorants, etc. We keep food and non-food separate. For inventory management, we simply cut down on the product that sells less than five pieces in volume a month.

Will you concentrate on growing online or taking your store count up?

Our focus is offline. We see a tremendous opportunity as a regional player to grow offline. Modern retail is still in a nascent stage in India. We plan to expand in Tier IV towns/ talukas near Jalgaon and give those small towns a modern touch. **PG**



World's Best Tube Ice Machines

Available in the range of 1 ton to 125 tons per day.



Hospitality Industry



Seafood Processors



Chicken Processors



Bakery Industry



Retail Ice (Point-of-sale)



CHIRAG ICE FACTORY PRIVATE LIMITED C-105/2, TTC Industrial Area, Pawane MIDC, Navi Mumbai, 400705 India. Contact: 9833403841. Email : rustom@icelings.com / contactus@icelings.com

ICELINGS - Tube Ice Plants

- Icelings India's Ice Industry Leader - Tube Ice Plants.
- ICELINGS is one of the world's largest manufacturers of Tube Ice plants.
- More than 300 installations in 20+ countries.
- Installed the world's largest ice plant for one of the largest gold mining company in South Africa.
- ICELINGS is an ISO certified company offering a complete range of Ammonia and Freon tube ice plants from 1 ton to 125 tons per day.

ICELINGS offers customized solutions for various industries like Hospitality, Chemical, Seafood processors, Ready Mix Concrete, Chicken processors, Bakery applications, Retail Ice, etc.

ICELINGS - The PUREfect Ice.

- First Time in India.. Packaged Tube Ice made of **BOTTLED WATER QUALITY** purified water.
- Ice is a forgotten food in India. It's high time you took as much care while consuming ice. Remember, **ICE IS FOOD!!!**
- ICELINGS is a leading manufacturer and distributor of premium quality packaged ice in India.
- ICELINGS offers pure quality and hygienic tube ice. Manufactured with state-of-the-art technology as per IS 10500:2012.
- Untouched by human hands throughout the manufacturing process. Packaged in special food grade LDPE bags which is certified by FSSAI, IPIA and AIPIM.
- ICELINGS is looking for franchise partner to manufacture and distribute premium quality packaged ice in India and join them in creating an ice revolution in the country. Interested partners can get in touch at franchise@icelings.com

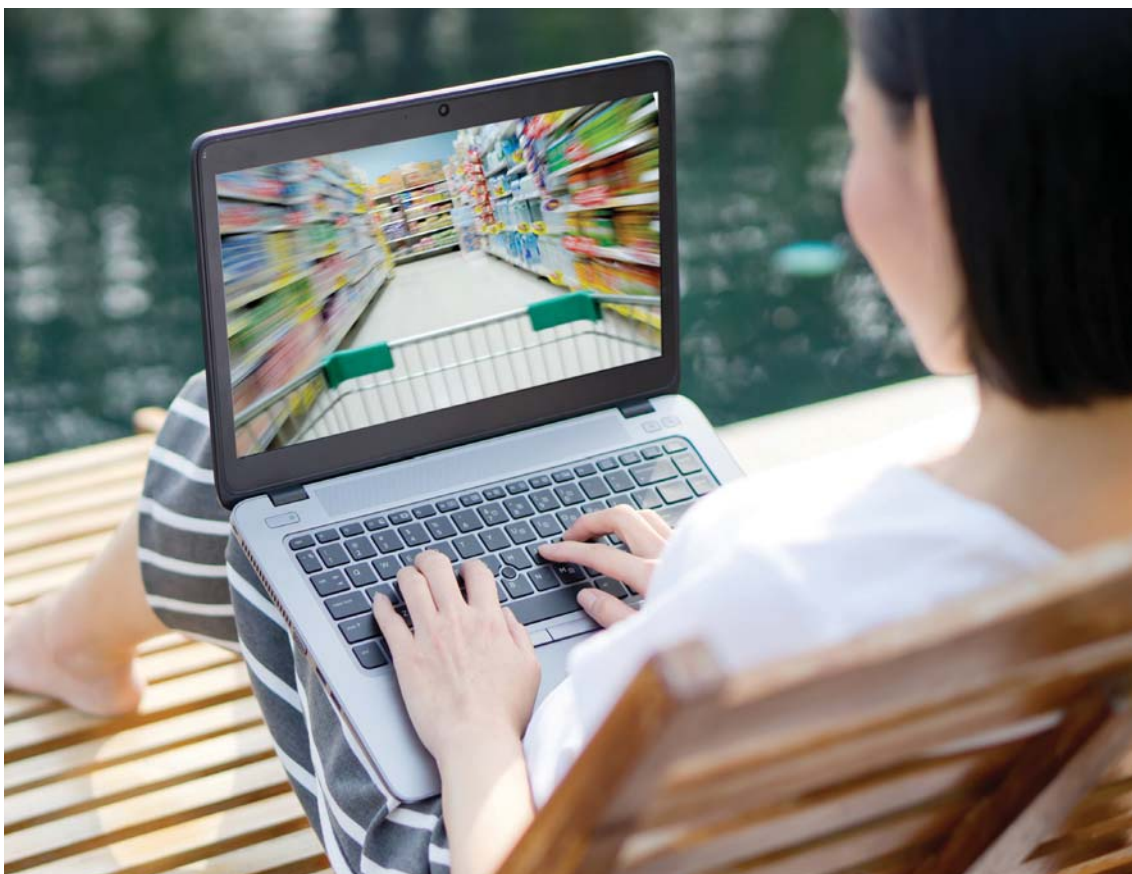
PUREfect Ice. Cooler Profits.

As a hotelier, earn money with quality ICELINGS Ice.
Make your restaurant compliant with FSSAI Certification too.



Available in Tube Ice - 1/2kg, 1kg, 2.5kg, 5kg & 10 kg institutional packs / Block Ice - 5kg

CHIRAG ICE FACTORY PRIVATE LIMITED C-105/2, TTC Industrial Area, Pawane MIDC, Navi Mumbai, 400705 India. Contact: 9833403841, 9820329885. Email : rustom@icelings.com / contactus@icelings.com



E-grocery: Hyperlocal or Inventory based?

The e-grocery segment is currently at a stage where the leading companies are trying out different models around grocery delivery: inventory-based and hyperlocal models. Companies that can blend the convenience and swiftness of buying groceries online with the customized, credible, and secure transactional experience of offline shopping will eventually grab a major share in the Indian grocery market.

By Dr Sandeep Puri, Dr Shweta Pandey, and Prof. Anand Khanna

The emergence of internet connectivity, a plethora of payment options and smart internet-connected devices combined with the need for convenience and best prices has created down a strong foundation for the rise of e-commerce in India. According to a report by payment processing company Worldpay, India is likely to become the second largest e-commerce market in the world with revenue expected to reach around US\$64 billion by 2020. E-grocery remains a big segment in the market and as per a report by Franchise India, the online grocery market is expected to be about USD 3 billion by 2018-19.

The e-grocery segment in India is becoming hypercompetitive with more than 50 e-grocery companies competing with each other for the customer base. So far, the e-grocery market has reached an annual gross merchandising value (GMV) or sales of USD 600 million in 2016 and USD 960 million in 2017. Annual transactions have increased by around 35% from 35 million in 2016 to 46 million in 2017. This e-grocery segment has been tried out by several players like Bigbasket, BigBanya, Zopnow, MyGrahak, Aaramshop, Askme, and Jugnoo in India. Each company is trying to offer the best quality products with the fastest delivery time.

Many factors have contributed to the emergence of the various e-grocery formats in India. The



e-grocery model is mostly a standardized segment that doesn't need touch-and-feel options. India has a sizeable base of young working population that does not want to spend time on grocery shopping at brick-and-mortar stores. Further, equipped with rising disposable incomes and substantial knowledge of the internet, they find it easier to shop online. In addition, consumers living in metro cities like Delhi, Mumbai and Bangalore find comfortable doorstep delivery attractive compared to the hassles of traversing the ever-increasing traffic jams and parking non-availability. Moreover, there is an easy availability of a wide product range online because e-grocers offer more than 10,000 stock keeping units as compared to the 1,000 SKUs of the traditional retailers. This difference has led to a one-point availability of a wide range of options to consumers in the comfort of their own homes.



The enhancement of logistics providers and tie-ups with local taxi services like Uber have also evolved the door-to-door delivery options for online grocers from the pain of carrying grocery bags and standing in long queues at the supermarkets. Finally, the steep price discounts on bundled products and minimum order size have witnessed an increasing acceptance in these markets. However, a substantial consumer base residing in tier II and tier III cities has not yet been able to get on the e-grocery bandwagon as they have low awareness, lack of internet self-efficacy, and are more prone to face-to-face price bargains. The competition has been rising and e-grocers are strategically targeting these markets to increase their presence across the country.

Which is a better model?

The e-grocery segment is currently at a stage where the leading companies are trying out different models around grocery delivery: inventory-based and hyperlocal models. Big Basket is one of the top players in the business with over 500,000 customers, operations in seven cities, and a web platform and

an app. ZopNow has both app and web presence whereas Grofers is only app-based. The business models across the players differ. Players like Big Basket use an inventory-based model, where the company maintains its own inventory; whereas Grofers follows the hyperlocal model.

There are pros and cons of each model. The companies following the inventory-based model have more control on the quality of products delivered. Also, as the companies are taking full control of the supply chain by sourcing direct from the farm, it offers better profit margins. Bigbasket, for example, procures the products directly from the manufacturers, suppliers, and farmers, and then stores them in their warehouses. Bigbasket also takes control of the delivery to execute full control over customer experience. The model is costly since it requires setting up a warehouse, quality checks, inventory management, and transportation facilities. There's also the possibility of wastage if perishable products are not consumed within a stipulated time. Players like Big Basket also sell private brands like Fresho (fruits, meat, bread, and vegetables), Popular/ Royal (staples) to manage their margins effectively. In spite of the initial investments, the inventory-based model looks more promising in the e-grocery market.

On the other hand, the hyperlocal model works on purchases made from local store retailers and delivered to the customer. The e-grocers using the hyperlocal model earn money based on commissions from local store retailers (kirana stores). Investments in hyperlocal grocery formats have been made by several companies. For example, Grofers is a hyperlocal grocery app valued at around USD100 million. Amazon Kirana Now is already operational as a pilot project in Bengaluru and Paytm has introduced Zip mobile app in Bengaluru. Ola store, a hyperlocal grocery mobile app, has been introduced by Ola. Flipkart is also experimenting with a pilot project on e-grocery with a service called Supermart in Bengaluru.

The new hyperlocal channel has its set of benefits and issues for both marketers and customers. It offers category managers another new channel, apart from the existing traditional and marketplace channels to reach their customers. The margins offered by this channel are higher as compared to the inventory-based model as there is no need to have physical infrastructure. As per estimates, hyperlocals enjoy

The companies following the inventory-based model have more control on the quality of products delivered. Also, as the companies are taking full control of the supply chain by sourcing direct from the farm, it offers better profit margins.



margins of up to 20% versus 3 to 7% for inventory-based models. This increase on margins allows hyperlocals to offer good discounts. Further, the repeat purchase nature of the products ensures higher volumes. However, if not managed well, it can negatively impact brand image. For example, the delivery is done by service providers or agents who are the face of the company to the customer, so they need to be trained and equipped to handle customer issues. In addition, there is this question of whether they should handle the one-to-one personal delivery being done by the local kirana store directly to the customer, which in many cases is done free of charge.

- Investor pressure
- Last mile delivery: Costs, manpower attrition, technology, time-slot delivery
- Limited options for the customers
- Quality of products

The way forward

E-grocery is considered to be a high repeat and easy-to-buy category and many players are targeting it. The existing players are fighting to increase their market share and new e-grocery startups are vying for space in this category. With the entry of deep-pocketed players like Amazon Kirana Now in



As per estimates, hyperlocals enjoy margins of up to 20% versus 3 to 7% for inventory-based models. This increase on margins allows hyperlocals to offer good discounts. Further, the repeat purchase nature of the products ensures higher volumes. However, if not managed well, it can negatively impact brand image.

Challenges

Most of the hyperlocal e-grocery startups advertise faster delivery of products with attractive discounts for the customers. However, the model witnessed high logistics and transportation costs, which lowered the profit margins due to multiple small order sizes. Having the right local grocery retailers for supply is a herculean task for these companies. Most of these local retailers have a limited choice of products, and the quality of the products in many cases is compromised for the sake of quicker deliveries. This resulted in limited grocery items to a household, which further affected the order value. The average order value for these hyperlocal companies ranges between INR 200 and INR 500 with an average commission of 5% from the kirana stores.

The e-grocery companies faced problems like raising capital, sourcing of the right products with right quality, transportation, and finding the right suppliers. Quite a few hyperlocal e-grocery startups have had to undergo a rough patch and the last few years have seen the shutdown of several hyperlocal e-grocery startups. The three major reasons for the collapse of PepperTap's were weak technology, hasty expansion, and unfeasible discounting. There are several reasons why the hyperlocal delivery model did not work for these players.

- Discounts and offers
- Too many stores to link to

the market, the remaining hyperlocal startups like Grofers may need to up their ante to ensure they do not suffer a similar fate as others that have called it quits. It is important for the existing players to offer more customer-friendly options. Customer experience management is critical and companies must try to cover different customer touchpoints. The companies also need to improve the technology and optimize the supply chain.

E-grocery in India is expected to be one the three most attractive segments for e-tailers after consumer electronics and apparel. The players in this segment need to evolve with the changing consumer expectations. E-grocery companies that can blend the convenience and swiftness of buying groceries online with the customized, credible, and secure transactional experience of offline shopping will eventually grab a major share in the Indian grocery market. **PG**

Dr Sandeep Puri **Dr Shweta Pandey** **Prof Anand Khanna**

Dr Sandeep Puri is Associate Professor, Asian Institute of Management, Philippines; Dr Shweta Pandey is Associate Professorial Lecturer, De La Salle University, Manila, Philippines; Prof Anand Khanna is Associate Professor, Institute of Management Technology, Ghaziabad, India.



The House of Savouries



Contact for any business inquiries:
FARSAN FOODS PRIVATE LIMITED
Nainesh Patel
M: 9819231240
E:sales@farsanfoods.com





FROZEN FOODS: WARMING UP TO THE NEW FRESH

The frozen foods market in India has been clocking a double digit growth in recent years and this pace of growth is likely to continue in the future. Though the infrastructural limitation of cold chain poses a formidable challenge in an already space-starved retail place, the change in our lifestyle, work environment and food habits are acting as drivers for pushing the acceptance and demand for frozen foods. Research suggests that consumers appreciate the variety, taste, ingredient quality, and dietary options of today's frozen meals. On the manufacturer side, companies are emphasizing their health-and-wellness innovations: trans-fat reduction or elimination, saturated fat reduction, introduction of products with whole grains and fiber, sugar and sodium reduction, and portion control, besides also adding to the flavor and variety of their frozen food products.

By **Sanjay Kumar**



India's frozen food market is believed to be pegged at about USD 485.7 million currently, extrapolating from various studies and industry estimates. As per one such estimate, the Indian frozen food market had total revenues of \$335.2 million in 2014, representing a compound annual growth rate (CAGR) of 14% between 2010 and 2014. One industry forecast suggests that the frozen food industry in India is projected to grow at a CAGR of over 16% to reach \$ 754 million by 2023.

A TechSci Research report, "India Frozen Food Market By Product Type, By Organized Vs Unorganized, Competition Forecast and Opportunities, 2011 - 2021", says that India's frozen food market is projected to grow at a CAGR of around 15%, during 2016-2021, on account of an increasing number of modern retail chains, rising number of refrigeration facilities in small retail shops and rural households, rapid development of fast food chains, aggressive marketing strategies by major frozen food manufacturers, and longer shelf life and easy availability of frozen food products. Another report, "India Frozen Food Market Outlook, 2021", says that the frozen food market of India has been growing at a CAGR of 15-20% in the last four years.

According to **Shankar R Nair – National Category Manager – Frozen and Dairy, SPAR Hypermarkets**, "The frozen category in India has been recording a healthy growth at a CAGR of 20-25% thanks to increasing customer appetite and acceptance for frozen foods complemented by an increase

in the available freezer space in the retail domain. A deeper analysis of the industry reveals that the market for frozen food has the potential to grow three-fold over the next five years. However, there are certain constraints limiting its growth such as infrastructure, which calls for a massive investment in transportation (cold chain) and storage required to serve modern retail and the food service segment.”

The market is segregated into six segments: frozen vegetables, frozen snacks, frozen seafood, frozen poultry, frozen red meat and others. Frozen snacks and vegetables are the largest category in terms of sales volume whereas frozen poultry, seafood and red meat have started gaining in currency in recent years. Not until long ago, the frozen food industry in India was limited to only basic frozen vegetables and French fries. Even today, though India is the second-largest producer of vegetables and contributes about 14% of the total world production of vegetables, only 2% of the entire production of vegetables is frozen.

As per industry estimates, the frozen vegetables market constitutes 31% of the total frozen food market and this share is anticipated to increase further. The category is expected to grow at a CAGR of 17.65% over the next six years due to changed lifestyle, year round availability and price stability of frozen

vegetables. The demand for frozen vegetables is increasing in the country as Tier-I and Tier-II cities are aware of the brands and products. The number of working women has increased in these cities, which is generating greater demand for such ready-to-eat products. Restaurants have also started perceiving frozen vegetables as a good alternative that obviates the need for more labor and effort required in using fresh vegetables. Quick service restaurants have also contributed significantly to the demand for frozen vegetables. Green peas are the most popular frozen processed vegetable, produced and purchased in India, followed by mixed green vegetables and corn.

Solitaire Drugs and Pharma Pvt. Ltd (Food and Beverage Division) is one of leading manufacturers and exporters of frozen vegetables, frozen fruits, frozen ready to cook, pulps, jams, pickles, among other products today. The company has three popular brands under its banner – I-Freeze, Snacky’s and Shagun. “The company started its operations in 2014 and supplies its products to Cash and Carry stores, institutions, modern trade and general trade. I believe all these markets play a significant role in building a brand. We are also into private label and the target consumers for our products include housewives, school and college students and working people in the 18-45 age group. Our products are also preferred for parties and small gatherings,” says **Avnish Kumar Jain, Chairman cum Managing Director, Solitaire Drugs and Pharma Pvt. Ltd (Food and Beverage Division)**. “Our vision is to be the preferred first choice supplier for all our customers’ requirements and our mission is to attain market leadership in our business areas by creating customer delight through value, innovation, and service. We are growing rapidly in north India and our target is to expand pan- India. Soon, we will be starting operations in south India and then will expand to other markets,” says its **Executive Director, Sulabh Jain**.

Until about a few years ago, frozen food players were largely dependent on the export market, which helped them earn a large part of their revenues. However, with the growing importance and penetration of frozen food in the commercial and retail sector, the domestic market has also turned out to be lucrative now. Take the case of Farsan Foods India, a leader in traditional Indian savory snacks – samosas, spring rolls, kachoris, patties, tikis, veg burgers, bhajis, among others – which has set up its factory in India now to produce quality hand-made frozen snacks for the Indian market. The company is originally based out of Leicester, UK, but has opened a new factory in Halol, Gujarat. “We make authentic quality products at an affordable price besides also supplying to the



The frozen category in India has been recording a healthy growth at a CAGR of 20-25% thanks to increasing customer appetite and acceptance for frozen foods complemented by an increase in the available freezer space in the retail domain.

— **Shankar R Nair**
National Category Manager – Frozen and Dairy, SPAR Hypermarkets





markets in the European Union and North America. With our base in Leicester, UK, investing in India seems to have happened at the right time for my food exporting company. We also support local vegetable producers by acquiring their fresh produce for our export food products,” says **Nainesh Patel, Owner, Farsan Foods.**



We are a leading manufacturer, supplier & exporter of Tube Ice manufacturing plants, cooling systems and industrial refrigeration plants. Our clientele includes mostly mid-to-large scale food, beverage, pharmaceutical, and hospitality enterprises.

— **Rustom Irani**
Managing Director &
Owner, Icelings

Today, quick service restaurants, fast food chains, hotels and cafes, not only in the metros but even in Tier-II and Tier-III cities, are gearing up to offer their customers the finest in food along with ambience. Hence, they have started using frozen food to serve their orders quickly and efficiently without any hassles. There are three end users of the Indian frozen food industry: retail consumers, commercial businesses and exports. With the growing acceptance and popularity of frozen food in the F&B sector and along with the growth and boom of the foodservice industry in India, there is also a high demand for companies that specialize in providing turnkey tube ice plants, industrial refrigeration equipment and slurry ice machines.

One such provider of products and services is Icelings, one of the world’s largest manufacturers of Tube Ice plants with installations in over 20 countries. Over the past decade, the company has grown from strength to strength and has successfully installed the world’s largest ice plant for one of the largest gold mining company in South Africa to the smallest of ice vendors in a town in Zimbabwe. “We are a leading manufacturer, supplier & exporter of Tube Ice manufacturing plants, cooling systems and industrial refrigeration plants. We mass manufacture high-quality, industrial grade ice production equipment. Our clientele includes mostly mid-to-large scale food, beverage, pharmaceutical, and hospitality enterprises. Keeping specific customer requirements in mind, we custom design each plant. Our range is from 1 tonne to over 125 tonnes of ice production per day. We are a trusted source of benchmarked quality products and customer-centric services,” says **Rustom Irani, Managing Director & Owner, Icelings.**

For retailers, frozen remains a niche category even though consumer acceptance and receptivity to frozen is rising appreciably. “It is tough to comment on the contribution of this category to the overall food business as this category is niche and is slowly taking a share of the regular snacking options available currently. Frozen increases the average basket value as compared to

| Frozen Foods Mkt Size (Rs. Cr) | Retail | Food Service / Institutional | Total Market |
|--------------------------------|-------------|------------------------------|--------------|
| Vegetarian | 400 | 800 | 1200 |
| Non-Vegetarian | 1000 | 1800 | 2800 |
| Total | 1400 | 2600 | 4000 |

the regular snacking options available in the category,” opines SPAR’s Nair.

Growing acceptance and popularity of frozen

Today, busy lifestyles along with rapid economic development and a growing urban population are influencing consumers to shift their dietary preferences towards ready-to-eat food products. As a result, India’s food market is projected to double in size in the coming few years. The processed food market, therefore, has witnessed the entry of many brands offering a variety of products across different processed food categories. “The concept of frozen and ready-to-eat food products is new to the Indian market. However, the market for frozen food is gradually expanding. The number of companies introducing their products in this segment is increasing by the day with players like Amul, ITC and Godrej introducing new products and variety in the market. So, frozen and ready-to-eat food products have a very good potential in the coming future,” says **Amit Bajaj, Managing Director, Vezlay Foods Pvt. Ltd.** Among all the food categories, frozen convenience food is expected to be the latest trend in Indian processed food market.

Frozen foods have some real benefits that go beyond convenience. Freezing means less waste, which is a sad fate of a large percentage of all food produced in India. Whether it’s home cooks freezing excess ingredients for their own for use at a later time, or relying on frozen produce or fruit in order to avoid having things go bad in the fridge, freezing is very helpful. Consider, too, how much less waste is generated by cooking a frozen meal in a single container or bag, compared to the waste that accompanies most takeout meals – styrofoam or plastic containers, disposable cutlery, condiment packages, paper napkins, and plastic bags. Also, the retail sector is growing with a strong compounded annual growth rate in recent years. The frozen food market is expected to grow due to the growing consumer demand and also on account of many new players and brands entering the industry. These new players are



bringing in new varieties of products to fulfill the consumer demand. For instance, Vezlay Foods Pvt. Ltd is widely acknowledged for its innovation on soya and for providing nutritious and delicious vegetarian foods in a hygienic and cost-effective manner. "Vezlay Foods is involved in the manufacturing of exclusively soya-based diversified healthy food products that are rich in proteins and vitamins. The taste and texture of Vezlay products are very close to non-veg, which is the reason Vezlay is widely accepted by both vegetarian and non-vegetarian food lovers. Vezlay has a vast range of products and recipes, suitable to all demographics



and culture. Health-conscious customers and those who love experimenting with their recipes and maintain uniqueness in their kitchen love our Vezlay products. We also have vegan-friendly products for our vegan customers. Further, the company is focusing on the niche market and HoReCa industry. Vezlay food products are very user friendly and can be used for creating unique recipes. That's why these products are widely accepted by HoReCa," says Amit Bajaj of Vezlay Foods.

"The frozen food market is dominated by organized players like Mother Dairy, which stands out with a 50% market share in the vegetables segment as a result of the widespread popularity of its flagship Safal brand that has now entered the potato snacking segment with their fries and other value-added snacks. The other key brands in the market are Venky's, McCain, Yummies, Innovative Foods (Sumeru), Al Kabeer and Meatzza. The fries segment has seen value addition with Sumeru innovating in the segment with flavored spice mixes of piri-piri, chilli garlic and chicken masala and its healthy paratha range comprising turmeric/ beetroot/spinach paratha – which have become



Vezlay Foods manufactures soya-based products that are rich in proteins and vitamins. The taste and texture is close to non-veg.

— Amit Bajaj
Managing Director,
Vezlay Foods Pvt. Ltd

The Nut in Nutrition

Premium quality dry fruits



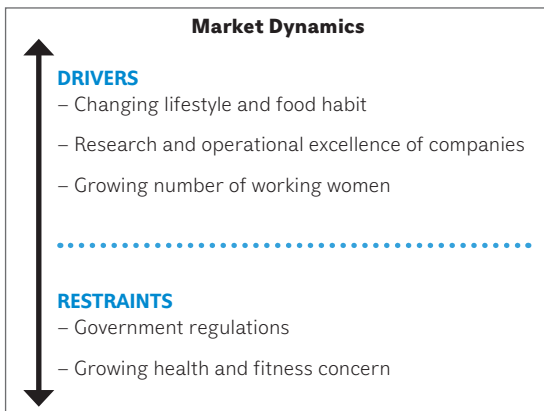
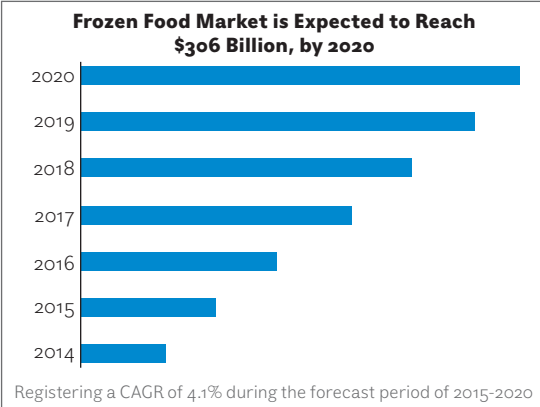


Goat meat has immense nutritional value and is a healthier and tastier form of meat as compared to other red or white meats. It is recommended by nutritionists from around the world and goat meat's recognition as a superfood has further consolidated Chevlon's leadership position in the market.

— Chandrakant K
Head-Sales & Marketing,
Chevlon Agrotech Pvt. Ltd



INDIA'S FROZEN FOOD MARKET
BY REVENUE, 2014 - 2024 (USD MILLION)
SOURCE: INDUSTRY REPORTS



popular among young consumers – apart from the conventional paratha range. Among the new brands that are innovative and aspire to change the perception of the frozen category are Chevlon with their high-protein goat meat assortment like Mumbai baida roti, mutton nuggets, mutton samosas, etc, which not only have become popular among loyal category consumers but also bring new product additions to the category,” informs SPAR’s Nair.

Chevlon is an integrated frozen food company with a range of products in the goat meat segment and two brands in the retail space. The premium ‘Chevlon’ brand is targeted at the Sec A & B segments and distributed mainly through modern retail stores. The other ‘Kuzo’ brand is for the mass market and is distributed primarily through the general trade network and mass category modern retail stores. Similarly, in the food service space, it has two categories of offerings – premium and standard – to suit customers’ requirements. “Goat meat has immense nutritional value and is a healthier and tastier form of meat as compared to other red or white meats. It is recommended by nutritionists from around the world and goat meat’s recognition as a superfood has further consolidated Chevlon’s leadership position in the market. In the West, goat meat is recognized as a healthier meat than chicken, mutton, lamb, pork, etc, and is termed as a superfood. We believe India is a market of markets and each of these markets needs product regionalization and our product strategy reflects the same. The Indian goat meat market is an INR 50,000 crore current opportunity and is growing healthily,” says **Chandrakant K, Head-Sales & Marketing, Chevlon Agrotech Private Limited.**

Chevlon soon plans to enter the Middle-Eastern and Southeast Asian markets and capitalise on the vast opportunities in these geographies for premium frozen foods, while further expanding its product line and distribution for the Indian market by targeting the top 100 cities. “With a smaller base compared to the overall market and in view of the significant demand for our products, we will grow multifold over the next few years. Chevlon is making a significant impact in the retail industry by offering various innovative products. However, currently our objective is to set up a robust distribution network across the country so that we can make our innovative products available to consumers,” discloses Chandrakant.

Apart from Chevlon which, as a leader in the frozen goat meat products segment, has been advocating the various health benefits of goat meat, players like Cambay Tiger of WestCoast Group, Empire Foods, Carnivore and Ruchi have helped bring in lots of exciting and innovative frozen food products in the

market – frozen fish/seafood, meat products, potato products, pizza, ready meals, among others. Empire Foods, a division of Empire Industries Limited, is one of the fastest growing companies in the food industry. “We have two divisions – imports and distribution and exports. We are the leading importer and exporter of quality seafood products in India. We import basa, salmon, smoked salmon, lamb, pork, duck, Chilean seabass, black cod, tuna saku, tilapia, caviar, truffle and some other rare products from all over the globe. In exports, we grow and process premium vannamei

shrimps from the eastern coast of India and sell it to the entire world. We supply products to the HoReCa segment, five star hotels, four star hotels and other leading caterers of the country. Our customer list includes top brands across India encompassing the HoReCa market, retail outlets and many more. We are the leader in the HoReCa segment for most of our products. Our consumers are not restricted to any particular age group. We import the best products that are not available in India and they are consumed by everyone,” says **Yogesh Grover, Founder & Director, Empire Foods.**

The company is focusing on growing its exports division and further strengthening its presence in the major markets, which include the USA, Canada, Europe, Japan, Australia, Vietnam and the Middle East. As far as imports are concerned, it is looking to introduce poultry products from the US besides also working to expand the distribution of local seafood available in India like tilapia, mahi mahi, and other products. It has also launched four new brands for prawns and shrimps – Mister Shrimp, Aroma of Seafood, The Blue House, and Ocean King. “The



“
Our customer list includes top brands across India encompassing the HORECA market, retail outlets and many more.

— **Yogesh Grover**
Founder & Director,
Empire Foods



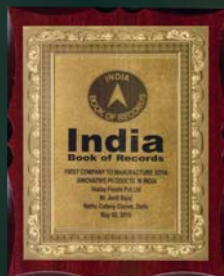
Vezlay[®]

Quality Vegetarian Foods

Enrich Your Food Experience

Soya Innovative Products

Awarded by



Vezlay Foods Pvt. Ltd.

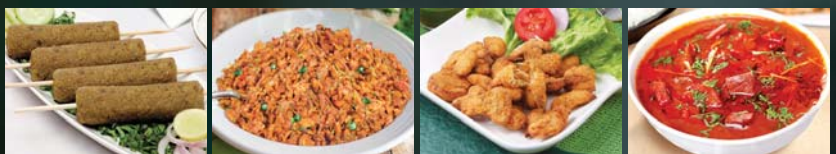
A-1/1, Nathu Colony Chowk, Shahdara, Delhi-110093

For: BUSINESS INQUIRY

7011736463 011-22810601

vezlayfoods@gmail.com www.vezlay.com

Products are available in Institutional Packs





My customers are those looking for a better quality and also those who are looking to pay less than what they would usually pay to a big brand. I am now selling 19 tonnes of meat products, most of which is kebabs, and my target is to produce 60-70 tonnes a month.

— Anil Sawhney
Proprietor, Carnivore



market size is about INR 300 crore and we have a 40 per cent share of the market. We are the market leader and there is a huge gap between us and our competitors,” reveals Grover.

One brand to have created a niche in the meat market is Carnivore with its specialization in seekh kebabs. “If you look at statistics, most seekh kebabs are sold through the unorganized meat trade and only a meager 1-2% is sold via the organized sector. In Delhi alone, we see a sale of 14-15 tonnes of seekh kebabs in the retail segment on a daily basis. About 95% of the market share is captured by the unorganized sector. My products are of premium quality and sell for Rs. 10-15 more than the price of the product in the local meat market. My customers are those looking for a better quality and also those who were looking to pay less than what they would usually pay to a big brand. I am now selling 19 tonnes of meat products most of which is kebabs and my target is to produce 60-70 tonnes a month, reveals **Anil Sawhney, Proprietor, Carnivore.**

The company has a diverse range of flavors which have been received well by customers across the country. “My kebabs come in 10 different flavors, and this worked to my advantage. Overall, I have a total of 48 products. My flavors cater to regional tastes and also to different age brackets keeping in mind their spice preferences and the need for added seasoning. Aware of the success of flavors such as lime and pudina in potato chips, I introduced these flavors in my meat products as well. I also noticed a market need for kebabs with a milder spice quotient to cater to foreign nationals and children. I also noticed how the different regions in India flavor their meat. For example, Nawabi meat is flavored with a combination of 27 herbs and meat made in Punjab is often smoked in a tandoor. I brought



in these innovations to my products,” shares Sawhney, adding that frozen products occupy only 5 per cent of the entire meat trade. “Most products are sold chilled and there is often a lack of proper temperature control systems to maintain an optimum environment for chilled products.”

Another brand with a wide array of meat and other products in the frozen segment is Frozit, a sister concern of Ruchi – a popular spice brand in Odisha – owned by Om Oil And Flour Mills Ltd. The Frozit brand produces and distributes ready-to-eat food such as Odia podapitha, chicken biryani, mutton biryani, mutton dum biryani, lachha paratha and bengan bharta, lachha paratha and dal, lachha paratha and dum aloo, lachha paratha and chana masala, lachha paratha and mughlai chicken, paneer butter masala, paneer tikka, chicken champ, chicken lollipop, chicken tikka, pasta mushroom, rajma and chawal, yellow dal tadka, malai kabab, tangdi kabab, raw banana kabab, hariyali kabab, chicken drumsticks, egg fried rice and chilli chicken, mixed fried rice, jeera rice and bengan masala, ghee rice and mutton kasa, among others.

“The company has its own state-of-art mega-kitchen. All the utensils/equipment are sanitized



FACTORS BEHIND THE INCREASING DEMAND FOR FROZEN FOOD

- Increased urbanization
- Significant rise in the number of working women that 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
- Growing practice of singles living away from home for education or work
- 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 packaged frozen foods available

New Generation POS TERMINALS From India's Leading Company



- Sleek Look
- Bezel-free PCAP Multi Touch
- Scalable Performance
- Dual LAN
- Multi Fixture Option

XT 4X15



XT 4X15 Series

14" TFT LCD Display



2D SCANNER

MSR

500 GB HDD

IN-BUILT PRINTER

HS 2414W/A

- ▶ Bezel-type & Bezel-free for easy & fast touch operations
- ▶ Projective capacitive or resistive type touch for rugged reliable operation
- ▶ Powerful Intel processor up to Core i7 3.9GHz (optional)
- ▶ Mini-PCIe expansion slot (Optional WiFi) only on XT 4X15
- ▶ Dual LAN ports on XT 4X15
- ▶ VESA mounting for flexible deployment
- ▶ Suitable for Fine Dine Restaurants, QSR / Fast Food Chain/ Hypermarket
- ▶ Largest selling i3 POS in India





“
We ensure that ingredients maintain their quality and safety at each processing stage.

— **Rashmi Sahoo**
Director, Om Oil And Flour Mills Ltd

before usage. All the vessels are of stainless steel food grade material. The kitchens have expert cooks and are managed by trained supervisors. Critical Control Points (CCPs) like cooking temperature are checked to ensure the best quality of the food. To ensure that good food quality is maintained, quality check is done by the Quality Control Lab. We have our own sophisticated quality control methods that ensure that every ingredient maintains its quality and safety through all processing stages and that the finished products are packaged and stored safely. Our lab tests include microbiological tests, chemical tests, spoilage indicators and nutritional tests to ensure the quality and safety of our foods,” says **Rashmi Sahoo, Director, Om Oil And Flour Mills Ltd.**

In the seafood domain, Cambay Tiger is a leading brand across the country. “We are among the pioneers to introduce the frozen concept in seafood. We fly in Atlantic Salmon from Norway to ensure sushi quality fresh fish. We are the only ones in the industry doing



Modified Atmospheric Packaging (MAP) for our products, which ensures freshness at the kitchen level. We are one of the only companies in the country to market fish reared in self-owned farms. Our stores have live fish tanks for customers to come and choose their fish,” informs **Shivam Gupta, Director-WestCoast Group & CEO-Cambay Tiger.**

The brand’s frozen food products are distributed across 15 cities to its channel partners and include farm raised as well as imported seafood. Recently, it launched a wide ready-to-cook range as well as new innovations such as frozen pizza and hot pockets.”

FROZEN AND CHILLED CHICKEN INNOVATION IN INDIA

FROZEN CHICKEN

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.



CHILLED CHICKEN

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.



Since 1976

The Authentic Taste of India !



Basic, Blended & Whole Spices



Pasta & Vermicelli



Bakery & Beverages



Premium Products

Our system of Food Production, Processing, Distribution and consumption are integrated to enhance the environmental, economical, social and nutritional health of a particular place.



REQUIRED DISTRIBUTION PARTNER

Om Oil & Flour Mills Ltd., popularly known by the brand name "RUCHI", is a leading manufacturer and exporter of FMCG products like Spices, Vermicelli, Pasta, Noodles, Frozen Food, Bakery and Beverages. We are present all over India having more than 200 product ranges. Interested parties having a fully functional godown, distribution facility and sound financial base may contact through phone / email :

Director
OM OIL & FLOUR MILLS LTD.,
Type-II/8, Industrial Estate,
Cuttack - 753 010, Odisha

CUSTOMER CARE No. : +91 8114374772, 9920023365, 0671-2340016

[✉ frozit@ruchifoodline.com](mailto:frozit@ruchifoodline.com)

[🌐 www.ruchifoodline.com](http://www.ruchifoodline.com), www.frozit.in



The company started its operations in 2014 and supplies its products to Cash and Carry stores, institutions, modern trade and general trade. I believe all these markets play a significant role in building a brand.

— **Avnish Kumar Jain**
Chairman cum Managing Director, Solitaire Drugs & Pharma Pvt. Ltd (Food and Beverage Division)



MM Stock / Shutterstock.com

We are present across Modern Trade, General Trade as well as direct to consumer channels. And we have been growing all channels quite rapidly. At present, our aim is to consolidate our presence in metros such as Mumbai, Delhi, Kolkata, Pune, Bengaluru, Chennai and Hyderabad. We aim to penetrate into smaller towns surrounding the metros with our frozen products as and when modern retail with infrastructure like freezers enters,” adds Gupta, while disclosing that that its frozen foods business has been growing at 35% Y-o-Y. “We are planning an aggressive 60% growth in this fiscal. The frozen foods business has been historically linked with the growth of retail stores and sometimes this is a bit limiting. So we are starting to see a lot more growth coming in from our new direct to customer model.”

Health and wellness trends in frozen

Everything is shaped by people’s eating habits, and right now we’re in the midst of an obsession with health, wellness, and clean eating. In line with this increasing health-consciousness, food companies in the frozen category too are offering simpler, healthier, and more flavorful options. The convenience of items in the frozen foods category, coupled with the introduction of more natural and organic frozen offerings, has weakened consumers’ association between “frozen” and “unhealthy.” Frozen foods can also claim some nutritional and environmental advantages over fresher fare. Frozen foods are often flash frozen after harvest or preparation, locking in nutrients that fresh foods gradually lose in the time it takes to reach a grocery store or kitchen. And concerns about preservatives and other ingredients have been lessened by the assumption that if products are natural or organic, they must be more nutritious.

Mindful of the growing concerns about health and hygiene issues, Icelings has introduced India’s first branded packaged ice created from treated water. It is made from mineral quality water that has undergone extensive multistage purification process, including micron filtration and reverse osmosis as per IS 10500:2012 standards. The product is zero bacteria and the ice tubes are untouched by human hands throughout the manufacturing process and packaged in special food grade LDPE bags. “We are the largest producer of ‘The Premium Packaged Ice’.” Our 250 tonnes per day capacity plant in Mumbai offers pure quality and hygienic ice and is certified by FSSAI, AIPIM and IPIA. The product currently sells in Mumbai, Pune, Jaipur and we are looking to expand pan-India,” says Rustom Irani, pointing out that ice made from unsafe water can have a range of toxic effects. The company is looking for a franchise partner to join them in creating an ice revolution in the country and work on a pan-India level.

“A health-conscious person knows the difference between unsafe tap water and branded bottled water. The same is true of impure ice and packaged ice made of purified water. Remember, ice is food and just as you take care to consume good quality, safe and hygienic food and water, so should you when consuming ice. As a health conscious person, make sure that the ice you mix in drinks, tea or coffee is made of pure water. As a doting parent, make doubly sure that your children are consuming safe and pure ice. Icelings’ pure ice is perfect for celebrating parties, get togethers, birthdays or even big functions,” adds Irani who feels that there exists a great opportunity to distribute premium quality packaged ice in India. “We are committed to support retailers on various online and offline media platforms for brand promotions throughout the year.



5 WAYS FOR RETAILERS TO GET CONSUMERS TO FROZEN



1 MAKE NAVIGATION EASIER It's not enough to stack freezer cases with products – no matter how attractive they may be – and hope that shoppers come down the aisle. Retailers should ensure the frozen section is easily navigable, and should keep end cap freezers stocked with a variety of teaser items as to what else is available down the aisles. If necessity is the mother of invention, there are other inventive ways to bring needed traffic and sales to the frozen section. Improved lighting and case design can help, but the big change that needs to be made is for the frozen case to be easier to shop – to make it even easier to browse, so shoppers can discover products that are new to them. Grocers can also bring frozen foods to other areas of the store, and some brands can help them do just that. It's all about creating an immersive, engaging experience, coupled with a completely Instagrammable moment.

2 OFFER A BIGGER MIX AND A DIFFERENT MIX OF PRODUCTS Frozen food companies should continue to roll out innovative products, invigorating the category. So, new product development is critical and companies need to get an idea of the upside potential of innovation. Retailers can look at some imported frozen products that are great-tasting and can also be good profit generators for the retailer. As many innovations are happening in frozen foods, manufacturers can look at introducing a new line of products in natural and organic frozen offerings, which can ramp up the choices for consumers.

3 GO WITH A THEME As grocers seek to influence sales in frozen foods, they can use resources offered by manufacturers and industry organizations for addressing the perception of fresh versus frozen foods. Many of the major manufacturers are eager to promote their frozen food products and supermarkets can take advantage of this fact by making the frozen food aisle a focal point and featuring those items that are already being promoted by the manufacturers who can offer point-of-sale materials, artwork and consumer information to help retailers build their promotions.

4 ENGAGE CONSUMERS WITH OFFERS AND MATERIALS Although special offers and point-of-sale materials aren't new, grocers can use them in strategic and creative ways to entice shoppers to take a fresh look at frozen. Compared to other departments, coupons, promotions and the requests made by others in one's household are all key triggers to entice frozen food purchases before consumers are even in the store. Conversely, product recommendations, advertising and digital influencers are less likely to have an impact in this category. Therefore, a combination of coupons and in-aisle placement/messaging could hone in on the pre- and in-store triggers that matter most to frozen food shoppers. From a merchandising perspective, grocers should improve on digital media to attract more Millennials. Consumers demand quick and easy meal solutions, and may not see how frozen foods can fit into last-minute meal planning. The solution lies in offering ideas for pairing frozen items with other foods and beverages in the store. In developing messages for offers and materials, grocers can take advantage of the tools at their disposal. One way to drive traffic to the frozen case is for retailers to use the purchase data from their loyalty programs to identify those households with a high likelihood to buy certain frozen products, and then team up with manufacturers of those products to offer very high-value coupons targeted just at those customers.

5 GIVE THEM A TASTE Sampling, too, can be taken to another level. Supermarkets could host tasting events that feature sampling across the frozen department, where shoppers can nosh on products and learn more about them. Sampling is an effective tool, especially with consumers that are not fully persuaded to buy something, even though it may be a food item they are familiar with, until they actually taste it. With a well-orchestrated demo and sampling area, a store can increase shopper knowledge, boost sales and increase traffic.



Our vision is to be the preferred first choice supplier for all our customers' requirements and our mission is to attain market leadership in our business areas by creating customer delight through value, innovation, and service.

— **Sulabh Jain**
Executive Director,
Solitaire Drugs and
Pharma Pvt. Ltd (Food
and Beverage Division)





“
We are among the pioneers to introduce the frozen concept in seafood. We fly in Atlantic Salmon from Norway to ensure sushi quality fresh fish. We are the only ones in the industry doing Modified Atmospheric Packaging (MAP) for our products, which ensures freshness at the kitchen level.

— **Shivam Gupta**
 Director-West Coast Group & CEO-Cambay Tiger

We have a 360 degree approach across mediums to engage consumers and will also offer various promotional and merchandizing material at the point of sale to create brand visibility and awareness.”

The better-for-you trend in frozen is also visible in a slew of gluten-free and free-from claims, which are delivering sizeable shares in frozen foods. Many new gluten-free and free-from products have been added to grocers’ cases in recent years – from gluten-free frozen appetizers and sandwiches to new gluten-free pizzas, among many others. “Vezlay food products are widely used by the health care industry and our products are popular among diet cafes and gym-going youngsters. Vezlay Foods is the first Indian company to introduce innovative food products such as gluten-free pure soya noodle, celli and soya veget. We have launched soya celli and veg meat in the non-frozen segment. In the frozen segment, we have introduced marinated soya tikkas in different flavors. Our brand packaging is being appreciated by our clients and customers. To give our products a unique touch, we follow the international standards and parameters for packaging too,” says **Laxman Dass Bajaj, Director, Vezlay Foods.**

Some frozen food brands are helping grocers connect to their vegan or plant-eating consumers with innovative entrées and sides. For instance, Solitaire Drugs and Pharma Pvt. Ltd (Food and Beverage Division) has introduced new innovative products based on market study and demand. “We have introduced frozen manchurian balls, frozen broccoli, frozen onion rings, frozen veg momos, frozen veg seekh kebab, frozen veg mini samosa, frozen falafel and some other new products. We believe that packaging plays an important part in selling and it should be attractive and provide safety to the product. We have gone in for a three-layer packaging for our products comprising tray pack with top sealing, printed duplex sleeves and shrink wrap,” says Avnish Kumar Jain. On its part, to ensure product quality in the cold chain, Chevron, too, has taken to triple packing and vacuum method for its frozen products.

Carnivore, which sources its meat products from the industrial markets in Rai and Ghazipur, uses international quality instruments for running a more efficient temperature control system for its products. “After importing raw meat, we use a hygienic double wash treatment method to clean it. The first wash is done using a chemical solution of chlorine and the second wash is done using the water from our RO



plant. Our company uses chemicals that are approved and recognized by an international standard. We maintain hygiene standards along every step of the production process and use methods that are approved for meat processing,” says Anil Sawhney who is looking to start a franchise down south. “About 40-45% of my produce sells in the retail sector whereas the rest is sold via a distributor network. As most of meat trade that happens in south India is via modern trade, I am also looking to set up a franchise for the region.”

Various studies in recent years have proved that the nutritional value of many frozen fruits and vegetables is generally equal to that of corresponding fresh items. Additionally, the amounts of vitamin A, vitamin C and folates in some frozen fruits and vegetables were discovered to be higher than those of fresh stored produce. “The growing acceptance of western food and the need for on-the-move freshly-cooked food are the key levers for creating a demand for this convenience category in Indian homes. The increasing penetration of frozen category, from the deep-freeze displays at retail shops to home refrigerators, is also an outcome of the proactive initiatives taken by brands to give a product tasting experience to ensure awareness about the product, and the usage of their products, which highly influences the consumer purchase decision,” says Nair of SPAR Hypermarkets.

According to Chandrakant of Chevron, “The customer adoption of frozen products has begun its journey from the Sec A&B, category towards multiple categories and is already the norm in a few categories like French fries. etc (you don’t buy fresh French fries now). There is also a growing shift toward global brands





CONSOLIDATE YOUR WAREHOUSES

Call The Logistics Experts

Lead The GST Revolution

GST gives you the opportunity to consolidate your warehouses, and set up a centralised distribution network. Now you can significantly reduce your warehousing and inventory costs by operating one central warehouse. Now is the time to call Safexpress, the Logistics Experts. Safexpress has India's largest Logistics network, covering **all 22122 Pincodes** of India.



Call: 1800 113 113

info@safexpress.com

www.safexpress.com

Distribution Redefined



“
We make authentic quality products at an affordable price besides also supplying to the markets in the European Union and North America. With our base in Leicester, UK, investing in India seems to have happened at the right time for my food exporting company.

— Nainesh Patel
Owner, Farsan Foods

(due to the look and feel factor) across a majority of categories. However, when it comes to fresh and local delicacies, local brands enjoy a strong preference over global brands. Strictly speaking, there is no ‘perishable’ barrier impeding the growth of global brands in these categories but still local tastes play an important part in consumers’ preference for local or global brands.”

Hot promotions for cold products

There’s a plethora of new offerings in the frozen food aisle: ethnic flavors, organic, vegetarian, and unique fruit and vegetable varieties. So how do products merchandised in the frozen food section fit into customer-focused solutions, interstore connectivity and profitability? According to Nair of SPAR, “Innovation is the key to success in this category in India where every State has a diversified way of food consumption. So, brands have to be dynamic enough to regionally connect with the consumers according to their tastes and preferences and by engaging consumers through product tasting. In addition to this, brands should create awareness among consumers by educating them on usage and support retailers on infrastructure/assets as they are cost productive”.

A survey done by Nielsen reveals that promotion planning for frozen products needs to be very purposeful to ensure that promotion support is used to drive incremental volume to benefit both manufacturers as well as retailers. This aspect of frozen foods’ promotion assumes added significance given the fact that there exist big differences in shopper types and consumption patterns across different regions of India. Even within population segments like Millennials, there are differences in age, income, health and family status that dictate the need to examine more granular segments to understand shopper demand and respond accordingly with the right offering, merchandising and messaging.

“Retailers must differentiate the commodity products in frozen and co-invest in building multi-x sales rather than expecting only higher margins from commodity frozen products. Investment in display freezers, making the category attractive for more consumer walk-ins coupled with consumer engagement activities on frozen v/s fresh are some ways to unleash the potential of the category. Technology has a critical role to play at levels including the supply chain, logistics, product management and finally the front-end distribution. We have recognized this and are investing heavily in multiple cohesive systems,” avers Chevron’s Chandrakant.

“India still has a long way to go in accepting frozen foods as the norm in certain categories. We like to partner with our retailers for campaigns and activities

that increase the awareness of frozen foods. We need more shelf space allocation for frozen products and more support from retailers to educate the customers about frozen foods,” opines Shivam Gupta of Cambay Tiger. His views find ready acceptance with the manufacturers of frozen products. Most agree that there exists a wide gap in the need for educating consumers on using frozen food. Most consumers are only comfortable using frozen peas yet. But this attitude can be overcome by educating the consumer on fresh and packaged seafood and assuring them that it works in a similar way like frozen peas and tastes as great as fresh fish or any other sea food which they buy from the market. Creating awareness through education will help to change long held attitudes and lead consumers to believe in the product.

While retailers need to increase shelf space for the frozen products, it is also imperative to maintain an optimum temperature for frozen foods and to give the right information while selling or handing over the product to the first time user. Thankfully, in recent years, the shelf space for the category is certainly increasing with the education and exposure of the consumer but it needs to be pushed further. “In the frozen food category, the major problem arises when it comes to temperature control during transportation and maintaining a hygienic environment around the product. Other than that, we see a stubborn market trend wherein customers are more price-fixated. Regardless of a person’s economic class, he/she almost always chooses to buy loose meat instead of something packed and processed due to the price factor. This disregard for quality and hygiene is alarming and detrimental to the frozen food business,” observes Anil Sawhney of Carnivore.

Frozen food players agree that it is important to keep introducing new and exciting products in the market to ensure that the category stays vibrant. “Our company has an in-house R&D team tasked



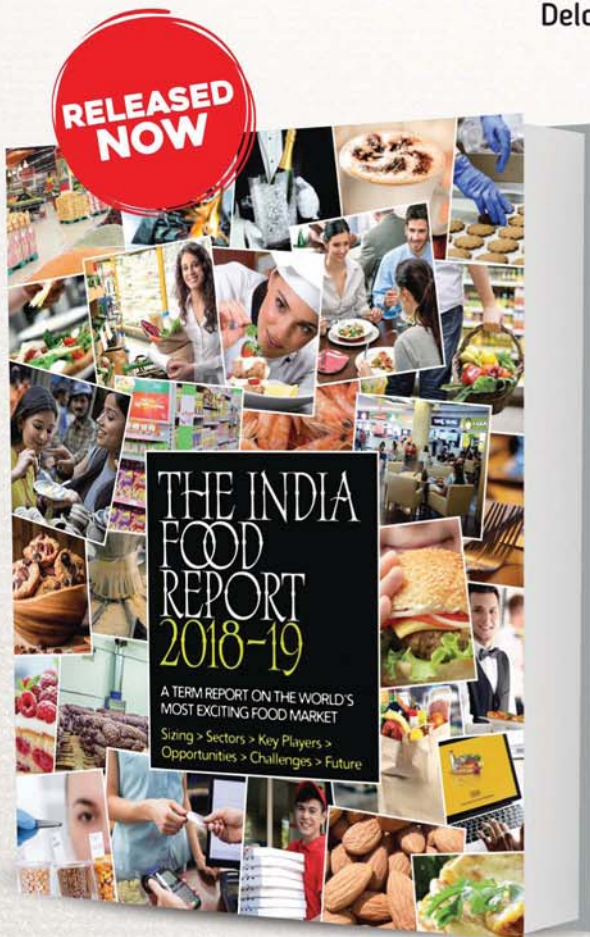
THE INDIA FOOD REPORT 2018-19

Sizing > Sectors > Key Players > Opportunities > Challenges > Future

INDIA FOOD REPORT 2018 IS THE MOST AUTHORITATIVE GUIDE TO FOOD RETAIL MARKET IN INDIA

The Report has been compiled with inputs from some of the world's most respected consulting and/or market study organizations, retail business heads, brand analysts and consumer research companies, among others. It offers extensive mapping, sizing of the food manufacturing, marketing and retailing sectors, benchmark figures on consumer spends and retail market size across key food categories and segments, opportunities for business and growth in key areas of Food Retail, along with observations by industry experts on key consumption trends, new concepts in F&G, FMCG, and F&B.

Organizations and industry experts who have contributed to the making of the Report include **Mintel, Euromonitor, Technopak, GS1, Deloitte, Wazir, Maple Capital Advisors, CBRE, FIFI**, to name a few.



PRESENTING INSIGHTFUL DATA AND ANALYSES ON FOOD RETAIL AND FMCG MARKETS IN INDIA, IN PARTICULAR:

- **Food & Grocery Sector:** market sizing, overview, trends, opportunities
- **Food Services Sector:** market sizing, overview, trends, opportunities
- **New Concepts in F&G, FMCG, and F&B:** business models for driving the way forward
- **Food Processing Sector in India:** business opportunities in processed foods
- **Food Safety:** key regulatory issues, bottlenecks and ensuring the ease of doing business
- **International Foods:** high growth segments and ways to make the market more vibrant
- **Food Retailing in India:** market dynamics and future outlook
- **Consumption Trends:** gaining higher wallet share by tapping emerging shopping habits and consumer behavior
- **'Make in India' for Food Sector:** scope of manufacturing and marketing for scaling up India's contribution to world food trade

IMAGES GROUP . IN

Order your copy by sending a cheque in favour of **Images Multimedia Pvt. Ltd.** to
S 21, Okhla Industrial Area, Phase II, New Delhi 110 020, India

For more details, please contact:

Anil Nagar, Vice President – Consumer Connect
Phone: +91 11 40525000 | Mobile: +91 9811333099
E-mail: anilnagar@imagesgroup.in

Please visit www.indiaretailing.com to order your copy online

COVER PRICE:

₹2500

for orders
within INDIA

US\$100

for orders
outside INDIA

(COST INCLUDES COURIER CHARGES)



Vezlay Foods is the first Indian company to introduce innovative food products such as gluten-free pure soya noodle, celli and soya vegget. We have launched soya celli and veg meat in the non-frozen segment. In the frozen segment, we have introduced marinated soya tikkas in different flavors.

— Laxman Dass Bajaj
Director, Vezlay Foods



with introducing new products and finding consumer demand gaps in the market. We do a lot of BTL activities and wet sampling to improve the awareness of our products and to grow the market. But when it comes to achieving a pan-India scale for our products, a significant investment is required to invest in ATL and BTL activities and to push the product further. We have kept our options open to raise the investment. We are also inviting investors or partners to grow this industry,” says Sulabh Jain of Solitaire Drugs and Pharma (Food and Beverage Division).

Considering how India is growing in terms of its purchasing power, unlimited exposure and increasing curiosity about food among people, especially the younger generations, the growth and development of the frozen foods category is not in doubt. But frozen food brands should not just focus on innovation and offering good quality products to the consumers although both play a crucial role in garnering the end user’s attention. However, innovation should not be happening in terms of product only but also figuring out new ways to reach the end consumer rather than relying on the traditional approach. “We collaborate with the retailers through our B2B plan. We have one-on-one meetings with them. Also, we participate in various events like AAHAAR and many other trade events to expand our products’ consumer base. As we are more into the HORECA segment, there is a huge possibility for improving the cold chain. I believe technology can help us reach our customers much faster through adoption of SEOs, apps, mass media targeting through e-marketing and other ways. We are using these methods, which have definitely helped us to increase our sales volume significantly,” says Yogesh Grover of Empire Foods.

“We participate enthusiastically in retailer events, often as the seafood sponsor. The on-ground festivals are many a times replicated online. Besides, we engage with customers with widespread sampling activity



and promotions in stores. Online, we constantly engage with the customers and use dialogue to better our offerings and services. Seafood is very nascent in India as compared to other food categories and understanding its nuances is going to take a lot of conversation between the customers and ourselves,” says Shivam Gupta of Cambay Tiger.

Those in the industry say they understand the challenges as they seek to bolster sales of frozen entrées, snacks, breakfasts, produce, desserts, meat, seafood and other frozen foods. In recent years, generating some heat in the frozen food section has been the goal and focus of many frozen food manufacturers, retailers and industry groups. As consumers are becoming increasingly well informed and aware of frozen products, they know what they want and companies will have to build their portfolio around their needs. While products will have to stand out on taste profiles, the companies will also have to ensure that the products suit the consumer’s modern lifestyle and food habits. On the other hand, frozen ingredients can be great time savers, because the cleaning and chopping are already done. Retailers can marry the benefits of frozen foods with those that are better for the planet. Frozen foods can also be more easily portioned and stored for later use, which reduces spoilage and food waste, further increasing its value. **PG**



SUBSCRIBE NOW!



HIGHLIGHTS OF THE NEXT THREE ISSUES

JULY 2018 SNACKS: What factors will drive the long-term growth in snacks, what kind of snacking experience are consumers looking for, and what solutions in terms of whole-ingredient nutrition, portability and miniaturization are brands and manufacturers working to offer?

AUGUST 2018 DAIRY - CHEESE, YOGURT, MAYONNAISE: We bring you a detailed lowdown on how players are crafting their strategies to ramp up their processing, distribution and logistics prowess to stay ahead in the sweepstakes.

SEPTEMBER 2018 MEATS AND SEAFOODS: are among the most important commodities in terms of value traded globally. Increasingly busy lifestyles are driving their uptake and these products will continue to enjoy strong growth.

INSIGHTS TO EMPOWER YOUR BUSINESS

INDIA'S LEADING & LARGEST READ FOOD & GROCERY RETAIL MAGAZINE

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

SPECIAL COMBO OFFER
Pay ₹3960/- and get The India Food Report 2016 worth ₹2500/- **FREE** with 3 Years Subscription

YES, I would like to subscribe for

PRINT VERSION COMBO OFFER

Name Mr. Ms. _____

Designation _____

Business Activity _____

Company _____

Delivery Address _____

City _____ Pin Code _____ State _____

Phone _____ Fax _____

E-Mail _____

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



THE INDIA FOOD REPORT 2016

The most authoritative guide to Food Market in India has been compiled with inputs from some of the world's most respected consulting and market study organisations. Experts who have contributed to the Report include Nielsen, A.T Kearney, Accenture, PWC, Technopak, IMRB, GS1, Institute for Competitiveness, IFC, Troika, PRICE, Wazir, Maple Capital Advisors, IBEF, NRAI, IMT, IIM, to name a few.

COMBO OFFER
VALID TILL 30TH JUNE

IMAGES
GROUP IN

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: P-513/B, Raja Basanta Roy Road, CIT Scheme XLVII, Near Sabyasachi Store, Kolkata 700029 Ph: +91 33 40080480/40080488

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

*Online version will give access to editorial content only.

For online subscription, please visit shop.indiaretailing.com

Healthy Chill

Desire for fresher, better-for-you options creates opportunities in refrigerated foods.

By **Randy Hofbauer**



It's well known that consumers increasingly are striving to live more healthful lifestyles, and that their purchasing behaviors are changing rapidly as a result. Take nutrition labels: Half of all U.S. adults read the Nutrition Facts label always or most of the time, according to the 2014 Health and Diet Survey from the Food and Drug Administration, published in May 2016.

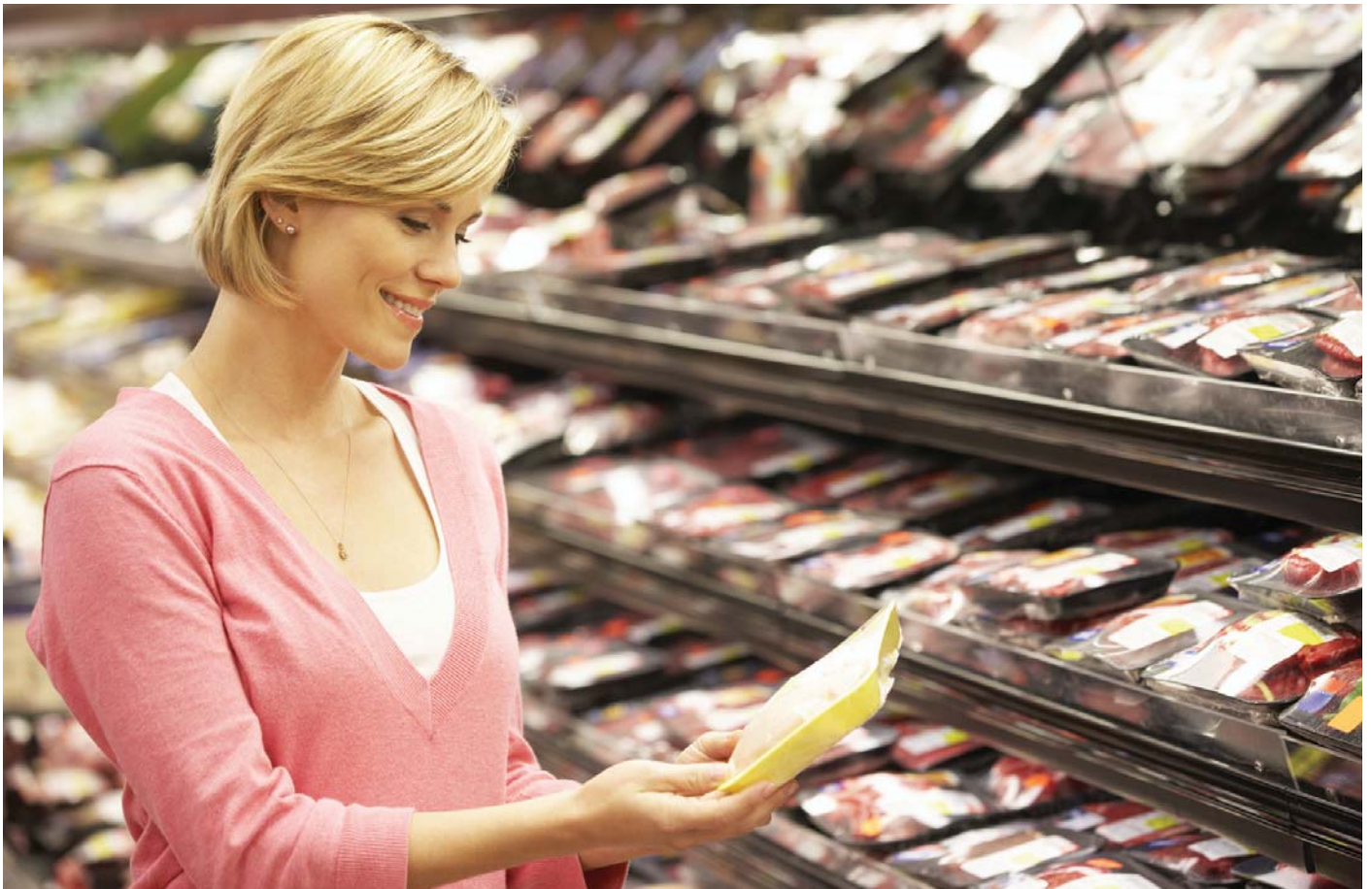
On labeling, claims such as "all natural," "GMO-free," "no artificial colors," "no artificial flavors" and "natural flavors" are ranked as "very important" to North American consumers when making food purchasing decisions, reports Schaumburg, Ill.-based market researcher Nielsen in its 2015 "Global

Health and Wellness Report." And roughly one-quarter feel the same about the term "organic."

For grocers looking to offer more products with claims like these, refrigerated foods are a prime area of opportunity, as consumers are ever more focused on fresh, and therefore, refrigerated foods, says David Sprinkle, publisher at Packaged Facts, a division of Rockville, Md.-based MarketResearch.com. So what are grocers and CPGs currently doing to provide solutions here?

Minding the Meat

A significant opportunity for better-for-you foods lies particularly in the meat case, where brands and grocers are challenged by consumer perception that



processed meats aren't healthful. Some 38 percent of U.S. consumers cite "all natural" as the most important factor when purchasing red meat — especially beef, notes Chicago-based market research firm Mintel in its November 2016 Category Insight on meat, poultry and fish.

"Consumer perception of the healthfulness of processed meats remains a key challenge for the category," Mintel says, adding that while brands have "stepped up clean-label innovation efforts, opportunities remain to increase development of products that address consumers' health concerns through streamlined formulations and clear labeling."

Several brands, such as Oscar Mayer, with its Selects Natural Applewood Smoked Ham luncheon meat, have helped ease consumers' minds by incorporating celery juice, extract or powder to replace conventional curing preservatives such as nitrites and nitrates, which some believe are potentially carcinogenic. While celery extract doesn't offer a complete solution to removing added nitrites and nitrates, it does provide the clean-label solution valued by consumers.

Artificial ingredients are particularly unnerving for Jeremy Zavoral, manager of the Hormel Natural Choice brand from Austin, Minn.-based processor Hormel Foods, as he believes consumers strongly value "real" food without the fake taste and appearance of many mainstream products.

"But that doesn't mean flavors can't be as bold as the conventionally produced enhanced products," he insists. "For example, Hormel Natural Choice deli meat launched applewood-smoked turkey, which is deli meat that has been smoked over real applewood chips — not [using] liquid smoke — to give it an authentic flavor."

What's desirable, however, among natural foods — especially refrigerated meats — is high protein content, Zavoral stresses. Consumers want products that are free from artificial preservatives while still keeping them fuller longer and

supporting healthy muscles. This has resulted in an expansion of natural meat products in grocers' refrigerated cases.

Grocers Kroger and Hormel, for example, both are working to expand selection in cleaner meats that also support satiety and muscular development. Kroger has implemented dedicated natural meat sets to bring together all of these types of products in one easy-to-shop set, regardless of product category. Meanwhile, Hormel is addressing this trend by delivering protein-packed natural products across the refrigerated case under the Hormel Natural Choice brand, including natural deli meat, pepperoni, bacon and ham.



With an eye on the success of farmers' markets, CSA programs and related trends, including home delivery of fresh milk by local dairies, supermarkets are making a point of featuring locally produced products, which, in turn, have become very sophisticated.

— David Sprinkle
Packaged Facts

Quality Counts in Dairy

With dairy, healthfulness and purity also are essential, and a number of brands are committing more to purity promises with their traditional fluid milk offerings.

For its DairyPure brand, Dallas-based dairy processor Dean Foods has developed a Five-Point Purity Promise, which ensures that milk has no artificial growth hormones, is tested for antibiotics, is continually quality tested to ensure purity, comes from cows fed a healthy diet and is cold-shipped fresh from consumers' local dairies.

"Since the brand's launch in 2015, we've focused on line extensions, including half-and-half, creams and lactose-free," says Greg Schwarz, VP of marketing at Dean Foods. "The brand's attributes align with the growing consumer trends to enjoy products that are pure, fresh and local."

"Local" is a keyword here for natural products in supermarkets — across all categories, including dairy.

"With an eye on the success of farmers' markets, CSA programs and related trends, including home delivery of fresh milk by local dairies, supermarkets are making a point of featuring locally produced products, which, in turn, have become very sophisticated," says Packaged Facts' Sprinkle.

As for eggs, the industry has seen a large number of grocers go cage-free, but one in particular has actually gone a step further. Jonathan Clinthorne, Ph.D., manager of scientific affairs and nutrition education at Lakewood, Colo.-based Natural Grocers, notes that his company sells only free-range eggs or better, as they represent the highest-quality product and most humane treatment of egg-laying hens.



Plant Power

Of course, whether it's meat or dairy, the growing health-focused trend involves consumers seeking to eat fewer animal-based products altogether. Meg Carlson, president and CEO of Prosperity Organic Foods Inc., a Boise, Idaho-based manufacturer of plant-based "butter," notes that with 38 percent of households now following "flexitarian" eating regimes, it should be no surprise that people are growing more interested in healthful fats — specifically plant-based ones — as well as plant-based alternatives to traditional animal-based products.

With dairy, healthfulness and purity also are essential, and a number of brands are committing more to purity promises with their traditional fluid milk offerings.



Dairy, for instance, is a major category for plant-based alternatives, and Denver-based WhiteWave Foods is one CPG expanding its presence here. Lauren Tankersley, WhiteWave's director of marketing research, notes that her company is launching various plant-based products such as Silk protein-enhanced nut-based milks, featuring a blend of almond and cashew milks, and containing 10 grams of soy-free, plant-based protein per serving.

On the retailer side, Natural Grocers' Clinthorne sees not just cashew and almond milks hitting shelves, but also coconut, flax and hemp varieties.

Technological advances today are even allowing for better-tasting butter alternatives. Carlson notes that Prosperity's Melt organic butter substitute,

made from a blend of beneficial fruit- and plant-based fats, not only sells in stick and spread formats, but also has the same melt and smoke points as traditional butter, making it suitable for cooking.

As for meat, animal protein alternatives continue to grow as more shoppers reduce their overall meat consumption, according to Beena Goldenberg, CEO of Cultivate Ventures, a division of the Lake Success, N.Y.-based manufacturer Hain Celestial Group that invests in smaller, innovative businesses. Specifically, its line of Yves Veggies Cuisine, now Non-GMO Project Certified, offers veg alternatives to everything from breakfast meats and lunchmeats to taco filling and hot dogs.

Similarly, 301 Inc, the new business development and venturing unit of Golden Valley, Minn.-based processor General Mills, recently launched its first refrigerated meat alternative through The Beyond Burger, a plant-based burger that looks, cooks and tastes like fresh ground beef. Austin, Texas-based natural grocer Whole Foods Market partnered with Beyond Meat to be the burger's exclusive seller between its fall 2016 debut and the end of that year,



stocking the product in both the meat department and in the dairy/alternative food section to appeal to both carnivores and non-meat-eaters.

Prosperity's Carlson anticipates that an increasing interest in ethically, sustainably sourced and minimally processed foods and beverages that deliver multiple nutritional benefits will continue, encouraging manufacturers to continue innovation in plant-based alternatives to animal-based foods. But in the end, she stresses, it's up to retailers to give these emerging products the attention and time needed for success in their respective categories. **PG**



For more about better-for-you refrigerated foods, visit progressivegrocer.com/bfyrefrig.

IDEAS, CONCEPTS & STRATEGIES
CUSTOMISED FOR INDIA'S
BOOMING CONSUMER INDUSTRY

www.indiafoodforum.com

BLOCK YOUR DATES

for the 12th addition of



5th-6th FEBRUARY 2019

Renaissance Hotel, Mumbai

CONCURRENT SHOWS



Organised By



Association & Partnerships

Lokesh Arora: +91-9999033612 | lokesharora@imagesgroup.in

Delhi:

Ridhi Sood: +91-8447880949
ridhisood@imagesgroup.in

Mumbai:

Savita Vasandi: +91-9833145494
savitavasandi@imagesgroup.in

For Delegate Registration:

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

Kolkata:

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

Bengaluru:

Ekta Roy: +91-9811635408
ektaroy@imagesgroup.in

For Privilege Membership:

Anil Nagar: +91-9811333099
anilnagar@imagesgroup.in



How safe is mineral water from chemical impurities?

There are two types of water that is bottled – one is packaged drinking water and the other is packaged natural mineral water. The difference between the two is that they come from different sources and both types have different purification standards.

By **Dr Saurabh Arora**

Did you know that the ‘packaged mineral water’ that you buy on railway platforms, in restaurants or from roadside vendors may not actually be mineral water? It could be just plain packaged drinking water! Most people think that all bottled water is the same but there is a difference. There are two types of water that is bottled – one is packaged drinking water and the other is packaged natural mineral water. The difference between the two is that they come from different sources and both types have different standards for purification of water.

The source of mineral water is natural and therefore it can actually be labelled “Natural Mineral Water.” A natural source means that the water has been obtained directly from natural sources like lakes, rivers, drilled from the underground water-bearing strata, or spring water that is free from pollutants. Mineral salts and trace elements are the same as present at the source. It is not treated chemically and is packaged hygienically, close to the source of water. The mineral content in this type of water is not disturbed and the water is permitted to

go through mechanical filtration only, which does not change the composition of the source water. Natural mineral water is free from contaminants and poses no danger and since it is packaged close to the source. It is also, therefore, more expensive than packaged drinking water.

Packaged drinking water, on the other hand, is obtained from potable water in taps, ground water sources like bore-wells, and public drinking water systems such as municipality supply. It can be demineralised and disinfected so it is safe to drink and it could also contain minerals that have been added artificially. Packaged drinking water could be treated with processes like decantation or various types of permitted filtration. The testing for this type of water is more detailed as besides impurities it is tested for contaminants including pesticide residues, heavy metals, etc., that are often present in ground water.

Why is there a need for purification of drinking water and water testing? In a tropical country like India, the minimum water requirement for an average adult human who weighs around 64 kg is approximately 6 litres per day (WHO, 2004). This equates to over 153,000 litres of water consumed



in a lifetime (70 years) for an average adult! You can imagine that if these 153,000 litres contain even a minute amount of contaminants like pesticide residues, heavy metals or toxic anions, they can accumulate in the body and cause very serious diseases in the long-term, including cancer. Besides having the potential to cause chronic diseases, contamination of drinking water with pathogenic microorganisms can cause a number of short term waterborne diseases. Therefore, regular drinking water purification and testing can go a long way to improve the quality of life and save both direct and indirect health costs.

What to test for in drinking water?

Nowadays, packaged drinking water is purified by reverse osmosis (RO) coupled with UV irradiation to meet the prescribed standards and is bottled prior to distribution. It is also disinfected to a level that will not lead to harmful contamination in the drinking water. However, in the case of packaged natural mineral water, the sourced water is not subjected to processes like RO, demineralization or disinfection before packaging (BIS Manual for Packaged Water, Third Issue March, 2013).

The general chemical parameters that are tested include ammoniacal nitrogen, anionic surface active agents, total hardness, alkalinity, residual free chlorine and chloramines, various metallic and non-metallic ions, total solids and mineral oil. The water is also tested for toxic substances such as pesticide residues, polychlorinated biphenyls and poly-aromatic hydrocarbons. Toxic heavy metals like Lead, Arsenic, Cadmium, Chromium, Mercury, Selenium, etc. are also tested for by methods such as Atomic Absorption Spectroscopy (AAS) and Inductively Coupled Plasma Mass Spectrometry (ICP-MS).

What do regulatory authorities say?

It should be noted that the Food Business Operators (FBOs) need to obtain prior certification from the

Bureau of Indian Standards (BIS) before applying for a FSSAI licence. The BIS has in total 21 major policy guidelines on certification of packaged drinking water and packaged natural mineral water, issued from June, 2004 onwards, the link for which is given: BIS WATER. Importantly, the packaged drinking water needs to conform to guidelines issued by both the FSSAI and BIS. Moreover, the water testing report must be obtained from a FSSAI notified and NABL accredited laboratory.

The specifications for packaged natural mineral water and packaged drinking water (other than natural mineral water) are given below:

- Packaged Natural Mineral Water – As per Food Safety & Standard Regulations, 2011 and IS 13428: 2005 (Reaffirmed – 2009) requirements.
- Packaged Drinking Water (other than Natural Mineral Water) – As per Food Safety & Standard Regulations, 2011 and IS 14543: 2004 (Reaffirmed 2009) requirements.

Natural mineral water is free from contaminants and poses no danger and since it is packaged close to the source. It is, therefore, more expensive than packaged drinking water.



Furthermore, all FBOs should include the Pesticide Residue Report of water while applying for a licence.

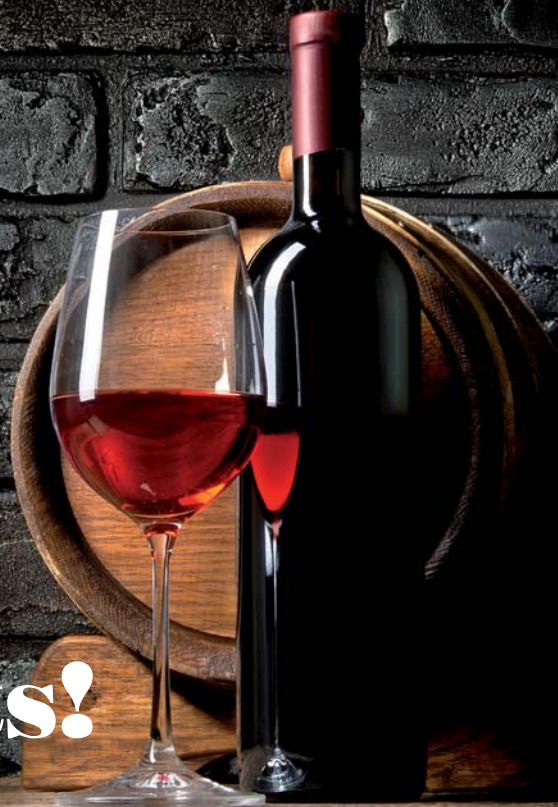
Conclusion

From the foregoing discussion, it is evident that when a safe water supply system is not available, packaged natural mineral water is safer and healthier to consume even though it is more expensive. Packaged drinking water has flooded the Indian market in recent years and all of it might not be safe. Remember that bottled drinking water without BIS certification is not safe to drink. Moreover, if you are in doubt about the water quality, it is advisable to get a sample tested from a FSSAI notified/NABL accredited laboratory in order to put your fears to rest. **PG**




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

Sparkling WINE calls the shots!



Growing consumer inclination towards global brands and beverages with less alcohol content has turned out to be a great proposition for existing wine players and new entrants to play with innovative flavours and introduce finer qualities of wine in the country.

In a conversation with *Progressive Grocer* India, **Domenico Scimone, General Manager at Carpenè Malvolti S.p.a.**, shares his views on how new trends and consumption patterns are shaping the growth of sparkling wines.

What are your views about the global wine industry? What is fueling the growth of wines globally?

At the moment, the wine market is more or less stable everywhere, globally. There is only one category that has continued to grow in the last three years and that is sparkling wine – thanks to their superior quality. In fact, the sparkling wine category is just eight per cent of the total wine production of the world.

The sparkling wine category includes champagne, white wine, cava, etc. The market for champagne is much more stable in terms of volume in the last three years. The second is the cava category, which is moving at a normal pace of five per cent. Today, the consumption of sparkling wine is not limited to occasions like 'Thanksgiving'. Rather, developed taste preferences have made it a usual drink.

How is the Indian wine industry doing? What are your plans for the Indian market?

We entered the country seven years ago with Aspri Spirits as our distribution partners. I believe India is a potential country in all aspects to produce and also to understand consumption trends. However, at the moment, our winery is not planning to invest in the country; rather we are planning to strengthen our brand presence in the country.

Currently, we are present in around 65 countries across the globe. In Asian countries like India, our goal is to improve our distribution and positioning. The most important part of our plan is to position our Prosecco superior wine in India, which is our finest sparkling wine and we want to build a strong brand image and demand for it. Secondly, we would like to add new variants such as grappa and brandy to our distribution channel in India.

Which consumer segments are you targeting? How do you see the consumption patterns changing?

We are first looking to establish our Carpenè Malvolti brand in India, which is a leading brand in the Prosecco category. Managed by the Carpenè



family, the brand has a legacy of 145 years and is a leader in fine Prosecco wine.

Talking about the consumer segment, our sparkling wine is driven by millennials, female consumers and people who are keen to try something new. In fact, the ideal consumer of our product is within the age group of 25-45 years, even though there is no specific age for consuming Prosecco.

There has been an evident shift in the preferences and consumption patterns of the new generation wine lovers. Globally, people prefer slightly bitter wines as compared to the old sweet preference in countries like India, Japan, Hong-Kong, etc. I think the new generation has developed a less sugary taste. However, women still prefer a more sugary taste in both sparkling and Steele wine.



What will be your strategy to compete in the Indian market?

At the moment, we are planning to improve our distribution and reach in the country. With respect to the other players in the wine market, we are a small enterprise; yet one of the major players in Prosecco superior category. So, we are very confident that with the support of our distribution partner we can attain the position as global players. Our strategy is to position it at premium price, as we ensure that we improve more and more in terms of quality and visibility in the premium segment. This is why we produce Prosecco superior with high quality grapes. I don't see any competition for us in the Indian market.

How do you plan to grow your brand?

At Carpenè Malvolti, we produce three different varieties: prosecco superior, brandy and grappa. Usually we promote our products by spreading awareness about our wines and this creates a brand recognition among consumers. I believe our brand, in many countries, is synonymous with sparkling wine and meets the requirements of wine connoisseurs. In some countries

the demand is more for grappa and brandy and in some countries the demand is more for prosecco superior.

We have a fair number of press offices in various countries like Canada, the USA, to reach out to the right consumers and meeting these goals aren't very simple. We have worked in the past and continue with our endeavours to spread brand awareness around the world and strategize our actions depending on the region.

Which are the most revenue generating countries in terms of sales? Where do you see your brand in the years to come?

Currently, we are present in 65 countries and in all five continents. We are a small enterprise but the brand awareness is strong. In terms of revenue generation, about 45 per cent of the companies total turnover comes from Italy and France.

In terms of our export market, we are in a very good position in countries like Switzerland, which tops the list followed by the US, Canada, Australia, South America, Australia, and Asia. However, we need to improve our position in the Indian wine market. Over the next 10 years, we see India as a potential market for our sales and brand awareness.

How do you see the regulations in India?

In India, there is a complex situation but we thank our distribution partners. In the three major cities – Delhi, Mumbai and Bangalore – the pricing of our brand is somewhere around Rs. 2000 - Rs. 2500. In fact, most premium brands would prefer these cities to introduce the product and gain maximum market share. About 65 per cent of premium wine and spirit consumption happens in these cities. The taxes and regulations do not impact our pricing.

In your opinion which are the trends shaping the future of sparkling wines?

In the last ten years, the international wine industry has been dominated by Steele wine, especially in regions like South Africa, Chile and Australia. But in the last five years, the new trend is for sparkling wine. The new generation is thought to consume more sparkling wines even if the growth of this category is just eight per cent of the total wine production.

Our focus over the next few years will be on Asian countries like India, China and Japan. I think there is ample opportunity for us to explore these markets. In fact, in the last ten years, I have observed a new trend in Asian countries in terms of brand recognition for Italian and French wines. The awareness in the Asian region has significantly grown and so has consumption, which is indeed interesting for wine producers. **PG**



“

Our focus over the next few years will be on Asian countries like India, China and Japan. I think there is ample opportunity for us to explore.

— Domenico Scimone
GM, Carpenè Malvolti





How to make your Mystery Shopping effective



Mystery Shopping can be a significant investment for brands to deliver on customer experience and to track whether brand-specific protocols are really being followed in their outlets and customer touch points.

By **Bhairavi Sagar**

Brands, especially those in customer facing businesses like Retail, F&B, and Services, have training and development programs designed to deliver on their customer experience promise. Depending on the industry and audience demographics, we have known these training programs to answer specific customer scenarios and use cases. It is an excellent starting point for the front line staff to consistently deliver satisfactory customer experiences. The question that remains – how can brands track whether these brand-specific protocols are really being

followed in their outlets and customer touch points or not? This is where Mystery Shopping comes into play.

For several brands, especially the bootstrapped service app start-ups, and even large brands with hundreds of touch points and outlets, Mystery Shopping can be a significant investment. So how can brands make the most of their Mystery Shopping Program?

Program design

It is critical that the Mystery Shopping program is designed to deliver from the word go. One

significant component of this is the questionnaire. Over the years, our experience shows that questionnaires must be crisp and objective and leave little room for personal biases and preferences of field resources. While training field resources on objective evaluations is essential, it is also very important to design a questionnaire that ensures objective responses and data that your brand and customer experience teams can act on immediately.

Accurate demographics of field resources

Your Mystery Shopping agency must employ field resources that come as close to the brand’s audience demographics as possible, in order to ensure relevant feedback. In the course of the program, if you introduce a promotion or service experience that caters to a specific demographic, such as online or app-enabled return pick-ups for urban smartphone users, and want the service to be measured, it is critical that you inform your Mystery Shopping agency about the specific target audience of the service.



positive and negative experiences. Before you kick-start a Mystery Shopping program, ensure that you work with your agency partner and relevant internal teams to develop a strong process in terms of who sees and measures the data and how you intend for the results to impact your service experience in the long run.

Combine Mystery Shopping results with other measurement tools

In order to get the complete picture of your service experience, it is important to combine Mystery Shopping data with other sources of customer feedback such as customer satisfaction surveys, phone interviews, SMS feedback, etc. This helps identify the patterns of positives and negatives from a wider sample set – from field resources to experiences of real customers. A good Mystery Shopping report will identify and show how well your outlet or brand in general is doing on operational parameters such as response time, keenness to assist, etc., while customer



It is important that your brand looks at Mystery Shopping reports as a development tool for both short-term corrective action as well as long-term training. It can be an excellent tool to coach the customer facing staff or share best practices, and positive and negative experiences.

Keep an eye on the outcomes constantly

Mystery Shopping results cannot be reviewed only periodically. They bring real time customer experiences to the forefront and if something is not going right as far as your brand standards are concerned, it is essential that you take corrective action immediately before too many real customers come face to face with the issue. This is why it is important for your Mystery Shopping agency to be using the right technology platform or software because that allows brands real time access to data about their service experience and performance.


Develop an action plan

It is important that your brand looks at Mystery Shopping reports as a development tool for both short-term corrective action as well as long-term training. It can be an excellent tool to coach the customer facing staff or share best practices, and

satisfaction data gives you an in-depth view of what your customers really want. Combining the two ensures you not only deliver to the best of your ability but also constantly have an eye on the pulse of your consumers. This shapes stronger, more relevant, and targeted customer experience programs in the long run.

Mystery Shopping is an excellent tool to gain insights into how well your brand’s customer and service experience is running operationally. However, its real impact is in its implementation. The stronger the implementation plan, the more effective your Mystery Shopping investment will be. **PG**



 **The writer is Director, Onion Insights, a global Customer Experience Measurement (CEM) company.**

Alive and Kicking

Center store isn't dead — but it does need a creative boost.

By Randy Hofbauer

Many have claimed center store to be “dead” or “dying.” But grocers need not fret: Such news appears to be, for the most part, a lot of doom and gloom. Although the perimeter of many retail stores is starting to account for larger sales, center store is still contributing to overall growth, Schaumburg, Ill.-based research firm Nielsen notes. Looking at the 52 weeks ending Aug. 22, 2015, center store accounted for \$709.4 billion in sales across the United States, up \$56.7 billion from 2011.

“In fact, center store sales have benefited from many of the same trends driving growth in the perimeter,” says Jordan Rost, VP of consumer insights at Nielsen. For instance, while bread sales have been flat over the past four years, those of tortilla wraps have grown at nearly 8 percent. Vinegars and liquid coffee and tea also have experienced rising sales.

The bad news, however, is that Millennials, an incredibly large generation that’s gaining spending power, aren’t making center store purchases as much in the supermarket channel as they are elsewhere, such as mass merchandisers or dollar stores, says John Owen, senior food and drink analyst with Chicago-

based market research firm Mintel. This could spell trouble for many traditional grocers, which now need to come up with new ways to attract this increasingly valuable demographic to center store.

So, in time for 2017, here are five things grocers can consider doing to “spruce up” center store:

I Deliver solutions, not just products:

Since consumers today have experienced the ease of online curation, they now often seek more solution- and occasion-based shopping offline, too. New ways of rethinking center store include organizing around themes such as breakfast, school lunches and entertaining, as well as secondary placement in the faster-growing perimeter departments to create comprehensive solutions, says Jim Holbrook, CEO of Stamford, Conn.-based branding firm Daymon.

“Loblaws in Canada created a President’s Choice Insider Collection destination, with products curated by theme: Dine, Brunch, Mingle and Gift,” he explains. “Similarly, in its new Market 32 format, Price Chopper is reconstructing center store around meal solutions, moving cooking staples — e.g., oil, spices, pasta — from in-aisle to their own merchandising units alongside fresh.”

“

I think there’s a lot of opportunities to grow the center store in the traditional sense. It just may not necessarily mean that all that growth will come in a bricks-and-mortar environment.

— Pat Walsh
FMI



Adds Steve Abdo, SVP of marketing firm Catapult Integrated Services, in Westport, Conn.: “At Kroger, there was communication in dairy with offers for cereal and milk, coffee and creamer, crackers and dip. In each case, [it’s] tying a center store brand to a dairy department brand in a simple, relevant way that incents shoppers to purchase cross-category.”

Center store is an area where Millennials are more likely to say they would buy items on impulse, Mintel’s Owen adds. So when suggesting cross-category purchases, grocers may be able to suggest more center store products than they would items in other departments. Sampling, too, helps here to pick up incremental sales, as Millennials show a desire for trying before buying in this section.

And given that meal solutions are all about convenience, adding other forms of convenience also can help drive sales. Michael Tyson, CMO with Highland, Ind.-based grocer Strack & Van Til, notes that in the new year, his team is adding not just meal solutions, but also click-and-collect and home delivery options.



2 Add click-and-collect or home delivery options

As the months go by, it becomes increasingly hard to picture a world of grocery retail, especially in larger metropolitan areas, where a time-starved consumer doesn’t have the option to order groceries via smartphone and have them delivered or available for pickup nearby. In fact, 34 percent of CPG retailers today offer either click-and-collect or home delivery (direct or third-party), according to the 2016 “Trends & Research Report” from Retail Leader, a Progressive Grocer sister publication. And among the 66 percent of retailers not offering such services, more than six in 10 reported, to some degree, the likelihood that they would offer such services within the next two years.

While such services provide a number of competitive benefits to grocers, one in particular can be a boon to center store: continuous automated

replenishment, a new type of shopping trip observed by Pat Walsh, VP of supply chain and business development with Arlington, Va.-based Food Marketing Institute (FMI). Center store is home to a lot of frequently purchased staples, and being able to simply set up auto-replenishment for anything from coffee and cereal to paper towel and toothpaste not only takes items off shoppers’ grocery lists, but also creates loyalty and regular sales for grocers.

“I think there’s a lot of opportunities to grow the center store in the traditional sense,” he explains. “It just may not necessarily mean that all that growth will come in a bricks-and-mortar environment.”

3 Draw them into the aisle, then wow them

The entrance to an aisle should offer an enticing taste of what’s inside. For instance, Bashas’ has been adding upgraded, designer end-cap fixtures that create a boutique look at the entrance of center store aisles, encouraging customers to enter and further explore what each aisle has to offer, according to Ashley Shick, director of communications and public affairs for the Chandler, Ariz.-based grocer.

“We are also actively evaluating the center store shelf tags to ensure that they are making an easier, more informative, interactive and engaging shopping experience,” she notes.

A helpful resource grocers can use here is SmartLabel, a program launched last year that makes it easier to find more information about products, says Jim Flannery, executive SVP, operations and industry collaboration with the Grocery Manufacturers Association, in Washington, D.C. Via the scan of a barcode, shoppers can get instant access to hundreds of product attributes.

With an increasing number of places to shop, it’s more critical than ever for grocers to differentiate and capture shopper attention, especially in center store aisles. Incorporating in-aisle multisensory experiences that attract and encourage product interaction extends time in center store and increases basket size.

“Outside of food, incorporating emerging technology in nonfood categories, like Whole Foods’ Whole Body interactive mirror in their health and beauty section, provides a fun and engaging way to recommend new products to shoppers, based on their ‘aura,’” Daymon’s Holbrook notes. “I’ve seen many creative ways to bring engagement into store aisles, and some are so simple, yet effective.”

Strack & Van Til’s Tyson notes the importance of converting “quick trips” into “longer, exciting trips.” Center store, by informing and romancing shoppers, can do this.

“We need to convert secondary shoppers into primary shoppers,” he says. “Knowing the customer directly by store is key to ensuring these opportunities are met.”



Shoppers are looking to fill their shopping carts with healthier items, which provides numerous opportunities for all grocery stores. Overall, integrating natural and organic sections and products to the center store is changing the look and feel of every aisle.

— Ashley Shick
Bashas’



4 Focus on healthier eating

Whether products are natural or organic, free from allergens or loaded with superfoods, consumers are flocking to items with health-and-wellness benefits faster than ever. And grocers see a “huge upside” if they’re quick to respond, Nielsen’s Rost observes.

“Shoppers are looking to fill their shopping carts with healthier items, which provides numerous opportunities for all grocery stores,” Bashas’ Shick says. “Overall, integrating natural and organic sections and products to the center store is changing the look and feel of every aisle.”

This applies even to pet food, which is gaining more space in center store, she adds. Pet owners think of themselves more as “pet parents” and want only the best for Fido or Mittens. Therefore, more healthful and natural options here are favored.

But free-from, natural and organic products don’t have to be the only ones positioned as healthful. Many traditional canned foods can be marketed as containing all of the nutrients found in their fresh counterparts, but also available year-round and conveniently packaged.

Canned fruits and vegetables, for instance, are picked and packed at the peak of freshness and are

as nutritious as — or even more nutritious than — their fresh counterparts, says Katie Toulouse, communications manager at the Pittsburgh-based Canned Food Alliance. Additionally, canned beans are a convenient source of fiber.

“Last year, we provided over 60 supermarket dietitians with toolkits to help them communicate the benefits of canned produce within their stores. This includes a What’s Inside the Can display for use in store demos or in media segments,” she notes. “It’s accompanied by an online toolkit that offers seven themes. Each theme has a recipe, talking points, a sample Tweet and a consumer-friendly educational handout to support the theme.”

5 Offer destination private brands

Consider that in 2015, 97 percent of Millennials said that they were more likely to buy store-brand products over name-brand ones, Mintel research shows. Also consider that 70 percent of Millennials who purchase store brands believe that the products are of higher quality than they used to be, and 42 percent even believe that store-brand goods are more innovative than national-brand ones. Now, in an area of the store that could use a shot of innovation, couldn’t unique, quality store-brand items have the potential to boost sales — especially among the highly valued Millennial demographic?

“In an era of brand agnosticism, retailers have tremendous opportunities to better leverage and capitalize on their private brands,” Holbrook points out. “Uniquely positioned to better address the needs of their trading area, private brands are evolving from national-brand equivalents to destination brands, aligning with the latest culinary and wellness trends.”

For instance, San Antonio-based grocer H-E-B brings hyperlocal food and flavors to private brands via its TX Street Eats product line of food-truck-style foods. And Netherlands-based Ahold Delhaize, at its U.S. banners, creates “artificial scarcity” through its “Limited Time Originals” cross-category platform, bringing together unique items across the store based on seasonal flavor profiles such as Limoncello and Honeycrisp Apple, available only for a proscribed time.

“These types of approaches to private brands,” Holbrook explains, “can help drive traffic while boosting sales — and profitability — of center store.”

Bashas’ Shick agrees: “Private label brands continue to break barriers as they move past a price-only merchandising strategy. Private label items have become more category-specific, like Topco’s Simply Done brand for nonedible products, and are attracting new customers in different ways through increased marketing and branding appeals, like Topco’s Culinary Adventures brand that targets the Trader Joe’s product image.” **PG**

CLASSY CAPS

Bashas’ has added designer end caps that create a boutique look at the entrance of center store aisles, encouraging customers to enter and explore further.



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
• Email: orika@parasspices.com • Web: www.orikaflavors.com

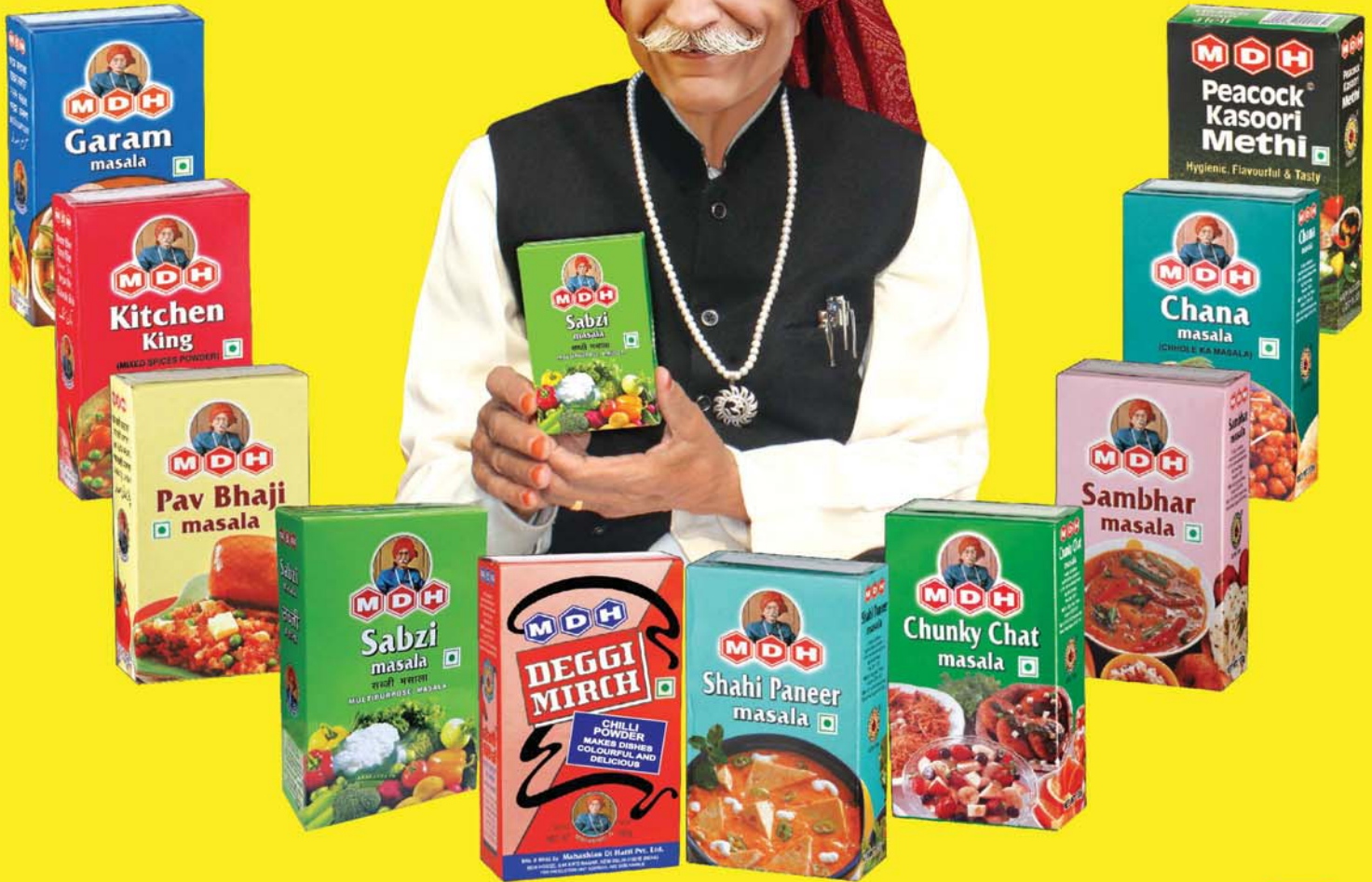


Ke Vyanjano Ka Adhaar Hai MDH Masalon Se Pyar



Masale

**Sehat Ke Rakhwale
Asli Masale Sach - Sach**



ESTD. 1919

Mahashian Di Hatti Pvt. Ltd.

9/44, Kirti Nagar, New Delhi - 110015, 011 - 41425106 - 07 - 08

E - mails : mdhcare@mdhspices.in, delhi@mdhspices.in www.mdhspices.com

